

The Gallantt logo is positioned in the top right corner of the image. It features the word "GALLANTT" in a white, sans-serif font, with a red triangle symbol integrated into the letter "A". The logo is set against a dark rectangular background.

GALLANTT

The background of the entire page is a collage of industrial images. The top half shows a large industrial facility with a massive crane and a bright, glowing furnace. The bottom half features a close-up of a large, dark, cylindrical industrial vessel with a bright flame or fire emanating from its top. The collage is divided by white diagonal lines.

# Shaping the future

How Gallantt is helping transform India's  
real estate and infrastructure industry  
through its integrated operations.

**GALLANTT ISPAT LIMITED**  
Annual Report 2022-23

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## 1-23



We at Gallantt Ispat Limited are regarded as a perfect proxy of India's infrastructure sector, and are continuing to perform consistently and beat the best through a perfect interplay of trust and strong customer relationship, flexible business model, diverse manufacturing capability, our commitment to reach new levels of performance and seeding the perfect talent.

Going forward, the contents of this annual report will explain our rationale and optimism towards how we are shaping the future of our organisation and making ourselves as a future ready.

**Chandra Prakash Agrawal**  
Chairman and Managing Director



[www.gallantt.com](http://www.gallantt.com)



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Reports and other investor information



# Corporate Information

## BOARD OF DIRECTORS

**Mr. Chandra Prakash Agrawal**  
Chairman & Managing Director

**Mr. Dinesh R. Agarwal**  
Whole Time Director

**Mr. Prashant Jalan**  
Director-Plant Operation

**Mr. Nitin Mahavir Prasad Kandoi**  
Whole-time Director  
(Appointed w.e.f. June 01, 2022)

**Mr. Jyotirindra Nath Dey**  
Non-Executive Independent Director

**Mr. Ashtbhuja Prasad Srivastava**  
Non-Executive Independent Director

**Mrs. Nishi Agrawal**  
Non-Executive Independent Director

**Mr. Udit Agarwal**  
Non-Executive Independent Director

## CHIEF EXECUTIVE OFFICER

**Mr. Mayank Agrawal**  
(Appointed w.e.f. August 10, 2022)

## CHIEF FINANCIAL OFFICER

**Mr. Sandip Kumar Agarwal**

## COMPANY SECRETARY

**Mr. Nitesh Kumar**  
(Appointed w.e.f. August 10, 2022)

## AUDITORS

**Maroti & Associates**  
Chartered Accountants

## COST AUDITORS

**U. Tiwari & Associates**  
Cost Accountants

## REGISTERED OFFICE

"GALLANTT HOUSE",  
I-7, Jangpura Extension,  
New Delhi – 110014  
Telefax: (011) 4504 8767  
Website: [www.gallantt.com](http://www.gallantt.com)

## BANKERS

State Bank of India  
HDFC Bank

## EQUITY SHARES LISTED

BSE Limited  
National Stock Exchange of India Limited

## REGISTRAR & SHARE TRANSFER AGENT

Niche Technologies Private Limited  
7th Floor, Room, No. 7A & 7B,  
3A, Auckland Rd, Elgin, Kolkata,  
West Bengal – 700017  
Tel.: (033) 2280 6616-18  
Email id: [nichetechpl@nicetechpl.com](mailto:nichetechpl@nicetechpl.com)  
Website: [www.nichetechpl.com](http://www.nichetechpl.com)

## WORKS OFFICE

### Gujarat Facility

Near Toll Gate, Village - Samakhyali,  
Taluka - Bachau, District – Kutch, Gujarat

### Gorakhpur Facility

AL-5, Sector-3, GIDA, Sahjanwa, Gorakhpur, U.P.

## AUDIT COMMITTEE

Mr. Ashtbhuja Prasad Srivastava – Chairperson  
Mr. Jyotirindra Nath Dey  
Mr. Nitin Mahavir Prasad Kandoi

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Udit Agarwal – Chairperson  
(Appointed w.e.f. June 10, 2022)  
Mrs. Nishi Agrawal  
Mr. Jyotirindra Nath Dey  
Mr. Nitin Mahavir Prasad Kandoi - Chairperson  
(Resigned w.e.f. June 10, 2022)

## NOMINATION AND REMUNERATION COMMITTEE

Mr. Jyotirindra Nath Dey - Chairperson  
Mrs. Nishi Agrawal  
Mr. Udit Agarwal  
(Appointed w.e.f. June 10, 2022)  
Mr. Nitin Mahavir Prasad Kandoi  
(Resigned w.e.f. June 10, 2022)

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Jyotirindra Nath Dey - Chairperson  
Mr. Chandra Prakash Agrawal  
Mr. Dinesh R. Agarwal

## RISK MANAGEMENT COMMITTEE

Mr. Jyotirindra Nath Dey - Chairperson  
Mr. Nitin Mahavir Prasad Kandoi  
Mrs. Nishi Agrawal

## COMMITTEE OF DIRECTORS

Mr. Chandra Prakash Agrawal - Chairperson  
Mr. Dinesh R. Agarwal  
Mr. Nitin Mahavir Prasad Kandoi





# 5 Strategic Message of this Annual Report.

India's GDP is expected to grow by 6.8% during the FY 2023-24.

India's per capita steel consumption today stands at 77.2 kg vis-a-vis of world's which remains at 233 kg.

The Government is expected to spend USD 1.4 trillion on infrastructure through 'National Infrastructure Pipeline' in the next five years.

The country is expected to be the world's third largest construction market by 2024.

The Government has laid an ambitious ₹6,322 crores investment to the steel sector through the PLI scheme which is expected to generate additional investment of ₹30,000 crores and is expected to create 25 MT of additional capacity in next 5 years.





# Shaping the future

Gallantt is transforming the country's real estate and infrastructure industry through its integrated iron & steel plant

At Gallantt, we have grown from one business to multiple in the last few years.

A number of people have questioned about our urgency towards our expansion and consolidation measures undertaken over the last few years.

'Wouldn't stability have been safer?'

We have grown our and reinvented ourselves around a culture of urgency for a simple reason.

We are engaged in the business where our robust product portfolio is transforming the nation's infrastructure and real estate sector and shape the future of the country.

The Company is leveraging the robustness of the industry to broaden its operational framework.

This broadening strategy will expand the range of products, enhance current partnerships, and fortify the integration of operations.

These initiatives are expected to enhance revenue predictability, moderate costs, and strengthen margins.



# Gallantt Ispat Limited

A growing iron and steel conglomerate.

The company has consistently invested towards process enhancement and increasing capacity throughout various market cycles.

The outcome is a robustly managed operational platform. The Company boasts one of the most competitive operational structures, alongside healthy profit margins.

Today, the Company is producing high quality and repeatedly demanded intermediate and finished iron and steel products.

The Company manages a stable relationship with employees, customers and society, with a belief that the best is yet to come.

This motivates the entire team at Gallantt for a continued efforts towards self-improvement and striving for superior performance.



## Vision



- Creating an indelible imprint for ourselves in the primary Steel business.
- Ensuring the best quality in the industry at the minimum affordable cost.
- Ensuring the sense of achievement, success and self-fulfillment for all connected with the Gallantt Group.
- Value creation for our share owners and value generation for our Nation.

## Mission



- Focus to Foster Personal growth in accordance with Group's vision
- Resource Optimization and Productivity improvement.
- Focus on Quality, Trust and Leadership.
- Sustainable development for society at large and our all stakeholders.

## Gallantt Facts



- One of the leaders in secondary iron & steel products segment.
- Incorporated during 2005.
- Founded and promoted by first generation entrepreneur Mr. Chandra Prakash Agrawal, Mr. Dinesh R. Agarwal and Mr. Nitin Mahavir Prasad Kandoi.
- 2 manufacturing units (Gorakhpur in Uttar Pradesh and Kutch in Gujarat with a combined manufacturing capacity of Sponge Iron – 9,18,000 MTPA, Pellet - 7,92,00 MTPA, MS Billets – 9,57,000 MTPA, TMT Bars – 9,50,000 MTPA and Captive Power – 129 MW.
- Engaged in the manufacturing, branding and marketing of Gallantt and Gallantt Advanced TMT Bars.
- Regulatory, quality and compliance standards.
- An ISO 9001:2008, ISO 9001:2000, Bureau of Indian Standard (ISI) and H & K (Germany) certified organisation.
- Market Capitalisation ₹1,34,273 Lakhs as on March 31, 2023.
- Products accepted and supplied to large Indian conglomerates, Real estate developers of repute and Key Government departments.
- "Gallantt" brand endorsed by leading Bollywood celebrity Mr. Ajay Devgan.
- One of the largest distribution networks across India where the products of the Company are sold through more than 3,000+ dealer network.

## From the desk of Chairman and Managing Director



**THE YEAR HAS BEEN A GREAT YEAR AS WE CREATED NEWER MILESTONES IN PRODUCTION AS WELL AS REVENUE FROM OPERATIONS. THESE ACHIEVEMENTS ARE PARTICULARLY MOMENTOUS FOR AN EXCITING FUTURE.**

**Mr. Chandra Prakash Agrawal**, Chairman and Managing Director, highlights, how the industry and the Company are moving ahead with a well-defined roadmap.

*Dear Shareowners*

### **Domestic economy, taking a new shape**

As per the recent economic survey, India had a good monsoon, and reservoir levels are higher than last year and the 10-year average. The fundamentals of the Indian economy are sound as it enters its Amrit Kaal, the 25-year journey towards its centenary as a modern, independent nation. Policies pursued carefully and consciously have ensured that the recovery post covid pandemic is robust and sustainable. India's economy in FY23 has been principally led by private consumption and capital formation. It has helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in the Employee Provident Fund. Recovery of MSMEs was evident in the amounts of Goods and Services Tax (GST) they pay, while the Emergency Credit Linked Guarantee Scheme (ECLGS) has helped ease their debt servicing concerns. The Mahatma Gandhi National Rural Employment Guarantee

Scheme (MGNREGS) has also been directly providing jobs in rural areas and indirectly creating opportunities for rural households to diversify their sources of income generation. Schemes like PM-Kisan and PM Garib Kalyan Yojana have helped in ensuring food security in the country, and their impact was also endorsed by the United Nations Development Programme (UNDP).

Gallantt Ispat Limited is attractively placed to capitalize on India's projected 7% GDP growth for 2022-23 through a combination of prudent vertical selection, in-depth knowledge, proven competence, best-in-class assets, transparent governance and spare capacity to grow.

### **Steel insight**

India, being the second largest steel producer and consumer globally, is currently experiencing a consolidation and an influx of investments from external entities in its steel sector.



This situation offers an advantageous prospect for global manufacturers to explore opportunities within the Indian steel industry. The outlook for the Indian steel industry in 2023 appears promising, considering the country's ambition of becoming a US \$5 trillion economy by 2030 (or possibly even sooner). With a production of 125.32 million tonnes (y-o-y growth of 4.2%), India currently stands as the second largest producer of crude steel worldwide, closely following China. It is expected that domestic steel demand in India is expected to be 128.9 million tonnes during 2023-24, up from 119.9 million tonnes during the previous year. In line with the expectations of the National Steel Policy 2017, the annual production of steel is anticipated to exceed 300 million tonnes by 2030-2031. By 2030-31, crude steel production is projected to reach 255 million tonnes. The growth prospects and steel industry outlook in India is favourable. Recent changes in import duties on steel, complemented by the rising demand for affordable housing, infrastructure development and construction projects, has led to a pan-India need for steel metal. Our robust manufacturing process and product pipelines is fully geared to look forward to healthy growth across the key states where our sales network is present.

### Reviewing 2022-23

We have been able to script a success story by registering a healthy growth in turnover of from ₹ 3,01,737.60 Lakhs in FY 2021-22 to ₹ 4,03,458.27 Lakhs in FY 2022-23. At a time when most manufacturers struggled to create demand for their products, our Profit before Interest, Depreciation and Taxation stood at ₹ 36,736.17 Lakhs as compared to ₹ 34,985.99 Lakhs in the previous year.

### Outlook for FY 2023-24 and beyond

While the results achieved in FY 22-23 were satisfactory, we are working towards accelerating this momentum of profitable growth and quite hopeful of achieving new milestones based on the following expectations in the near term:

- Full utilisation of our existing product mix.
- Optimisation, upgradation, commissioning of newer capacities.
- Continued focus on cost reduction.

### Upping our ante

Sustainability lies at the heart of our business strategy. We understand that building a sustainable future is the key to fostering a self-reliant India. We believe that sustainable

“

**The outlook for the Indian steel industry in 2023 appears promising, considering the country's ambition of becoming a US \$5 trillion economy by 2030 (or possibly even sooner).**



prosperity visibly shows itself in the form of inclusive growth. Therefore, our focus remains on delivering value to all stakeholders involved.

Our employees serve as the backbone of our organization, providing us with a sturdy foundation. They serve as our sources of inspiration and motivate us to continually elevate our standards. The principles of empathy and mutual support fuel our drive towards growth. In essence, our journey towards expansion imbues us with a strong sense of accomplishment and satisfaction.

I am immensely grateful to every stakeholder for their unwavering faith and trust in us. Our commitment to preserving your trust remains strong, and we pledge to persistently pursue our stated mission with ingenuity, vision, and steadfastness. In simpler terms, we will persist in leveraging our superior performance and shape the future of our Company to newer heights.

With warm regards

**Chandra Prakash Agrawal**

## Message from the Chief Executive Officer



**ELEANOR ROOSEVELT  
ONCE SAID "THE FUTURE  
BELONGS TO THOSE WHO  
BELIEVE IN THE BEAUTY OF  
THEIR DREAMS." AND THAT  
IS THE QUINTESSENTIAL  
MEANING OF PERSEVERANCE.  
PERSEVERANCE IS THE RULER  
WHEREBY ONE CAN MEASURE  
SUCCESS OR AT LEAST HOW  
MUCH SACRIFICE ONE IS  
WILLING TO MAKE IN THE  
NAME OF SUCCESS.**

*Dear Shareowners*

In this financial year, our team at Gallantt Ispat Limited has shown the impact of prioritizing operational efficiency, incorporating financial intelligence universally, and utilizing the skills of our well-versed team. Our journey over the past 19 years has been remarkable. Since our humble beginnings as a 1,68,300 MTPA finished steel producer at Kutch (Gujarat) in 2005, we have expanded as a diversified enterprise with a wide-ranging portfolio in Iron & Steel alongwith Captive Power, persistently following the guidance of our management team. We appreciate your ongoing support and look forward to what we will accomplish together in future years.

### **Year under review**

The year represented a period of unwavering commitment towards our broader vision at Gallantt Ispat. We aimed to provide a diverse range of iron and steel products, utilizing a multi-location strategy. Our steadfast determination allowed us to continue excelling at what we do best - creating top-notch products, delivering superior value to our clientele, collaborating effectively with partners, supporting and

empowering local communities. This ultimately led to our ability to deliver growth beyond industry standards and generate substantial value for you, our valued stakeholders. We dared to dream and took bold steps to convert these dreams into reality. It sparks immense pride within me to announce that we are well on our way to accomplishing our 2022-23 targets regarding market leadership. Even against a backdrop of unforeseen financial obstacles in the past year, we managed to maintain our trajectory towards the high standards we have set for ourselves. This growth serves as a testament to our accomplishments.

At Gallantt Ispat, we strongly believe in enhancing shareholder's value and strive to achieve the same through continuous evolution and upgradation of our efficiencies. During the year under review, our Company reported a Net Turnover of ₹ 4,03,458.27 Lakhs (registering a jump of 33.71%), PBIT of ₹ 26,711.61 Lakhs (registering a jump of 3.63%). Earnings Per Share (EPS) of the Company stood at ₹ 5.84 per share. Cash EPS generated during the year stood at ₹ 10 per share. Our gearing stood at a comfortable



position of 0.325.

I remain optimistic for the year ahead, despite potential challenges. I am confident in our team's ability to put in extraordinary effort to achieve growth figures beyond industry standards. This rests on the bedrock of our commitment to our mission and our relentless perseverance reflected in every step we take.

### Different positioning

At Gallantt Ispat, we are favourably placed to capitalise on various emerging realities. We have, across the last one and half decades demonstrated our ability to grow and in doing so we remained EBITDA positive since commencement of our operations in 2005; received Ind A (Stable) for Long-term Bank facilities and A1 for Short-term Bank facilities from India Rating & Research Private Limited; and thus we outperformed our industry growth for differentiated even contrarian – reasons.

- We sourced our raw materials with long-term agreements from reputed vendors as well as through the open market.
- As a part of backward integration, the newly installed 7,92,000 MTPA Pelletisation plant at our Gorakhpur facility will help us reduce our manufacturing cost in the long run.
- We have installed Wagon Tippler at our Gorakhpur facility along with Material handling System which will help us to handle the raw materials efficiently and reduce wastage.
- Our captive power plants have not only put us a tag of 'crusader of green source of power' they have also steeply reduced our production cost. This has enabled us to enhance our margins.
- The newly installed 53 MW turbine power installed at our Gorakhpur facility have reduced our power generation cost by 15%.
- The private railway siding accelerated the raw material inflow which enhanced our asset utilisation and helped us to maximise cash flow. We have also applied to buy and own wagons to manage the shortfall of rakes.
- While most steel companies focused on select products, we created a large bouquet of downstream products to tide over sectoral cyclicity. In doing so, we created the flexibility to market a wide range of products to capitalize on market dynamics and cater to the growing market needs of those products as well.
- The result was that while 100% of our revenue was generated through various finished steel products,

we successfully marketed our products to demanding domestic institutional customers like Adani Group, Essar Group, Parvnath Developers, Reliance Industries, Shapoorji Pallonji, Tata Motors, Indian Oil, NHAI, UPRNNL, etc.

### Brand leverage

Today our flagship brands – Gallantt TMT and Gallantt Advance command a leading position in the market and contributes significantly to our topline. These brands are endorsed through ATL (Print media, Television, Cinema Advertising, Radio broadcast, Social Media Post and Celebrity endorsement) and BTL (Sign boards, Bill boards, In store promotion, Bus shelter, Hoardings, Event sponsorship, Press conference, POP Materials, Dealers-Distributors Scheme, Annual meet, other events). Such integrated marketing campaigns are strategically aimed towards building a strong brand and expanding the consumer base in the targeted markets.

### Value beyond business

As a responsible business, Gallantt Ispat understands the importance of steady improvement in our Environmental, Social, and Governance (ESG) performance. Our focus lies in minimizing our environmental impact, prioritizing community welfare, and enhancing our corporate governance structure. Through our corporate citizenship programs, we contributed ₹ 310 Lakhs during the year under review. Information on these initiatives can be found in our Corporate Social Responsibility (CSR) report, which is formulated in compliance with the relevant listing laws.

Our Company possesses a firm corporate governance framework reflective of our dedication to ethical governance. Adherence to the corporate governance code and embedding its principles in our operations helps us sustain transparency and accountability. These practices assist us in fostering and preserving the trust and confidence of all our investors and other stakeholders.

### Closing notes

In the end, I extend my sincere appreciation to Team Gallantt, who have consistently demonstrated their resilience and capacity to rise above any adversity. I would also like to express my appreciation to all stakeholders – for entrusting us with the leadership position and their undeterred support.

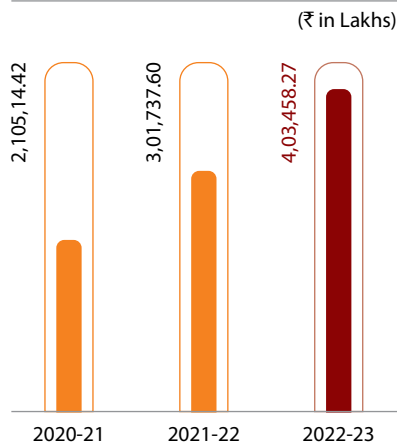
Sincerely,

**Mayank Agrawal**

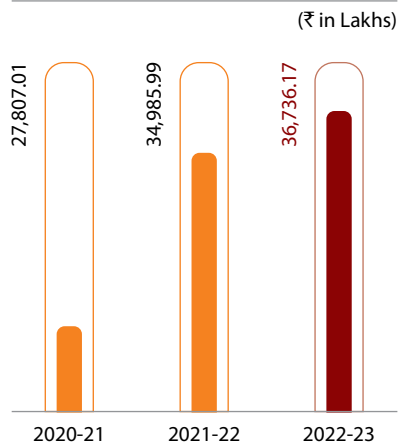
## Shaping the future through stable financials

The bigger picture of creating value for all our stakeholders drives our strategies and operations. We follow a customer-led approach to business, with a strong focus on sustaining margins and market share. As partners in the nation's progress, we contribute to the economy, as well as the economies of various regions, through our business with dealers, suppliers, through wages, salaries and taxes paid and long-term capital investments.

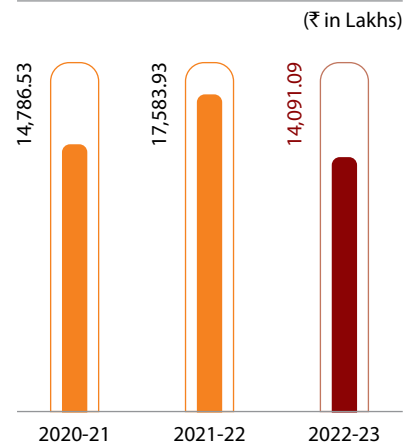
### Total Revenue



### EBITDA

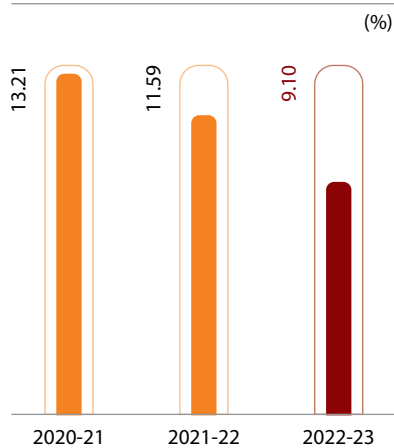


### PAT





## EBITDA Margin

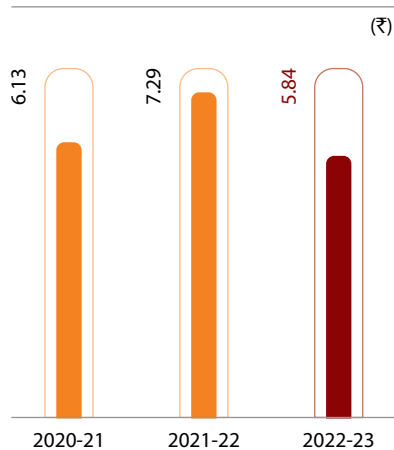


India Rating & Reserarch

**Ind A (Stable)**

for long-term  
bank facilities

## Earnings Per Share (EPS)



India Rating & Reserarch

**Ind A1**

for short-term  
bank facilities



# Shaping the future by creating a legacy

## 2005

Commencement of commercial operations at 1.68 Lakh MTPA integrated Steel Plant in Kutch District of Gujarat.

## 2006

Initial Public Offerings and listing of Gallantt Metal Limited (Now known as Gallantt Ispat Limited).

## 2009

Commencement of commercial operation at 1.67 Lakh MTPA integrated steel plant at Gorakhpur, Uttar Pradesh.

## 2010

- Initial Public Offering with an issues size of 81,00,000 equity shares of ₹ 10/- each for cash at a price of ₹ 50/- per equity share including a share premium of ₹ 40/- per equity share which was successfully listed at the NSE and BSE.
- Commencement of Private Railway siding at Gorakhpur facility.



## 2015

Amalgamation of Gallantt Udyog Limited and aquired 27.5 acres of land acquired in heart of Gorakhpur City.

## 2021

Superstar Mr. Ajay Devgan being assigned as brand ambassador of the Company.

## 2022

- Achieved one of highest expansion (from 2012-2022) to reach 9,50,400 MTPA of finished steel production.
- Commenced development of Gorakhpur Medicity with modern infrastructure.
- Installation of Modern materials movement Wagon Tippler at Gorakhpur facility.
- Combined Captive Power generation reached a milestone of 129 MW (Gorakhpur 78 MW and Kutch 51 MW).

## 2023

- Completion of backward integration by commissioning of Pellet Plant at Gorakhpur facility with a capacity of 7,92,000 MTPA.
- Initiated the process to aquire two Railway Rakes for easy movement of raw materials from Port and Mining areas to the manufacturing facilities.



## Shaping the future to achieve scalability

In the business of iron & steel manufacturing, capacity growth is the trigger that translates into a number of business strengthening realities. At Gallantt Ispat, capacity growth has been largely responsible for the progressive transformation of our corporate visibility, profitability and respect.

- Gallantt Ispat has been one of the most aggressive investors in its sector; the Company invested ₹ 75,479.62 Lakhs in modernisation, upgradation and installing cutting edge technologies in the last 3 years leading to 2022-23 (40% of its overall gross block).
- Over the years, Gallantt Ispat have remained future focused through its of rolled iron and steel products which finds its application in various downstream sectors which includes infrastructure & real estate development and various engineering industries.

- Over the years, the Company also integrated and moved ahead to a complete steel value chain by installing, Sponge Iron plant, Steel Melting Shop, Rolling Mill, Railway Siding and Captive Power Plant. In the long run this complete integration would help the Company with an added advantage in terms of timely raw material procurement at lower costs and even usage of low grade of iron ore fines through pelletisation (under implementation) route.
- The Company has its own private railway siding, under the code MGIS allotted by Indian Railway, at Industrial complex in Gorakhpur for efficient procurement of major raw material viz. Iron Ore and Coal in large bulk.
- The Company has embarked on its digital technology and IT-enabled business transformation programme to drive value creation across the enterprise. In doing



### Result:

The progressive technology investments have made it possible for Gallantt Ispat to converge volume, efficiency and quality, translating into customer loyalty, revenue predictability and rising profits.

so the Company has installed ERP software towards digitalising the plants and processes and taking steps towards building capabilities to deliver transformative solutions.

- This helped strengthen the business model, enhance revenues, reinforce margins, enrich customers and enhance the corporate brand.

#### Gorakhpur facility installed capacity

Units	Capacity
Pellet	7,92,000 MTPA
Sponge Iron	5,44,500 MTPA
Steel melt Shop	5,28,000 MTPA
Rolling Mill	5,28,000 MTPA
Power Plant	78 MW

- The Company is gradually investing in building wider and deeper relationships with organized brand-led corporate customers through the development of multi-products and multi grades.

- These value-addition, when combined with high asset utilisation, will translate into higher margins & profits thereby enhancing the entire stakeholder's value.

#### Kutch facility installed capacity

Units	Capacity
Sponge Iron	3,73,500 MTPA
Steel melt Shop	4,29,000 MTPA
Rolling Mill	4,22,400 MTPA
Power Plant	51 MW





## Shaping the future by reaching out to more customers

Consumers are continuously developing as more discerning and value conscious. This has changed TMT bars from merely a commodity with uniform characteristics across sellers into a product demanding differentiated identification and brand building.

Our customer outreach strategy is based on driving activities aggressively to create visibility and buzz for the brands in the market. Our mass marketing strategy involves chartering new geographies, with the approach to educate consumers, and supplement the efforts by installing in-shop displays and signage, used innovative strategies to strike an emotional chord with different communities of our dealers, rolled out wall paintings across key markets to grow our brand prominence, enhanced OOH and transit media usage across key markets through billboards, bus branding, tram branding, pole kiosks and cut outs, among

others.

Our diverse range of iron & steel products caters to needs of infrastructure, real estate and infrastructure industry, thereby providing superior quality at competitive prices. We are deeply committed to strengthen the "Gallantt" brand further and towards this we have ensured strict quality compliance besides developing strong work ethics. We are also taking advertising and on-ground marketing initiatives to enhance the brand's recognition and popularity among the target customers. This approach has helped us enormously to achieve our set goals. We have built strong distribution network of more than 3,000 dealers and 25 distributors across 3 states in India which are catered through our sales offices situated at Ahmedabad and Lucknow.

The Company have partnered with leading Bollywood celebrity Mr. Ajay Devgan to promote its rolled products with brand "Gallantt" and "Gallantt Advance".



**NEW LAUNCH INTRODUCING**

**GALLANTT advance**

**Fe500D TMT BARS**  
सॉलिड भी...पलेक्सिबल भी

**TRANSPARENT & UNIFORM PRICING | FIXED PRICE LIST**  
Available in sizes (mm)

8	10	12	16	20	25	32
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**WHY GALLANTT ADVANCE IS BEST?**

1. High strength
2. High ductility
3. High weldability
4. High formability
5. High corrosion resistance

**निर्माण का रियल हीरो**

9559767333

**GALLANTT ISPAT LIMITED**  
GIDA, Sahjanwa, Gorakhpur, U.P. - 232009  
E-mail: sales@gallantt.com | Website: www.gallantt.com

**GALANT**

**advance**



सॉलिड भी...फ्लेक्सिबल भी  
निर्माण का रियल हीरो



## Shaping the future by integrating with various stakeholders

A success of the business is not solely measured by its ability to generate profits, but also its ability to bring a paradigm shift into the business of its stakeholders. We recognise that corporate endurance can only be achieved through a governance-driven approach that enhances the confidence of all stakeholders and corporate respect.

### Comfort of lenders

Our strong financials are backed by impeccable credibility across our value chain as well as national and global financial institutions. In a significant reassessment and recognition of our trustworthiness, the long-term credit rating of the Company stood at Ind A Stable for long term banking facilities and Ind A1 for short term banking facilities by India Rating & Research. These standings have given us access to low cost finance as we are able to raise funds at various intervals from our lenders consortium banks which includes State Bank of India and HDFC Bank. Such healthy credit lines enabled the Company to fully exploit the low cost purchase opportunity of various inputs at competitive prices and help the company remain agile.

### Supply-chain partners

We recognise that growth does not come from how well we can grow our assets. But from how well we can grow our relationships. So the soul of our unwritten mission statement is not about the profits for the Company, but with value for the various supply-chain partners associated with the Company who work tirelessly and provide the best of services to us and thereby help us grow through leaps and bounds. Our manufacturing facilities are well connected by roadways and railway network which helps in smooth transportation of various raw materials to our side and then sale to various dealers and institutional customers.





## Customer centric

We have made a habit of achieving higher volumes and profits over the years on a consistent basis. This has only been possible due to innovative management policies to ensure the development and trust of various customers. We have always put a habit of going back to clients and appraise them of various opportunities and appetite of their business. With this we have consistently kept shifting to a higher orbit of highly valued and respected corporate domestically as well as internationally.



## Ensuring quality

Our above-industry average performance has come from the extension of this value beyond a one-off transaction into a sustainable relationship across the long-term.

This relationship is equally built on the pillars of our decades of servicing to the clients with an unwavering focus on quality. Delivery of quality products is always the top-most agenda of our organisation. Our quality control personnel examine and inspect every aspect of the production and supply-chain with stringent intermediate checks, resulting in the supply of world-class products to our customers and minimal rejects.

**Over the years our have Company have been accredited with various international certifications including:**

- ISO 9001:2008.
- ISO 9001:2000.
- Bureau of Indian Standard (ISI).
- H & K (Germany).

Over the years these initiatives have made us won several laurels and accolades. During the year we received, North India Best Employer Brand by Employer Branding Institute.

# Shaping the future through environmental, social and governance commitments

At Gallantt Ispat, our commitment as a responsible company encompasses a continual effort to enhance our ESG performance. We prioritize reducing our environmental impact, supporting the wellness of our communities and continually strengthening our corporate governance structure. Our role as corporate citizens compels us to extend our support to promoting education, social welfare for the underprivileged communities. Our robust corporate governance framework is a testament to our devotion to ethical governance practices. By adhering strictly to the corporate governance code and instilling its principles across all operations, we ensure transparency and accountability at all levels. This allows us to cultivate and preserve the trust of all our investors and stakeholders.

## Employee benefits



We believe that the key to success is to foster a culture of collaboration and co-creation amongst our widely dispersed employee base. We are building an organisation that is focused on learning and leveraging its collective experience and expertise efficiently.

## Employee safety



Our senior management has always vouched for safety and integrity as their prime focus. They strive to ensure a conducive and safe working environment and have undertaken several programmes to demonstrate "Visible Felt Leadership".

## Environment benefit



We have a comprehensive Environmental Policy in place, which guides and fortifies our efforts to reduce our environmental impact. During the course of operations, waste heat which in normal course is released into the atmosphere thereby negatively impacting the environment. However, in order to recover the waste heat, we drive it through technology to generate captive power thereby resulting in huge savings on energy costs. This is helping us to reduce our carbon footprint. We have also focused on creating green belts across our plant premises to maintain a proper ecological balance.

## Resource conservation



We are also constantly experimenting with new concepts to minimize our ecological footprint. We were looking for a sustainable solution so as to use the abundantly available iron ore fines in the country. So we installed Pelletisation plant which will help us meet our raw material requirements on one hand and huge savings in terms of cost on the other.

## Water conservation



Water is a shared resource. It is an equally critical requirement for our host communities and the natural ecosystem and biodiversity of the area. Recycling waste water, rainwater harvesting, recharging of groundwater, employing water efficient technology and maintaining zero liquid discharge is a focus area at our manufacturing site.

## Air emissions



We closely monitor the extent of any impact that our operations have on air quality and the effects and implications that this may have on employees, the communities local to our operations, and the broader environment. We are committed to using processes and technology that minimises any particulate release.



## Community well-being

Retaining the trust of our host communities is central to our ability to do business. In many instances, we are the primary economic driver where we operate. This places us in a unique position to significantly impact the lives of local communities, whether as employers and business partners or through our community development interventions.

We are committed whole-heartedly towards our CSR initiative includes focus promoting education, social welfare activities, food security to the underprivileged and environmental conservation. These initiatives are carried out through various social NGOs and Gallantt Foundation. During the year, we spent ₹ 309.42 towards various CSR initiatives in the local areas of Gorakhpur and Kutch.



## Prudent governance practices



At Gallantt Ispat, our governance philosophies are based on transparency, accountability, values and ethics and are an integral part of the management's initiative in its pursuit towards excellence, growth and value creation. Our commitment towards highest standards of ethical governance practices and disclosure practices through a core team of 8 Promoter and Independent Directors and 3 highly professional Auditors thereby ensure that the affairs of the Company are managed in the best interest of all stakeholders. We are committed to fulfilling their expectations by strengthening current operations and leveraging future opportunities and de-risking our enterprise from the cyclicity of a single product segment and delivering visibility of our income in more ways than one.

We also endeavor to be a responsible corporate citizen, contributing to the country's exchequer. This has prudently been reflected in our Balance Sheet.





## GALLANTT ISPAT LIMITED

CIN: L27109DL2005PLC350524

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

Phone No. : 011-41645392, 011-45048767, Fax No. : 011-41645392, E-mail : csgml@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 Nineteenth Annual General Meeting of GALLANTT ISPAT LIMITED (CIN: L27109DL2005PLC350524) will be held on Saturday, September 30, 2023 at 12.30 P.M. through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), to transact the following businesses:

#### ORDINARY BUSINESSES:

- 1) To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023 and the Reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Prashant Jalan (DIN: 06619739), 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) **To approve Alteration in Articles of Association of the Company and, in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, consent of the members be and is hereby accorded for insertion of a new sub-clause (4) under clause 146 of the existing Articles of Association of the Company."

The sub-clause 4 of clause 146 of the Articles of Association shall be read as follows:-

**"A member can waive/forgo the right to receive the dividend (either final and/or interim) to which he/she is entitled, on some or all the Equity Shares held by him/her in the Company as on the Record Date/Book Closure Date fixed for determining the names of members entitled for such dividend. However, the members cannot waive/forgo the right to receive the dividend (either final and/or interim) for a part of percentage of dividend on share(s).**

The instruction once given by a member intimating his waiver/forgoing of the right to

receive the dividend for any year for interim, final or both shall be irrevocable and cannot be withdrawn for that particular year for such waived/forgone right to receive the dividend. But in case, the relevant shares are sold by the same member before the Record Date/Book Closure Date fixed for the payment of such dividend, the instruction once exercised by such earlier shareholder intimating his waiving/forgoing of the right to receive dividend will be invalid for the next succeeding member(s) unless such next succeeding member(s) intimates separately in the prescribed form, about his waiving/forgoing of the right to receive the dividend for the particular year."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution and for removing any difficulties or doubts, the Board of Directors of the Company (hereinafter referred to as "The Board") be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and to settle any questions or difficulties that may arise with regard to giving effect to the above resolution and/or to carry out such modifications/directions as may be ordered by the relevant Authority."

**"RESOLVED FURTHER THAT** Mr. Chandra Prakash Agrawal (DIN: 01814318), Chairman and Managing Director, Mr. Dinesh R. Agarwal (DIN: 01017125), Whole-time Director, Mr. Nitin Mahavir Prasad Kandoi (DIN: 01979952), Whole-time Director and Mr. Nitesh Kumar, Company Secretary of the Company be and are hereby severally authorised for and on behalf of the Company to do or cause to do all such acts, matters, deeds and things and execute, sign and file all prescribed forms, returns, documents, applications and deeds with all authorities including the Registrar of Companies and to take all steps and do all things and give such directions as may be required necessary or expedient to give effect to the above resolution."

- 4) **To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2024 and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

## Notice (Contd.)

**“RESOLVED THAT** pursuant to Section 148 of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014, M/s. U. Tiwari & Associates, Cost Accountants having its Office at # G-2503, The Jewel of Noida, DASNAC Plot No. 14, Sector 75 Noida, ECO City Near Sector 50 Metro Station-NOIDA UP PIN-201301, NOIDA (Gautam Buddha Nagar)- DELHI NCR be and are hereby appointed as Cost Auditors of the Company to conduct audit of cost accounting records maintained by the Company for Steel and other Plant of the Company for the financial year

ending on 31st March, 2024 at a remuneration of Rs. 1,00,000 (Rupees One Lakh only) plus Service Tax and out-of-pocket expenses.”

**“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**

Date: August 11, 2023  
Place: New Delhi

**Nitesh Kumar**  
(Company Secretary)  
M.N. F7496

### Notes:

1. Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 14/2020, 17/2020 and 20/2020 dated April 08, 2020, April 13, 2020 and May 05, 2020, respectively, read with General Circular No. 10/2022 dated December 28, 2022 (collectively referred to as “MCA Circulars”) and SEBI has vide its Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated January 05, 2023 read with Circular No. SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively referred to as “SEBI Circulars”) and other applicable circulars permitted holding of the Annual General Meeting (“Meeting/ AGM”) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), without the physical presence of the Members, Directors, Auditors, Debenture Trustee or other eligible persons at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act, 2013”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and aforesaid MCA and SEBI Circulars, the AGM of the Company will be conducted through VC/OAVM. Members attending the AGM through VC/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 12.30 P.M. IST.
4. Pursuant to the provisions of Section 105 of the Companies Act 2013, a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of him/her and the proxy need not be a Member of the Company. Since the 19<sup>th</sup> AGM is being held pursuant to the MCA Circulars, through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, in line with the MCA Circulars, the facility for appointment of proxies by the Members will not be available for the 19<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

However, in pursuance of Section 113 of the Companies Act, 2013 and Rules framed thereunder, the corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting or 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

## Notice (Contd.)

vote, to the Scrutinizer through e-mail at af2011@rediffmail.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 Nos. 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 compliance with the aforesaid MCA Circulars and SEBI Circulars, electronic copy of the Annual Report for the financial year 2022-23 and Notice of the 19<sup>th</sup> AGM of the Company, inter alia, indicating the process and manner of e-voting will be sent only through electronic mode to all the Members whose email IDs are registered with the Company's Registrar and Share Transfer Agent/Depository Participant(s) for communication purposes, as the requirement of sending the hard copies of Annual Report and Notice of AGM has been dispensed with. Members may note that the Notice and Annual Report will also be available on the Company's website [www.gallantt.com](http://www.gallantt.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of the e-Voting service provider, National Securities Depository Limited (NSDL), viz., [www.evoting.nsdl.com](http://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), 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, 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 of voting on the date of the AGM will be provided by NSDL.
12. Members are requested to note that, in terms of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Also, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the Investor Education and Protection Fund. Therefore, Members, who have not yet encashed their dividend for the financial year ended March 31, 2018 and March 31, 2019 are requested to make their claim to the Company's RTA i.e. Niche Technologies Private Limited immediately.

Since, erstwhile Gallantt Ispat Limited has now amalgamated with Gallantt Metal Limited (now name changed to Gallantt Ispat Limited) all details of unpaid and unclaimed dividend amount and compulsory transfer of Equity Shares and Dividend amount lying unclaimed for 7 consecutive years to



## Notice (Contd.)

Investor Education and Protection Fund (IEPF) shall be maintained and looked after by the Company.

Unclaimed and unpaid dividend of erstwhile Transferor Company Gallantt Ispat Limited (L27109DL2005PLC350523) for the financial years ended March 31, 2017, 2018 and 2019 are lying with Unpaid Dividend Account of the Company. Members are requested to note that, in terms of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Also, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the Investor Education and Protection Fund. Therefore, Members, who have not yet encashed their dividend for the said financial years are requested to make their claim to the Company's RTA i.e. Niche Technologies Private Limited (Niche) immediately.

Members may further note that the final unclaimed/unpaid dividend money amounting to Rs. 1969.00 in respect of Interim Dividend declared in FY 2015-16 has already been transferred to IEPF Account on May 18, 2023 and no claim shall lie against the Company in respect of dividend and shares so transferred. However, the concerned, members may claim the same by making an application to the IEPF Authority.

13. As per Rule 5 of IEPF Rules, information containing the names, DP-Id Client-Id/Folio number and the last known addresses of the persons entitled to receive the sums lying in the account referred to in Section 125 (2) of the Act, nature of the amount, the amount to which each person is entitled, due date for transfer to IEPF, etc. is provided by the Company on its website [www.gallantt.com](http://www.gallantt.com) and on the website of the IEPF Authority. The concerned members are requested to verify the details of their unclaimed dividend, if any, from the said websites and lodge their claim with the Company's RTA, before the unclaimed dividends are transferred to the IEPF.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their DPs in case shares are held in electronic form or to Company's RTA i.e. Niche Technologies Private Limited (Niche) in case shares are held in physical form.
15. 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 RTA. Members are requested to submit the said details to their DPs in case the shares are held in electronic form and to Niche in case the shares are held in physical form.
16. 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 RTA i.e. Niche for consolidation into single folio.
17. Securities and Exchange Board of India ("SEBI") has mandated that, no share can be transferred, transmitted and transposed in physical mode. Hence, the Company has stopped accepting any fresh lodgement of transfer, transmission and transposition of shares in physical form. In view of this, Members holding shares in physical form are requested to get their shares dematerialized at the earliest. Members can contact the Company or the Company's RTA i.e. Niche for assistance in this regard.
18. The SEBI has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA i.e. Niche.
19. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests the Members who have not registered their e-mail addresses so far, to register their email addresses with their DPs in case shares are held by them in electronic form and with the Company's RTA i.e. Niche in case shares are held by them in physical form for receiving all communication including annual report, notices, circulars etc. from the Company electronically. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
20. The remote e-voting facility will be available during the following voting period: i. Commencement of

## Notice (Contd.)

remote e-voting: From 9.00 a.m. IST of Wednesday, September 27, 2023. ii. End of remote e-voting: Up to 5.00 p.m. IST of Friday, September 29, 2023.

21. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. September 23, 2023 (Saturday)** may cast their vote through remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter and the facility will be blocked forthwith.
22. All relevant documents referred to in the Explanatory Statement would be made available for inspection at the registered office of the Company on all working days between 11:00 a.m. to 1:00 p.m. except on Saturdays, Sundays and holidays, up to the date of AGM.
23. The Board of Directors has appointed Mr. Anurag Fatehpuria (M.N. 34471/ COP 12855), Practicing Company Secretary as the "Scrutinizer" for the purpose of scrutinizing the process of remote e-voting and e-voting system at 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 48 hours 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](http://www.gallantt.com)) and on the e-Voting website of NSDL ([www.evoting.nsdl.com](http://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 Report 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.

### **24. INSTRUCTION FOR MEMBERS FOR REMOTE E-VOTING AND JOINING THE AGM THROUGH VC/OAVM ARE AS UNDER:-**

The remote e-voting period begins on Wednesday, September 27, 2023 at 9:00 A.M. and ends on Friday, September 29, 2023 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. September 23, 2023, 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 September 23, 2023.

### **PROCEDURE AND INSTRUCTIONS FOR E-VOTING**

#### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

#### **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:

## Notice (Contd.)

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 hold 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 company name or e-Voting service provider i.e. 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 &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience</li> </ol> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System My Easi.</li> <li>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.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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 and also be able to directly access the systems of all e-voting service providers.</li> </ol>



## Notice (Contd.)

Type of Shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 company name or e-Voting service provider i.e. 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.

**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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

### **B) Login Method for e-Voting and joining virtual meeting 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***

## Notice (Contd.)

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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](http://www.evoting.nsdl.com).
    - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto: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.
  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.
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### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

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#### 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.
-

## Notice (Contd.)

### 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 af2011@rediffmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. September 23, 2023 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. September 23, 2023 may follow steps mentioned in the Notice of the AGM under Step 1: "Access to NSDL e-Voting system" (Above).
3. 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.
4. 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 Ms. Pallavi Mhatre, Manager 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:

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 csgml@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 csgml@gallantt.com. If you are an Individual shareholder 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.

Alternatively, shareholders/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

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.
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.



## Notice (Contd.)

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

1. Members will be provided with a facility to attend the 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/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [csgml@gallantt.com](mailto:csgml@gallantt.com) between Thursday, September 21, 2023 (9.00 a.m. IST) and Wednesday, September 27, 2023 (5.00 p.m. IST). The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. When a pre-registered speaker is invited to speak at the meeting but he / she does not

respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/camera along with good internet speed.

8. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
  9. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call 1800 1020 990 / 1800 22 44 30.
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25. Members are requested to contact the Company's Registrar & Share Transfer Agent, Niche Technologies Private Limited having office at 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](mailto:nichetechpl@nichetechpl.com); Website: [www.nichetechpl.com](http://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.: +91-11-45048767; Email: [csgml@gallantt.com](mailto:csgml@gallantt.com)).
  26. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, 2013 read with Rules issued thereunder will be made available electronically for inspection by the Members during the Meeting. All documents referred to in the Notice will also be available for electronic inspection from the date of circulation of this Notice up to the date of AGM. Also, the Notice for this 19<sup>th</sup> AGM along with requisite documents and the Annual Report for the financial year 2022-23 shall also be available on the Company's website [www.gallantt.com](http://www.gallantt.com). Members seeking to inspect such documents can send an email to [csgml@gallantt.com](mailto:csgml@gallantt.com).
  27. 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. September 23, 2023, 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.

## Notice (Contd.)

28. A person who is not a member as on the cut-off date, i.e., Saturday, September 23, 2023 should treat this Notice for information purpose only.
29. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/OAVM but shall not be entitled to cast their vote again or change it subsequently.

For **Gallantt Ispat Limited**

Date: August 11, 2023  
Place: New Delhi

**Nitesh Kumar**  
(Company Secretary)  
M.N. F7496

### Details of Directors Seeking appointment/re-appointment at the 19th Annual General Meeting

**Brief Profile of Mr. Prashant Jalan (DIN: 06619739), Whole-time Director of the Company, who is liable to retire by rotation and is seeking re-appointment in the forthcoming Annual General Meeting, 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 ("the SEBI Listing Regulations") and other applicable provisions, if any, is provided in the table below:**

<b>Name of the Director</b>	Mr. Prashant Jalan
<b>Father's Name</b>	Mr. Shyam Sunder Jalan
<b>Designation of Director and Category</b>	Whole-time Director, Executive Director
<b>Date of Birth</b>	01.07.1974
<b>Age</b>	49 Years
<b>Nationality</b>	Indian
<b>Director Identification No.</b>	06619739
<b>Date of first Appointment</b>	04.11.2020
<b>Terms and Conditions of Re-appointment</b>	As per the Agreement dated 04.11.2020
<b>Brief Profile and expertise in specific functional areas</b>	Mr. Prashant Jalan is a Bachelor of Commerce from Lucknow University having an overall experience of over 28 years including 14 years in steel industry. He has completed one year Diploma in Material & Supply Chain Management from IMT, Gaziabad in the year 2012. Mr. Prashant Jalan has expertise in installation, implementation, maintaining highest standard of quality and other factory operations. His vast experience and continuing guidance will help to contribute extensively towards the growth of the Company.
<b>Qualification</b>	B. Com (H), Diploma in Material & Supply Chain Management from IMT, Ghaziabad
<b>Directorship held in other Companies including listed companies</b>	Nil
<b>Names of listed entities from which he has resigned in the past three years</b>	Nil
<b>Chairman/Member of the Committee of the Board of Directors of the Company</b>	Nil
<b>Chairman/Member of the Committee of the Board of Directors of other companies in which he/she is a director</b>	Nil

**Notice** (Contd.)

<b>Relationships with other Directors, Manager and Key Managerial Personnel of the Company</b>	No relation
<b>Number of shares held in the Company</b>	Nil
<b>No. of Board meetings attended during the year</b>	6 out of 7 Board Meetings
<b>Remuneration drawn in financial year 2022-23 (including sitting fees, if any)</b>	₹ 11.08 Lakhs

**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 Businesses mentioned in the accompanying Notice:-

**ITEM NO. 3****To approve Alteration in Articles of Association of the Company.**

Company at present does not have any guidelines or set procedures or any condition/stipulation in the existing Articles of Association of the Company which shall enable a member to waive / forgo the dividend, whether interim or final, to be declared by the Company at any point of time in the future. The matter may be in the personal interest of the member concerned as it relates to forgoing their entitlements or rights which is a purely a personal choice. Therefore, a suitable provision is required in the existing Articles of Association of the Company. Accordingly, the Board of Directors at its meeting held on August 11, 2023 proposed to alter the Articles of Association of the Company by amending the existing Clause No. 146 of the Articles of Association by adding a new sub-clause No. 4.

The Board recommends the Resolution as set out above for approval of the members as Special Resolution.

A copy of the Memorandum & Articles of Association of the Company together with the proposed alternations as set out in the Resolution at Item No. 3 of the Notice is available for inspection by members at the Registered of the Company during business hours between 10:00 a.m. to 5:00 p.m. on all working days (except Saturdays, Sundays and Holidays) up to the date of announcement of the result of the Annual General Meeting. It is also posted on the website of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution except as members of the Company.

**ITEM NO. 4****To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2024.**

The Board of Directors at its meeting held on May 29, 2023 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, 2024, at a remuneration amounting to ₹ 1,00,000 (Rupees One Lakh 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, the Board recommends that the 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.

For **Gallantt Ispat Limited**

**Nitesh Kumar**  
(Company Secretary)  
M.N. F7496

Date: August 11, 2023  
Place: New Delhi



# DIRECTORS' REPORT

## TO THE MEMBERS

Your Directors have the pleasure in presenting the 19th Annual Report of Gallantt Ispat Limited ("the Company") along with the Audited Financial Statements for the Financial Year ended March 31, 2023.

## CORPORATE OVERVIEW

The Company was incorporated in 2005 and has

thereafter transformed to being one of the leading steel manufacturing companies in India. Gallantt Ispat Limited ("Your Company" or "The Company") is a leading Iron and Steel manufacturing Company. Factories of the Company are located at Samakhiali, Kutch District of Gujarat (hereinafter referred to as "**Gujarat Unit**") and Sahjanwa, Gorakhpur, Uttar Pradesh (hereinafter referred to as "**Gorakhpur Unit**"). The Company has its Registered Office at New Delhi.

## WORKING RESULTS

(₹ in Lakhs)

Particulars	Standalone	
Financial Results	2023	2022
Income from operation	4,03,458.27	3,01,737.60
Other Operating Income	2,539.44	5,360.80
Finance Cost	2,722.35	2,046.35
Depreciation (including amortization)	10,025.01	9,209.26
Profit Before Tax	23,988.81	23,730.38
Tax Expenses (including Deferred Tax)	9,897.72	6,146.45
Profit After Tax	14,091.09	17,583.93
<b>Profit for the Period</b>	<b>14,091.09</b>	<b>17,583.93</b>

## FINANCIAL ACCOUNTING AND ADOPTION OF IND AS

The Financial Statements for the FY 2022-23 are prepared under Ind-AS notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "The Act") read with the Companies (Accounts) Rules, 2014 as amended from time to time. The estimates and judgements 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, 2023. The Notes to the Financial Statements adequately cover the Audited Statements and form an integral part of this Report.

## STATE OF AFFAIRS, BUSINESS OPERATION AND PERFORMANCE REVIEW

Your Company is a steel manufacturing company. It manufactures high quality steel products to cater the needs of the customers for use in the construction and infrastructure building through the deployment of robust processes and state-of-the-art technology. The Company's high-quality products help customers to build strong constructions and gain competitive advantage.

During the FY 2022-23 Revenue from Operations stood at ₹ 4,03,458.27 Lakhs as against ₹ 3,01,737.60 Lakhs during the last FY 2021-22. The Profit before Interest, Depreciation and Taxation stood at ₹ 36,736.17 Lakhs as

against ₹ 34,985.99 Lakhs in the previous year registering a growth of 5.01 %. The Net Profit after Tax for the year stood at ₹ 14,091.09 Lakhs from ₹ 17,583.93 Lakhs in the previous year registering a decline 19.86%. Earnings per Share (EPS) stood at ₹ 5.84 (face value of ₹ 10/- each) for the Financial Year ended March 31, 2023. During the year Company has reported relatively sluggish performance in terms of profitability, however, the turnover has increased considerably. Decline in profit is due to several macroeconomic headwinds, volatile market environment and operational challenges.

There is no change in the nature of business of the Company, during the year under review.

## PRODUCTION AT A GLANCE

Items	2022-23		2021-22		% of Change	
	Production	Sales*	Production	Sales*	Production	Sales*
Sponge Iron (M.T.)	6,89,565.849	6,91,138.706	4,88,999.810	4,90,310.426	41.02%	40.96%
M.S. Billets (M.T.)	6,94,206.471	6,97,377.642	6,02,726.111	6,03,459.323	15.18%	15.56%
M.S. Round Bar & Miss Rolled Bar (M.T.)	6,35,962.546	6,42,317.058	4,80,041.520	4,72,081.128	32.48%	36.06%
Power Generation (KWH)	65,20,16,430	65,20,16,430	53,27,46,256	53,27,46,256	22.39%	22.39%

\* Sales include captive consumption also.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION AND CHANGE IN BUSINESS

Honorable National Company Law Tribunal, Kolkata Bench and Honorable National Company Law Tribunal, New Delhi Bench, vide their orders dated September 22, 2021 and May 20, 2022 respectively, have approved the Scheme of Amalgamation and Slump Sale providing for Slump Sale of 18 MW Power Plant of Gallantt Ispat Limited to Gallantt Metal Limited and thereafter 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 their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 (hereinafter referred to the "Scheme").

Post amalgamation Company has changed its name from Gallantt Metal Limited to Gallantt Ispat Limited.

Income Tax Department, Ministry of Finance has in exercise of power under Section 132 of the Income Tax

Act, 1961 has carried out an Income Tax Search Operation at the Plant Office and Factory Premises of the Company together with other business offices and residential houses of Promoters and Officers of the Company. Department has seized few documents and records of the Company for further processing in the above search. Any impact with respect to search is yet to be ascertained.

The Audit Team of the Company has detected misappropriation and embezzlement of fund of the Company by few lower-level employees. These employees have misused their position in the Company for their personal interest. The matter was revealed during the course of internal checking. Total fund involvement is ₹ 44.00 Lakhs (approximately). First Information Report (FIR) was registered against these employees and necessary action was taken against them. Company has proper system in place and takes sufficient care for maintenance of adequate accounting records for safeguarding the assets of the Company and detecting fraud or other irregularities. Further, robust vigil mechanism is in place to report concerns about unethical behaviour, actual or suspected fraud, or violations of Company's Code of Conduct.

Apart from the above, there have been no material change(s) and commitment (s) except elsewhere stated in this report, affecting the financial position of the

Company between the end of the financial year of the Company i.e. March 31, 2023 and the date 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 has been no change in the nature of the business of the Company during the financial year ended on March 31, 2023.

### **DIVIDEND**

The Directors wish to invest the profits back into the Company for further growth plan and to strengthen its fund and liquid position, and therefore did not recommend any dividend for the FY2022-23.

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Dividend Distribution Policy duly approved by the Board is available on the website of the Company and can be accessed at Investor Corner of the website of the Company i.e. [www.gallantt.com](http://www.gallantt.com) and the same is annexed as **ANNEXURE-I**.

### **FINANCIAL STATEMENTS OF SUBSIDIARIES AND ASSOCIATES**

Since, there is no Associate and Subsidiary Company of the Company a statement containing the salient features of the financial statements of the subsidiaries or associate in the prescribed Form AOC-1 is not annexed to this Report.

### **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 March 31 2023, the Authorized Capital of the Company is ₹ 2,41,30,33,000/- (Rupees Two Hundred and Forty-One Crores Thirty Lakhs and Thirty-Three Thousand only) and the paid-up capital stands at ₹ 2,41,28,09,450/- (Rupees Two Hundred and Forty-One Crores Twenty-Eight Lakhs Nine Thousand and Four Hundred and Fifty only) consisting of 24,12,80,945 equity shares of ₹ 10/- (Rupees Ten) each. After sanction of the Scheme of Amalgamation and Slump Sale providing for Slump Sale of 18 MW Power Plant of Gallantt Ispat Limited to Gallantt Metal Limited and thereafter Amalgamation of Gallantt Ispat Limited, AAR Commercial Company Limited, Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie

Credit and Finance Private Limited with Gallantt Metal Limited (Transferee Company) by the Honorable National Company Law Tribunal, Kolkata and New Delhi Bench on September 22, 2021 and May 20, 2022 respectively the Authorised Share Capital of the Company has increased from ₹ 83,00,00,000/- (Rupees Eighty-Three Crores) to ₹ 1,57,00,33,000/- (Rupees One Hundred Fifty-Seven Crores and Thirty-Three Thousand). Further, to cover up the allotment of equity shares pursuant to the Scheme of Amalgamation and Slump Sale the Authorised Capital of the Company has been increased from ₹ 1,57,00,33,000/- (Rupees One Hundred Fifty-Seven Crores and Thirty-Three Thousand) to ₹ 2,41,30,33,000 (Rupees Two Hundred Forty-One Crores Thirty Lacs and Thirty-Three Thousand) and the same has been approved by the shareholders of the Company at its Extra-Ordinary General Meeting held on June 04, 2022.

As on March 31, 2023 the issued, subscribed and paid-up Share Capital is ₹ 241,28,09,450/- (Rupees Two Hundred Forty-One Crore Twenty-Eight Lacs Nine Thousand Four Hundred and Fifty only) divided into 24,12,80,945 Equity Shares of ₹ 10/- each.

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, 2023, none of the Directors of the company hold instruments convertible into equity shares of the Company. The Company has paid Listing Fees for the financial year 2023-24 to each of the Stock Exchanges, where its equity shares are listed.

### **BUSINESS GROWTH, OUTLOOK AND EXPANSION**

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.

During the year Company was under the process of establishing a pellet plant at Gorakhpur Industrial Development Authority (GIDA), Sahjanwa, Gorakhpur – 273209, Uttar Pradesh having a capacity of 7,92,000 MT. The commercial operation of the pellet plant is proposed to start from the month of July 2023. Pellet Plant being a backward integration will reduce the raw material cost which in turn will help to improve the profitability of the Company.



## 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 2022-2023.

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 March 31, 2023 and of the profit of the Company for the financial year ended March 31, 2023.
- 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.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

SEBI, vide its circular dated May 10, 2021, made BRSR mandatory for the top 1,000 listed companies (by market capitalization) from financial year 2022-2023, while such disclosure is voluntary for the financial year 2021-2022. The Company has adopted the BRSR compulsorily from the financial year 2022-2023 to provide enhanced disclosures

on ESG practices and priorities of the Company. The Business Responsibility and Sustainability 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 - II**.

## 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, 2023. Financial Statement has been prepared as per applicable Ind-AS.

## LISTING INFORMATION

The equity shares of the Company are in dematerialized form and is listed with BSE Limited and National Stock Exchange of India Limited. The Listing Fee has been paid to the Stock Exchanges for the financial year 2023-24. The ISIN No. of the Company is INE297H01019.

## CREDIT RATING

The Credit Rating Agency M/s. India Rating & Research Private Limited has maintained Ind A (Outlook: Stable) rating for the Company's Fund Based Long Term facilities (long term) and Ind A1 for Non-Fund based Short Term facilities.

Further, post amalgamation credit rating of erstwhile Gallantt Ispat Limited (CIN: L27109DL2005PLC350523) has been withdrawn by M/s. Brickwork Ratings India Pvt. Ltd.

## CANCELLATION AND ALLOTMENT OF EQUITY SHARES

In pursuance of the Scheme as approved by the Honorable National Company Law Tribunal, Kolkata Bench and New Delhi Bench, Board of Directors of the Company has taken on record June 07, 2022 as "Record Date" of the Transferor Companies for determining the eligibility of shareholders of the Transferor Companies who were allotted Equity Shares in the Company. As per the Scheme as approved, 6,54,96,896 equity shares held by the Transferor Companies were stand cancelled and 22,54,55,517 equity shares were allotted to the shareholders of the Transferor Companies on June 10, 2022. Post cancellation and Allotment of Shares as mentioned above, the total outstanding no. of issued, subscribed and paid-up equity shares are 24,12,80,945.

**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 allotted any Debentures and does not have any outstanding Debentures.

**AUDITORS & AUDITORS' REPORT**

M/s Maroti & Associates, Chartered Accountants (Firm Registration Number: 313132E) were appointed as Statutory Auditors in the 18th (Eighteenth) Annual General Meeting (AGM) of the Company for a period of five years, from the conclusion of 18th AGM till the conclusion of the 23rd AGM of the Company.

The Statutory Auditors had carried out audit of financial statements of the Company for the financial year ended March 31, 2023 pursuant to the provisions of the Act. The reports of Statutory Auditors form part of the Annual Report. The reports are self-explanatory and do not contain any qualifications, reservations or adverse remarks.

The Statutory Auditors have issued an unmodified opinion on the Company's Financial Statements for the financial year ended March 31, 2023. Necessary certificate has been obtained from the Auditors as per Section 139(1) of the Companies Act, 2013.

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

The information required to be disclosed 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-III** to this 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 is required to maintain cost records pursuant to the provisions of Section 148 of the Companies Act read with Companies (Cost Records and Audit) Rules, 2014, as amended from time to time. Accordingly, such accounts and records have been maintained by the Company.

The Company has submitted the Cost Audit Report for the financial year 2021-22 within the due date. For the financial year 2022-23 M/s. U. Tiwari & Associates, Cost Accountants were appointed as the Cost Auditors for conducting Cost Audit of all applicable units of the Company.

Further, pursuant to the provisions of Section 148 of the Companies Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors at its meeting held on May 29, 2023 and 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 2023-24 on a remuneration of ₹ 1,00,000/- 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 2023-24 along with a certificate confirming their independence and arm's length relationship.

**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. Further, as per the amended Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations" or "LODR") Company has constituted Risk Management Committee. Details of the same have been disclosed under Corporate Governance Report.

## 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-IV** to this report.

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

## 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-V**.

## CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report is part of the Annual Report and is annexed herewith as **ANNEXURE-VI**. A report on Corporate Governance together with the Auditors' Certificate regarding the compliance of conditions of Corporate Governance is also 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 at [www.gallantt.com](http://www.gallantt.com)

### (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 at [www.gallantt.com](http://www.gallantt.com) and the same is also attached herewith as **ANNEXURE - VII**.

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-VIII**.

### (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 and provisions of the Companies Act, 2013, which



requires the Company to lay down procedures about risk assessment and risk minimization.

The Risk Management Policy is available on the Company's website at [www.gallantt.com](http://www.gallantt.com)

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

This policy would help to create an environment wherein 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 at [www.gallantt.com](http://www.gallantt.com)

#### SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Mr. Anurag Fatehpuria, Practising Company Secretary, having office address at 4/B/1, Salkia School Road, Raghav River View Apartment, Howrah-711106 has been appointed as Secretarial Auditors of the Company for the financial year ended March 31, 2023. The Secretarial Audit Report received from the Secretarial Auditors is annexed to this report marked as **ANNEXURE-IX** 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](http://www.gallantt.com)

## 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 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 SEBI LODR Regulations, 2015, Mr. Mayank Agrawal, Chief Executive Officer has 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 at [www.gallantt.com](http://www.gallantt.com)

## 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 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 at [www.gallantt.com](http://www.gallantt.com)

## NUMBER OF MEETINGS OF BOARD AND AUDIT COMMITTEE HELD DURING THE YEAR 2022-2023

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
Mr. Ashtbhuja Prasad Srivastava	Chairperson	Independent
Mr. Jyotirindra Nath Dey	Member	Independent
Mr. Nitin Mahavir Prasad Kandoi*	Member	Executive

\* Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director has been appointed as a Whole-time Director of the Company w.e.f. June 01, 2022. Hence, he has been categorised as an Executive Director.

Constitution of the Audit Committee is in compliance with requisite provisions of the Companies Act, 2013 and rules made thereunder, SEBI LODR 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
Mr. Udit Agarwal*	Chairperson	Independent
Mrs. Nishi Agrawal	Member	Independent
Mr. Jyotirindra Nath Dey	Member	Independent

\*Mr. Udit Agarwal, Independent Director of the Company has been inducted as a Chairperson of the Stakeholders Relationship Committee w.e.f. June 10, 2022

Constitution of the Stakeholder Relationship is in compliance with requisite provisions of the Companies Act, 2013 and rules made thereunder, SEBI LODR 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
Mr. Jyotirindra Nath Dey	Chairperson	Independent
Mr. Udit Agarwal*	Member	Independent
Mrs. Nishi Agrawal	Member	Independent

\*Mr. Udit Agarwal, Independent Director of the Company has been inducted as a Member of the Nomination and Remuneration Committee w.e.f. June 10, 2022

Constitution of the Nomination and Remuneration Committee is in compliance with requisite provisions of the Companies Act, 2013 and rules made thereunder, SEBI LODR 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. Jyotirindra Nath Dey	Chairperson	Independent
Mr. Chandra Prakash Agrawal	Member	Executive
Mr. Dinesh R. Agarwal	Member	Executive

Constitution of the Corporate Social Responsibility Committee is in compliance with requisite provisions of the Companies Act, 2013 and rules made thereunder, SEBI LODR Regulations, 2015 and all other applicable laws, rules and regulations.

### **RISK MANAGEMENT COMMITTEE**

In compliance with the requirements of Regulation 21 of the SEBI LODR Regulations, 2015, 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. Jyotirindra Nath Dey	Chairperson	Independent
Mr. Nitin Mahavir Prasad Kandoi*	Member	Executive
Mrs. Nishi Agrawal	Member	Independent

\* Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director has been appointed as a Whole-time Director of the Company w.e.f. June 01, 2022. Hence, he has been categorised as an Executive Director.

### **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. Dinesh R. Agarwal	Member	Executive
Mr. Nitin Mahavir Prasad Kandoi*	Member	Executive

\* Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director has been appointed as a Whole-time Director of the Company w.e.f. June 01, 2022. Hence, he has been categorised as an Executive Director.

### **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 Companies in Form AOC-1 is required to be attached. Erstwhile Gallantt Ispat Limited was 'Associate' of the Company which was amalgamated with the Company vide Orders of the Honorable National Company Law Tribunal, Kolkata Bench and Honourable National Company Law Tribunal, New Delhi Bench dated September 22, 2021 and May 20, 2022 respectively.

Further, in accordance with Sections 179, 186 and other applicable provisions of the Companies Act, 2013, the Company has, on May 10, 2022, acquired entire shareholding of M/s. Gallantt Metalliks Limited with an investment of ₹ 18,00,000/- (Rupees Eighteen Lacs only) and thereby M/s. Gallantt Metalliks Limited became a Wholly Owned Subsidiary of the Company. However, on February 13, 2023 Gallantt Metalliks Limited got disassociated with the Company as Company has sold its entire shareholding.

Therefore, Company has prepared standalone financial statements as consolidated financial statements are not required to be prepared and Form AOC-1 is not required to be prepared and attached.

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

As on March 31, 2023 the Company did not have any subsidiary or joint ventures. However, on May 10, 2022 Company has acquired the entire shareholding of M/s. Gallantt Metalliks Limited by investing ₹ 18,00,000/- (Rupees Eighteen Lacs only) so as to make M/s. Gallantt Metalliks Limited as a Wholly Owned Subsidiary of the Company, but the same got disassociated from the company w.e.f. February 13, 2023.

In terms of the Regulation 46(2)(h) of the SEBI LODR Regulations, 2015, the policy for determining material subsidiaries is placed on the website of the Company at [www.gallantt.com](http://www.gallantt.com) under Investors Corner of Gallantt Ispat Limited.

Erstwhile Gallantt Ispat Limited (Transferor Company) was an Associate of the Company which was amalgamated with the Company vide Order dated September 22, 2021 and May 20, 2022 passed by Honorable National Company Law Tribunal, Kolkata Bench and Honorable National Company Law Tribunal, New Delhi Bench respectively. Hence, consequent upon the said amalgamation, Erstwhile Gallantt Ispat Limited (Transferor Company) ceased to exist as an Associate.



### 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.

However, as enumerated above, Erstwhile Gallantt Ispat Limited, Associate together with other Companies have been amalgamated with the Company vide orders passed by the Honorable NCLTs.

### 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 at [www.gallantt.com](http://www.gallantt.com)

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

Corporate Social Responsibility Committee of the Company is constituted of:

Mr. Jyotirindra Nath Dey, Chairman

Mr. Chandra Prakash Agrawal and

Mr. Dinesh R. Agarwal

### KEY MANAGERIAL PERSONNEL

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

Sr. No.	Names	Designation
1.	Mr. Chandra Prakash Agrawal	Chairman and Managing Director
2.	Mr. Dinesh R. Agarwal	Whole-time Director
3.	Mr. Prashant Jalan	Whole-time Director

4.	Mr. Sandip Kumar Agarwal	Chief Financial Officer
5.	Mr. Mayank Agrawal*	Chief Executive Officer
6.	Mr. Nitesh Kumar*	Company Secretary

\* Mr. Mayank Agrawal and Mr. Nitesh Kumar have been appointed as the Chief Executive Officer and Company Secretary of the Company respectively w.e.f. August 10, 2022. Pre-amalgamation Mr. Mayank Agrawal and Mr. Nitesh Kumar were the Chief Executive Officer and Company Secretary of erstwhile Gallantt Ispat Limited (L27109DL2005PLC350523) respectively.

### CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Ind - AS on consolidated financial statements read with the SEBI LODR Regulations 2015, the Consolidated Audited Financial Statements and Consolidated Cash Flow Statement for the year ended March 31, 2023 are not required to be provided in the Annual Report as the Company has no subsidiary, associate or joint venture. Gallantt Ispat Limited (Transferor Company), erstwhile associate of the Company amalgamated with the Company and Gallantt Metalliks Limited, Wholly Owned Subsidiary of the Company also got disassociated during the year.

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.

### ASSOCIATE COMPANY

Erstwhile Gallantt Ispat Limited was an Associate of the Company. However, Gallantt Ispat Limited has amalgamated with the Company vide orders of the Honorable NCLT, New Delhi Bench dated May 20, 2022.

### SUBSIDIARY COMPANY & MATERIAL SUBSIDIARY

Company has neither subsidiary company nor material subsidiary as on March 31, 2023. However, on May 10, 2022 Company has acquired the entire shareholding of M/s. Gallantt Metalliks Limited by investing ₹ 18,00,000/- (Rupees Eighteen Lakhs only) so as to make M/s. Gallantt Metalliks Limited a Wholly Owned Subsidiary of the Company, but the same got disassociated from the Company w.e.f. February 13, 2023.

The Board of Directors of the Company had adopted a Policy for determining material subsidiary company in line with the SEBI LODR Regulations, 2015. The Policy is

uploaded on the Company's website at [www.gallantt.com](http://www.gallantt.com). Presently there is no material subsidiary company.

### 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- X**.

### 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:

Key Risk	Impact to Gallantt Ispat Limited	Mitigation Plan
<b>Commodity Price Risk</b>	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.
<b>Uncertain global economic environment – slow growth in global economy</b>	Impact on raw materials which are imported.	We have internal procedure to mitigate the global adverse impact.
<b>Interest Rate Risk</b>	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.
<b>Foreign Exchange Risk</b>	Your Company does not have export sales. However, Company imports raw materials from countries 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.
<b>Human Resources Risk</b>	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 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.

Key Risk	Impact to Gallantt Ispat Limited	Mitigation Plan
<b>Competition Risk</b>	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 giving continuous efforts to enhance the brand image of the Company, quality, Cost, timely delivery and customer service.
<b>Compliance Risk – Increasing Regulatory Requirements</b>	Any default can attract penal provisions	By regularly monitoring and reviewing the changes in regulatory framework. By monitoring of compliance through legal compliance management tools and regular internal audit and secretarial audit.
<b>Industrial Safety, Employee Health and Safety Risk</b>	The Steel 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.
<b>Cyber Security Risk</b>	With the growing instances of cyber attacks, data security has become a challenge.	<p>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.</p> <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>



## UNPAID AND UNCLAIMED AMOUNT OF DIVIDEND AND SHARE APPLICATION MONEY

Following amount of Unpaid Dividend has not been claimed and paid till 31.03.2023

Nature of Money	Relevant Financial Year	Bank Account Details	Amount Lying (In ₹)
Final Dividend for 2018	2017-18	IDBI Bank Account No. 1526103000000578	74,096.00
Final Dividend for 2019	2018-19	IDBI Bank Account No. 1526103000000897	50,676.25

Members who have not so far encashed their Dividend Warrants for the financial years ended 31st March, 2018 and 2019 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](http://www.gallantt.com) and also uploaded on the website of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in)

Since, erstwhile Gallantt Ispat Limited has now amalgamated with Gallantt Metal Limited (now name

changed to Gallantt Ispat Limited) all details of unpaid and unclaimed dividend amount and compulsory transfer of Equity Shares and Dividend amount lying unclaimed for 7 consecutive years to Investor Education and Protection Fund (IEPF) shall be maintained and looked after by the Company.

Following amount of Unpaid Dividend of erstwhile Gallantt Ispat Limited which has not been claimed and paid till 31.03.2023 is as follows –

Nature of Money	Relevant Financial Year	Bank Account Details	Amount Lying (In ₹)
Interim Dividend for 2016*	2015-16	ICICI Bank Account No. 001105026007	2269.00
Final Dividend for 2017	2016-17	IDBI Bank Account No. 1526103000000347	12,740.50
Final Dividend for 2018	2017-18	IDBI Bank Account No. 1526103000000569	21,038.00
Interim Dividend for 2018-19	2018-19	IDBI Bank Account No. 1526103000000666	23,638.25

**\*The final unclaimed and unpaid dividend money amounting to ₹ 1969.00 in respect of Interim Dividend declared in FY 2015-16 has already been transferred to IEPF Account on May 18, 2023.**

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

#### a) Transfer of Unclaimed Dividend to IEPF:

Unclaimed Dividend amount aggregating to ₹ 3,180/- pertaining to the financial year ended on March 31, 2015 lying with the Company for a period of seven years were transferred during the Financial Year 2022-23, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

#### b) Transfer of shares to IEPF:

As required under Section 124 of the Companies Act, 2013, Company has transferred 55 equity shares in respect of which dividend has not been claimed by the members for seven consecutive years or more to IEPF during the financial year 2022-23. 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 comprises of Eight Directors of which four are Independent. In terms of Section 152 of the Companies Act, 2013, Mr. Prashant Jalan (DIN: 06619739), liable to retire by rotation at the ensuing Annual General Meeting is eligible for re-election.

Mr. Ashtbhuja Prasad Srivastava (DIN: 08434115), Mrs. Nishi Agrawal (DIN: 08441260) Mr. Jyotirindra Nath Dey (DIN: 00180925) and Mr. Udit Agarwal (DIN: 07036864) are Independent Directors 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 an optimum combination of Executive and Non-Executive (Independent) Directors on the Board 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 has been appointed as the Chief Executive Officer of the Company with effect from August 10, 2022 in accordance with provisions of the Companies Act, 2013. Mr. Sandip Kumar Agarwal 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 May 29, 2023 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 LODR 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.

### KEY FINANCIAL RATIOS

Key Financial Ratios for the financial year ended March 31, 2023, are provided in the Management Discussion and Analysis Report given in "Annexure – VI", which is annexed hereto and forms a part of the Board's Report.

### GREEN INITIATIVES

As a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to shareholders at their e-mail addresses previously registered with the DPs and RTAs.

To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically. Pursuant to the MCA Circulars and SEBI Circulars, notice of the 19th AGM and the Annual Report of the Company for the financial year ended March 31, 2023 including therein the Audited Financial

Statements for the year 2022-2023, the aforementioned documents are being sent only by email to the Members.

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

During the financial year 2022-23, Mr. Arnab Banerji resigned from the post of Company Secretary and Compliance Officer on August 10, 2022 of the Company and Mr. Nitesh Kumar was appointed as Company Secretary and Compliance Officer of the Company w.e.f. August 10, 2022. Mr. Mayank Agrawal has been appointed as the Chief Executive Officer of the Company w.e.f. August 10, 2022. Furthermore, Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director of the Company has been appointed as a Whole-time Director of the Company w.e.f. June 01, 2022.

### TRANSFER TO RESERVES

Your Directors has not transferred any amount standing in retained earnings to the General Reserve.

### RELATED PARTY TRANSACTIONS

The details of Related Party Transactions during the Financial Year ending March 31, 2023, 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](http://www.gallantt.com) under the Investors Corner of Gallantt 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 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](http://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 thereunder 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 Uttar Pradesh.
- Promoter of Gallantt Group Mr. Chandra Prakash 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, Hon'ble Chief Minister of Uttar Pradesh,** 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 Gallantt 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.
- Our Chairman and Managing Director, Shri Chandra Prakash Agrawal ji was felicitated with memento for his significant and imperishable contributions to the Industrial development in the State, by **Shri Yogi Adityanath Maharaj ji, Hon'ble Chief Minister of Uttar Pradesh,** on the eve of U.P. Diwas Mahotsav, in January, 2020.
- Industry outlook Magazine recognised Gallantt under **"TOP 10 TMT IRON & STEEL MANUFACTURES 2021"**.

## **During the year:**

- **North India Best Employer Brand:** Awarded by Employer Branding Institute.

## **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 March 31, 2023 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 are to 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**

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



## 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. However, Audit Team of the Company has reported a misappropriation of ₹ 44.00 Lakhs (approx.) as described hereinabove.

## 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 LODR 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;

**GALLANTT ISPAT LIMITED**
**Regd Office Address:**

"GALLANTT HOUSE",

I-7, Jangpura Extension, New Delhi – 110014

**Telefax:** 011-45048767

**Email-Id:** csgml@gallantt.com

**Website:** www.gallantt.com

**Corporate Office Address:**

1, Crooked Lane, Second Floor,

Room Nos. 222 & 223,

Kolkata – 700069, W.B.

**Telefax:** 011-46004831

**Email Id:** csgml@gallantt.com

**Website:** www.gallantt.com

**Registrar & Share Transfer Agent**

Niche Technologies Private Limited

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

**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 are compensated by way of sitting fees for attending meetings of the Board and its Committees. The Executive Directors are not paid sitting fees.

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**

Vide the orders of the National Company Law Tribunal, Kolkata Bench and National Company Law Tribunal, New Delhi Bench dated September 22, 2021 and May 20, 2022 respectively, the Scheme of Amalgamation and Slump Sale got approved which was 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.

On receipt of the Orders as above and pursuant to the Scheme 6,54,96,896 equity shares held by Transferor Companies with Gallantt Metal Limited (Now known as Gallantt Ispat Limited) (Transferee Company) stands

cancelled. Further, the Board of Directors of the Company have allotted 22,54,55,517 (Twenty-Two Crores Fifty-Four Lakhs Fifty-Five Thousand Five Hundred and Seventeen) fully paid-up equity shares of face value of ₹ 10/- each of the Company to the eligible shareholders of the Transferor Companies as per the Record Date fixed on June 7, 2022. Further, the newly allotted shares are got listed with the Stock Exchanges viz. BSE Limited, National Stock Exchange of India Limited.

### OTHER DISCLOSURES

- The Managing Director 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 provision 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.
- No proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.
- The Company serviced all the debts & financial commitments as and when they became due and no settlements were entered into with the bankers.

### BOARD EVALUATION

The Company has devised a formal process for annual evaluation of performance of the Board, its Committees and Individual Directors ("Performance Evaluation") which include criteria for performance evaluation of non-executive directors and executive directors as laid down by the Nomination and Remuneration Committee and the Board of Directors of the Company. It covers the areas relevant to the functioning as Independent Directors or other directors, member of the Board or Committee of the Board. The Independent Directors carried out annual performance evaluation of the Chairman and Executive Directors. The Board carried out annual performance evaluation of its own performance. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees. A consolidated report was shared with the Chairman of the Board for his review and giving feedback to each Director.

### ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Ministry of Steel, the various State Governments, Central Government for their support and guidance. Your Directors also thank Ministry of Corporate Affairs, SEBI, BSE Limited, National Stock Exchange of India Limited, Depositories, Regulators, Financial Institutions and Banks, Credit Rating Agencies, Stakeholders, Suppliers, Contractors, Vendors and business associates for their continuous support. The Company also looks forward to their support in future. Also, your Directors convey their appreciation to the employees at all levels for their enormous personal efforts as well as collective contribution to the Company's growth.

On behalf of the Board

Place: Gorakhpur  
Date: May 29, 2023

**C. P. Agrawal**  
Chairman



## **Annexure - I**

to the Directors' Report

### **DIVIDEND DISTRIBUTION POLICY**

#### **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.

#### **BACKGROUND**

The Steel Industry is a capital-intensive industry. Most of the units 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.

#### **POLICY**

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

#### **DIVIDEND**

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

Dividend may 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 will endeavour to achieve stability, 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:

- 1) 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
- 2) Carried Forward Balance in the Profit & Loss Account; OR
- 3) Free Reserve as may be permitted under law; OR
- 4) A combination of (1), (2) and (3) above.

#### **FACTORS TO BE CONSIDERED FOR DECLARATION OF DIVIDEND**

1. 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.
2. Payment of any major liability;
3. Any other requirements for fund conservation;
4. Agreement with lending institutions.

#### **REVISION IN THE POLICY**

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

#### **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

### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

#### SECTION A: GENERAL DISCLOSURE

##### I. Details of the Listed Entity

(₹ in Lakhs)

1	<b>Corporate Identity Number (CIN) of the Company</b>	L27109DL2005PLC350524
2	<b>Name of the Company</b>	GALLANTT ISPAT LIMITED
3	<b>Year of incorporation</b>	2005
4	<b>Registered Office Address</b>	"GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi - 110014
5	<b>Corporate Office Address</b>	"Gallantt Estate" Gallantt Ispat Limited, GIDA, Sahjanwa, Gorakhpur-273209. U.P.
6	<b>E-mail id</b>	csgml@gallantt.com
7	<b>Telephone</b>	011-45048767
8	<b>Website</b>	www.gallantt.com
9	<b>Financial Year for which reporting is being done</b>	April 01, 2022 to March 31, 2023
10	<b>Name of the Stock Exchange(s) where shares are listed</b>	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	<b>Paid-up Capital</b>	Rs. 24128.09
12	<b>Name and contact details of the person who may be contacted in case of any queries on the BRSR report</b>	Mr. Sandip Kumar Agarwal Chief Financial Officer Phone (D): 9327717000 Tel.: 011-45048767 Email: cfogml@gallantt.com  Mr. Nitesh Kumar Company Secretary Phone (D): 9903462248 Tel.: 011-45048767 mail: nitesh@gallantt.com
13	<b>Reporting boundary</b>	Disclosures made in this report are on a standalone basis and pertain only to Gallantt Ispat Limited.

##### II. Products/Services

##### 14 Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Manufacturing	Metal and metal products	100%
2	Generation/Manufacturing	Power Generation	_*

\* Power generated captively consumed.

**15 Products/Services sold by the Entity (accounting for 90% of the entity's turnover):**

Sr. No.	Product / Service	NIC Code	% of total Turnover contributed
1	TMT Bars	2410	84.29%
2	MIS Roll Bars	2410	1.24%
3	M.S. Billets	2410	5.75%
4	Sponge Iron	2410	6.69%
5	Others	24109	2.03%

**III. Operations**
**16 Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	2*	4	6
International	0	0	0

\* The Plants are located in Samakhiali, Kutch District of Gujarat and in Gorakhpur, Uttar Pradesh

**17 Markets served by the entity:**
**a. Number of locations**

Locations	Number
National (No. of States and Union Territories)	5
International (No. of Countries)	1

**b. What is the contribution of exports as a percentage of the total turnover of the entity – 0.97%**
**c. A brief on types of customers**

Gallantt Ispat Limited is engaged in the business of manufacture of Iron and Steel and power generation. Customers include Real Estate Developers, Construction Industries, Government Organisations and Corporate customers. Products are sold through the network of dealers and distributors. Also, Company sales products directly to the bulk buyers and participate in auction of Government and Non-Government organisations.

**IV. Employees**

18 Details as at the end of Financial Year:

**a. Employees and Workers (including differently abled):**

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent (D)	2,204	2,180	98.91%	24	1.09%
2.	Other than permanent (E)	-	-	-	-	-
3.	Total employees (D+E)	2,204	2,180	98.91%	24	1.09%
<b>Workers</b>						
4.	Permanent (F)	630	618	98.10%	12	1.90%
5.	Other than permanent (G)	-	-	-	-	-
6.	Total workers (F+G)	630	618	98.10%	12	1.91%

## b. Differently abled Employees and Workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent (D)	-	-	-	-	-
2.	Other than permanent (E)	-	-	-	-	-
3.	Total employees (D+E)	-	-	-	-	-
<b>Workers</b>						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	Total workers (F+G)	-	-	-	-	-

**19 Participation/Inclusion/Representation of women:**

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.5 %
Key Managerial Personnel	7	0	0.00 %

\*As per the Companies Act 2013, KMP includes the MD and WTD. So, the MD & WTD is included in the Board of Directors as well as in the KMP mentioned above.

**20 Turnover rate for permanent employees and workers**

Category	FY 2022-23			FY 2021-22			FY 2020-21		
	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)
<b>Permanent employees</b>	7.51	5.00	12.51	6.95	5.00	11.95	8.16	5.00	13.16
<b>Permanent workers</b>	6.90	0.00	6.90	6.35	0.00	6.35	7.53	0.00	7.53

**V. Holding, Subsidiary and Associate Companies (including Joint ventures)****21 Names of holding/subsidiary/associate companies/joint ventures**

Sr. No.	Name of the Holding/ Subsidiary/ Associate companies/ Joint ventures	Is it a Holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
	NIL			

**VI. CSR Details****22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes**

(ii) **If yes, Turnover** - Rs. 4,06,269.85 Lakh

(iii) **Net worth** - Rs. 2,22,503.16 Lakh



**VII. Transparency and disclosure compliances**
**23. Complaints/grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC) –**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23			FY 2021-22		
	(If Yes, then provide web-link for grievance redress policy)	No of complaints filed during the year	No of complaints pending resolution at close of the year	Remarks	No of complaints filed during the year	No of complaints pending resolution at close of the year	Remarks
Communities	Yes, Gallantt Ispat Limited has a Grievance redressal mechanism in place for all of its stakeholders. The policy can be accessed through below web link: <a href="https://gallantt.com/wp-content/uploads/bsk-pdf-manager/2023/07/Grievance-Redressal-Policy_30112020.pdf">https://gallantt.com/wp-content/uploads/bsk-pdf-manager/2023/07/Grievance-Redressal-Policy_30112020.pdf</a>	Nil	Nil	-	Nil	Nil	-
Investors		Nil	Nil	-	Nil	Nil	-
Shareholders		65	1	Most of the complaints are related to general enquiry about allotment of equity shares and non-receipt of unclaimed and unpaid dividend money lying in the unpaid dividend account of the Company.	Nil	Nil	-
Employees and Workers		Nil	Nil	-	Nil	Nil	-
Customers		Nil	Nil	-	Nil	Nil	-
Value Chain Partners		Nil	Nil	-	Nil	Nil	-
Others (please specify)		Nil	Nil	-	Nil	Nil	-

**24 Overview of the entity's material responsible business conduct issues**

Gallantt Ispat Limited indicates material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Environmental Compliance	R	Non-compliance with the applicable environmental law/ regulations/ guidelines in India may lead to fines / penalties / reputational damages.	Regular tracking and compliance with all applicable environmental laws	Negative
2	Effluent & Waste Management	R	Improper handling of waste generated from business activities can damage nearby environment, affect health of people and communities, impact company's reputation and may even lead to closure of operations.	Specific procedures in place for generation, storage and disposal of hazardous waste, Biomedical waste, E-waste and Solid Waste	Negative
3	Sustainable Sourcing of Raw Material	R	Risk arising due to sourcing of raw material from illegal sources.	Periodic due diligence is conducted for suppliers supplying raw material used in manufacturing of TMT Bars as final products.	Negative
4	Water Management	R	Disruption of business operations due to water shortage or scarcity.	Water recycling and water harvesting initiatives implemented to reduce the dependency on external water sources	Negative
5	Energy Management	R	Increase in price of diesel, coal and electricity. Emerging regulations for adoption of clean technology and renewable energy.	Use of energy efficient equipment like turbine	Negative
6	Air emission	R	A key parameter for measurement of our environmental performance. Our systems must be in place to maintain our emissions under statutory limits.	We are committed to preventing, abating and mitigating our emissions to air and have dedicated policies addressing point and non-point source emissions.	Negative

Sr. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Biodiversity	O	We understand that preserving and restoring biodiversity is critical for maintaining a balanced ecosystem.	We strive to achieve 'Minimum or No Net Loss' of biodiversity at all our operating sites. We have implemented schemes for enhancing awareness of biodiversity within the organisation.	Negative
8	Economic performance	O	Foresight in properly identifying and addressing the key demand dynamics in markets aids in meeting operational guidance.	NA	Positive
9	Corporate governance, transparency and disclosures	O	We believe that good governance provides strategic direction, evaluates overall performance & ensures the long-term interest of the stakeholders are being served.	NA	Positive
10	Employee health, safety and well being	R	We aspire to achieve zero harm across all our operations. Health and Safety represent an important part of our group's values.	We are committed to providing a healthy and safe working environment for our employees, contractors, business associates, visitors on-premises, and above all, communities impacted by our operations. We have stringent safety systems in place to achieve our zero-harm vision.	Negative

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements. These are briefly as under:

<b>P1</b>	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
<b>P2</b>	Businesses should provide goods and services in a manner that is sustainable and safe
<b>P3</b>	Businesses should respect and promote the well-being of all employees, including those in their value chains
<b>P4</b>	Businesses should respect the interests of and be responsive to all its stakeholders
<b>P5</b>	Businesses should respect and promote human rights
<b>P6</b>	Businesses should respect and make efforts to protect and restore the environment
<b>P7</b>	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
<b>P8</b>	Businesses should promote inclusive growth and equitable development
<b>P9</b>	Businesses should engage with and provide value to their consumers in a responsible manner

### 1. Policy and Management processes

Sr. No.	Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.(a)	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
1. (b)	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
1. (c)	Web Link of the Policies, if available	www.gallantt.com								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Company has adopted various standards specified by the International Organization for Standardization (ISO). These are: a. ISO 9001: 2015 for Quality management system. b. ISO 14001: 2015 for Environment management system. c. ISO 45001: 2018 Health and Safety management system.								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Company has undertaken materiality assessment exercise and is in a process of setting specific commitments and targets against the identified material issues.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Company has undertaken materiality assessment exercise and is in a process of setting specific commitments and targets against the identified material issues.								



	Governance, leadership and oversight									
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	We are committed to align our operations with the business responsibility principles. The Company is taking feedback from all stakeholders, employees and workers for the business to grow sustainably and equitably. We prioritize the conservation of natural resources and improving operational efficiencies to minimize our environmental footprint. We aim to build resilience in our business and among our stakeholders, and we monitor our activities and their environmental and social impacts to ensure that we create value for all stakeholders. The social component addresses the need to invest in employees, vendors, customers and community engagement, a framework of relationships that protects the company from unexpected supply or demand or production shocks.								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Sandeep Kumar Agarwal, Chief Financial Officer of the Company shall act as Business Responsibility Head (BR Head) and shall be responsible for implementing the Business Responsibility initiatives. Mr. Chandra Prakash Agrawal, Chairman and Managing Director of the Company shall be responsible for overseeing the implementation of this Policy								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes. Mr. Chandra Prakash Agrawal (DIN: 01814318), Chairman and Managing Director of the Company is responsible for decision making on sustainability related issues								
10.	Details of Review of NGRBCs by the Company									
	Subject for Review	a. Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
i.	Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y
ii.	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Subject for Review	b. Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
i.	Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y
ii.	Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	As per the requirement of laws applicable to the company.								
11.	Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No								
12.	If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:	Not Applicable								

## SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

### Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

#### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year

Sr. No	Segment	Total number of training & awareness programmes held	Topics / principles covered under the training
1	Board of Directors	1	They have been given awareness trainings for the newly adopted Structured Digital Database (SDD) introduced by SEBI for prohibition of insider trading activities.
2	Key Managerial Personnel	1	They have been given awareness trainings for the newly adopted Structured Digital Database (SDD) introduced by SEBI for prohibition of insider trading activities.
3	Employees other than BOD and KMPs	9	Trainings are imparted through online and classroom modes, as well as on the job as per requirement. They include: 1. Code of conduct 2. POSH 3. Process orientation trainings 4. Soft skills development trainings 5. Health & Safety 6. Skill up gradation Training Programmes
4	Workers	15	1. Quality Policy & Objective 2. IMS Awareness 3. Fire Fighting & Safety 4. Preventive Maintenance 5. House Keeping/5S 6. HIRA Awareness 7. Health & Safety 8. General Awareness on Emergency Situation 9. On Job Training 10. Awareness of PPE's 11. Aspects & Impacts 12. Training on ISO

#### 2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by its directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions in FY 2022-2023.

No material monetary & non-monetary fines/penalties were paid in FY 2022-2023.

#### 3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or nonmonetary action has been appealed

Not Applicable

**4. Does the entity have an anti-corruption policy or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, our business code of conduct covers anti-corruption or anti-bribery related requirements. The company has a Vigil Mechanism framed under Section 177 of Companies Act, 2013, to deal with any instances of corruption or bribery. The relevant policy is available at [www.gallantt.com](http://www.gallantt.com)

**5. Number of Directors / KMPs / Employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption**

Segment	FY 2022-23	FY 2021-22
Directors	NIL	NIL
Key Managerial Personnel	NIL	NIL
Employee	NIL	NIL
Workers	NIL	NIL

**6. Details of complaints with regard to conflict of interest**

Segment	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

**Leadership Indicators**

**1. Awareness programmes conducted for Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
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NIL

**2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes, Gallantt Ispat Limited has stringent procedures to avoid any conflict of interest involving members of the Board. Company's Code of Conduct for Board Members covers Conflict of Interest for Board of Directors as well. In addition, the Company has policy on related party transaction and dealing with related party transactions. Company policies are available at [www.gallantt.com](http://www.gallantt.com)

## Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

### Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Sr. No.	Segment	FY 2023	FY 2022	Details of improvements in environmental and social impacts
1	R&D	1.08%	1.05%	<p>Company has 129 MW Power Plant.</p> <p>Out of 129 MW 36% capacity has been installed through WHRB. (Waste Heat Recycle Boiler)</p> <p>We have 1 AFBC (Atmospheric Fudite Bet Consumption) Boiler. The coal fired boiler has been modified by the Company.</p> <p>Further, Rice Husk is consumed through AFBC boiler.</p> <p>All together reduce the emission and pollutants.</p>
2	Capex	1.45%	1.24%	<p>Capital Expenditure and Research &amp; Development is an ongoing process. The Capex ensures longevity in the R&amp;D process.</p> <p>All together ensure reduction in pollutants and hazards.</p>

### 2. (a) Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, Gallantt Ispat Limited has the proper procedure for sustainable sourcing. The Company endeavours to focus on protection of environment, stakeholders' interest and cost effectiveness while procuring any raw material or goods.

### (b) If yes, what percentage of inputs were sourced sustainably?

At present, 21.10 % of inputs sources are sourced sustainably.

### 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

We have implemented processes to safely reclaim our products at the end of their life cycle. Fly Ash and Iron Ore dust that is generated from our Steel Plants is being utilized by our Cement Plant. Our Steel Plants do not generate any plastic waste or e-waste.

### 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

### Leadership Indicators

### 1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Gallantt Ispat Limited has not conducted any Life Cycle Perspective/Assessments for any of its products or services during the Financial Year 2022-23.

### 2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not Applicable



Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
MS Scrap	25.10%	31.70 %

Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Material	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous Waste	-	-	1,42,286.79	-	-	1,41,371.89
Other Waste	-	-	2,04,981.34	-	-	91,928.31

**3. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	NA

**Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

**1. a. Details of measures for the well-being of employees:**

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	2,180	846	50.55%	2,180	100.00%	-	-	-	-	-	-
Female	24	1	4.16%	24	100.00%	-	-	-	-	-	-
Total	2,204	847	38.43%	2,204	100.00%	-	-	-	-	-	-
Other than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

**b. Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	618	243	39.32%	618	100.00%	-	-	-	-	-	-
Female	12	12	100.00%	12	100.00%	-	-	-	-	-	-
Total	630	255	40.47%	630	100.00%	-	-	-	-	-	-
Other than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

**Details of retirement benefits for Current and Previous FY**

Sr. No.	Benefits	FY 2022-23			FY 2021-22		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	49.44%	86.26%	Y	61.90%	86.76%	Y
2	Gratuity	100.00%	100.00%	Y	100.00%	100.00%	Y
3	ESI*	38.88%	39.00%	Y	46.54%	47.00%	Y

**2. Accessibility of workplaces - Are the premises / offices of the entity accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

The Company is committed to embracing inclusion and diversity in its campuses. The Company's facilities have the necessary infrastructure in place to ensure access and inclusion for differently abled staff.

**3. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company encourages diversity in the workplace. Gallantt Ispat Limited is an Equal Opportunity Employer and does not follow or support any discrimination based on caste, gender, sexual orientation, religion, ethnicity or physical disabilities. All employees are expected to be respectful towards each other and not promote or tolerate any form of discrimination.

**4. Return to work and Retention rates of permanent employees that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
<b>Total</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

**5. Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief.**

Sr. No.	Category	Yes/No (If yes, then give details of the mechanism in brief)
1	Permanent employee	We have instilled the Grievance Redressal Mechanism in place to resolve the issues of employees. It covers Violation of the Company's Code, such as Business Integrity, Sexual Harassment, Prevention of Fraud, Rights to Intellectual Property and Data Protection. The contact details are mentioned in our Whistle Blower Policy. The investigation of the complaints are done both internally as well as through an external investigator if decided by the Audit committee. The investigation is generally completed within 45 days after filing of the complaint.
2	Other than Permanent Employees	Non-permanent workers at Gallantt Plants are contracted via a 3rd party and their grievance redressal mechanism rests with the contractors. Gallantt Ispat Limited ensures that all norms and regulations while working on plants are met and safety precautions are adhered to.
3	Permanent Workers	The Grievances/Works Committee is in force under the Factories Act 1948, to redress any Grievance. The committee for workers is filed level committee within the reach of workers. Permanent workers are also covered under Whistle blower policy. It covers Violation of the Company's Code, such as Business Integrity, Sexual Harassment, Prevention of Fraud, Rights to Intellectual Property and Data Protection. The contact details are mentioned in our Whistle Blower Policy.
4	Other than Permanent Workers	Workers engaged on contractual basis can report their grievances to their respective contractor representative or the Plant Head. The contractor is expected to take the required action to address the worker grievances, and if required, can raise the grievance to HR and respective functional heads.

**6. Membership of employees in association(s) or Unions recognised by the listed entity:**

Nil. None of our employees are members to any recognized association or trade unions.

**7. Details of training given to employees**

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Male	2,180	1,995	91.51%	1,876	86.06%	1,545	1,479	95.73%	1,186	76.76%
Female	24	21	87.50%	18	75.00%	17	15	88.24%	14	82.35%
Total	2,204	2,016	91.47%	1,894	85.93%	1,562	1,494	95.65%	1,200	76.82
Workers										
Male	618	581	94.01%	546	88.35%	669	649	97.01%	632	94.47%
Female	12	10	83.33%	9	75.00%	8	6	75.00%	5	62.50%
Total	630	591	93.81%	555	58.10%	677	655	96.75%	637	94.09%

**8. Details of performance and career development reviews of employees and workers\*:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
<b>Employees</b>						
Male	2,180	1,527	70.05%	1,545	1,132	73.27%
Female	24	17	70.83%	17	11	64.71%
<b>Total</b>	<b>2,204</b>	<b>1,544</b>	<b>70.05%</b>	<b>1,562</b>	<b>1,143</b>	<b>73.18%</b>
<b>Workers</b>						
Male	618	432	69.90%	669	435	65.02%
Female	12	8	66.67%	8	5	62.50%
<b>Total</b>	<b>630</b>	<b>440</b>	<b>69.84%</b>	<b>677</b>	<b>440</b>	<b>64.99%</b>

\*The above data excludes non-permanent employees and workers

**9. Health and Safety Management System**

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage such system?**

Yes, all plants of company have implemented ISO 45001 – Occupational, Health and Safety Management System and the scope of certification covers product manufacture and supply.

- b. What are the processes used to identify work related hazards and assess risks on a routine and non-routine basis by the entity?**

Hazard Identification and Risk Assessment and Incident Management System are in place to identify work-related hazards and assess risks on routine and non-routine basis.

- c. Whether you have processes for employees to report the work-related hazards and to remove themselves from such risks. (Yes/No)**

Yes, the workers can report any work-related hazards to the head through suggestion kits, and direct communication. The management takes immediate action on receiving any such complaint.

- d. Do the employees of the entity have access to non-occupational medical and healthcare services? (Yes / No)**

Yes, employees and workers have access to non-occupational medical and healthcare services.

**10. Details of safety related incidents, in the following format**

Sr. No.	Safety Incident/Number	Category	FY 2023	FY 2022
1	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.33	2.60
		Workers	1.21	1.68
2	Total recordable work-related injuries	Employees	11	17
		Workers	10	11
3	No. of fatalities	Employees	0	3
		Workers	2	0
4	High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
		Workers	0	0



# 11. Describe the measures taken by the entity to ensure a safe and healthy workplace

Following measures are undertaken by the company during the reporting year

- Hazard Identification and Risk Assessment of all processes and machinery
- Machine Guarding, Sensors, Workplace Safety Trainings, Personal Protective Equipment Provision
- Provision of reporting of Unsafe Conditions and Unsafe Acts
- Safety Committee Meetings
- Permit to Work system
- Health Check-up
- First Aid, Fire Fighting System, OHC and Ambulance Provision
- Safety mock drills and emergency evacuation trainings

# 12. Number of Complaints on the following made by employees

Category	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	5	2	Nil	4	1	Nil
Health & Safety	3	1	Nil	5	2	Nil

# 13. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of plants were assessed by the company
Working Conditions	100% of plants were assessed by the company

# 14. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions of value chain partners - Nil

## Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of
  - i. Employees (Y/N) - Yes
  - ii. Workers (Y/N) - Yes
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners - Not Any
3. Provide the number of employees / workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023	FY 2022	FY 2023	FY 2022
Employees	0	3	0	0
Workers	2	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) – No

5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners: Nil

**Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

Gallantt Ispat Limited stakeholder groups are those which are directly or indirectly impacted by it or can impact our value creation in the short, medium, or long term. Our relations with them are based on mutual trust and understanding their priorities in creating shared value. Gallantt Ispat Limited has identified internal stakeholders like employees, workers, and board of directors, as well as external stakeholders that impact our business, like investors, suppliers, and communities. The company has also engaged with these stakeholders through different channels for conducting the materiality assessment in FY 2023.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Intranet, Communication Meeting, Training programs, annual health checkups, canteen Services, Covid Vaccination Drives, Residential Colony for employees and labours at manufacturing facilities	Regularly	Learning and growth, Remuneration and benefits, Equal opportunities, Promotion of occupational, health and safety practices

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors & Stakeholders	No	Quarterly Results, Annual Reports, Earnings Call, Analyst Meet, Press Releases, Annual General Meetings	Quarterly/ Half Yearly/ Annually	Transparency, Governance, Credit rating, Earnings Per Share (EPS), Communication with investors, Press Release, Exponential growth, Complaints and grievances
Customer & Vendors	No	Regular Business Meetings, Customer Satisfaction Survey, Exhibitions, seminars, e-mails	Regularly	Marketing activities Online engagement through the website
Bankers and other financial institutions	No	Credit Rating, Funding, Governance etc.	Regularly	Credit Rating, Governance
Society	Yes	Through CSR Programmes	Regularly	Improved employment opportunities, better Products, Enhanced Income, Enhanced Standard of Living

#### Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

We communicate with our stakeholders mainly through the annual report, websites and the annual general meeting (AGM). We engage with our investors directly through our investor relations department and have a constant dialogue with them throughout the year on key environment, social and governance (ESG) related issues.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

As the Company delves into the realms of environmental, social, and governance (ESG), it consistently prioritises the most crucial matters and has initiated consultations with identified stakeholders. The Company is also in the process of developing policies, including Stakeholder Engagement Policy which mandates to integrate stakeholder engagement into governance and relevant decision-making processes that contributes to developing or improving organisational strategy starting from this fiscal year.

### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.

Gallantt's commitment of being a positive catalyst for the community aligns with its CSR policy, which involves a systematic process of assessing community needs and implementing programs based on strategic CSR pillars of Health, Education and Plantation Programmes. The stakeholder engagement approach for these CSR programs includes identifying vulnerable groups and conducting need assessments to understand the health, hygiene, sanitation, educational, and economic requirements of local communities. To evaluate the impact and social value of the projects, the Company conducts feedback surveys for further improvement.

#### Principle 5: Businesses should respect and promote human right

##### Essential Indicators

#### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	2,204	1,544	70.05%	1,544	1,380	89.38%
Other than permanent	0	0	0.00%	0	0	0.00%
<b>Total employees</b>	<b>2,204</b>	<b>1,544</b>	<b>70.05%</b>	<b>1,544</b>	<b>1380</b>	<b>89.38%</b>
<b>Workers</b>						
Permanent	630	571	90.63%	440	389	88.41%
Other than permanent	0	0	0.00%	0	0	0.00%
<b>Total workers</b>	<b>630</b>	<b>571</b>	<b>90.63%</b>	<b>440</b>	<b>389</b>	<b>88.41%</b>

#### 2. Details of minimum wages paid to employees and workers in the following format:

All the workers are paid in compliance with the Minimum Wages Act, 1948. Additional perks and benefits like food allowances like are provided to them in addition. Our employees are paid as per industry standards and do not fall in the hourly wages category.

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Permanent										
Male	2,180	-	-	2,180	100.00%	1,545	-	-	1,545	100.00%
Female	24	-	-	24	100.00%	17	-	-	17	100.00%
Other than permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	618	-	-	618	100.00%	669	-	-	669	100.00%
Female	12	-	-	12	100.00%	8	-	-	8	100.00%



Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Other than permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

**3. Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
<b>Board of Directors (BOD)</b>	4	Rs. 181.48 Lakhs per annum	Nil	-
<b>Key Managerial Personnel</b>	8	Rs. 268.66 Lakhs per annum	Nil	-
<b>Employees other than BOD and KMP</b>	2196	Rs. 6,564.31 Lakhs per annum	24	Rs. 100.80 Lakhs per annum
<b>Workers</b>	630	Rs. 1,323.01 Lakhs per annum	12	Rs. 25.20 Lakhs per annum

**4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, the entity has its Human Resource department to take care of human rights of the employees & workers and resolve their grievances in the workplace.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issue**

All the staff member and workers also have a secure and 24x7 access to raise grievances and to report anonymously suggestion boxes. Trainings are given on different level to female employees & workers on Prevention of Sexual Harassment.

**6. Number of Complaints on the following made by employees and workers:**

Category	FY 2022-23		FY 2021-22	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Sexual Harassment	Nil	NA	Nil	NA
Discrimination at workplace	Nil	NA	Nil	NA
Child Labour	Nil	NA	Nil	NA
Forced Labour/Involuntary Labour	Nil	NA	Nil	NA
Wages	Nil	NA	Nil	NA
Other human rights related issues	Nil	NA	Nil	NA

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Our whistle blower policy has clearly laid down the guidelines to prevent retaliation against a complainant. A Complainant is saved from physical harm, loss of job, punitive work assignments, or impact on salary or wages.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, in certain business agreements and contracts where relevant. It is clearly written that all the statutory obligations applicable at the place of work have to be followed.

**9. Assessments for the year**

Section	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100 % of our plant sites were assessed by the company
Discrimination at workplace	100 % of our plant sites were assessed by the company
Child Labour	100 % of our plant sites were assessed by the company
Forced Labour/Involuntary Labour	100 % of our plant sites were assessed by the company
Wages	100 % of our plant sites were assessed by the company

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above**

There was no need to take any corrective actions as no significant risk/concern arose from the above assessment. Effective system of internal control is placed to improve the efficiency of work.

**Leadership Indicators**

- Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints:** Not Applicable
- Details of the scope and coverage of any Human rights due-diligence conducted:** No
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?** Yes
- Details on assessment of value chain partners:**

Section	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	0%
Discrimination at workplace	0%
Child Labour	0%
Forced Labour/Involuntary Labour	0%
Wages	0%

## Principle 6: Businesses should respect and make efforts to protect and restore the environment

### Essential Indicators

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	2,496.64	2,072.30
Total fuel consumption (B)	15,845.73	11,950.09
Energy consumption through other sources (C)	-	-
<b>Total energy consumption (A+B+C)</b>	<b>18,342.37</b>	<b>14,022.39</b>
Energy intensity per lakh rupee of turnover (Total energy consumption/ turnover in rupees)	0.045	0.046

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No**

#### 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No. The entity is not covered under Performance, Achieve and Trade (PAT) Scheme of the Government of India.

#### 3. Provide details of the following disclosures related to water, in the following format

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	7,95,037	6,90,152
(ii) Groundwater	7,69,047	7,24,934
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	15,64,084	14,15,086
Total volume of water consumption (in kilolitres)	15,64,084	14,15,086
Water intensity per rupee of turnover (Water consumed / turnover)	3.88	4.69

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No**

#### 4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

We take numerous measures towards water conservation and recycling across our various plants. Effluent Treatment Plants and Sewage Treatment Plants are installed in in our factory units using advanced technologies such as Cyclic Activated Sludge, Sequential Batch Reactor, and Ultra Filtration. Treated water is reused for various purposes including horticulture, plantation, dust suppression, and mining operations. Our plants also have Zero Liquid Discharge (ZLD) mechanisms in place, and rainwater harvesting/groundwater recharge structures for preservation and recharge of groundwater.

**5. Provide details of air emissions (other than GHG emissions) by the entity, in the following format.**

Parameter	Please specify units	FY 2022-23	FY 2021-22
NOx	Mg/nm3	79.19	80.21
SOx	Mg/nm3	69.19	71.26
Particulate matter (PM)	Mg/nm3	22.25	23.52
Persistent organic pollutants (POP)	Mg/nm3	Nil	Nil
Volatile organic compounds (VOC)	Mg/nm3	Nil	Nil
Hazardous air pollutants (HAP)	Mg/nm3	Nil	Nil
Others – please specify	Mg/nm3	Nil	Nil

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format**

	Units	FY 2022-23	FY 2021-22
Tot reak-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	16,66,212	10,09,750
Total Scope 1 and Scope 2 emissions per rupee of turnover		4.13	3.35
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

**7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

We have several initiatives aimed at reducing greenhouse gas emissions.:

- We have installed PNG pipelines to replace LPG with natural gas, which is a cleaner option and has higher energy-saving potential. We have also switched to LED lighting, which reduces fuel consumption and CO2 emissions compared to conventional lights.
- We have several projects underway, including a waste heat recovery plant, installation of variable frequency drives, and modifications of cooling towers for better energy savings.
- We have planted saplings to create a cleaner and greener environment. We have also replaced old bulbs with energy-efficient LED bulbs and reduced the use of air conditioners to save energy.
- We have installed LED bulbs in shop floors for energy reduction.
- We operate a pellet plant in an energy-efficient technology that consumes 40% less power than other pellet plants in India.
- We adopt best available technologies to control emissions and improve the environment, focus on energy management to improve process efficiency, improve raw material quality, and explore alternative fuel sources



**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in MT)</b>		
Plastic waste (A)	NIL	NIL
E-waste (B)	Nil	NIL
Bio-medical waste (C)	NIL	NIL
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	NIL	NIL
Radioactive waste (F)	NIL	NIL
Other Hazardous waste. Please specify, if any. (G)	1,43,306	1,38,819
Other Non-hazardous waste generated (H). Please specify, if any.	NA	NA
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>1,43,306</b>	<b>1,38,819</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Send to TSDF for Disposal</b>		
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

As part of Integrated Management System, waste management procedures are adopted for handling and disposal of hazardous and other waste, biomedical waste, e-waste, battery waste, solid waste and plastic waste with clear roles, responsibilities and accountabilities defined. The company has identified various categories of waste generated in different processes and laid down procedures of handling of waste as part of waste management system. Waste monitoring and management objectives are reviewed on yearly basis. Future actions are planned based on the previous practices and the findings.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, specify details in the following format.**

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
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Not Applicable. None of Company's operations are in/around ecologically sensitive areas.

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
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Not Applicable

**12. Is the entity compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Name and brief details of project	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
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Not Applicable

**Leadership Indicators**

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>From renewable sources</b>		
Total electricity consumption (A)	1,140.28	694.75
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>1,140.28</b>	<b>694.75</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	1,356.36	1,377.55
Total fuel consumption (E)	15,845.73	11,950.09
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>17,202.09</b>	<b>13,327.63</b>

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

**2. Provide the following details related to water discharged:** Not Applicable

**3. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area -

(ii) Nature of operations -

(iii) Water withdrawal, consumption, and discharge in the following format: Not Applicable

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Not Available.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency : Not applicable

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas alongwith prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative	Outcome of the initiative
1.	Nil	Nil	Nil

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

No

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Company has not undertaken any formal study to measure the negative environmental impact from its value chain.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

None

**Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

#### Essential Indicators

1. a. **Number of affiliations with trade and industry chambers / associations** - Gallantt Ispat Limited is affiliated with 5 trade and industry chambers/ associations.
- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Kutch Industries Association (FOKIA)	State
3	Rajasthan Chamber of Commerce Industries (RCCI)	State
4	Material Recycling Association of India (MRAI)	National
5	Sponge Iron Manufacturing Association (SIMA)	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

**Leadership Indicators:****1. Details of public policy positions advocated by the entity:**

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly /Others-please specify)	Web Link, if available
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Nil

**Principle 8: Businesses should promote inclusive growth and equitable development****Essential Indicators****1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Not Applicable

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity in the following format**

Sr. No.	Name of project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Web Link, if available
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Not Applicable

**3. Describe the mechanisms to receive and redress grievances of the community.**

Currently, the company does not have a structured mechanism to receive and redress grievances of the community. However, Company plans to develop and implement mechanism for community grievance redressal.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers**

Category of waste	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	-	-
Sourced directly from within the district and neighbouring districts	9.75%	11.78%

**Leadership Indicators****1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
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Not Applicable

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Not Applicable. Gallantt undertakes its CSR activities predominantly within the proximity of its manufacturing facilities.

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

No



**(b) From which marginalized /vulnerable groups do you procure?**

Not applicable

**(c) What percentage of total procurement (by value) does it constitute?**

Not applicable

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
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Not Applicable

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of Authority	Brief of the Case	Corrective action taken
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Not Applicable

**6. Details of beneficiaries of CSR Projects**

Sr. No.	Focus Area	Project Title	Name of NGO partner	Number of beneficiaries reached	Percentage of marginalized communities
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Not Applicable

**Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Gallantt has provision of registering complaints / feedback from customers related to its products. The company has created a "Contact Us" tab on its website at [www.gallantt.com](http://www.gallantt.com) wherein customers can submit their queries, complaints and/ or suggestions on different product categories. Gallantt tracks and monitors all the customer submissions on regular basis.

**2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about**

State	As a percentage to total turnover
Environmental and social parameters relevant to the product	Since we provide services in a B2B market such information on products is provided by the aggregators/final product manufacturers.
Safe and responsible usage	
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

Number of consumer complaints in respect of the following	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber Security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive trade practices	-	-	-	-	-	-
Unfair trade practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

**4. Details of instances of product recalls on accounts of safety issues.**

Details of instances of product recalls on account of safety issues	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

**5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

The Company has an internally available policy on cyber security.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

With respect to complaints received against the advertisement given, the Company either corrected or withdrew the same wherever necessary.

**Leadership Indicators****1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Details of all our products and services is available on our website [www.gallantt.com](http://www.gallantt.com)

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or service.**

This is done one to one with customers.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

The Company's operations and products/services do not qualify under essential services - hence this is not applicable for the Company.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

Yes, all products manufactured by us are compliant with the mandatory codes, specifications, industry regulations, and statutory safety norms of the country. Additionally, we label our products with all necessary product information and detailed specifications in the information manuals and documents.

**5. Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

The Company prioritises diligent evaluation of customer feedback to gain valuable insights and make prompt improvements in the value chain to ensure customer by monitoring customer reviews collected from online and offline modes for proactive assessment of feedbacks.

**6. Provide the following information relating to data breaches:**

- a) Number of instances of data breaches along-with impact :** None
- b) Percentage of data breaches involving personally identifiable information of Customers :** None

## Annexure - III

to the Directors' Report

### CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

#### A. CONSERVATION OF ENERGY

##### (a) 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.

Company ensures that all machineries and equipments are continuously serviced, updated and overhauled in order to maintain them in good condition which in turn results in 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. Few measures taken by the Company are as follows –

##### General & Utility:

- Replacement of Existing 50 Nos (150 Watt) HPSV lights with 50 Nos (36 Watt) LED Lights in Utility Area

##### Sponge Iron Division:

- Replacement of Existing 50 Nos (50 Watt) HPSV lights with 50 Nos (36 Watt) LED Lights in SID
- 2 X 132 KW Inverter Provided for Bag Filter System

##### Rolling Mill Division:

- Replacement of Existing 8 Nos (400 Watt) HPSV lights with 8 Nos (250 Watt) LED Lights in RM
- 3 X 110 KW Inverter Provided for TMT Pump System

##### Steel Melting Shop Division:

- Replacement of Existing 52 Nos (215 Watt) HPSV lights with 8 Nos (100 Watt) LED Lights in SMS
- 3 X 30 KW Inverter Provided for Cooling Tower System

#### THE IMPACT OF ABOVE MEASURES:-

##### General & Utility:

- HPSV lights with LED Lights Saved Electricity **20,805 KWH** Per Year.

##### Sponge Iron Division:

- HPSV lights with LED Lights Saved Electricity **2,555 KWH** Per Year.
- VFD Provided for Bag Filter System Saved Electricity **2,31,337 KWH** Per Year.

##### Rolling Mill Division:

- HPSV lights with LED Lights Saved Electricity **4,380 KWH** Per Year.
- VFD Provided for TMT Pump System Saved Electricity **2,89,080 KWH** Per Year.

##### Steel Melting Shop Division:

- HPSV lights with LED Lights Saved Electricity **21,827 KWH** Per Year.
- VFD for Cooling Tower System Saved Electricity **78,840 KWH** Per Year.



**(ii) Steps taken for utilizing alternate sources of energy:**

The Company has been generating power by recovering and utilizing waste heat generated in sponge iron division.

(iii)	<b>CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS</b>	<b>₹ In Lakhs</b>
	<b>General &amp; Utility:</b>	
	1. Replacement of HPSV lights with LED Lights in	2.2
	<b>Sponge Iron Division:</b>	
	1. Inverter Provided for Bag Filter System	12.0
	2. Replacement of HPSV lights with LED Lights in SID	2.2
	<b>Rolling Mill Division:</b>	
	1. VFD Provided for TMT Pump System	9.0
	2. Replacement of HPSV lights with LED Lights in RM	0.50
	<b>Steel Melting Shop Division:</b>	
	1. VFD for Cooling Tower System	3.0
	2. Replacement of HPSV lights with LED Lights in SMS	1.0
	<b>TOTAL INVESTMENTS</b>	<b>29.9</b>
	<b>SAVINGS:</b>	
	<b>Sponge Iron Division:</b>	
	Reduction in specific Electrical Energy by Enhancing Production with Better Operation, Process Control	13.96
	<b>General &amp; Utility:</b>	
	Reduction in specific Electrical Energy by Enhancing Production with Better Operation, Process Control	1.24
	<b>Rolling Mill Division:</b>	
	Reduction in specific Electrical Energy by Enhancing Production with Better Operation, Process Control	17.56
	<b>Steel Melting Shop Division:</b>	
	Reduction in specific Electrical Energy by Enhancing Production with Better Operation, Process Control	6
	<b>TOTAL SAVINGS</b>	<b>38.76</b>
<b>(B)</b>	<b>TECHNOLOGY ABSORPTION -</b>	
(i)	the efforts made towards technology absorption;	None
(ii)	the benefits derived like product improvement, cost reduction, product development or imports substitution;	Nil
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year) -	None
	(a) the details of technology imported;	N.A.
	(b) the year of import;	N.A.
	(c) whether the technology been fully absorbed;	N.A.
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.
(iv)	the expenditure incurred on Research and Development.	None
<b>(C)</b>	<b>FOREIGN EXCHANGE EARNINGS AND OUTGO</b>	
	The Foreign Exchange earned in terms of actual inflows during the year	3,809.37
	Foreign Exchange outgo during the year in terms of actual outflows	28,432.31

## Annexure - IV

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 employee
Mr. Chandra Prakash Agrawal	Chairman & Managing Director	26.61:1
Mr. Dinesh R. Agarwal	Whole-time Director	23.96:1
Mr. Nitin Mahavir Prasad Kandoi	Whole-time Director	24.75:1
Mr. Prashant Jalan	Director (Plant-Operation)	4.90:1
Mr. Ashtbhuja Prasad Srivastava	Independent Director	N.A. *
Mr. Jyotirindra Nath Dey	Independent Director	N.A. *
Mrs. Nishi Agrawal	Independent Director	N.A. *
Mr. Udit Agarwal	Independent Director	N.A. *

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

**(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
Mr. Chandra Prakash Agrawal	Chairman & Managing Director	(1.63%)
Mr. Dinesh R. Agarwal	Whole-time Director	115.08%
Mr. Nitin Mahavir Prasad Kandoi	Whole-time Director	55.56%
Mr. Prashant Jalan	Director (Plant-Operation)	57.39%
Mr. Ashtbhuja Prasad Srivastava	Independent Director	N.A. *
Mr. Jyotirindra Nath Dey	Independent Director	N.A. *
Mrs. Nishi Agrawal	Independent Director	N.A. *
Mr. Udit Agarwal	Independent Director	N.A. *
Mr. Mayank Agrawal	Chief Executive Officer	-
Mr. Sandip Kumar Agarwal	Chief Financial Officer	54.65%
Mr. Nitesh Kumar	Company Secretary	109.45%

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

**(c) percentage increase in the median remuneration of employees in the financial year: 6.99%**

**(d) number of permanent employees on the rolls of company; 2,834**

**(e) Explanation on the relationship between average increase in remuneration and company performance:**

The profit before tax for the financial year ended March 31, 2023 increased by 1.09% and the profit after tax for the financial year ended March 31, 2023 decreased by 19.86% whereas the increase in median remuneration is 6.99%. The average increase in median remuneration is in line with the performance of the company.

- (f) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;** the total remuneration of KMP increased by 2.66%, whereas the profit before tax increased by 1.09% and the profit after tax decreased by 19.86%.
- (g) Average percentile increased 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 increase in the managerial remuneration: 10.13% (Non-Managerial Personnel) and 9.03% (Managerial Personnel).
- (h) **comparison of remuneration of each of the Key Managerial Personnel against the performance of the Company;**

Name	Designation	% Increase	Comparison
Mr. Chandra Prakash Agrawal	Chairman & Managing Director	(1.63%)	The profit before tax for the financial year ended March 31, 2023 increased by 1.09% and the profit after tax for the financial year ended March 31, 2022 decreased by 19.86%.
Mr. Dinesh R. Agarwal	Whole-time Director	115.08%	
Mr. Nitin Mahavir Prasad Kandoi	Whole-time Director	55.56%	
Mr. Prashant Jalan	Director (Plant-Operation)	57.39%	
Mr. Mayank Agrawal	Chief Executive Officer	-	
Mr. Sandip Kumar Agarwal	Chief Financial Officer	54.65%	
Mr. Nitesh Kumar	Company Secretary	109.45%	

- (j) **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.
- (k) **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
- (l) 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.

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 have been provided in the Report.

In pursuance of Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of Top 10 Employees of Gallantt Ispat Limited are as:

Sr. No.	Employee Name	Father Name	D.O.B	Age	Educational Qualification	Date of Joining	Salary	Last Employment	Designation	Department	Relation with Directors	Experience
1	Anmol Anand	Ramlal Anand	12/03/1959	63	Bachelor of Engineering	01/04/2014	55,48,643	Greensol Power System Pvt Ltd.	President	Power Plant	No	41
2	Nitesh Kumar *	Ajrun Ram	04/07/1978	46	Company Secretary, Institute of Company Secretaries of India	10/08/2022	39,89,916	Erstwhile Gallantt Ispat Limited	Company Secretary & Compliance Officer	Compliance and Legal Department	No	20
3	Vijay Kumar Singhal	Hari Om Singhal	26/10/1974	48	Diploma Mechanical	24/02/2022	30,99,528	Super Smelters Limited	Senior GM	Pellets Plant	No	28
4	Mahesh Kumar Hukmichand Gupta	Hukmichand Gupta	01/08/1957	65	Bachelor of Commerce	01/04/2004	28,69,912	Ganesh Laxmi Processors Private Limited Surat	President	Administration	No	41
5	Sandip Kumar Agarwal	Om Prakash Agarwal	13/03/1973	49	CA (Inter)	01/08/2006	27,10,845	Govind Mills Ltd.	CFO	Finance and Administration	No	27
6	Parathsaradhi Sekhar Rao Dulla	Sekhar Rao Dulla	12/03/1982	40	B. Tech, Metallurgy	01/01/2016	25,87,322	Baba Akila Sai Jyoti Industries Pvt. Ltd	General Manager, Process	Sponge Plant	No	17
7	Prashant Bhardwaj	Subhash Chandra Sharma	15/09/1978	44	PGDBM	01/06/2006	25,76,833	Kamdhenu Ispat Ltd	Vice President (Sales)	Sales	No	21
8	Demdu Gunupudi	Sriramulu Gunapudi	28/08/1976	46	Diploma Mechanical	13/07/2019	22,27,020	Steel Energy India Ltd	General Manger	Sponge Plant	No	24
9	Balvinder Darshan Ram Dhiman Rai	Darshan Ram Rai	14/04/1957	65	Bachelor of Engineering (Electrical)	09/05/2014	21,60,274	K.R. Pulp & Pappers Ltd, Sahajapur.	Vice President	Power Plant	No	40
10	Saroj Kumar Parida	Kshetrabasi Parida	01/02/1968	55	Diploma in Metallurgical	01/05/2023	21,01,360	Super Smelters Limited	DGM	Central Lab	No	25

\* Mr. Nitesh Kumar was the Company Secretary & Compliance Officer of erstwhile Gallantt Ispat Limited, since 2011 which has now amalgamated with the Company.

## Annexure - V

to the Directors' Report

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

(₹ in Lakhs)

Sl. No.	Borrower	Loans	Rate of Interest (%)	Purpose for which the loan is proposed to be utilized by the recipient	Investments	Guarantee
1	GL Steel & Power Limited	220.53	9.00	Principal Business	NIL	NIL
2	Ganesh Laxmi Processors Private Limited	181.98	9.00	Principal Business	NIL	NIL



## Annexure - VI

to the Directors' Report

# Management Discussion and Analysis Report

### ECONOMY OVERVIEW AND DEVELOPMENT

Global economic shocks in the past were severe but spaced out in time. At least three shocks have hit the global economy since 2020. It all started with the pandemic-induced contraction of the global output, followed by the Russian-Ukraine conflict leading to a worldwide surge in inflation. Then, the central banks across economies led by the Federal Reserve responded with synchronised policy rate hikes to curb inflation. The frailties of the Chinese economy further contributed to weakening the growth forecasts. Slowing global growth apart from monetary tightening also lead to a financial contagion emanating from the advanced economies where the debt of the non-financial sector has risen the most since the global financial crisis. With inflation persisting in the advanced economies and the central banks hinting at further rate hikes, downside risks to the global economic outlook appear elevated.

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in financial year 2022 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in financial year 2023. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

Despite these, agencies worldwide continue to project

India as the fastest-growing major economy at 6.5-7.0 % in financial year 2023. The world's second-largest vaccination drive involving more than 2 billion doses also served to lift consumer sentiments that may prolong the rebound in consumption. Vaccinations have facilitated the return of migrant workers to cities to work in construction sites as the rebound in consumption spilled over into the housing market. This is evident in the housing market witnessing a significant decline in inventory overhang to 33 months in Q3 of financial year 2023 from 42 months last year.

In the last century, several events can be recollected that have had an adverse impact on the global economy. The two world wars are still vivid in public memory, along with the Spanish flu and the great depression. Regional conflicts have been several, as also intermittent oil shocks. The previous millennium closed with the East Asian crisis, and the new millennium in its first decade opened with the technology burst, followed several years later by the global financial crisis. The second decade, apart from minor episodes of the taper tantrum and growing trade tensions between the super-powers, had gone relatively incident-free globally, although Europe had its moments of stress during the decade. Before the third decade of the new millennium commenced, incidents of global economic turbulence were generally spaced out, allowing economies breathing time to recover before preparing for the next challenge.

The Covid-19 pandemic (referred to as 'pandemic') notified by the WHO in January 2020 was the first challenge of the third decade that hit global growth. Two years later, as the global economy was recovering from the pandemic-induced output contraction, the Russia-Ukraine conflict broke out in February 2022, triggering a swing in commodity prices and, thus, accelerating existing inflationary pressures. This posed the second challenge. Soon after, the third challenge emerged when nations undertook monetary tightening to rein in inflation

causing growth to weaken. Monetary tightening also drove capital flows to safe-haven US markets, contributed to rising sovereign bond yields, and depreciation of most currencies against the US dollar. The consequent increase in borrowing costs also stressed high levels of public and private debt, threatening the financial system. Faced with the prospects of global stagflation, nations, feeling compelled to protect their respective economic space, slowed cross-border trade, which posed the fourth challenge to growth. All along, the fifth challenge was festering as China experienced a considerable slowdown induced by its policies. The sixth medium-term challenge to growth was seen in the scarring from the pandemic brought in by the loss of education and income earning opportunities. A simultaneous occurrence of several challenges to growth is perhaps unprecedented. Like the rest of the world, India, too, faced this extraordinary

set of challenges but withstood them better than most economies.

In the last eleven months, the world economy has faced almost as many disruptions as caused by the pandemic in two years. The conflict caused the prices of critical commodities such as crude oil, natural gas, fertilisers, and wheat to soar. This strengthened the inflationary pressures that the global economic recovery had triggered, backed by massive fiscal stimuli and ultra-accommodative monetary policies undertaken to limit the output contraction in 2020. Inflation in Advanced Economies (AEs), which accounted for most of the global fiscal expansion and monetary easing, breached historical highs. Rising commodity prices also led to higher inflation in the Emerging Market Economies (EMEs), which otherwise were in the lower inflation zone by virtue of their governments undertaking a calibrated fiscal stimulus to address output contraction in 2020.

#### Latest World Economic Outlook Growth Projections

Particulars	Projections		
	2022	2023	2024
World Output	3.4	2.8	3.0
Advanced economies	2.7	1.3	1.4
United States	2.1	1.6	1.1
Euro Area	3.5	0.8	1.4
UK	4.0	-0.3	1.0
Japan	1.1	1.3	1.0
Emerging Market Economies	4.0	3.9	4.2
China	3.0	5.2	4.5
India	6.8	5.9	6.3
Russia	-2.1	0.7	1.3

(Source – IMF, World Economic Outlook)

#### INDIAN ECONOMY

According to the Economic Survey, India's economic growth in financial year 2023 has been principally led by private consumption and capital formation and they have helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. Moreover, World's second-largest vaccination drive involving more than 2 billion doses also served to lift consumer sentiments that may prolong the rebound in consumption. Still, private capex soon needs to take up the leadership role to put job creation on a fast track.

It also points out that the upside to India's growth outlook arises from (i) limited health and economic

fallout for the rest of the world from the current surge in Covid-19 infections in China and, therefore, continued normalisation of supply chains; (ii) inflationary impulses from the reopening of China's economy turning out to be neither significant nor persistent; (iii) recessionary tendencies in major Advanced Economies (AEs) triggering a cessation of monetary tightening and a return of capital flows to India amidst a stable domestic inflation rate below 6%; and (iv) this leading to an improvement in animal spirits and providing further impetus to private sector investment.

The Survey says, the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector has been remarkably high, over 30.6%, on average during Jan-Nov 2022,

supported by the extended Emergency Credit Linked Guarantee Scheme (ECLGS) of the Union Government. It adds that the recovery of MSMEs is proceeding apace, as is evident in the amounts of Goods and Services Tax (GST) they pay, while the Emergency Credit Linked Guarantee Scheme (ECLGS) is easing their debt servicing concerns.

Apart from this, increase in the overall bank credit has also been influenced by the shift in borrower's funding choices from volatile bond markets, where yields have increased, and external commercial borrowings, where interest and hedging costs have increased, towards banks. If inflation declines in FY24 and if real cost of credit does not rise, then credit growth is likely to be brisk in FY24.

The Capital Expenditure (Capex) of the Central Government, which increased by 63.4 % in the first eight months of FY23, was another growth driver of the Indian economy in the current year, crowding in the private Capex since the January-March quarter of 2022. On current trend, it appears that the full year's capital expenditure budget will be met. A sustained increase in private Capex is also imminent with the strengthening of the balance sheets of the Corporates and the consequent increase in credit financing it has been able to generate.

Dwelling on halt in construction activities during the Pandemic, the Survey underscores that vaccinations have facilitated the return of migrant workers to cities to work in construction sites as the rebound in consumption spilled over into the housing market. This is evident in the housing market witnessing a significant decline in inventory overhang to 33 months in Q3 of FY23 from 42 months last year.

It also says that the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has been directly providing jobs in rural areas and indirectly creating opportunities for rural households to diversify their sources of income generation. Schemes like PM-Kisan and PM Garib Kalyan Yojana have helped in ensuring food security in the country, and their impact was also endorsed by the United Nations Development Programme (UNDP). The results of the National Family Health Survey (NFHS) also show improvement in rural welfare indicators from FY16 to FY20, covering aspects like gender, fertility rate, household amenities, and women empowerment.

The Survey notes with optimism that Indian economy appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many

nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022.

Although domestic consumption rebounded in many economies, the rebound in India was impressive for its scale. It contributed to a rise in domestic capacity utilisation. Domestic private consumption remains buoyant in November 2022. Moreover, RBI's most recent survey of consumer confidence released in December 2022 pointed to improving sentiment with respect to current and prospective employment and income conditions.

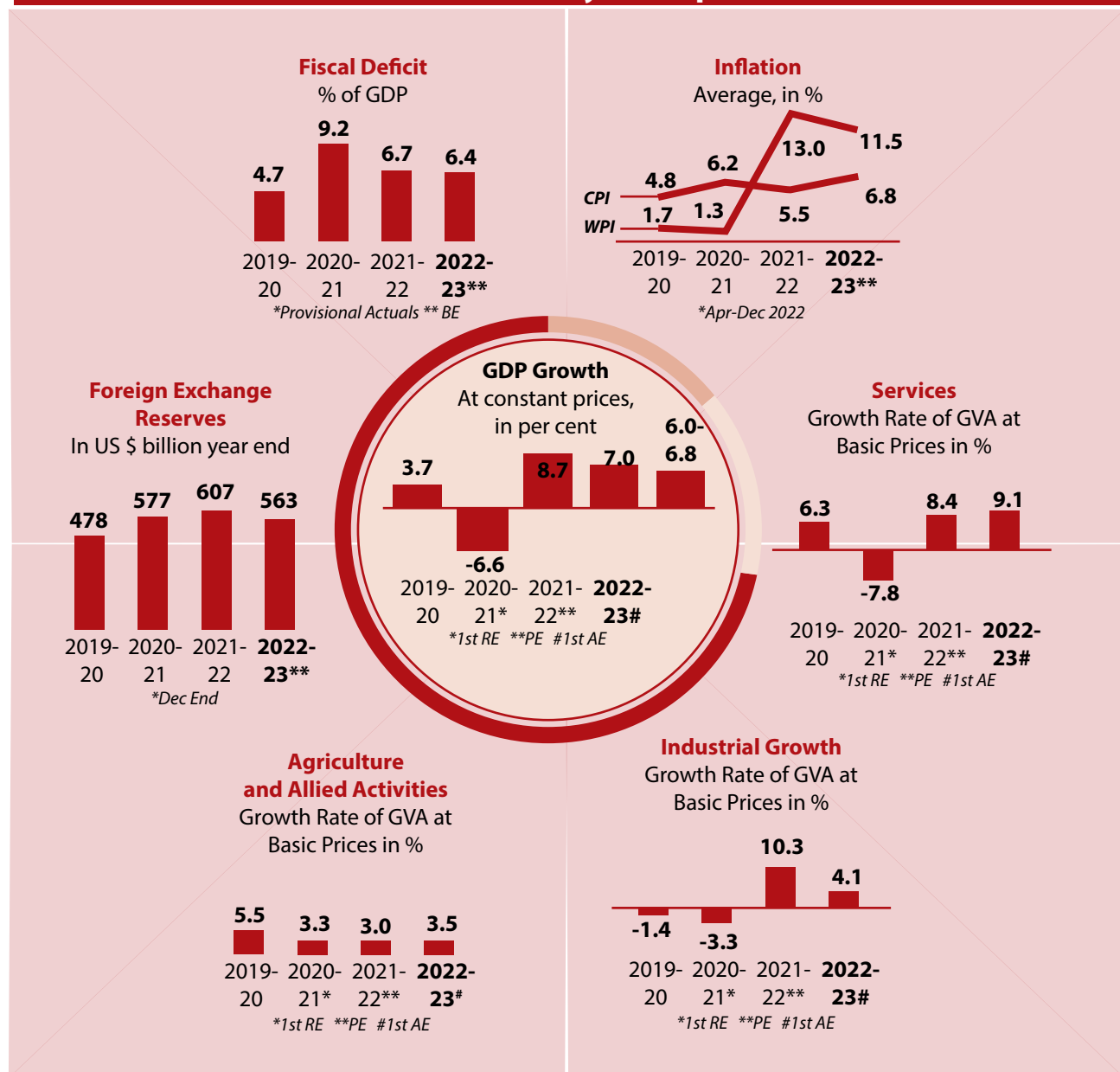
The Survey also points to another recovery and adds that the "release of pent-up demand" was reflected in the housing market too as demand for housing loans picked up. Consequently, housing inventories have declined, prices are firming up, and construction of new dwellings is picking up pace and this has stimulated innumerable backward and forward linkages that the construction sector is known to carry. The universalisation of vaccination coverage also has a significant role in lifting the housing market as, in its absence, the migrant workforce could not have returned to construct new dwellings.

Apart from housing, construction activity, in general, has significantly risen in FY23 as the much-enlarged capital budget (Capex) of the Central Government and its public sector enterprises is rapidly being deployed.

Going by the Capex multiplier estimated for the country, the economic output of the country is set to increase by at least four times the amount of Capex. States, in aggregate, are also performing well with their Capex plans. Like the Central Government, States also have a larger capital budget supported by the Centre's grant-in-aid for capital works and an interest-free loan repayable over 50 years.

Also, a capex thrust in the last two budgets of the Government of India was not an isolated initiative meant only to address the infrastructure gaps in the country. It was part of a strategic package aimed at crowding-in private investment into an economic landscape broadened by the vacation of non-strategic PSEs (disinvestment) and idling public sector assets.

## Indian Economy A Snapshot



(Source – Press Information Bureau, Ministry of Finance)

India's economic resilience can be seen in the domestic stimulus to growth seamlessly replacing the external stimuli. The growth of exports may have moderated in the second half of FY23. However, their surge in FY22 and the first half of FY23 induced a shift in the gears of the production processes from mild acceleration to cruise mode.

Manufacturing and investment activities consequently gained traction. By the time the growth of exports moderated, the rebound in domestic consumption had

sufficiently matured to take forward the growth of India's economy. Private Consumption as a percentage of GDP stood at 58.4% in Q2 of FY23, the highest among the second quarters of all the years since 2013-14, supported by a rebound in contact-intensive services such as trade, hotel and transport, which registered sequential growth of 16% in real terms in Q2 of FY23 compared to the previous quarter.

Although domestic consumption rebounded in many economies, the rebound in India was impressive for

its scale. It contributed to a rise in domestic capacity utilisation. Domestic private consumption remains buoyant in November 2022. Moreover, RBI's most recent survey of consumer confidence released in December 2022 pointed to improving sentiment with respect to current and prospective employment and income conditions.

India moved up in the Ease of Doing Business (EoDB) rankings from 100th in 2017 to 63rd in 2022.

In 2022-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1% Y-o-Y in RE 2022-23.

The Global commodity prices may have eased but are still higher compared to pre-conflict levels and they have further widened the CAD, already enlarged by India's growth momentum. For FY23, India has sufficient forex reserves to finance the CAD and intervene in the forex market to manage volatility in the Indian rupee.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

### Global Steel Industry

According to The World Steel Outlook, in 2022, recovery momentum after the pandemic shock was hampered by high inflation and increasing interest rates, the Russian invasion of Ukraine, and the lockdowns in China. As a result, steel-using sectors' activity went down in the last quarter of 2022. This, combined with the effect of stock adjustments, led to worse than expected contraction in steel demand.

Persistent inflation and high-interest rates in most economies will limit the recovery of steel demand in 2023, despite positive factors like China's reopening, Europe's resilience in the face of the energy crisis, and the easing of supply chain bottlenecks. In 2024, demand growth is driven by regions outside China but faces global deceleration due to China's anticipated 0% growth, overshadowing the improved environment. Sustained inflation remains a downside risk, potentially keeping interest rates high.

As China's population declines and moves to consumption-driven growth, its contribution to global steel demand growth will lessen. Future global steel demand growth will rely on reduced drivers, primarily concentrated in Asia. Investments in decarbonisation and dynamic emerging economies will increasingly drive positive momentum for global steel demand, even as China's contribution to global growth diminishes."

India, however remained in a bright spot in the global steel industry in 2022. Having managed inflation well, the

Indian economy is on a healthy growth track, with a rising share of investment in GDP thanks to strong government spending on infrastructure. The residential sector is also expected to grow, backed by affordable housing projects and urban demand. Private investment is improving on the back of the Production Linked Investment (PLI) Schemes.

After suffering a sizable contraction in 2022 due to monetary tightening and high energy costs, steel demand in the developed economies is expected to increase by 1.3% in 2023 and 3.2% in 2024.

The European Union will continue to feel the impact of the Ukraine war in 2023 and will witness a rebound in steel demand in 2024.

In the US, growth in 2023-2024 is expected to be subdued by recessionary pressure, the outlook said, adding that the spillover from the recent SVB bankruptcy needs to be watched.

The US steel demand is expected to grow by 1.3% in 2023 and 2.5% in 2024. In Japan, demand is expected to increase by 4.0% in 2023 and 1.2% in 2024. South Korea will see demand rising by 2.9% this year and 2% in 2024.

### Indian Steel Industry

According to the Indian Steel Association (ISA), Steel demand is expected to be 128.9 million tonnes during 2023-24, up from 119.9 million tonnes during the previous year.

Undoubtedly the steel sector in India is one of the fastest growing, in-demand and robust sectors. While the pandemic and global export/import circumstances did cause the sector to slow down for a while, recent development is bringing the sector back to its glory. Today, the Indian steel industry ranks second in global production.

The steel sector has benefited from India's strong economic growth, and industries such as automotive and consumer durables are expected to fuel steel consumption.

The Indian steel industry outlook for 2023 looks promising with the country gearing to become a US \$5 trillion economy by 2030 (or sooner). And as per market predictions and reports, the steel industry in India will play a pivotal role in steering India towards its goal.

With around 120 million tonnes of production, India is the world's second largest producer of crude steel (after China). The distribution of iron and steel industry is spread across the states of Odisha, Jharkhand, Chhattisgarh, Karnataka, Maharashtra, West Bengal, and Gujarat, while



the use of steel in construction, automotive, railways, capital goods and consumer durables, has been growing.

The domestic steel consumption growth rate in India is expected to be around 10-12% in FY2023. There is also a rise in investments in the infrastructure sector and support from the government to encourage the growth and outlook of the Indian steel industry.

According to predictions by the World Steel Association, the steel industry growth rate is estimated to be around 6.7% in 2023. After a slack period following the pandemic, the sector was able to revive in 2021-22 with global demand for steel rising.

The growth prospects and steel industry outlook in India

is favourable. Recent changes in export taxes and import duties on steel, complemented by the rising demand for affordable housing, infrastructure development and construction projects, has led to a pan-India need for steel metal. Moreover, the Government's initiative to make India self-sufficient has made room for sustainable urban development, construction of proposed logistics parks and industrial corridors – all adding to the meteoric demand for finished steel and steel as a raw material.

The iron and steel industry naturally will play a dominant role in bringing progress. Let us take a look at what are the growth prospects of the steel sector, the present outlook and future prospects of steel in India, and the multiple factors supporting and contributing to it.

#### Budget 2023-24: Announcements for the steel sector

In Budget 2023-24, though there were no specific funds for driving growth of the steel sector, there are several opportunities present in other industries that would directly boost the steel industry outlook.

**Railways:** The government's initiative to redevelop 50 + existing railway stations and the plan to provide a capital of ₹ 2.4 lakh crore to Railways is likely to scale the need for steel.

**Logistics and Regional Connectivity:** An investment of ₹ 75,000 crores including ₹ 15,000 crores from private sources is planned for 100 + critical transportation infrastructure projects that will connect ports, coal, steel, fertiliser, and food grain sectors across the first- and last-mile delivery network. This is expected to improve connectivity and transportation services across major points, in turn leading to a rise in demand for steel.

**City development:** Urban planning development projects will be undertaken to transform cities into sustainable cities. With the proposed ₹ 10,000 crores annual fund, the goal is to ramp up infrastructure development, especially in Tier II and Tier III cities. This is likely to witness a growth in steel demand, especially for steel girders in infrastructure and TMT steel bars in construction among others.

**PM Awas Yojana:** The budget also highlighted an outlay for Pradhan Mantri Awas Yojana – Urban (PMAY-U) that has been enhanced by 66% to over 79,000 crores. The mission addresses urban housing shortage among the economically weaker sector (EWS), lower-income group (LIG) and middle-income group (MIG). This will also create more opportunities for housing and hence additional demand for steel.

(Source: Outlook, March 2023)

#### Recent developments in the steel sector

The Ministry of Steel signed 57 MoUs with 27 companies for specialty steel under the PLI scheme (Production Linked Incentive). Under the scheme the government has approved a sum of ₹ 6322 crores for steel sector growth. Apart from creating new jobs and contributing to making India the 3rd largest economy globally (by 2030-31), the scheme aims to create an additional capacity of 25 million tonnes of specialty steel in the next five years.

- For focused production of value-added steel, collaboration between the 27 companies and the government is crucial

- Initiatives like Green Steel and Hydrogen Mission would enable low carbon emissions
- R&D, new product development, and best practices should be adopted across the steel sector

As can be seen from the recent events and Indian steel sector overview, there's a promising future for the steel sector in India.

A ₹10 lakh crore capital expenditure plan was announced. The goal of this plan is to focus on domestically produced steel to make the nation self-reliant. The plan would also position India as a leading manufacturing hub and gradually scale the steel sector's contribution to India's GDP from its current 2% to 5%.

As a raw material, the demand for steel has been steadily rising. Though there are often concerns about price hike and environmental factor, the benefits and applications of the metal are too many.

### Key Factors for growth of the Indian Steel Industry

#### Robust Demand

- India's finished steel consumption is anticipated to increase to 230 million tonnes by 2030-31 from 133.596 million tonnes in FY22.
- As of December 2022, India was the world's second-largest producer of crude steel, with an output of 124.5 million tonnes of crude steel and finished steel production of 117.6 million tonnes, in CY22.

#### Increasing Investments

- The industry is witnessing consolidation of players, which has led to investment by entities from other sectors. The ongoing consolidation also presents an opportunity to global players to enter the Indian market.

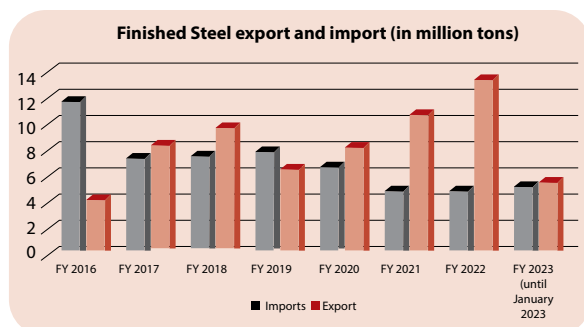
#### Policy Support

- In October 2021, the government announced guidelines for the approved specialty steel production-linked incentive (PLI) scheme.
- Under the Union Budget 2023-24, the government allocated Rs. 70.15 crore (US\$ 8.6 million) to the Ministry of Steel.

#### Competitive Advantage

- In April-November 2022, the production of crude steel in India stood at 81.96 million tonnes.
- Easy availability of low-cost manpower and presence of abundant iron ore reserves make India competitive in the global set up.
- India is home to fifth-highest reserves of iron ore in the world.

### Market Size of Indian Steel Industry in Export and Import



The annual production of steel is anticipated to exceed 300 million tonnes by 2030-2031. By 2030-31, crude steel production is projected to reach 255 million tonnes at 85% capacity utilisation achieving 230 million tonnes of finished steel production, assuming a 10% yield loss or a 90% conversion ratio for the conversion of raw steel to finished steel. With net exports of 24 million tonnes, consumption is expected to reach 206 million tonnes by the years 2030-2031. As a result, it is anticipated that per-person steel consumption will grow to 160 kg.

### OUTLOOK

Dwelling on the Outlook for 2023-24, India's recovery from the pandemic was relatively quick, and growth in the upcoming year will be supported by solid domestic demand and a pickup in capital investment. It says that aided by healthy financials, incipient signs of a new private sector capital formation cycle are visible and more importantly, compensating for the private sector's caution in capital expenditure, the government raised capital expenditure substantially.

Budgeted capital expenditure rose 2.7 times in the last seven years, from FY16 to FY23, re-invigorating the Capex cycle. Structural reforms such as the introduction of the Goods and Services Tax and the Insolvency and Bankruptcy Code enhanced the efficiency and transparency of the economy and ensured financial discipline and better compliance, the Survey added.

Global growth is forecasted to slow from 3.2% in 2022 to 2.7% in 2023 as per IMF's World Economic Outlook, October 2022. A slower growth in economic output coupled with increased uncertainty will dampen trade growth. This is seen in the lower forecast for growth in global trade by the World Trade Organisation, from 3.5% in 2022 to 1.0% in 2023.

On the external front, risks to the current account balance stem from multiple sources. While commodity prices have retreated from record highs, they are still above pre-conflict levels. Strong domestic demand amidst high commodity prices will raise India's total import bill and contribute to unfavourable developments in the current account balance. These may be exacerbated by plateauing export growth on account of slackening global demand. Should the current account deficit widen further, the currency may come under depreciation pressure.

Entrenched inflation may prolong the tightening cycle, and therefore, borrowing costs may stay 'higher for longer'. In such a scenario, global economy may be characterised by low growth in FY24. However, the scenario of subdued global growth presents two silver linings – oil prices will stay low, and India's CAD will be better than currently

projected. The overall external situation will remain manageable.

The progress made by the steel sector in India from pre-2014-15 to 2022-23 is mentioned in the table below:

(Million Tonnes)

Key parameters	FY 2014-15	FY 2022-23	% increase
Crude steel Capacity (MT)	109.85	160.3	46%
Crude steel Production (MT)	88.98	126.26	42%
Total Finished Steel Production (MT)	81.86	122.28	49%
Consumption (MT)	76.99	119.86	57%
Per capita steel consumption (in Kg)	60.8	86.7	43%

We, at Gallantt Ispat, have the following production data of the Fiscal 2022-23:

(Metric Tonnes)

Product	2022-23	
	Production	Sales*
Sponge Iron (M.T.)	6,89,565.849	6,91,138.706
M.S. Billets (M.T.)	6,94,206.471	6,97,377.642
M.S. Round Bar & Miss Rolled Bar (M.T.)	6,35,962.546	6,42,317.058
Wheat Products	65,20,16,430	65,20,16,430
Power Generation(KWH)	6,89,565.849	6,91,138.706

\*Sales include captive consumption also

**Major Product-wise Turnover** (Metric Tonnes)

	FY 2022-23		FY 2021-22	
	QTY (MT/ Unit)	₹ In Lakhs	QTY (MT)	₹ In Lakhs
Steel (MT)*	7,61,568.23	3,97,786.72	60,4475	297,777.72

Company has Integrated Steel Plant facilities at Samakhiali, Kutch, Gujarat and GIDA - Sahjanwa, Gorakhpur, Uttar Pradesh . Being an Integrated Steel Plant, Company, during the manufacturing process of end products TMT Bars also manufactures Sponge Iron, Billets etc.

## OPPORTUNITIES AND THREATS

### Opportunities

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.

The 2017 National Steel Policy provides for the production capacity of 300 million tonnes by 2030-31. The usage of steel per person rose during the last five years from 57.6 kgs to 74.1 kgs. The goal of the Government is to raise rural steel consumption to 38 kg/per capita by 2030-31 from the current 19.6 kilos per capita.

As per reports by CareEdge Research, the domestic steel consumption growth rate in India is expected to be around 10-12% in FY2023. There is also a rise in investments in the infrastructure sector and support from the Government to encourage the growth and outlook of the Indian steel industry.

### Threats and Risks

The steel industry heavily relies on high-temperature thermal or chemical transformations to achieve the desired final outcome. However, this kind of operational environment inherently poses significant risks, making it exceptionally challenging to prevent unexpected accidents and ensure worker safety.

Compounding these concerns, the inspection and maintenance of machinery and structures within the industry present ongoing difficulties. These vital components are susceptible to corrosion, wear, and tear, and structural integrity issues, often situated in hard-to-reach locations. Furthermore, as we will delve into later, workers frequently navigate through analog processes, lacking clear insight into the real priorities of the operation.

Consequently, beyond the physical degradation of the plant infrastructure itself, the work environment becomes inherently unsafe and stressful for employees. In certain cases, due to the extreme temperatures associated with steel production, operators are subject to strict time limitations, restricting their actions and overall efficiency. These restrictions further exacerbate the challenges faced by workers, limiting their ability to perform critical tasks and compromising their well-being.

Managing logistics requirements is arduous, challenging and costly. The primary raw material for steel making is iron ore, besides coal or coking coal. Both are bulk minerals, and steel is also a bulk commodity. So, whether it is physical transportation of raw materials for steelmaking to the steel mills or physical transportation of finished

steel to demand centres, transportation of bulk materials is always arduous.

The availability of raw material at right price remains a concern for the steel sector. Though India has huge deposits of high grade iron ore, her coal reserves, especially high grade cooking coal for smelting iron are limited. Many steel plants are forced to import metallurgical coal. For example, steel plant at Gujarat has to import coal from South Africa. Serious thought is now being given to replace imported coal by natural gas from Krishna-Godavari basin.

Another significant consequence stemming from the

multitude of transformation processes within the steel industry is the generation of substantial volumes of sub-products that currently find no reuse within the operation. Consequently, a significant amount of waste is generated, and regrettably, a portion of this waste is improperly released into the environment.

Steel is a capital-intensive sector. Naturally, the cost of financing any expansion or new steel capacity is usually through borrowed capital. In India the cost of finance is extremely high compared to the cost of finance in developed countries such as China, Japan and Korea. Moreover, steel demand is cyclical. So, during a downturn, the return on investments gets eroded.

## SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

### Major Product-wise Turnover

	2022-23		2021-22		% of Change	
	Production	Sales*	Production	Sales*	Production	Sales*
<b>Sponge Iron (M.T.)</b>	6,89,565.849	6,91,138.706	4,88,999.810	4,90,310.426	41.02%	40.96%
<b>M.S. Billets (M.T.)</b>	6,94,206.471	6,97,377.642	6,02,726.111	6,03,459.323	15.18%	15.56%
<b>M.S. Round Bar &amp; Miss Rolled Bar (M.T.)</b>	6,35,962.546	6,42,317.058	4,80,041.520	4,72,081.128	32.48%	36.06%
<b>Power Generation (KWH)</b>	65,20,16,430	65,20,16,430	53,27,46,256	53,27,46,256	22.39%	22.39%

\*Sales include captive consumption also.

## RISKS AND CONCERNS

As the world limps back into the resumption of economic activity, through the triple phase of COVID-19, the impact of the pandemic shall be visible across many sectors, including Steel. The steel industry, at large, has taken preventive measures on people and processes to minimize the impact on production.

Where possible, the industry has sustained economies of continuous production during the peak COVID-19 periods. Major reasons for a large shrink in developed economies is due to manufacturing recession coupled with distress in auto and machinery industries discouraged energy sector investments. Developing countries, including India, are the hardest hit in terms of steel demand owing to stricter lockdown measures and longer lockdown phase impacting all major consumer industries of Steel. The inherent construct of supply chains of steel for capital goods creates a base inefficiency for the Indian capital goods manufacturers. Setting up a capital goods hub or building capabilities around specialty steel has inbound cost challenges. The advantage of cheap labour gets negated with lack of skilled workers. Moreover, lack of

continuous electricity supply, last mile connectivity and high cost of transportation of material are additional challenges for companies operating with thin margins.

Steel industry is a capital-intensive sector requiring an investment around ₹ 6000 to ₹ 8000 Crores to set up 1 ton of Steel production capacity through greenfield initiatives.

- The cost of financing for expansion or new capacity addition is majorly through borrowed capital.
- Overall, the share of bank credit to the iron and steel sector has declined between 2011 and 2020.

Further, in India, the cost of finance is higher as compared to the cost of finance in countries like China, Japan and Korea.

The rapid upward trend in steel output has put pressure on the availability of quality ore for steel production. Coking coal in India is not of adequate quality to form good coking coal on account of high impurities. The blending ratio for coal in countries such as the US is 40% whereas in India it is only 10% at present.

The Steel plants in India are in the inlands, often in remote areas with severe logistics challenge. Steel transportation till now has been heavily reliant on railways as it meets more than 70% of the Steel industry's transportation needs and high cost is resulting from the compulsion of Indian railways to subsidize passenger carrying cost of freight earnings. The capacity of Indian railways is constrained with a lot of delays and issues in rake availability and rake placements, creating bottleneck points in the entire supply chain. Moreover, Ports suffer from low productivity, slow unloading, delayed stevedoring, and other myriad issues. Lack of appropriate digitalization of the supply chain nodes, like document processing and clearances at ports, tracking and tracing of goods etc., result in inefficiency and bottlenecks.

Slowing global economic growth has forced cross imposition of duties by major steel producing nations. India had also imposed duties to safeguard its domestic Steel industry, especially against dumping of flat products in the country. The real estate sector is also witnessing a demand slump due to excess inventory and severe price pressures.

The government has reversed the export duty on iron ore with grades less than 58 percent to zero and export duty on iron ore with grades more than 58 percent has been reduced to 30 percent. Due to vagaries of weather and conflict between Russia-Ukraine, there has been huge fluctuations in coking coal as well as steel supply.

Energy represents one of the key challenges for today's Steel industry and the efficient use of energy has always been one of the Steel industry's key priorities. Over the last 40 years, the Steel industry has reduced its energy consumption per ton of Steel by 50%. Still, the cost of energy accounts for 15 to 20% of the total cost of Steel production and energy consumption is directly related to the environmental impact of the industry. Indian Steel plants need to invest more in energy efficient systems to remain competitive.

Geopolitical conflicts and trade wars between major economies could impact global steel demand and production, leading to a decline in steel demand.

All these concerns 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**

Internal control systems in the organization are looked at as the key to its effective functioning. The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use. The Company's internal controls are supplemented by an extensive programme of internal audit, review by management and documented policies, systems support, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and other data.

The Audit Committee reviews all the reports as prescribed under the regulations and compliance systems and suggests better internal control systems, policies and procedures as and when required.

It also reviews Company's financial reporting processes, disclosure of financial information, related party transactions, etc.

### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

During the financial year 2022-23 Revenue from Operations stood at ₹ 4,03,458.27 Lakhs as against ₹ 3,01,737.60 Lakhs during the last financial year 2021-22. The Profit before Interest, Depreciation and Taxation stood at ₹ 36,736.17 Lakhs as against ₹ 34,985.99 Lakhs in the previous year registering a growth of 5.01 %. The Net Profit after Tax for the year stood at ₹ 14,091.09 Lakhs from ₹ 17,583.93 Lakhs in the previous year registering a decline 19.86%. Earnings per Share (EPS) stood at ₹ 5.84 (face value of ₹ 10/- each) for the Financial Year ended March 31, 2023. During the year Company has reported relatively sluggish performance in terms of profitability, however, the turnover has increased considerably. Decline in profit is due to several macroeconomic head winds, volatile market environment and operational challenges.



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

(₹ in Lakhs)

SEGMENT REVENUE	For Year ended 31.03.2023	For Year ended 31.03.2022	% age Change
Steel	4,03,458.27	2,99,929.81	34.52
Power	48,087.53	37,827.89	27.12
Unallocated Other Income (Net)	2,539.44	7,163.14	(64.55)
	4,54,085.24	3,44,920.84	31.65
Inter-segment revenue	48,087.53	37,822.44	27.14
<b>Total Segment Revenue</b>	<b>4,05,997.71</b>	<b>3,07,098.40</b>	<b>32.20</b>
SEGMENT RESULTS			
Steel	9,501.13	11,563.39	(17.83)
Power	14,670.59	8,909.79	64.66
<b>Total Segment Result</b>	<b>24,171.72</b>	<b>20,473.18</b>	<b>18.07</b>
Interest	2,722.35	2,046.35	33.03
Other unallocated expenses /(income)	(2,539.44)	(5,303.55)	(52.12)
<b>Profit /(Loss) before taxes</b>	<b>23,988.81</b>	<b>23,730.38</b>	<b>1.09</b>

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

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. Human Resource is a continuous and ever evolving function at our Company. The Company believes

that human resources enable the Company to consistently meet customer requirements and deliver exceptional performance for all stakeholders. The Company continues to maintain its record on cordial industrial relations. The Company continues to invest in people through various initiatives viz. training programmes, upgradation of knowledge etc. which enable the work force to meet out the challenges. As on March 31, 2023, the employee strength of the Company was 2,834.

The Company maintained harmonious industrial relations in all units of the Company during the financial year 2022-23.

#### 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:

Sr. No.	Financial Ratio	2022-23	2021-2022	% age varaince	Remarks for variation more than 25%
(a)	Current Ratio	1.85	1.81	2.12	Not Applicable
(b)	Debt Equity Ratio	0.325	0.291	11.85	Not Applicable
(c)	Debt Service Coverage Ratio	9.86	13.63	(27.66)	This ratio has decreased due to decrease in net profit on account of higher provision of deferred tax during the year
(d)	Return on Equity Ratio	6.54	8.82	(25.81)	This ratio has decreased due to decrease in net profit on account of higher provision of deferred tax during the year

Sr. No.	Financial Ratio	2022-23	2021-2022	% age varaince	Remarks for variation more than 25%
(e)	Inventory Turnover Ratio	49.37	38.96	26.74	This ratio has increased due to increase in high transit inventory during March 31, 2023
(f)	Trade Receivables Turnover Ratio	27.11	20.60	31.60	This ratio has increased due to high project sale in March wherein credit period is high
(g)	Trade Payables Turnover Ratio	19.28	17.18	12.24	Not Applicable
(h)	Net Capital Turnover Ratio	8.75	7.76	12.81	Not Applicable
(i)	Net Profit Ratio	3.53	5.89	(40.06)	This ratio has decreased due to decrease in net profit on account of higher provision of deferred tax during the year
(j)	Return on Capital employed	11.08	11.64	(4.86)	Not Applicable
(k)	Return on Investment	-	-	-	Not Applicable

**CAUTIONARY STATEMENT**

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" and based on certain assumptions/

expectations and current scenario and the input available. Actual results might differ substantially or materially to those expressed or implied. Important developments including global or domestic trends, political and economic environment in India or Overseas might affect the Company's operations.

On behalf of the Board

Place: Gorakhpur  
Date: May 29, 2023

**C. P. Agrawal**  
Chairman

## Annexure - VII

to the Directors' Report

### CORPORATE SOCIAL RESPONSIBILITY POLICY [PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013]

#### INTRODUCTION

Gallantt Ispat Limited ("the Company/GIL") has developed the Corporate Social Responsibility ("CSR") Policy in accordance with Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 notified by the Ministry of Corporate Affairs, Government of India.

This Policy shall apply to all CSR initiatives and activities taken up at the various work-centres and locations of the Company, for the benefit of different segments of the society, specifically the deprived, under-privileged and differently abled persons.

The purpose of this policy is to ensure Gallantt Ispat Limited, affiliates and associated companies; consistently operate in a manner that minimises detrimental impacts to society and the environment. 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 Crores or more or Net Profit of ₹ 5 Crores or more shall constitute Corporate Social Responsibility Committee ("CSR Committee").

The CSR Committee so constituted formulated the CSR Policy and recommended the same to the Board of Directors ("BOD") of the Company for its approval. The BOD 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.

#### VISION

The CSR Committee's Vision is "improving lives in pursuit of collective development and environmental sustainability". This vision should encompass all CSR activities of the Company.

#### MISSION

The CSR Committee's Mission is to actively contribute to the social & economic development of the community in the state, where the Company operate and in so doing build a better sustainable way of life for the weaker and socially backward, underprivileged section of society and to raise the country's human development index.

#### CORPORATE SOCIAL RESPONSIBILITY PHILOSOPHY

Company'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

- ii. 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;
- 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, Gujarat 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.

### **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.

### PLANNING AND IMPLEMENTATION

The Board shall ensure that the CSR activities are undertaken by GIL itself or through –

- a Company established under Section 8 of the Act, or a registered public trust or a registered society, registered under Section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by GIL, either singly or along with any other Company, or
- a company established under Section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- any entity established under an Act of Parliament or a State legislature; or
- a company established under Section 8 of the Act, or a registered public trust or a registered society, not referred to above, registered under Section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Every entity as covered above, who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar, for projects or programmes approved, effective from 1st April, 2021.

GIL may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR. GIL may also collaborate with other Companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective Companies are in a position to report separately on such projects or programmes. The Board shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it. The Chief Financial Officer or the person responsible for the financial management shall certify to the effect.

In case of Ongoing Project if any, the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, required for smooth implementation of the project within the overall permissible time period. ("Ongoing Project" is defined to mean a multi-year CSR project having timelines not exceeding 3 years excluding the financial year in which it

was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond 1 year by the Board based on reasonable justification).

### CSR EXPENDITURE

1. 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.
2. 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.
3. Based on its consultative process of needs assessment as well as other criteria for identifying social initiatives, necessary budget allocation exercise shall be carried out at the start of relevant accounting year. The budget shall include details of activities/projects planned to be covered during the year. However, administrative overheads shall not exceed such limits as prescribed under the Act.
4. In any financial year, if the budgeted amount is not spent, Board shall, in its report made under Section 134 (3) (o) of the Act, specify the reasons for not spending the amount.
5. The Company shall deal with the unspent amount, if any, in the following manner:
  - a) Where the unspent amount is related to an Ongoing Project, such unspent amount shall be transferred to the CSR Unspent Account within a period of 30 days from the end of the financial year and the same shall be spent in the manner as prescribed in Section 135(6) of the Act and the Rules; and
  - b) Where the unspent amount is not related to an Ongoing Project, such unspent amount shall be transferred to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year or such other time period as permissible under the Applicable Law.
6. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a Company and shall be ploughed



back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

7. If the Company spends an amount in excess of the minimum allocation of CSR, such excess amount may be set off against the minimum allocation of CSR of three immediately succeeding financial years subject to the conditions that –
  - a) The excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of Rule 7(2) of the Rules.
  - b) The Board of the Company shall pass a resolution to that effect.
8. The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by –
  - a) A Company established under Section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number; or
  - b) Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
  - c) A public authority.
9. The CSR Committee would be authorized for sanctioning the amount for any specific activity/ initiative within the overall approved ceiling limit and/or to delegate authority from time to time to the Authorised Person to allocate amount for any such specific activity within the approved ceiling limit.

#### **FORMULATION OF ANNUAL ACTION PLAN**

1. The Management shall place before the CSR Committee as well as before the Board, the Annual Action Plan preferably at the beginning of the Financial Year or such time as may be practically possible, which may be amended from time to time as recommended by the CSR Committee and approved by the Board.
2. Annual action plan shall include the following:
  - a) the list of CSR projects or programmes that are approved to be undertaken in the areas or subjects specified in Schedule VII of the Act;

- b) the manner of execution of such projects or programmes as specified in Rule 4(1) of the Rules;
- c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- d) monitoring and reporting mechanism for the projects or programmes; and
- e) details of need and impact assessment, if any, for the projects undertaken by the Company;

3. The Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

#### **IMPACT ASSESSMENT**

In the event of Company having an average CSR obligation of ₹ 10 Crores or more in three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of ₹ 1 Crore or more, and which have been completed not less than one year before undertaking the impact study and the impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR. Company may book the expenditure towards CSR for that financial year, which shall not exceed 5% of the total CSR expenditure for that financial year or ₹ 50 Lakhs, whichever is less.

#### **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.

#### **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 - VIII

to the Directors' Report

### ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

#### 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:

Sr. No.	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. Jyotirindra Nath Dey	Chairman	3	3
2.	Mr. Chandra Prakash Agrawal	Member	3	2
3.	Mr. Dinesh R. Agarwal	Member	3	3

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.	<a href="http://gallantt.com/investors%20corner">http://gallantt.com/investors corner</a>
4.	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

Sr. No.	Financial Year	Amount available for set-off from proceeding 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)		₹ 15,316.56 Lakhs
7.	(a) Two percent of average net profit of the company as per section 135(5)		₹ 306.33 Lakhs
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.		₹ 31.87 Lakhs
	(c) Amount required to be set off for the financial year, if any		-
	(d) Total CSR obligation for the financial year (7a+7b-7c).		₹ 306.33 Lakhs

**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 provision to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 309.42 Lakhs	-	-	-	-	-

**(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)**

Sr. No.	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.	Promoting Social Welfare	Promoting Social Welfare	Yes	Gujarat	Kutch	2.00	No. Paid by Company to Manav Seva Trust for Social welfare	N.A.	N.A.
2.	Promoting Social Welfare	Promoting Social Welfare	Yes	Gujarat	Kutch	3.86	No. Paid by Company to Akshay Sagar Charitable Trust for Social welfare	N.A.	N.A.
3.	Promoting Social Welfare	Promoting Social Welfare	Yes	Gujarat	Kutch	0.51	No. Paid to Navjivan Viklang Shevashray for welfare for handicapped	N.A.	N.A.
4.	Promoting Education Etc.	Promoting Education Etc.	Yes	Gujarat	Kutch	1.42	No. Uniform provided to students	N.A.	N.A.
5.	Promoting Social Welfare	Promoting Social Welfare	Yes	Gujarat	Kutch	0.51	No. Paid to Shree Vivekanand Seva Trust for social welfare	N.A.	N.A.
6.	Promoting Animal Welfare	Promoting Animal Welfare	Yes	Gujarat	Kutch	1.35	No. Paid to Chadwara Gram Panchyat for animal fodder	N.A.	N.A.
7.	Environment	Environment	Yes	Gujarat	Kutch	5.00	No. Paid to Enviro Creators Foundation for Plantation at Smriti Van, Bhuj	N.A.	N.A.
8.	Promoting Social Welfare	Promoting Social Welfare	Yes	Uttar Pradesh	Gorakhpur	215.00	No. Through Trust of the Company, Gallantt Foundation	Gallantt Foundation	CSR
9.	Annapurna Rasoi – A mission of food for all	Promoting Social Welfare	Yes	Uttar Pradesh	Gorakhpur	77.08	Direct. Company has set up a Community Kitchen named Annapurna Rasoi which feeds approximately 1,000 people daily in Gorakhpur.	N.A.	N.A.
10.	Promoting Education etc.	Promoting Education etc.	Yes	Uttar Pradesh	Gorakhpur	2.68	Direct. Paid for construction of Building of Drapaudi Devi School, Gorakhpur	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 ₹ 309.42 Lakhs

(g) Excess amount for set off, if any

(₹ In Lakhs)

Sr. No.	Particulars	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	306.33
(ii)	Total amount spent for the Financial Year	309.42
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3.09
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	31.87
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	34.96

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): N.A.

11. Specify the reason(s), if the company has failed to spend 2% of the average net profit as per section 135(5): N.A.

For CSR Committee,  
**GALLANTT ISPAT LIMITED**

Place: Kolkata  
Date: May 29, 2023

**Jyotirindra Nath Dey**  
Chairman of CSR Committee & Director  
(DIN: 00180925)

## Annexure - IX

to the Directors' Report

### FORM NO. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2023

*[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**

"GALLANTT HOUSE"

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 governance practices by M/s. Gallantt Ispat Limited (CIN: L27109DL2005PLC350524) (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.

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, 2023 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 (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 Regulations/Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited pursuant to the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015;

## AMALGAMATION OF COMPANIES

Vide the orders of the National Company Law Tribunal, Kolkata Bench and National Company Law Tribunal, New Delhi Bench dated September 22, 2021 and May 20, 2022 respectively, the Scheme of Amalgamation and Slump Sale got approved which was 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.

On receipt of the Orders as above and pursuant to the Scheme 6,54,96,896 equity shares held by Transferor Companies with Gallantt Metal Limited (Now known as Gallantt Ispat Limited) (Transferee Company) stands cancelled. Further, the Board of Directors of the Company have allotted 22,54,55,517 (Twenty-Two Crores Fifty-Four Lakhs Fifty-Five Thousand Five Hundred and Seventeen) fully paid-up equity shares of face value of ₹ 10/- each of the Company to the eligible shareholders of the Transferor Companies as per the Record Date fixed on June 7, 2022. Further, the newly allotted shares are got listed with the Stock Exchanges viz. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

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 and Independent Directors. Company has changed the designation of Mr. Nitin Mahavir Prasad Kandoi (DIN: 01979952) from Non-Executive Director to Executive Director with effect from June 01, 2022.

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 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 held one Extra-Ordinary General Meeting (EGM) on June 04, 2022.

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.

**Place:** Kolkata

**Date:** May 29, 2023

**Anurag Fatehpuria**

*Company Secretary*

ACS 34471; CP No. 12855

UDIN: A034471E000415601

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 is 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 processes 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whereever 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 auditor 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 March 31, 2023 but before issue of the Report.

**Anurag Fatehpuria**

*Company Secretary*

**Place:** Kolkata

**Date:** May 29, 2023

ACS 34471; CP No. 12855

UDIN: A034471E000415601

**Annexure - X**

to the Directors' Report

**Form No. MGT - 9****Extract of Annual Return**

as on the financial period ended on 31st March 2023

[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:**

<b>Sr. No.</b>	<b>CIN</b>	L27109DL2005PLC350524
1.	<b>Registration Date</b>	07/02/2005
2.	<b>Name of the Company</b>	Gallantt Ispat Limited
3.	<b>Category /Sub-Category of the Company</b>	Public Company limited by Shares/Indian Non-Government Company
4.	<b>Address</b>	"GALLANTT HOUSE" I-7, Jangpura Extension, New Delhi – 110014 Telefax: 011-45048767
5.	<b>Whether listed Company</b>	Yes
6.	<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	Niche Technologies Private Limited 7th Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata – 700017, West Bengal. <b>Tel.:</b> (033) 2280 6616 / 17 / 18 <b>Email id:</b> nichetechpl@nichetechpl.com <b>Website:</b> 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:

<b>Sr. No.</b>	<b>Name and Description of Main Product/ Services</b>	<b>NIC Code of the Product</b>	<b>% to total turnover of the Company</b>
1.	Steel	2410	100.00
2.	Power*	3510	-

\*Inter Segment

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

<b>Sr. No.</b>	<b>Name and Address of the Company</b>	<b>CIN/GIN</b>	<b>Holding/Subsidiary/ Associate</b>	<b>% of Shares</b>	<b>Applicable Section</b>
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Nil

#### 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	
<b>A. PROMOTERS</b>										
(1) Indian										
a) Individual / HUF		6133166	0	6133166	7.542	165891642	0	165891642	68.755	61.213
b) Centran Government		0	0	0	0.000	0	0	0	0.000	0.000
c) State Government		0	0	0	0.000	0	0	0	0.000	0.000
d) Bodies Corporate		48546023	0	48546023	59.696	165891642	0	165891642	68.755	(59.696)
e) Banks / Financial Institutions		0	0	0	0.000	0	0	0	0.000	0.000
f) Any Other		0	0	0	0.000	0	0	0	0.000	0.000
<b>Sub-total (A)(1)</b>		<b>54679189</b>	<b>0</b>	<b>54679189</b>	<b>67.238</b>	<b>165891642</b>	<b>0</b>	<b>165891642</b>	<b>68.755</b>	<b>1.517</b>
(2) Foreign										
a) NRIs - Individuals		0	0	0	0.000	0	0	0	0.000	0.000
b) Other – Individuals		0	0	0	0.000	0	0	0	0.000	0.000
c) Bodies Corporate		0	0	0	0.000	0	0	0	0.000	0.000
d) Banks / Financial Institutions		0	0	0	0.000	0	0	0	0.000	0.000
e) Any Other		0	0	0	0.000	0	0	0	0.000	0.000
<b>Sub-total (A)(2)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>		<b>54679189</b>	<b>0</b>	<b>54679189</b>	<b>67.238</b>	<b>165891642</b>	<b>0</b>	<b>165891642</b>	<b>68.755</b>	<b>1.517</b>
<b>B. PUBLIC SHAREHOLDING</b>										
(1) Institutions										
a) Mutual Funds		0	0	0	0.000	0	0	0	0.000	0.000
b) Banks / Financial Institutions		0	0	0	0.000	0	0	0	0.000	0.000
c) Central Governments		0	0	0	0.000	0	0	0	0.000	0.000
d) State Governments		0	0	0	0.000	0	0	0	0.000	0.000
e) Venture Capital Funds		0	0	0	0.000	0	0	0	0.000	0.000
f) Insurance Companies		0	0	0	0.000	0	0	0	0.000	0.000
g) Foreign Institutional Investors (FII)		0	0	0	0.000	0	0	0	0.000	0.000
h) Foreign Venture Capital Funds		0	0	0	0.000	0	0	0	0.000	0.000
i) Others (Specify)		78243	0	78243	0.096	33534	0	33534	0.014	(0.082)
<b>Sub-total (B)(1)</b>		<b>78243</b>	<b>0</b>	<b>78243</b>	<b>0.096</b>	<b>33534</b>	<b>0</b>	<b>33534</b>	<b>0.014</b>	<b>(0.082)</b>
(2) Non-Institutions										
a) Bodies Corporate										
i) Indian		18593155	0	18593155	22.864	47292362	69500	47361862	19.629	(3.235)
ii) Overseas		0	0	0	0.000	0	0	0	0.000	0.000
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		3815232	31	3815263	4.692	5702792	109316	5812108	2.409	(2.283)



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	
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	4037546	0	4037546	4.965	22020781	0	22020781	9.127	4.162
c) Others Specify	0	0	0	0.000	0	0	0	0.000	0.000
1. NRI	83036	0	83036	0.102	144780	0	144780	0.060	(0.042)
2. Overseas Corporate Bodies	0	0	0	0.000	0	0	0	0.000	0.000
3. Foreign Nationals	0	0	0	0.000	0	0	0	0.000	0.000
4. Clearing Members	35892	0	35892	0.044	6551	0	6551	0.003	(0.041)
5. Trusts	0	0	0	0.000	0	0	0	0.000	0.000
6. Foreign Bodies - D.R.	0	0	0	0.000	0	0	0	0.000	0.000
7. IEPF Authority	0	0	0	0.000	9687	0	9687	0.004	0.004
8. Unclaimed Shares A/c	0	0	0	0.000	0	0	0	0.000	0.000
Sub-total (B)(2)	<b>26564861</b>	<b>31</b>	<b>26564892</b>	<b>32.666</b>	<b>75176953</b>	<b>178816</b>	<b>75355769</b>	<b>31.232</b>	<b>(1.434)</b>
Total Public Shareholding (B) = (B)(1)+(B)(2)	<b>26643104</b>	<b>31</b>	<b>26643135</b>	<b>32.762</b>	<b>75210487</b>	<b>178816</b>	<b>75389303</b>	<b>31.245</b>	<b>(1.517)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.000	0	0	0	0.000	0.000
<b>GRAND TOTAL (A+B+C)</b>	<b>81322293</b>	<b>31</b>	<b>81322324</b>	<b>100.000</b>	<b>241102129</b>	<b>178816</b>	<b>241280945</b>	<b>100.000</b>	<b>0.000</b>

## B. Shareholding of Promoters

Sr. 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	ANUPAM AGARWAL	8896	0.011	0.000	8896	0.004	0.000	(0.007)
2	ASHUTOSH AGRAWAL	178591	0.220	0.000	8604248	3.566	0.000	3.346
3	BRIJ MOHAN JOSHI	2500	0.003	0.000	2500	0.001	0.000	(0.002)
4	CHANDRA PRAKASH AGRAWAL	2800000	3.443	10.714	70448608	29.198	0.426	25.755
5	DINESH KUMAR AGARWAL	2307251	2.837	9.102	14012196	5.807	1.499	2.970
6	GALLANTT ISPAT LIMITED	39462895	48.527	0.000	0	0.000	0.000	(48.527)
7	HIPOLINE COMMERCE PRIVATE LIMITED	9083128	11.169	0.000	0	0.000	0.000	(11.169)
8	KARUNA JINDAL	4000	0.005	100.000	4046	0.002	98.863	(0.003)
9	KUSUM JALAN	19661	0.024	0.000	19661	0.008	0.000	(0.016)
10	MAANA AV DINESHKUMAR AGARWAL	0	0.000	0.000	72804	0.030	0.000	0.030
11	MADHU AGRAWAL	0	0.000	0.000	15689917	6.503	0.000	6.503
12	MAYANK AGRAWAL	0	0.000	0.000	16331915	6.769	0.000	6.769
13	NARAIN PRASAD AJITSARIA	2500	0.003	0.000	2500	0.001	0.000	(0.002)

Sr. 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	
14	NIDHI JALAN	24500	0.030	0.000	24500	0.010	0.000	(0.020)
15	NITIN KANDOI	10500	0.013	4.762	451571	0.187	0.111	0.174
16	OM PRAKASH JALAN	65279	0.080	0.000	110677	0.046	0.000	(0.034)
17	PALLAVI AGRAWAL	0	0.000	0.000	2497500	1.035	0.000	1.035
18	PREM PRAKASH AGRAWAL	15995	0.020	0.000	7334667	3.040	0.000	3.020
19	PREM PRAKASH AGRAWAL HUF	32500	0.040	0.000	5575467	2.311	0.000	2.271
20	PRIYA SARAFF	100000	0.123	0.000	100000	0.041	0.000	(0.082)
21	PRIYANKA DAS	4898	0.006	0.000	29512	0.012	83.403	0.006
22	PRIYANKA GUPTA	0	0.000	0.000	4985000	2.066	0.000	2.066
23	SANTOSH KUMAR AGRAWAL	105247	0.129	0.000	297535	0.123	0.000	(0.006)
24	SANTOSH KUMAR AGRAWAL HUF	110000	0.135	0.000	5650943	2.342	0.000	2.207
25	SHARDA DEVI JALAN	2500	0.003	0.000	0	0.000	0.000	(0.003)
26	SHRUTI KANDOI	17056	0.021	0.000	17056	0.007	0.000	(0.014)
27	SHYAMA AGRAWAL	190000	0.234	0.000	5160670	2.139	0.000	1.905
28	SMRITI AGARWAL	10000	0.012	0.000	2549775	1.057	0.000	1.045
29	SUBODH KUMAR JALAN	10000	0.012	0.000	10000	0.004	0.000	(0.008)
30	SUMESH KUMAR AGARWAL	100000	0.123	0.000	100000	0.041	0.000	(0.082)
31	UMA AGARWAL	13792	0.017	0.000	845615	0.350	0.000	0.333
	<b>TOTAL</b>	<b>54679189</b>	<b>67.238</b>	<b>0.941</b>	<b>165891642</b>	<b>68.755</b>	<b>0.325</b>	<b>1.517</b>

**C. Change in Promoter's Shareholding**

Sr. 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
<b>1</b>	<b>ANUPAM AGARWAL</b>				
	a) At the Beginning of the Year	8896	0.011		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			8896	0.004
<b>2</b>	<b>ASHUTOSH AGRAWAL</b>				
	a) At the Beginning of the Year	178591	0.220		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	8425657	2.747	8604248	3.566
	c) At the End of the Year			8604248	3.566
<b>3</b>	<b>BRIJ MOHAN JOSHI</b>				
	a) At the Beginning of the Year	2500	0.003		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			2500	0.001
<b>4</b>	<b>CHANDRA PRAKASH AGRAWAL</b>				
	a) At the Beginning of the Year	2800000	3.443		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	67653536	22.053	70453536	29.200
	30/09/2022 Transfer	-4928	0.002	70448608	29.198
	c) At the End of the Year			70448608	29.198
<b>5</b>	<b>CHANDRA PRAKASH AGRAWAL HUF</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	4953863	1.615	4953863	2.053
	c) At the End of the Year			4953863	2.053
<b>6</b>	<b>DINESH R. AGARWAL</b>				
	a) At the Beginning of the Year	2307251	2.837		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	11704945	3.815	14012196	5.807
	c) At the End of the Year			14012196	5.807

Sr. 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
<b>7</b>	<b>GALLANTT ISPAT LIMITED</b>				
	a) At the Beginning of the Year	39462895	48.527		
	b) Changes during the year				
	Date Reason				
	29/07/2022 Transfer	-39462895	12.864	0	0.000
	c) At the End of the Year			0	0.000
<b>8</b>	<b>HIPOLINE COMMERCE PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	9083128	11.169		
	b) Changes during the year				
	Date Reason				
	29/07/2022 Transfer	(1987379)	0.648	7095749	2.941
	05/08/2022 Transfer	(7095749)	2.313	0	0.000
	c) At the End of the Year			0	0.000
<b>9</b>	<b>KARUNA JINDAL</b>				
	a) At the Beginning of the Year	4000	0.005		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	46	0.000	4046	0.002
	c) At the End of the Year			4046	0.002
<b>10</b>	<b>KUSUM JALAN</b>				
	a) At the Beginning of the Year	19661	0.024		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			19661	0.008
<b>11</b>	<b>MAANAARV DINESHKUMAR AGARWAL</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	450	0.000	450	0.000
	02/12/2022 Transfer	14384	0.005	14834	0.006
	24/02/2023 Transfer	37417	0.012	52251	0.022
	03/03/2023 Transfer	19200	0.006	71451	0.030
	10/03/2023 Transfer	1353	0.000	72804	0.030
	c) At the End of the Year			72804	0.030

Sr. 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
<b>12</b>	<b>MADHU AGRAWAL</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	15689917	5.114	15689917	6.503
	c) At the End of the Year			15689917	6.503
<b>13</b>	<b>MAYANK AGRAWAL</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	16331915	5.324	16331915	6.769
	c) At the End of the Year			16331915	6.769
<b>14</b>	<b>NARAIN PRASAD AJITSARIA</b>				
	a) At the Beginning of the Year	2500	0.003		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			2500	0.001
<b>15</b>	<b>NIDHI JALAN</b>				
	a) At the Beginning of the Year	24500	0.030		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			24500	0.010
<b>16</b>	<b>NITIN MAHAVIR PRASAD KANDOI</b>				
	a) At the Beginning of the Year	10500	0.013		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	441071	0.144	451571	0.187
	c) At the End of the Year			451571	0.187
<b>17</b>	<b>OM PRAKASH JALAN</b>				
	a) At the Beginning of the Year	65279	0.080		
	b) Changes during the year				
	Date Reason				
	08/04/2022 Transfer	-1000	0.001	64279	0.027
	22/04/2022 Transfer	-5000	0.006	59279	0.025
	10/06/2022 [Allotment: Amalgamation]	39000	0.013	98279	0.041
	03/03/2023 Transfer	500	0.000	98779	0.041
	17/03/2023 Transfer	6898	0.002	105677	0.044
	24/03/2023 Transfer	5000	0.002	110677	0.046
	c) At the End of the Year			110677	0.046



Sr. 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
<b>18</b>	<b>PALLAVI AGRAWAL</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	2497500	0.814	2497500	1.035
	c) At the End of the Year			2497500	1.035
<b>19</b>	<b>PREM PRAKASH AGRAWAL</b>				
	a) At the Beginning of the Year	15995	0.020		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	7318672	2.386	7334667	3.040
	c) At the End of the Year			7334667	3.040
<b>20</b>	<b>PREM PRAKASH AGRAWAL HUF</b>				
	a) At the Beginning of the Year	32500	0.040		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	5542967	1.807	5575467	2.311
	c) At the End of the Year			5575467	2.311
<b>21</b>	<b>PRIYA SARAFF</b>				
	a) At the Beginning of the Year	100000	0.123		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			100000	0.041
<b>22</b>	<b>PRIYANKA DAS</b>				
	a) At the Beginning of the Year	4898	0.006		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	24614	0.008	29512	0.012
	c) At the End of the Year			29512	0.012
<b>23</b>	<b>PRIYANKA GUPTA</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	4985000	1.625	4985000	2.066
	c) At the End of the Year			4985000	2.066

Sr. 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
<b>24</b>	<b>SANTOSH KUMAR AGRAWAL</b>				
	a) At the Beginning of the Year	105247	0.129		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	192288	0.063	297535	0.123
	c) At the End of the Year			297535	0.123
<b>25</b>	<b>SANTOSH KUMAR AGRAWAL HUF</b>				
	a) At the Beginning of the Year	110000	0.135		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	5540943	1.806	5650943	2.342
	c) At the End of the Year			5650943	2.342
<b>26</b>	<b>SHRUTI KANDOI</b>				
	a) At the Beginning of the Year	17056	0.021		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			17056	0.007
<b>27</b>	<b>SHYAMA AGRAWAL</b>				
	a) At the Beginning of the Year	190000	0.234		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	4970670	1.620	5160670	2.139
	c) At the End of the Year			5160670	2.139
<b>28</b>	<b>SMRITI AGRAWAL</b>				
	a) At the Beginning of the Year	10000	0.012		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	2539775	0.828	2549775	1.057
	c) At the End of the Year			2549775	1.057
<b>29</b>	<b>SUBODH KUMAR JALAN</b>				
	a) At the Beginning of the Year	10000	0.012		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			10000	0.004
<b>30</b>	<b>SUMESH KUMAR AGARWAL</b>				
	a) At the Beginning of the Year	100000	0.123		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			100000	0.041

Sr. 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
<b>31</b>	<b>UMA AGARWAL</b>				
	a) At the Beginning of the Year	13792	0.017		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	831823	0.271	845615	0.350
	c) At the End of the Year			845615	0.350
	<b>TOTAL</b>	<b>54679189</b>	<b>67.238</b>	<b>165891642</b>	<b>68.755</b>

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

Sr. 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
<b>1</b>	<b>AGARWAL MUKESH KUMAR</b>				
	a) At the Beginning of the Year	388700	0.478		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			388700	0.161
<b>2</b>	<b>ANSH OVERSEAS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	556535	0.684		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			556535	0.231
<b>3</b>	<b>ASHU AGRAWAL</b>				
	a) At the Beginning of the Year	229000	0.282		
	b) Changes during the year				
	Date Reason				
	15/07/2022 Transfer	(10000)	0.003	219000	0.091
	c) At the End of the Year			219000	0.091
<b>4</b>	<b>ASHWIN GUPTA</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	5386028	1.756	5386028	2.232
	c) At the End of the Year			5386028	2.232
<b>5</b>	<b>JAI LAKSHMI SOLVENTS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	598795	0.736		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			598795	0.248

Sr. 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
<b>6</b>	<b>LEXI EXPORTS PVT LTD</b>				
	a) At the Beginning of the Year	11930679	14.671		
	b) Changes during the year				
	Date Reason				
	29/07/2022 Transfer	(11930679)	3.889	0	0.000
	c) At the End of the Year			0	0.000
<b>7</b>	<b>NAJMUDDIN GULAMHUSEIN KHERAJ</b>				
	a) At the Beginning of the Year	400000	0.492		
	b) Changes during the year				
	Date Reason				
	08/07/2022 Transfer	(52124)	0.017	347876	0.144
	15/07/2022 Transfer	(1000)	0.000	346876	0.144
	22/07/2022 Transfer	(5822)	0.002	341054	0.141
	29/07/2022 Transfer	(2500)	0.001	338554	0.140
	12/08/2022 Transfer	(46233)	0.015	292321	0.121
	19/08/2022 Transfer	(36300)	0.012	256021	0.106
	c) At the End of the Year			256021	0.106
<b>8</b>	<b>NIHON IMPEX PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	190000	0.234		
	b) Changes during the year				
	Date Reason				
	27/05/2022 Transfer	3000	0.004	193000	0.080
	10/06/2022 [Allotment: Amalgamation]	8238821	2.686	8431821	3.495
	c) At the End of the Year			8431821	3.495
<b>9</b>	<b>RAGHUBIR PRASAD AGARWALLA</b>				
	a) At the Beginning of the Year	247916	0.305		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			247916	0.103
<b>10</b>	<b>RICHIE CREDIT AND FINANCE PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	5020194	6.173		
	Date Reason				
	05/08/2022 Transfer	(5020194)	1.636	0	0.000
	c) At the End of the Year			0	0.000
<b>11</b>	<b>SANJAY AGRAWAL</b>				
	a) At the Beginning of the Year	361149	0.444		
	b) Changes during the year				
	Date Reason				
	29/04/2022 Transfer	(1000)	0.000	360149	0.149
	06/05/2022 Transfer	(1540)	0.000	358609	0.149

Sr. 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
	10/06/2022 Transfer	(1500)	0.000	357109	0.149
	10/06/2022 [Allotment: Amalgamation]	4281	0.002	361390	0.151
	22/07/2022 Transfer	(13823)	0.006	347567	0.144
	19/08/2022 Transfer	(2407)	0.001	345160	0.143
	30/09/2022 Transfer	(1806)	0.001	343354	0.142
	17/02/2023 Transfer	(1500)	0.000	341854	0.142
	c) At the End of the Year			341854	0.142
<b>12</b>	<b>SHREE SURABHI FLOUR MILLS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	20/05/2022 Transfer	14000	0.017	14000	0.006
	27/05/2022 Transfer	24126	0.030	38126	0.016
	10/06/2022 [Allotment: Amalgamation]	409566	0.170	447692	0.186
	19/08/2022 Transfer	6373	0.003	454065	0.188
	c) At the End of the Year			454065	0.188
<b>13</b>	<b>SHWETA GUPTA</b>				
	a) At the Beginning of the Year	35101	0.043		
	b) Changes during the year				
	Date Reason				
	08/04/2022 Transfer	-1040	0.001	34061	0.014
	10/06/2022 [Allotment: Amalgamation]	9317233	3.037	9351294	3.876
	03/03/2023 Transfer	-1500	0.000	9349794	3.875
	17/03/2023 Transfer	-101000	0.033	9248794	3.833
	24/03/2023 Transfer	-50000	0.016	9198794	3.812
	31/03/2023 Transfer	-94	0.000	9198700	3.812
	c) At the End of the Year			9198700	3.812
<b>14</b>	<b>UTKARSH DEALER PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	6245636	2.036	6245636	2.589
	c) At the End of the Year			6245636	2.589



Sr. 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
<b>15</b>	<b>VIVEKANANDAN SRINIVASAN</b>				
	a) At the Beginning of the Year	21160	0.026		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	735530	0.240	756690	0.314
	c) At the End of the Year			756690	0.314
<b>16</b>	<b>WALLSTREET DISTRIBUTOR PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	17882697	5.829	17882697	7.412
	c) At the End of the Year			17882697	7.412
<b>17</b>	<b>WARNER DEALCOM PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	12619582	4.114	12619582	5.230
	c) At the End of the Year			12619582	5.230
	<b>TOTAL</b>	<b>19979229</b>	<b>24.568</b>	<b>63584040</b>	<b>26.353</b>

**E. Shareholding of Directors and Key Managerial Personnel**

Sr. 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
<b>1</b>	<b>CHANDRA PRAKASH AGRAWAL</b>				
	a) At the Beginning of the Year	2800000	3.443		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	67653536	22.053	70453536	29.200
	30/09/2022 Transfer	-4928	0.002	70448608	29.198
	c) At the End of the Year			70448608	29.198
<b>2</b>	<b>DINESH R. AGARWAL</b>				
	a) At the Beginning of the Year	2307251	2.837		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	11704945	3.815	14012196	5.807
	c) At the End of the Year			14012196	5.807

Sr. 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
<b>3</b>	<b>NITIN MAHAVIR PRASAD KANDOI</b>				
	a) At the Beginning of the Year	10500	0.013		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	441071	0.144	451571	0.187
	c) At the End of the Year			451571	0.187
<b>4</b>	<b>MAYANK AGRAWAL</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	10/06/2022 [Allotment: Amalgamation]	16331915	5.324	16331915	6.769
	c) At the End of the Year			16331915	6.769
<b>4</b>	<b>SANDIP KUMAR AGARWAL</b>				
	a) At the Beginning of the Year	9396	0.012		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			9396	0.004
<b>5</b>	<b>NITESH KUMAR</b>				
	a) At the Beginning of the Year	0	0		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			0	0
	<b>TOTAL</b>	<b>5127147</b>	<b>6.305</b>	<b>101253686</b>	<b>41.965</b>

## V. INDEBTEDNESS

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

(Amount in lakhs)

Particulars	Secured Loan excluding deposit	Unsecured Loan	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
1. Principal Amount	16,749.68	21,906.14	0.00	38,655.82
2. Interest due but not paid	0.00	0.00	0.00	0.00
3. Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (1+2+3)</b>	<b>16,749.68</b>	<b>21,906.14</b>	<b>0.00</b>	<b>38,655.82</b>
Change in Indebtedness during the Financial Year				
• Addition	26,289.71	0.00	0.00	26,289.71
• Reduction	0.00	(11,171.01)	0.00	(11,171.01)
Net Change	26,289.71	(11,171.01)	0.00	15,118.64
Indebtedness at the end of the financial year				
1. Principal Amount	43,039.39	10,735.07	0.00	53,774.46
2. Interest due but not paid	0.00	0.00	0.00	0.00
3. Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (1+2+3)</b>	<b>43,039.39</b>	<b>10,735.07</b>	<b>0.00</b>	<b>53,774.46</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount (₹ In Lakhs)
		Chandra Prakash Agrawal	Dinesh R. Agarwal	Nitin M. Kandoi	Prashant Jalan	
<b>1</b>	<b>Gross Salary</b>					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	60.20	54.20	56.00	11.08	181.48
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL	NIL
<b>2</b>	<b>Commission</b>	NIL	NIL	NIL	NIL	NIL
<b>3</b>	<b>Others- Remuneration benefits</b>	NIL	NIL	NIL	NIL	NIL
	<b>Total (A)</b>	<b>60.20</b>	<b>54.20</b>	<b>56.00</b>	<b>11.08</b>	<b>181.48</b>

**B. Remuneration to Other Directors (All being Independent)**

Sr. No.	Particulars of Remuneration	Nitin M. Kandoi*	Name of Directors					Total Amount (₹ in Lakhs)
			J. N. Dey	Udit Agrawal	A.P. Srivastava	Smita Modi**	Nishi Agrawal	
1	Fees for attending Board/ Committee Meetings	0.30	1.70	1.20	0.70	0.20	0.75	<b>4.85</b>
2	Commission	NIL	NIL	NIL	NIL	NIL	NIL	<b>NIL</b>
3	Others	NIL	NIL	NIL	NIL	NIL	NIL	<b>NIL</b>

\* Designation of Mr. Nitin M Kandoi has been changed from Non-Executive Director to Executive Director w.e.f. June 01, 2023

\*\* Independent Director of erstwhile Gallantt Ispat Limited.

**C. Remuneration to Key Managerial Personnel**

Sr. No.	Particulars of Remuneration	Particulars of Remuneration		Total Amount (₹ in Lakhs)
		Gross Salary		
		(a) Salary as per provisions contained in section 17(1) of Income Tax Act, 1961	Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	
	<b>Name of Key Managerial Personnel</b>			
1.	Mayank Agrawal	18.00	NIL	<b>18.00</b>
2.	Sandip Kumar Agarwal	27.11	NIL	<b>27.11</b>
3.	Nitesh Kumar	39.90	NIL	<b>39.90</b>
5.	Arnab Banerji*	2.18	NIL	<b>2.18</b>
	<b>Total</b>	<b>87.19</b>	<b>NIL</b>	<b>87.19</b>

\* Mr. Arnab Banerji has resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. August 10, 2022.

**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)
<b>A. Company</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. Directors</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. Other Officers in Default</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

# Report on Corporate Governance

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Corporate Governance is based on good principles and practices such that the affairs of the Company are being managed in a way which ensures accountability, transparency and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last.

## 1. CORPORATE GOVERNANCE PHILOSOPHY

Good corporate governance is an intrinsic part of the Company's fiduciary responsibility as a responsible citizen. Our philosophy on corporate governance in Gallantt emanates from resolute commitment to protect stakeholder's rights and interest, proactively manage risks and create long-term wealth and value. These practices enable the Company to establish enduring relationships with all the stakeholders and optimize the growth paradigm. The Code of Conduct(s)/Company's Policies and the governance are based on the corporate principles and strong emphasis laid on transparency, accountability, integrity and compliance.

The Compliance Report on Corporate Governance herein signifies adherence by the Company of all mandatory requirements of Regulation 34(3) and Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations" or SEBI LODR).

## 2. BOARD OF DIRECTORS

### 2.1 Composition

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

a Woman Director. The Board is responsible for the management of the affairs of the Company.

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 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, 2023, your Company's Board comprised of 8 Directors (out of which 50% of the Directors are Non-Executive including Independent Directors) with Mr. Chandra Prakash Agrawal as Executive Chairman. All Directors are resident Directors.

The composition of the Board as on March 31, 2023 is as follows:

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



	Name of the Directors	% to the total number of Directors
<b>I</b>	<b>Independent Director</b>	
	Mr. Jyotirindra Nath Dey	50%
	Mr. Ashtbhuja Prasad Srivastava	
	Mrs. Nishi Agrawal	
	Mr. Udit Agarwal	
<b>II</b>	<b>Executive Director</b>	
	Mr. Chandra Prakash Agrawal	50%
	Mr. Dinesh R. Agarwal	
	Mr. Prashant Jalan	
	Mr. Nitin Mahavir Prasad Kandoi *	

\* Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director of the Company has been appointed as a Whole-time Director of the company with effect from June 01, 2022. Hence, he has been categorised as an Executive Director.

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 of 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.

None of the Directors on the Board are related to each other.

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 Directors	Expertise in specific functional area
Mr. Chandra Prakash Agrawal	Mr. Chandra Prakash Agrawal is a Bachelor of Commerce from Gorakhpur University having multifunctional experience of more than three decades. He was 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. 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 17 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. The turnover of the Company has increased considerably under his guidance.

Name of Directors	Expertise in specific functional area
Mr. Dinesh R. Agarwal	<p>He is a Promoter of the Company and has an overall experience of 31 years. Over the period he has understood the business techniques in the field of Production, Purchase and Marketing etc.</p> <p>Mr. Dinesh R. Agarwal contributed extensively towards the growth of the Company and has been actively responsible together with other officers for the installation, implementation and functioning of units of the project of the Company and attainment of the highest standards of quality.</p> <p>His area of job is diversified and looking after factory operation of the Company</p>
Mr. Prashant Jalan	Mr. Prashant Jalan supervises the operation and functioning of steel and power-plants, besides he supervises the functioning of various departments in the organization such as Estimation, Human Resources, Purchase, Supply Chain and Logistics.
Mr. Nitin Mahavir Prasad Kandoi*	<p>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.</p>
Mr. Ashtbhuja Prasad Srivastava	<p>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 38 years in the field of finance, accounts, taxation and audit.</p> <p>He has the expertise to formulate effective strategies, innovative tax planning and effectively manage compliance of taxation law.</p>
Mr. Jyotirindra Nath Dey	Mr. Jyotirindra Nath Dey is an Electrical Engineer having experience of over 49 years in industry, management and engineering, development of technology, banking and commerce. He is a member of various professional bodies viz. association of Consulting Engineer (I), Indian Society of Lighting Engineering, Arbitration and many more.
Mrs. Nishi Agrawal	Mrs. Nishi Agrawal, aged about 36 years has more than 7 years of rich and varied expertise in the upliftment of education and social and environmental activities. At present she is associated with Bharat Vikas Parishad which is an unique social organisation engaged in various social activities and projects. Mrs. Agrawal has vast experience in natural science and naturopathy. Her continuing guidance will be very valuable to the Company and will undoubtedly prove to be an advantage to our organization.
Mr. Udit Agarwal	Mr. Udit Agarwal, aged about 35 years, is a qualified Company Secretary and LLB with over 6 years of work experience in finance, accounts and law. He possesses vast experience in the field of finance, accounts and corporate law matters.

\* Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director of the Company has been appointed as a Whole-time Director of the company with effect from June 01, 2022. Hence, he has been categorised as an Executive Director.

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](http://www.gallantt.com)

## 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

## 2.3 Meetings and Attendance

During the financial year 2022-23, Seven (7) Board Meetings were held. The maximum time gap between any two board meetings was less than 120 days.

The board meetings were held on –

Sr. No.	Board Meeting Dates
1.	10.05.2022
2.	26.05.2022
3.	10.06.2022
4.	10.08.2022
5.	11.11.2022
6.	13.02.2023
7.	28.03.2023

## 2.4 Changes during the Year

Mr. Mayank Agrawal has been appointed as the Chief Executive Officer of the Company effective from August 10, 2022. Further, Mr. Arnab Banerji resigned from the post of Company Secretary and Compliance Officer of the Company effective from August 10, 2022 and in his place Mr. Nitesh Kumar was appointed as the Company Secretary and Compliance Officer of the Company with effect from August 10, 2022. Both Mr. Mayank Agrawal and Mr. Nitesh Kumar were associated with erstwhile Gallantt Ispat Limited which has now amalgamated with the Company and held the position of Chief Executive Officer and Company Secretary respectively.

## 2.5 Re-appointment of Directors proposed at upcoming AGM:

In terms Section 152 of the Companies Act, 2013, Mr. Prashant Jalan (DIN: 06619739), Director of the Company is liable to retire by rotation and is eligible for re-appointment at the forthcoming Annual General Meeting.

Section 149(10) of the Companies Act, 2013 provides that an Independent Director shall hold office for a term of up to 5 (Five) consecutive years on the Board and shall be eligible for re-appointment for Second Term of 5 (Five) consecutive years on passing a Special Resolution by the Company and disclosure of such appointment in its Boards' Report. Section 149 (11) provides that an Independent Director may hold office for up to 2 (Two) consecutive terms.

None of the Directors on the Board are related to each other.

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 19th 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, 2023 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 (29/09/2022) Attended	No. of Board Meetings Attended out of 7 meetings held during the year	No. of other directorships in public companies as on 31/03/2023	No. of other Board Committees in which he is a member or Chairperson other than Gallantt Ispat) As on 31/03/2023	
					Chairman	Member
Mr. Chandra Prakash Agrawal, Chairman & Managing Director (DIN: 01814318)	Executive/ Promoter	Yes	6	NIL	Nil	Nil
Mr. Dinesh R. Agarwal, Whole-time Director (DIN: 01017125)	Executive/ Promoter	Yes	7	1	Nil	Nil
Mr. Prashant Jalan Whole-time Director (DIN: 06619739)	Executive / Non - Promoter	Yes	6	Nil	Nil	Nil

Name & Designation of the Directors	Category/ Position	Last Annual General Meeting (29/09/2022) Attended	No. of Board Meetings Attended out of 7 meetings held during the year	No. of other directorships in public companies as on 31/03/2023	No. of other Board Committees in which he is a member or Chairperson other than Gallantt Ispat) As on 31/03/2023	
					Chairman	Member
Mr. Nitin Mahavir Prasad Kandoi* Whole-time Director (DIN: 01979952)	Executive/ Promoter	Yes	7	Nil	Nil	Nil
Mr. Ashtbhuja Prasad Srivastava Director (DIN: 08434115)	Non-Executive/ Independent	Yes	4	Nil	Nil	Nil
Mr. Jyotirindra Nath Dey Director (DIN: 00180925)	Non-Executive/ Independent	Yes	7	Nil	Nil	Nil
Mrs. Nishi Agrawal Independent Director (DIN: 08441260)	Non-Executive/ Independent	Yes	4	Nil	Nil	Nil
Mr. Udit Agarwal Director (DIN: 07036864)	Non-Executive/ Independent	Yes	7	Nil	Nil	Nil

\* Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director of the Company has been appointed as a Whole-time Director of the Company with effect from June 01, 2022. Hence, he has been categorised as an Executive Director.

qualify to be Independent Directors as per the provisions of the Companies Act, 2013 and Listing Regulations

**Notes:**

- Directorships held by Directors in the aforementioned Table do not include Private Limited Companies, Foreign Companies, Section 8 Companies, Alternate Directorships and One Person Companies. All the Public Limited Companies, whether listed or not, have been considered in the aforementioned Table.
- Mrs. Nishi Agrawal, Mr. Ashtbhuja Prasad Srivastava, Mr. Udit Agarwal and Mr. Jyotirindra Nath Dey have been considered as Independent Directors as they

- 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.
- None of the Directors have any inter se relationship.

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

Sr. 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)	None	Executive Director
2	Mr. Dinesh R. Agarwal, Whole-time Director (DIN: 01017125)	None	Executive Director

Sr. No.	Name of Director	Name of other listed entities in which the concerned Director is a Director	Category of Directorship
3	Mr. Prashant Jalan Director (Plant Operation) (DIN: 06619739)	None	Executive Director
4	Mr. Nitin Mahavir Prasad Kandoi* Whole-time Director (DIN:01979952)	None	Executive Director
5	Mr. Jyotirindra Nath Dey Director (DIN: 00180925)	None	Non – Executive Independent Director
6	Mr. Ashtbhuja Prasad Srivastava Director (DIN: 08434115)	None	Non – Executive Independent Director
7	Mrs. Nishi Agrawal Director (DIN: 08441260)	None	Non – Executive Independent Director
8	Mr. Udit Agarwal Director (DIN: 07036864)	None	Non – Executive Independent Director

\* Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director of the Company has been appointed as a Whole-time Director of the Company with effect from June 01, 2022. Hence, he has been categorised as an Executive 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 and Power), 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 2022-23, 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;



3. 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.

During the financial year 2022-23, 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 27, 2023 whereby, all the Independent Directors were present 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, 2023 are furnished below:

Sr. No.	Name of Directors	No. of Shares held
1.	Mr. Chandra Prakash Agrawal	7,04,48,608
2.	Mr. Dinesh R. Agarwal	1,40,12,196
3.	Mr. Prashant Jalan	NIL
4.	Mr. Nitin Mahavir Prasad Kandoi*	4,51,571
5.	Mr. Jyotirindra Nath Dey	NIL
6.	Mr. Ashtbhuja Prasad Srivastava	NIL
7.	Mrs. Nishi Agrawal	NIL
8.	Mr. Udit Agarwal	NIL

\* Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director of the Company has been appointed as a Whole-time Director of the Company with effect from June 01, 2022. Hence, he has been categorised as an Executive Director.

**None of the Independent Director held any shares in the Company during the year ended March 31, 2023.**

## 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](http://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 2% 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](http://www.gallantt.com)

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations, 2015, the Independent Directors of the Company viz., Mr. Ashtbhuja Prasad Srivastava, Mr. Jyotirindra Nath Dey, Mr. Udit Agarwal

and Mrs. Nishi Agrawal have given declaration to the Company that they qualify 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 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 on Board evaluation, issued by 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, 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. [www.gallantt.com](http://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 in SEBI LODR Regulations, 2015 read with Amendments thereof and are independent of the management.

## 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:

Sr. No.	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, analyse 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	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.	Yes

**2.21 Detailed reasons for the resignation of an independent director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided:** No Independent Director of the Company has resigned during the financial year 2022-23.

## 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 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 with specific terms of reference and adequate delegation of powers to discharge their purposes, goals and responsibilities effectively:

**Your Company has six board level committees:**

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

### 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 i.e. [www.gallantt.com](http://www.gallantt.com) Annual declaration signed by the Managing Director 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 two Non-Executive Independent Directors and one Executive Non-Independent Director. 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 LODR Regulations 2015 with all members being financially literate and most having accounting or related financial management expertise.

#### 4.1 Composition

As on March 31, 2023, the Audit Committee comprised of three Directors viz. Mr. Ashtbhuja

Prasad Srivastava (Chairperson), Mr. Jyotirindra Nath Dey and Mr. Nitin Mahavir Prasad Kandoi, all of whom possess accounting and financial management expertise/exposure. Mr. Nitesh Kumar, Company Secretary acts as the Secretary to the Audit Committee.

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 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 Subsection 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 ₹ 100 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 Crores 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 2022-23. The Committee Meetings were held on 10.05.2022; 26.05.2022; 10.06.2022; 10.08.2022; 10.11.2022; 13.02.2023 and 27.03.2023.

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

Names	Designation	Category	Committee Meeting Attended
Mr. Ashtbhuja Prasad Srivastava	Chairperson	Independent	5
Mr. Jyotirindra Nath Dey	Member	Independent	7
Mr. Nitin Mahavir Prasad Kandoi*	Member	Executive	7

\* Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director of the Company has been appointed as a Whole-time Director of the Company with effect from June 01, 2022. Hence, he has been categorised as an Executive Director.

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. 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.

## 5.1 Composition

In pursuance of Regulation 19 of the SEBI LODR Regulations, 2015 the Nomination and Remuneration Committee (NRC) has been reconstituted with effect from June 10, 2022. As per the provisions of the abovementioned Regulation, all members of the Nomination and Remuneration Committee (NRC) shall be Non-Executive Directors. Since Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director of the Company has been appointed as a Whole-time Director of the Company with effect from June 01, 2022 he has been categorised as an Executive Director. Therefore, Mr. Kandoi did not qualify to be a member of the NRC and he has tendered his resignation from the membership of the NRC on June 10, 2022. In his place Mr. Udit Agarwal, Independent Director of the Company was inducted into the Committee to serve as a member of the NRC.

During the year ended March 31, 2023, the NRC comprised of Mr. Jyotirindra Nath Dey, an Independent Director, as the Chairperson, Mrs. Nishi Agrawal and Mr. Udit Agarwal as Members. Mr. Nitesh Kumar, Company Secretary acts as the Secretary to the Committee.

## 5.2 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 (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement 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.

### 5.3 Meetings and Attendance

A total of three (3) Nomination and Remuneration Committee Meetings were held in the financial year 2022-23. The meetings were held on 10.06.2022; 10.08.2022 and 27.03.2023.

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

Names	Designation	Category	Committee Meeting Attended
Mr. Jyotirindra Nath Dey	Chairperson	Independent	3
Mr. Udit Agarwal	Member	Independent	3
Mrs. Nishi Agrawal	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

### 5.4 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 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 at [www.gallantt.com](http://www.gallantt.com)

#### 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.

## 5.5 Remuneration of Directors

### (a) Executive Directors (Managing / Whole-time Directors)

The aggregate value of salary and perquisites paid for the year ended March 31, 2023 to Managing/Whole-time Directors are as follows:

Name	Designation	Aggregate Value of Salary & Perquisites (₹ In Lakhs)
Mr. Chandra Prakash Agrawal	Chairman and Managing Director	60.20
Mr. Dinesh R. Agarwal	Whole-time Director	54.20
Mr. Prashant Jalan	Director-Plant Operation	11.08
Mr. Nitin Mahavir Prasad Kandoi	Whole-time Director	56.00

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.

## 6. 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 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 non-receipt of declared dividends etc.

### 6.1 Composition

In pursuance of Regulation 20 of the SEBI LODR Regulations, 2015 the Stakeholders' Relationship Committee (SRC) has been reconstituted with effect from June 10, 2022. As per the provisions of the abovementioned Regulations, Chairperson of the SRC must be a Non-Executive Director. Since Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director of the Company has been appointed as a

Whole-time Director of the Company with effect from June 01, 2022 he has been categorised as an Executive Director. Therefore, Mr. Kandoi resigned as the Chairperson of the SRC and in his place Mr. Udit Agarwal, Independent Director of the Company was inducted into the Committee to serve as the Chairperson of SRC.

During the year ended March 31, 2023, the Stakeholders Relationship Committee comprised of Mr. Udit Agarwal, an Independent Director, as the Chairperson; Mrs. Nishi Agrawal; (Independent Director) and Mr. Jyotirindra Nath Dey (Independent 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, non-receipt 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 share related complaints, if any, in the e-mail id [csgml@gallantt.com](mailto:csgml@gallantt.com) designated exclusively for the purpose.

### 6.2 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 of 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

### 6.3 Meetings and Attendance

A Total of Four (4) Stakeholders Relationship Committee Meetings were held during the financial year 2022-2023. The meetings were held on 10.08.2022; 11.11.2022; 13.02.2023 and 27.03.2023.

The composition of the Committee as on March 31, 2023 and details of attendance at the Meetings are as follows:

Names	Designation	Category	Committee Meeting Attended
Mr. Udit Agarwal	Chairperson	Independent	4
Mr. Jyotirindra Nath Dey	Member	Independent	4
Mrs. Nishi Agrawal	Member	Independent	3

### 6.4 Status of Complaints

Sr. No.	Particulars	Numbers
1	Complaints pending as on April 01, 2022	NIL
2	Complaints received during the year ended March 31, 2023	65
3	Complaints disposed of during the year ended March 31, 2023	64
4	Complaints pending as on March 31, 2023	1

As required under the amended Regulation 40(10) of the Listing Regulations entered into by Gallantt Ispat Limited with stock exchanges, a certificate is obtained at the end of the financial year 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 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. Details of Unclaimed amount of Dividend have been uploaded on the Company's website i.e., [www.gallantt.com](http://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

## 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 Three (3) times during the financial year ended March 31, 2023. The meetings were held on 26.05.2022; 11.11.2022 and 28.03.2023.

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, 2023 is detailed below:

Names	Designation	Category	Committee Meeting Attended
Mr. Jyotirindra Nath Dey	Chairperson	Independent	3
Mr. Chandra Prakash Agrawal	Member	Executive	2
Mr. Dinesh R. Agarwal	Member	Executive	3

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](http://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 Director (Chairperson)
- Mr. Dinesh R. Agarwal, 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 lakhs 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 lakhs 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.

During the year no meetings of Committee of Directors were held.

## 9. RISK MANAGEMENT

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 LODR Regulations, 2015. 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

Risk Management Committee has been reconstituted on June 29, 2021. The Risk Management Committee comprises of 3 Directors, out of which 1 Director is Executive Non-Independent Director and the other 2 Directors are Independent Directors. This composition is in line with the requirement of Regulation 21 of the SEBI LODR Regulations, 2015. The Risk Management Committee of the Board of Directors must meet 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. Two (2) Risk Management Committee meetings were held on 10.08.2022 and 13.02.2023.

The constitution of the Risk Management 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 March 31, 2023 is detailed below:

Names	Designation	Category	Committee Meeting Attended
Mr. Jyotirindra Nath Dey	Chairperson	Independent	2
Mr. Nitin Mahavir Prasad Kandoi	Member	Executive	2
Mrs. Nishi Agrawal	Member	Independent	1

\* Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director of the Company has been appointed as a Whole-time Director of the Company with effect from June 01, 2022. Hence, he has been categorised as an Executive Director.

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 Risk Management 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 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.

## 10. SUBSIDIARY COMPANIES

As on March 31, 2023, the Company does not have any subsidiary Company as defined under the Companies Act, 2013.

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.

## 12. GENERAL BODY MEETINGS

### 12.1 Location and time of last 3 Annual General Meetings are as under:

Year	Venue	Date	Time
2021-22	Through video conferencing (VC) / Other Audio-Visual Means (OAVM)	29.09.2022	3.30 P.M.
2020-21	Through video conferencing (VC) / Other Audio-Visual Means (OAVM)	31.08.2021	1.30 P.M.
2019-20	Through video conferencing (VC) / Other Audio-Visual Means (OAVM)	10.09.2020	1.30 P.M.

The Policy on Material Subsidiaries can be accessed on the Company's website [www.gallantt.com](http://www.gallantt.com)

## 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, 2023.

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](http://www.gallantt.com)

## 12.2 Special resolutions passed at the previous three Annual General Meetings are as below:

General Body Meeting	Financial Year	Date	Venue	Special Resolutions
18th Annual General Meeting	2021-22	29.09.2022	Through video conferencing (VC) / Other Audio-Visual Means (OAVM)	<ol style="list-style-type: none"> <li>1. Increase in Remuneration of Mr. Chandra Prakash Agrawal (DIN: 01814318), Chairman and Managing Director of the Company.</li> <li>2. Increase in Remuneration of Mr. Dinesh R Agarwal (DIN: 01017125), a Whole-time Director of the Company.</li> <li>3. Increase in Remuneration of Mr. Prashant Jalan (DIN: 06619739), a Whole-time Director of the Company.</li> <li>4. Appointment of Mr. Nitin Mahavir Prasad Kandoi (DIN: 01979952), as a Whole-time Director of the Company.</li> <li>5. To approve the Shifting of Registered Office of the Company from National Capital Territory of Delhi (NCT of Delhi) to the State of Uttar Pradesh.</li> </ol>
17th Annual General Meeting	2020-21	31.08.2021	Through video conferencing (VC) / Other Audio-Visual Means (OAVM)	<ol style="list-style-type: none"> <li>1. Appointment of Mr. Prashant Jalan (DIN: 06619739) as a Whole-time Director of the Company designated as "Director – Plant Operation."</li> </ol>
16th Annual General Meeting	2019-20	10.09.2020	Through video conferencing (VC) / Other Audio-Visual Means (OAVM)	<ol style="list-style-type: none"> <li>1. Granting of Loan u/s 185 to M/s. GL Steel &amp; Power Limited (GL Steel).</li> </ol>

**12.3** The Details of Special Resolutions passed through postal ballot during the financial year 2022-23: 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** One (1) Extraordinary General Meeting was held during the Financial Year 2022-23 on June 04, 2022.

**12.8** Court Convened Meeting of Shareholders: During the year no Court Convened Meeting was 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](http://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](http://www.gallantt.com)

The Company publishes all information in newspapers viz. Business Standard (All editions) and Metro Media (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 Metro Media. The results are also displayed on the Company's website under [www.gallantt.com](http://www.gallantt.com)

#### 2. Whether it also displays official news releases; Yes

### 14. GENERAL SHAREHOLDERS INFORMATION

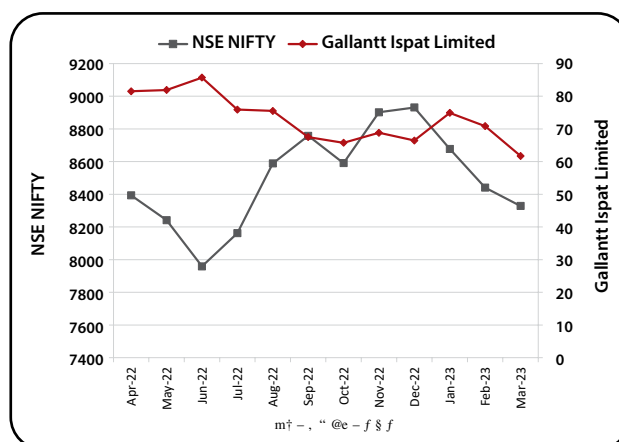
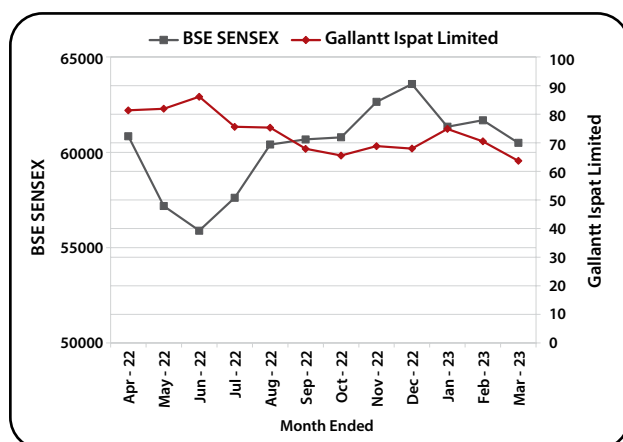
<b>14.1 Date, time and time of the Annual General Meeting</b>	Saturday, September 30, 2023 at 12:30 P.M.
<b>14.2 Venue</b>	The Company is conducting AGM through Video Conferencing (VC) / Other Audio Visual Means (OAVM), pursuant to circulars issued by the Ministry of Corporate Affairs ("MCA"), dated December 28, 2022 and as such there is no requirement to have a venue for the AGM.
<b>14.3 Financial Year</b>	April 01, 2022 to March 31, 2023
<b>14.4 Cut-off date for determining the names of shareholders eligible to vote</b>	September 23, 2023
<b>14.5 Cut-off date for determining the names of shareholders eligible to get Notice of Annual General Meeting</b>	August 25, 2023
<b>14.6 Publication of results for the financial year 2022-23 (tentative and subject to change)</b>	a) First quarter results: On or before August 14, 2023. b) Second quarter and half year results: On or before November 14, 2023. c) Third quarter results: On or before February 14, 2024. d) Fourth quarter results and results for the year ending March 31, 2024: On or before May 30, 2024.
<b>14.7 Dates of book closure</b>	Monday, September 25, 2023 to Saturday, September 30, 2023 (Both days inclusive).
<b>14.8 Dividend Payment Date</b>	During the Financial Year 2022-23, the Board of Directors has not proposed for Final Dividend for the Financial Year 2022-23.
<b>14.9 Listing on Stock Exchanges and Stock Code</b>	1. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Phones: (022) 22721233/4, 91-22-66545695 Fax: (022) 22721919, Stock Code: 532726  2. National Stock Exchange of India Limited, 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: GALLANTT
<b>14.10 Payment of Listing Fees</b>	Annual Listing Fees of both the stock exchanges for the financial year 2023-24 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 2022-23.

Month	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Apr-22	81.35	60.20	81.50	60.30
May-22	81.90	61.85	81.90	61.00
Jun-22	86.10	66.00	85.70	63.35
Jul-22	75.60	66.20	75.90	66.00
Aug-22	75.30	61.00	75.50	65.00
Sep-22	67.90	56.60	67.50	57.00
Oct-22	65.55	53.50	65.75	53.35
Nov-22	68.85	60.30	68.80	60.10
Dec-22	68.00	53.60	66.45	54.60
Jan-23	74.85	61.50	74.90	61.20
Feb-23	70.50	57.50	70.85	57.50
Mar-23	63.70	54.00	61.70	53.00

#### 14.12 Performance of the Company's equity shares (high price) in comparison to BSE Sensex and NSE Nifty during the financial year 2022-23:



#### 14.13 Suspension of Securities during the financial year 2022-23:

During the financial year 2022-23, the securities of the Company were not suspended from trading.

#### 14.14 Registrar and Share Transfer Agents:

Niche Technologies Private Limited  
7th Floor, Room, No. 7A & 7B, 3A, Auckland Road,  
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.

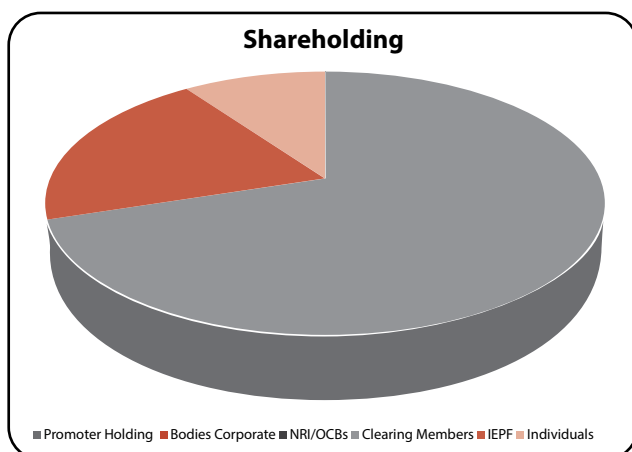
#### 14.16 Distribution of equity shareholding as on March 31, 2023:

Distribution of shareholding by size is as given below:

No of Shares held	Shareholders		Shares	
	Number	% of Total	Number	% of Total
Upto 500	15,685	85.4536	18,15,158	0.7523
501-1,000	1,298	7.0716	10,79,289	0.4473
1,001-5,000	1054	5.7423	22,62,563	0.9377
5,001-10,000	138	0.7518	10,27,711	0.4259
10,001-50,000	109	0.5938	20,73,390	0.8593
50,001-1,00,000	24	0.1308	17,37,519	0.7201
1,00,001 and Above	47	0.2561	23,12,85,315	95.8573
<b>TOTAL</b>	<b>18,355</b>	<b>100.000</b>	<b>24,12,80,945</b>	<b>100.000</b>

#### 14.17 Categories of shareholding as on March 31, 2023

Category (as Gallantt reports to stock exchanges)	Shares Holdings	% of Total
<b>PROMOTERS' HOLDING:</b>		
Promoters	16,58,91,642	68.755
<b>Total Promoters' Holding</b>	<b>16,58,91,642</b>	<b>68.755</b>
<b>PUBLIC SHAREHOLDING:</b>		
<b>Institutional Investors</b>		
Financial Institution/Bank	-	-
Financial Institution Investor	-	-
Foreign Portfolio Investor	33,534	0.014
<b>Others</b>		
Bodies Corporate	47,361,862	19.629
Individuals	2,78,32,889	9.657
NRI/OCBs	1,44,780	0.006
Clearing Members/Clearing Corporation (Demat shares in transit)	6,551	0.003
IEPF	9,687	0.004
<b>Total Public Shareholding</b>	<b>7,53,89,303</b>	<b>31.245</b>
<b>GRAND TOTAL</b>	<b>24,12,80,945</b>	<b>100.00</b>



#### 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 Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE297H01019. almost 100.00% of total listed equity shares have been dematerialised as on March 31, 2023.

#### 14.19 Outstanding ADRs/GDRs/Warrants or any other 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.

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

L27109DL2005PLC350524

#### 14.22 Plant locations

1. Near Toll Gate, Village - Samakhali, Taluka - Bachau, District - Kutch, Gujarat
2. AL-5, Sector 23, GIDA Industrial Area, Sahjanwa, Gorakhpur - 273 209, Uttar Pradesh

#### 14.23 Address for correspondence

##### Registrar and Share Transfer Agents;

Mr. S. Abbas, Senior System Manager  
**Niche Technologies Private Limited**  
 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

##### 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:** csgml@gallantt.com

**Website:** www.gallantt.com

**Depositories:****National Securities Depository Limited**

Trade World, 'A' Wing, 4th & 5th Floors,  
Kamala Mills Compound, Lower Parel,  
Mumbai – 400 013

Tel. No.: (022) 2499 4200

Fax No.: (022) 2497 6351

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 – 400 013

Toll free No.: 1800-22-5533

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.

Fixed Deposit Programme or any scheme or the proposal of the Company involving mobilization of funds in India or in abroad.

**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 2022-23, the Company does not have any debt instruments or any

The Credit Rating Agency M/s. India Ratings & Research Private Limited has maintained Ind A (Outlook: Stable) rating for the Company's Fund Based Long Term facilities (long term) and Ind A1 for Non-Fund based Short Term facilities.

**14.25 Unpaid and Unclaimed Amount of Dividend and Share Application Money.**

Following amount of Unpaid Dividend has not been claimed and paid till 31.03.2023

Nature of Money	Relevant Financial Year	Bank Account Details	Amount Lying (In ₹)
Final Dividend for 2018	2017-18	IDBI Bank Account No. 1526103000000578	74,096.00
Final Dividend for 2019	2018-19	IDBI Bank Account No. 1526103000000897	50,676.25

Members who have not so far encashed their Dividend Warrants for the financial years ended 31st March, 2018 and 2019 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

Since, erstwhile Gallantt Ispat Limited has amalgamated with Gallantt Metal Limited (now

name changed to Gallantt Ispat Limited) all details of unpaid and unclaimed dividend amount and compulsory transfer of Equity Shares and Dividend amount lying unclaimed for 7 consecutive years to Investor Education and Protection Fund (IEPF) shall be maintained and looked after by the Company.

Following amount of Unpaid Dividend of erstwhile Gallantt Ispat Limited has not been claimed and paid till 31.03.2023 is as follows –



Nature of Money	Relevant Financial Year	Bank Account Details	Amount Lying (In ₹)
Interim Dividend for 2016*	2015-16	ICICI Bank Account No. 001105026007	2,269.00
Final Dividend for 2017	2016-17	IDBI Bank Account No. 1526103000000347	12,740.50
Final Dividend for 2018	2017-18	IDBI Bank Account No. 1526103000000569	21,038.00
Interim Dividend for 2018-19	2018-19	IDBI Bank Account No. 1526103000000666	23,638.25

**\*The final unclaimed and unpaid dividend money amounting to Rs. 1969.00 in respect of Interim Dividend declared in FY 2015-16 has already been transferred to IEPF Account on May 18, 2023.**

#### **14.26 Transfer of shares to IEPF**

As required under Section 124 of the Companies Act, 2013, Company has transferred 55 equity shares in respect of which dividend has not been claimed by the members for seven consecutive years or more to IEPF during the financial year 2022-23.

#### **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 2022-23 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 [www.gallantt.com](http://www.gallantt.com)

##### **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.

#### **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 2022-23.

Your Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standards.

##### **15.4 Details of establishment of vigil mechanism, whistle 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 [www.gallantt.com](http://www.gallantt.com)

##### **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:

- The Internal Auditor reports to the Audit Committee.
- 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 [www.gallantt.com](http://www.gallantt.com)

**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 [www.gallantt.com](http://www.gallantt.com)

**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 May 29, 2023. 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 2022-23, wherein the Board has not accepted recommendations made by any Committee of the Board.

**15.12 Total fees paid to Statutory Auditors of the Company**

Total fees of ₹ 6.00 Lakhs for financial year 2022-23, 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 2022-23 are as under:

- Number of complaints filed during the financial year: Nil
- Number of complaints disposed of during the financial year: Nil
- 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-para (2) to (10) above, with reasons thereof shall be disclosed**

No such non-compliance

**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 / re-appointment at the ensuing Annual General Meeting**

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.

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](http://www.gallantt.com)

Further, In the interest of general public, fair trading in securities markets and to prohibit insider trading in corporates and other

organizations, SEBI has enacted SEBI (Prohibition of Insider Trading) Regulations, 2015 which sets clear rules and procedures for dealing in securities by the Promoters, Directors, Key Managerial Personnel (KMP) and other Designated Persons those who have access to Unpublished Price Sensitive Information (UPSI – information which is not published, but which may affect the share price when it gets published) in an organisation.

For the above purpose, Companies have to maintain a Structured Digital database (SDD) internally in a non-tamperable manner along with time-stamping and audit trail. SDD will contain the details such as, name of persons with whom the UPSI have been shared with, name of persons for whom there is an access to UPSI, PAN of those persons, any other Identification number authorized by Law. It is used to keep record of persons with whom the price sensitive information or UPSI have been shared with. This Database will act as a check for those persons who have possession of UPSI, from dealing in securities in a manner for their personal gain by using the unpublished information.

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 your Company is maintaining a Structured Digital Database to capture the database of all persons having access to UPSI.

**15.22** The Company as required under Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, has designated the following email IDs namely [csgml@gallantt.com](mailto:csgml@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 at [www.gallantt.com](http://www.gallantt.com)

#### 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, 2023. 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, 2023.

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.

#### 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 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 [www.gallantt.com](http://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 [www.gallantt.com](http://www.gallantt.com)

### **15.34 Shareholder Voting**

Shareholders are requested to cast their votes on the Resolutions mentioned in the Notice of the Nineteenth 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 Mr. Anurag Fatehpuria, Practising Company Secretaries (Membership No 34471), having their office at 4/B/1 Salkia School Road, Howrah – 711106 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 2022-23. 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 2022-23 are as follows:

Name of Director	Sitting Fees (₹)
Mr. Nitin Mahavir Prasad Kandoi (as a Non-Executive Director) *	30,000
Mr. Jyotirindra Nath Dey	1,70,000
Mr. Ashtbhuja Prasad Srivastava	70,000
Mrs. Nishi Agrawal	75,000
Mrs. Smita Modi **	20,000
Mr. Udit Agarwal	1,20,000
<b>TOTAL</b>	<b>4,85,000</b>

\* Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director of the Company has been appointed as a Whole-time Director w.e.f. June, 01, 2022.

\*\* Mrs. Smita Modi was an Independent Director of erstwhile Gallantt Ispat Limited

### 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:

Sr. No.	F.Y. of Declaration of Dividend	Date of Declaration of Dividend	Amount Declared per Share	Dividend Amount (₹)
1	2021-22	No Dividend Declared	-	-
2	2020-21	No Dividend Declared	-	-
3	2019-20	No Dividend Declared	-	-
4	2018-19	26.09.2019	₹ 0.25/- (Twenty Five Paise only)	2,03,30581
5	2017-18	27.09.2018	₹ 0.25/- (Twenty Five Paise only)	2,03,30581
6	2016-17	No Dividend Declared	-	-
7	2015-16	No Dividend Declared	-	-
8	2014-15	No Dividend Declared	-	-
9	2013-14	No Dividend Declared	-	-
10	2012-13	No Dividend Declared	-	-

### 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.

During the year, no shares were outstanding for transfer to the IEPF Authority. 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** Mr. Nitin Mahavir Prasad Kandoi, Executive Director holds 4,51,571 equity shares in the Company.

## 15.42 Codes and Policies

Particulars Website Details/Links:

Policy Code	Weblink
Dividend Distribution Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Composition and Profile of the Board of Directors	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Terms and conditions of appointment of Independent Directors	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Familiarisation Programme hours FY 2020-21 for Independent Directors	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Remuneration Policy of Directors, KMPs & Other Employees	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Code of Conduct	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Criteria of Making Payments to Non- Executive Directors	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Corporate Social Responsibility Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Policy on Related Party Transactions	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Policy on Determining Material Subsidiary	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Whistle Blower Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Document Retention and Archival Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Prevention of Sexual Harassment (POSH) at Workplace	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Code of Conduct for Prevention of Insider Trading	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Policy for Determination of Legitimate Purpose	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Policy on enquiry of leak of Unpublished Price Sensitive Information	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Risk Management Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Related Party Transaction Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Business Responsibility and Sustainability Reporting Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Health and Safety Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Quality Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Cyber Security Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Grievance Redressal Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>
Policy on Board Diversity	<a href="https://gallantt.com/investor-corner-gallantt-ispatt-limited/">https://gallantt.com/investor-corner-gallantt-ispatt-limited/</a>

For and on Behalf of the Board

Place: Gorakhpur  
Date: May 29, 2023

**C. P. Agrawal**  
Chairman

## Annexure - A

## DECLARATION

To  
The Members of  
**Gallantt Ispat Limited**

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, 2023.

For and on Behalf of the Board

Place: Gorakhpur  
Date: May 29, 2023

**C. P. Agrawal**  
Chairman & MD

## Annexure - B

## CEO/CFO CERTIFICATION

The Board of Director's  
**Gallantt Ispat Limited**

**Re: Financial Statements for the Financial year 2022-23 – Certificate by CEO/MD and CFO**

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended on March 31, 2023 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.

Place: Gorakhpur  
Date: May 29, 2023

**Mayank Agrawal**  
Chief Executive Officer

**Sandip Kumar Agarwal**  
Chief Financial Officer

**INDEPENDENT AUDITOR'S CERTIFICATE TO THE MEMBERS OF GALLANTT ISPAT LIMITED**

To  
The Members of  
**Gallantt Ispat Limited**

1. We, Maroti & Associates, Chartered Accountants, 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 March 31, 2023, 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).

**Managements' Responsibility**

2. 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.

**Auditor's Responsibility**

3. 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.

**Opinion**

7. 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 March 31, 2023. We state that in respect of investor grievances received during the year ended March 31, 2023, 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

**Komal Jain**

(Partner)

Membership No: 303583

UDIN: 23303583BGSRHR4779

Place: New Delhi  
Date: May 29, 2023

## 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: L27109DL2005PLC350524 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 Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://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, 2023 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.

Sr. No.	Name of the Directors	DIN	Date of Appointment in the Company
1	Mr. Chandra Prakash Agrawal	01814318	01.04.2005
2	Mr. Dinesh R. Agarwal	01017125	07.02.2005
3	Mr. Prashant Jalan	06619739	04.11.2020
4	Mr. Nitin Mahavir Prasad Kandoi*	01979952	07.02.2005
5	Mr. Jyotirindra Nath Dey	00180925	30.11.2005
6	Mr. Ashtbhuja Prasad Srivastava	08434115	29.04.2019
8	Mrs. Nishi Agrawal	08441260	04.11.2020
9	Mr. Udit Agarwal	07036864	29.06.2021

\* Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director has been appointed as a Whole-time Director of the Company w.e.f. June 01, 2022. Hence, he has been categorised as an Executive Director.

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.

**(Anurag Fatehpuria)**

Practicing Company Secretary

Membership No. 34471

CP No. 12855

UDIN: A034471E000415610

Place: Kolkata

Date: May 29, 2023





## 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, 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and 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 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 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 Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 financial statements.

##### Emphasis of Matter

We draw your attention to Note No. 45 of the financial statement which explains the scheme of amalgamation and slump sale. Hon'ble NCLT, Kolkata Bench and Hon'ble NCLT, New Delhi Bench vide their order dated September 22, 2021 and May 20, 2022 respectively approved the said scheme.

The Company has accounted for the acquisitions under the acquisition method of accounting for business combinations in accordance with Ind AS 103 'Business Combinations' as on March 31, 2022.

Our opinion is not modified in respect of this matter.

We draw your attention to Note No. 50 of the financial statement, relating to the search carried out by the Income Tax Department in April 2023 concerning the Company. Since the investigation and related proceedings are pending, there is uncertainty as regards impact, if any, of the outcome of the proceedings, which cannot be ascertained at this point of time.

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 financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and 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 Financial Statements 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 included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our Auditor's Report thereon.

## Independent

### Auditor's Report

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon. In connection with our audit of financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We have nothing to report in this regard.

### Responsibility of Management and those charged with governance for the 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 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, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes responsible the 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

## Independent

### Auditor's Report

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.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 Statement of Cash Flows are dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - 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 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.

**Independent**

## Auditor's Report

- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall: directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i)(a) and (i)(b) contain any material misstatement.
  - v. The Company has not paid or declared any dividend during the year.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 01, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:  
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.
  3. As required by the Companies (Auditor's Report) Order, 2020 ("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 KOMAL JAIN**  
Partner

Place: New Delhi  
Date: May 29, 2023

Membership No.: 303583  
UDIN: 23303583BGSRHP3358



## 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 March 31, 2023 in conjunction with our audit of the 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.

## **Annexure - A**

to the Independent Auditor's Report

### **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 March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note 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 KOMAL JAIN**  
*Partner*

Membership No.: 303583  
UDIN: 23303583BGSRHP3358

Place: New Delhi  
Date: May 29, 2023

## Annexure - B

to the Independent Auditor's Report

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Gallantt Ispat Limited** of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
- 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, we report that title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements are held in the name of the Company except the following:

Immovable Properties						
Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE						
Freehold Land	at Japtiya Village 2.07 Acre	12.94	Govind Mills Limited	No	22.10.2001	Got ownership of the property in the name of Transferor Company by way of amalgamation
"	at Bargadwa 0.30 Acre	3.00	Govind Mills Limited	No	20.07.2000	
"	at Bargadwa 0.86 Acre	7.18	Govind Mills Limited	No	13.07.2000	
"	at Bargadwa 0.31 Acre	1.78	Govind Mills Limited	No	21.07.2000	
"	at Bargadwa 0.15 Acre	0.94	Govind Mills Limited	No	16.02.2001	
"	at Bargadwa 0.15 Acre	0.94	Govind Mills Limited	No	05.10.2001	
"	at Bargadwa 0.66 Acre	3.80	Govind Mills Limited	No	30.03.2002	
"	at Avadhpur 2.775 Acre	2.70	Govind Steel & Power Ltd	No	17.08.2004	
"	at Avadhpur 5.332 Acre	5.50	Govind Steel & Power Ltd	No	17.08.2004	
"	at Sabdaian Kalan 1.16 Acre	3.57	Govind Mills Limited	No	23.07.2001	
"	at Sabdaian Kalan 0.37 Acre	0.88	Govind Mills Limited	No	19.09.2001	
"	at Sabdaian Kalan 0.27 Acre	0.47	Govind Mills Limited	No	24.09.2001	
"	at Sabdaian Kalan 0.61 Acre	0.74	Govind Mills Limited	No	16.10.2001	
"	at Sabdaian Kalan 0.08 Acre	0.12	Govind Mills Limited	No	27.10.2001	
"	at Sabdaian Kalan 0.32 Acre	0.66	Govind Mills Limited	No	19.11.2001	
Freehold Building	Office space at Kolkata	11.27	Hipoline Commerce Private Limited	No	01.04.2019	

- d) According to the information and explanation given to us, the Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- e) According to the information and explanation given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

## Annexure - B

to the Independent Auditor's Report

- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is reasonably appropriate and no material discrepancies were noticed on such physical verification.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, working capital limits above ₹ 5 Crores has been sanctioned to the Company by the State Bank of India (SBI) and by HDFC Bank on the basis of security of current assets (inventories and receivables). The differences in the quarterly returns or statements filed by the company with SBI and HDFC bank and the books of accounts of the Company are detailed below:

Quarter	Name of the Bank	Particulars of the security provided	Amount as per book of account	Amount as reported in the quarterly return / statement	Amount of difference
Q-1 June, 2022	State Bank of India	Inventory and Receivables	20,155.85	18,861.11	1,294.74
	HDFC Bank Limited	Inventory and Receivables	24,616.75	25,352.00	-735.25
Q-2 September, 2022	State Bank of India	Inventory and Receivables	23,244.11	22,122.40	1,121.71
	HDFC Bank Limited	Inventory and Receivables	28,054.82	26,811.00	1,243.82
Q-3 December, 2022	State Bank of India/HDFC Bank Limited	Inventory and Receivables	55,228.78	58,653.32	-3,424.54
Q-4 March, 2023	State Bank of India/HDFC Bank Limited	Inventory and Receivables	56,259.96	56,415.95	-155.99

The reason for difference is that the Statement of inventory submitted to the bank is valued on estimation basis and includes advance to supplier as stock in transit whereas afterwards actual valuation of the same is done at the time of quarterly result and advance to supplier is taken under the head "Advance".

- iii. The Company has made investments in, provided guarantee or security and granted loans or advances in nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
- a) The Company has provided loans and guarantee (in respect of loans) during the year to parties other than subsidiaries, joint venture and associate and details of which are given below:

(₹ in lakhs)

Particulars	Loans	Guarantees
Aggregate amount granted/provided during the year:	119.54	-
- To Others		
Balance Outstanding as at Balance sheet date	402.51	-
- To Others		

- b) The investments made, guarantees provided and terms and conditions of the grant of all the above-mentioned loans and guarantees provided during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.
- d) There are no amounts overdue for more than ninety days in respect of the loan granted to Company/ Firm/ LLP/ Other Parties.
- e) According to the information and explanation provided to us, the company has not renewed or extended or granted fresh loan or advance in the nature of loan which has fallen due during the year. Hence, the requirements under paragraph 3(iii) (e) of the Order are not applicable to the Company.
- f) According to the information explanation provided to us, the Company has granted loans/advances in the nature of loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:

## Annexure - B

to the Independent Auditor's Report

(₹ in lakhs)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	402.51	-	402.51
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	402.51	-	402.51
Percentage of loans/ advances in nature of loans to the total loans	100%	-	100%

- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans granted, investments made, guarantees and securities provided, where ever applicable.
- v. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and 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 with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records, the following dues have not been deposited as on March 31, 2023 on account of disputes are given below:

Nature of the Statute	Nature of Dues	Amount (₹ in lakhs)	Period to which the Amount Relates	Forum where Dispute is Pending
Income Tax Act	Income Tax	17.75	2008-09 to 2018-19	Various Appellate Forums
Value Added Tax	VAT	38.04*	2007-08	Jt. Commissioner of Appeal
Central GST	GST	603.35	2014-15, 2015-16 2016-17, 2017-18	Commission Appeal GST Central
Central GST and State GST	GST	1,676.75	2017-18 to 2021-22	Joint Comm. GST, Varanasi, Asstt Commissioner, Gorakhpur, DC First, SGST, Gorakhpur
Central Excise Act	Excise Duty	170.12	2010-11	CESTAT, Ahmedabad
UP VAT ACT 2008	VAT	9,255.64	August 2011 to June 2017	Government of Uttar Pradesh
Custom Act	Custom Duty	264.94	2011-12, 2012-13	CESTAT, Ahmedabad
Central Excise Act	Excise Duty	465.65	2008-09 to 2010-11	Review Petition in Supreme Court
Income Tax Act	Income Tax	881.44**	A.Y. 2015-16	CIT(A), Kolkata

\* Net of amount paid under protest

\*\* Gross demand was raised against AAR Commercial Company Limited (i.e. Transferor Company).



**Annexure - B**

to the Independent Auditor's Report

- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not defaulted in repayment of any loans or other borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies.
- (f) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not raised any loans on pledge of securities held in its subsidiaries or associate companies during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally).
- However, the Company had allotted 22,54,55,517 shares of ₹ 10 each as fully paid on June 07, 2022 to the shareholders of the Transferor Companies pursuant to Scheme of Amalgamation and got the shares listed on BSE and NSE thereafter. The details of the allotment have been disclosed in the Note No. 45 of the Financial Statement.
- xi. (a) According to the information and explanations given to us and on the basis of our examination, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form-ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanation given to us, there are no instances of whistle blower complaints received during the year by the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, it is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

## Annexure - B

### to the Independent Auditor's Report

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. And hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. According to the information and explanations given to us:
- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
  - (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
  - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
  - (d) Based on the information and explanations provided by the management of the Company, the Group has no CIC as part of the Group.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no unspent amounts under sub-section (5) of section 135 of Companies Act, pursuant to any ongoing projects requiring a transfer to Special Account in compliance with the provisions of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **MAROTI & ASSOCIATES**

*Chartered Accountants*

Firm Registration No. 322770E

**CA KOMAL JAIN**

*Partner*

Place: New Delhi

Date: May 29, 2023

Membership No.: 303583

UDIN: 23303583BGSRHP3358

## Balance Sheet

as at 31st March, 2023

(₹ in lakhs)

	Notes	As at 31.03.2023	As at 31.03.2022
<b>(I) ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	03	1,45,789.77	1,25,989.87
(b) Capital work in progress	03	31,560.40	35,871.33
(c) Other Intangible Assets	03	16,485.49	19,241.30
		<b>1,93,835.66</b>	<b>1,81,102.50</b>
(d) Financial assets			
(i) Investments	04	161.86	142.98
(ii) Other financial assets	05	492.23	286.17
(e) Other non-current assets	06	1,009.17	1,353.22
		<b>1,95,498.92</b>	<b>1,82,884.87</b>
<b>(2) Current Assets</b>			
(a) Inventories	08	43,284.35	33,139.26
(b) Financial assets			
(i) Trade receivables	09	13,736.41	15,702.86
(ii) Cash and cash equivalent	10	561.63	864.96
(iii) Bank balances other than (ii) above	11	570.66	473.33
(iv) Loans	12	402.51	446.33
(v) Other financial assets	13	26,228.35	24,408.76
(c) Current Income tax assets (net)		1,089.05	1,153.76
(d) Other current assets	14	13,512.09	9,821.94
		<b>99,385.05</b>	<b>86,011.20</b>
<b>TOTAL ASSETS</b>		<b>2,94,883.97</b>	<b>2,68,896.06</b>
<b>(II) EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	15	24,128.09	8,132.23
(b) Other equity	16	1,98,375.07	2,00,179.71
		<b>2,22,503.16</b>	<b>2,08,311.94</b>
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	9,947.42	9,889.47
(b) Provisions	18	551.67	585.82
(c) Deferred tax liabilities / (Assets) (Net)	7	7,256.40	1,633.63
(d) Other Non Current Liability	19	843.11	942.02
		<b>18,598.60</b>	<b>13,050.94</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	43,827.04	28,766.34
(ii) Trade payables	21	-	5.80
Total outstanding dues of micro enterprises and small enterprises		<b>6,429.93</b>	<b>15,752.03</b>
(iii) Other financial liabilities	22	734.24	429.03
(b) Other current liabilities	23	2,791.00	2,558.94
(c) Provisions	24	-	21.03
		<b>53,782.21</b>	<b>47,533.17</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,94,883.97</b>	<b>2,68,896.06</b>

See accompanying notes forming part of the financial statements  
As per terms of our report attached

For **MAROTI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No : 322770E

**Komal Jain**  
Partner

Membership No. 303583  
New Delhi, May 29, 2023

For and on behalf of the Board of Directors

**Chandra Prakash Agrawal**  
Chairman & Managing Director  
**Dinesh R Agarwal**  
Whole-time Director  
**Mayank Agrawal**  
Chief Executive Officer  
**Sandip Kumar Agarwal**  
Chief Financial Officer  
**Nitesh Kumar**  
Company Secretary  
Gorakhpur, May 29, 2023

## Statement of Profit and Loss

for the year ended 31st March, 2023

(₹ in lakhs)

	Notes	For Year ended 31.03.2023	For Year ended 31.03.2022
(1) Revenue from operations	25	4,03,458.27	3,01,737.60
(2) Other income	26	2,539.44	5,360.81
(3) <b>Total Income (1) + (2)</b>		<b>4,05,997.71</b>	<b>3,07,098.41</b>
(4) <b>EXPENSES</b>			
(a) Cost of materials consumed	27	3,27,284.03	2,45,703.81
(b) Purchase of stock in trade		1,225.53	657.22
(c) Changes in inventories of finished products, stock in trade and work in progress	28	3,976.12	(5,082.95)
(d) Employee benefits expense	29	8,818.48	7,203.60
(e) Finance costs	30	2,722.35	2,046.35
(f) Depreciation and amortization expense	31	10,025.01	9,209.26
(g) Other expenses	32	27,957.38	23,630.73
<b>Total Expenses (4)</b>		<b>3,82,008.90</b>	<b>2,83,368.02</b>
(5) <b>Profit before tax (3) - (4)</b>		<b>23,988.81</b>	<b>23,730.38</b>
(6) <b>Tax Expense</b>			
(a) Current tax	33	3,761.67	3,888.09
(b) Deferred tax	33	6,136.05	2,258.35
<b>Total tax expenses (6)</b>		<b>9,897.72</b>	<b>6,146.44</b>
(7) <b>Profit for the period (5) - (6)</b>		<b>14,091.09</b>	<b>17,583.94</b>
(8) <b>Other comprehensive income</b>			
(a) Items that will not be reclassified to statement of profit and loss			
(i) Remeasurement of the employees defined benefit plans		135.04	254.07
(ii) Fair value changes of investment in equity shares		18.88	-
(b) Less : Income tax relating to items that will not be reclassified to profit or loss		(53.79)	(57.76)
<b>Total other comprehensive income (8)</b>		<b>100.14</b>	<b>196.31</b>
(9) <b>Total comprehensive income for the period (7) + (8)</b>		<b>14,191.23</b>	<b>17,780.25</b>
(10) <b>Earnings per equity share: (Face value of share of Rs 10 each)</b>	35		
(a) Basic		5.84	21.62
(b) Diluted		5.84	7.29

See accompanying notes forming part of the financial statements  
As per terms of our report attached

For **MAROTI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No : 322770E

**Komal Jain**  
Partner

Membership No. 303583  
New Delhi, May 29, 2023

For and on behalf of the Board of Directors

**Chandra Prakash Agrawal**  
Chairman & Managing Director  
**Dinesh R Agarwal**  
Whole-time Director  
**Mayank Agrawal**  
Chief Executive Officer  
**Sandip Kumar Agarwal**  
Chief Financial Officer  
**Nitesh Kumar**  
Company Secretary  
Gorakhpur, May 29, 2023

## Cash Flow Statement

for the year ended 31st March, 2023

(₹ in lakhs)

	For Year ended 31.03.2023	For Year ended 31.03.2022
<b>A. Cash Flow from Operating activities:</b>		
<b>Profit for the period</b>	<b>23,988.81</b>	<b>23,730.38</b>
<i>Adjustments for:</i>		
Income tax expenses recognised in the statement of profit and loss		
Depreciation expense	10,025.01	9,209.26
Interest income	(227.80)	(206.53)
Interest expenses	2,471.08	1,751.39
Net (Gain)/Loss on derivative instruments	-	(5.83)
(Profit)/loss on sale of property, plant & equipments	4.85	(945.44)
Liabilities/provision no longer required written back	(0.47)	(0.45)
<b>Operating profit before working capital changes</b>	<b>36,261.48</b>	<b>33,532.79</b>
<i>Adjustments for (increase)/decrease in operating assets</i>		
Inventories	(10,145.10)	(8,996.79)
Trade receivables	1,966.45	(2,428.07)
Non-current financial Assets	(206.06)	(7.52)
Other non-current assets	224.01	(265.78)
Current financial assets	(1,862.29)	11.02
Other current assets	(3,690.15)	(863.95)
<i>Adjustments for increase/(decrease) in operating liabilities</i>		
Trade Payables	(9,327.90)	8,107.20
Current financial liabilities	286.96	(48.77)
Other current liabilities	232.05	(1,768.19)
Provisions	80.33	269.76
Other non-current liabilities	(98.92)	-
<b>Cash generated from operations</b>	<b>13,720.87</b>	<b>27,541.72</b>
Direct taxes paid	(4,165.11)	(4,145.88)
<b>Net cash generated from operating activities</b>	<b>9,555.75</b>	<b>23,395.84</b>



## Cash Flow Statement

for the year ended 31st March, 2023

(₹ in lakhs)

	For Year ended 31.03.2023	For Year ended 31.03.2022
<b>B. Cash Flow from Investing activities:</b>		
Purchase of property, plant and equipment	(22,733.45)	(28,534.46)
Sale of property, plant & equipment	9.81	1,227.04
Investment in Shares	-	5,872.95
Movement in loans and advances	43.83	(29.41)
Movement in fixed deposit held as margin	(97.33)	400.63
Interest received	270.49	181.94
<b>Net cash (used in) investing activities</b>	<b>(22,506.65)</b>	<b>(20,881.32)</b>
<b>C. Cash Flow from Financing activities:</b>		
Proceeds from long term borrowings	57.95	22.28
Proceeds from short term borrowings	15,060.70	-
Repayment of short term borrowings	-	(199.70)
Interest paid	(2,471.08)	(1,751.39)
<b>Net cash (used in) financing activities</b>	<b>12,647.56</b>	<b>(1,928.81)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(303.33)</b>	<b>585.71</b>
<b>Cash and cash equivalents as at 1<sup>st</sup> April</b>	<b>864.96</b>	<b>279.25</b>
<b>Cash and cash equivalents as at 31<sup>st</sup> March</b>	<b>561.63</b>	<b>864.96</b>

See accompanying notes forming part of the financial statements

1. Cash and cash equivalents represents cash, cheques on hand and balances with banks (Refer Note 10).
2. Figures in brackets represent outflows.

See accompanying notes forming part of the financial statements  
As per terms of our report attached

For **MAROTI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No : 322770E

**Komal Jain**  
Partner

Membership No. 303583  
New Delhi, May 29, 2023

For and on behalf of the Board of Directors  
**Chandra Prakash Agrawal**  
Chairman & Managing Director  
**Dinesh R Agarwal**  
Whole-time Director  
**Mayank Agrawal**  
Chief Executive Officer  
**Sandip Kumar Agarwal**  
Chief Financial Officer  
**Nitesh Kumar**  
Company Secretary  
Gorakhpur, May 29, 2023

## Statement of Changes in Equity

for the year ended 31st March, 2023

(₹ in lakhs)

### A. EQUITY SHARE CAPITAL

For the year ended 31st March, 2023:

Balance at the beginning of the year	Changes in Equity Share Capital due to prior period errors	Restated Balance at the beginning of the year	Changes in Equity Share Capital during the year	Balance at the end of the year
8132.23	-	8132.23	15995.86	24128.09

For the year ended 31st March, 2022:

Balance at the beginning of the year	Changes in Equity Share Capital due to prior period errors	Restated Balance at the beginning of the year	Changes in Equity Share Capital during the year	Balance at the end of the year
8132.23	-	8132.23	-	8132.23

### B. OTHER EQUITY

For the year ended 31st March, 2023:

Particulars	Reserves and Surplus				Remeasurement of defined benefit plans (Other Comprehensive Income)	Total
	Capital Reserve	Share capital Suspense	Securities Premium	Retained Earnings		
Balance at the beginning of the year	1,11,147.23	15,995.86	1,050.00	71,624.29	362.33	2,00,179.71
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-
<b>Restated Balance</b>	<b>1,11,147.23</b>	<b>15,995.86</b>	<b>1,050.00</b>	<b>71,624.29</b>	<b>362.33</b>	<b>2,00,179.71</b>
Add/(Less) :						
Profit for the year	-	-	-	14,091.09	-	14,091.09
Other Comprehensive Income/(Loss) for the year	-	-	-	-	100.14	100.14
Transfer to Share Capital	-	(15,995.86)	-	-	-	(15,995.86)
Transfer to Retained Earnings	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>1,11,147.23</b>	<b>-</b>	<b>1,050.00</b>	<b>85,715.38</b>	<b>462.47</b>	<b>1,98,375.07</b>

## Statement of Changes in Equity

for the year ended 31st March, 2023

(₹ in lakhs)

For the year ended 31st March, 2022:

Particulars	Reserves and Surplus				Remeasurement of defined benefit plans (Other Comprehensive Income)	Total
	Capital Reserve	Share capital Suspense	Securities Premium	Retained Earnings		
Balance at the beginning of the year	1,11,147.23	15,995.86	1,050.00	54,046.63	166.02	1,82,405.74
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-
<b>Restated Balance</b>	<b>1,11,147.23</b>	<b>15,995.86</b>	<b>1,050.00</b>	<b>54,046.63</b>	<b>166.02</b>	<b>1,82,405.74</b>
Add/(Less) :						
Profit for the year	-	-	-	17,577.66	-	17,577.66
Other Comprehensive Income/(Loss) for the year	-	-	-	-	196.31	196.31
Transfer to Retained Earnings	-	-	-	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>1,11,147.23</b>	<b>15,995.86</b>	<b>1,050.00</b>	<b>71,624.29</b>	<b>362.33</b>	<b>2,00,179.71</b>

See accompanying notes forming part of the financial statements  
As per terms of our report attached

For **MAROTI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No : 322770E

**Komal Jain**  
Partner

Membership No. 303583  
New Delhi, May 29, 2023

For and on behalf of the Board of Directors

**Chandra Prakash Agrawal**  
Chairman & Managing Director  
**Dinesh R Agarwal**  
Whole-time Director  
**Mayank Agrawal**  
Chief Executive Officer  
**Sandip Kumar Agarwal**  
Chief Financial Officer  
**Nitesh Kumar**  
Company Secretary  
Gorakhpur, May 29, 2023

## Notes

forming part of the financial statements

### Note -01 General information

#### 1.01 Corporate information

Gallantt Ispat Limited ("the Company") is a public limited company domiciled in India incorporated under the provisions of the Companies Act. The registered office of the company is located in Delhi, India. The Company is listed with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is engaged in manufacturing of Steel and Steel products with power plant and having its manufacturing unit at Village Samakhyali, Dist Kutch in the State of Gujarat (Gujarat Unit) and at Sahjanwa, Gorakhpur, Uttar Pradesh (Gorakhpur Unit). Further, Company is also engaged in the business of Real Estate.

#### 1.02 Basis of preparation of financial statement

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention (except for certain financial instruments that are measured at fair values at the end of each reporting period) on accrual basis to comply in all material aspects with the Indian Accounting Standards (herein after referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as amended from time to time.

The financial statements have been prepared on accrual and going concern basis. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013 (as amended). Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 29, 2023

#### 1.03 Basis of measurement

These financial statements are prepared under the historical cost convention otherwise indicated.

#### 1.04 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 operates. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

#### 1.05 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 following notes:

- Useful lives of Property, plant and equipment (Refer Note 2.01)
- Assets and obligations relating to employee benefits (Refer Note 2.15)
- Valuation and measurement of income taxes and deferred taxes (Refer Note 2.16)
- Provisions and Contingencies (Refer Note 2.11)

#### 1.06 Measurement of fair values

A number of the the Company's accounting policies and disclosures require the measurement of fair values for both financial and non financial assets and liabilities. 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

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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.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### Note -02 Significant Accounting Policies

#### 2.01 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 :** 3 to 60 years

**Plant and equipment :** 10 to 40 years

**Electrical Installation and equipments :** 10 years

**Furniture and Fixtures :** 10 years

**Office Equipments :** 5 to 10 years

**Computers :** 3 years

**Motor Vehicles :** 8 to 10 years

**Rolls : 1 year**

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.

#### 2.02 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.

Estimated useful lives of the assets are as follows:

**Brand Value :** 10 years

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.



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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.

### 2.03 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 determine 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 been 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.

### 2.04 Investments in Subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses,

if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in 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.

### 2.05 Inventories

Inventories which comprise 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.

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.

### 2.06 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.

### 2.07 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

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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:

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

(d) 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 financial assets in FVTPL category.

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For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 months 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.

### 2.08 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.

### 2.09 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.

### 2.10 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.

### 2.11 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.

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Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

### 2.12 Revenue recognition

#### i) Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at fair value of the consideration received or receivable, net of returns, trade discounts, cash discount and quantity discount and exclusive of Goods and Service Tax and other taxes and duties collected on behalf of the government. 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.

### 2.13 Foreign Currencies Transactions

The financial statements of the Company are presented in Indian Rupee ("₹"), 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.

### 2.14 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.

### 2.15 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

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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.

### 2.16 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.

### 2.17 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.

#### 2A Recent Indian Accounting Standard (Ind AS)

##### 2A.1 Recent accounting pronouncements which are not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's Financial Statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS,



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through Companies (Indian Accounting Standards) Amendment Rules, 2022 on March 23, 2022. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

1. Ind AS 101 - First-time adoption of Ind AS
2. Ind AS 103 – Business Combinations
3. Ind AS 109 – Financial Instruments
4. Ind AS 16 – Property, Plant and Equipment
5. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
6. Ind AS 41 – Agriculture

These amendments shall come into force with effect from April 01, 2022.

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

### 2A.2 Business Combination

Business combinations are accounted for using the acquisition method of accounting.

The consideration transferred in each business combination is measured at the aggregate of the

acquisition date fair values of assets given, liabilities incurred by the Company to the former owners of the acquiree and equity interests issued by the Company in exchange for control of the acquiree.

Acquisition related costs are recognised in profit or loss as incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as financial liability is measured at fair value with changes in fair value recognized in the statement of profit and loss.

Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the capital reserve.

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(₹ in lakhs)

03. Property, plant and equipment	Freehold Land	Freehold Building	Roads	Plant and Machinery	Electrical installation and Equipments	Lab Equipments	Furniture and fixtures	Office Equipments	Motor Vehicles	Computers	Rolls	Other Assets	Railway Siding	Total
<b>Cost or deemed cost</b>														
Balance at April 1, 2021	30,729.48	18,777.40	678.04	71,112.76	769.18	46.68	41.54	114.93	832.88	30.53	160.13	925.78	420.44	1,24,639.76
Additions	123.29	3,719.07	277.46	13,036.46	500.17	-	2.92	4.02	32.69	5.54	216.82	2,131.02	-	20,049.46
Disposals	(127.73)	-	-	(2.12)	-	-	-	-	(204.54)	-	(160.13)	-	-	(494.52)
<b>Balance at March 31, 2022</b>	<b>30,725.04</b>	<b>22,496.47</b>	<b>955.50</b>	<b>84,147.10</b>	<b>1,269.35</b>	<b>46.68</b>	<b>44.46</b>	<b>118.95</b>	<b>661.03</b>	<b>36.07</b>	<b>216.82</b>	<b>3,056.80</b>	<b>420.44</b>	<b>1,44,194.71</b>
Additions	696.36	2,225.10	25.20	17,334.75	129.49	3.31	150.49	14.63	93.81	2.97	353.99	1,142.82	5,009.77	27,182.68
Disposals	-	-	-	-	-	-	-	-	(51.07)	-	(216.82)	-	-	(267.89)
<b>Balance at March 31, 2023</b>	<b>31,421.40</b>	<b>24,721.57</b>	<b>980.70</b>	<b>1,01,481.85</b>	<b>1,398.84</b>	<b>49.99</b>	<b>194.95</b>	<b>133.57</b>	<b>703.77</b>	<b>39.04</b>	<b>353.99</b>	<b>4,199.62</b>	<b>5,430.21</b>	<b>1,71,109.50</b>
<b>Accumulated depreciation</b>														
Balance at April 1, 2021	-	1,625.48	314.70	8,724.70	525.62	28.06	23.98	69.18	231.68	10.39	44.88	166.65	100.07	11,865.39
Depreciation expense	-	764.76	75.20	5,058.90	75.67	2.96	3.24	16.64	81.01	5.95	199.67	218.32	50.05	6,552.36
Disposals	-	-	-	(1.46)	-	-	-	-	(51.33)	-	(160.13)	-	-	(212.92)
<b>Balance at March 31, 2022</b>	<b>-</b>	<b>2,390.23</b>	<b>389.90</b>	<b>13,782.13</b>	<b>601.29</b>	<b>31.02</b>	<b>27.22</b>	<b>85.82</b>	<b>261.37</b>	<b>16.34</b>	<b>84.42</b>	<b>384.97</b>	<b>150.12</b>	<b>18,204.84</b>
Depreciation expense	-	835.01	92.41	5,258.44	80.89	2.66	16.72	16.14	80.81	6.30	320.83	290.56	367.33	7,368.10
Disposals	-	-	-	-	-	-	-	-	(36.41)	-	(216.82)	-	-	(253.23)
<b>Balance at March 31, 2023</b>	<b>-</b>	<b>3,225.25</b>	<b>482.31</b>	<b>19,040.57</b>	<b>682.18</b>	<b>33.68</b>	<b>43.94</b>	<b>101.96</b>	<b>305.77</b>	<b>22.64</b>	<b>188.43</b>	<b>675.53</b>	<b>517.45</b>	<b>25,319.72</b>
<b>Carrying amount</b>														
Balance at March 31, 2022	30,725.04	20,106.24	565.60	70,364.96	668.06	15.66	17.23	33.12	399.67	19.73	132.40	2,671.83	270.32	1,25,989.87
<b>Balance at March 31, 2023</b>	<b>31,421.40</b>	<b>21,496.33</b>	<b>498.39</b>	<b>82,441.27</b>	<b>716.66</b>	<b>16.31</b>	<b>151.00</b>	<b>31.61</b>	<b>398.00</b>	<b>16.39</b>	<b>165.56</b>	<b>3,524.10</b>	<b>4,912.76</b>	<b>1,45,789.77</b>

### Note:

1. All property, plant and equipment are given as collateral security to the bank for working capital loans by way of hypothecation on movable fixed assets including plant and machinery both present and future and equitable mortgage over immovable properties of the company viz. land and building situated in Kutch, Gujarat and Gorakhpur, Uttar Pradesh.
2. Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013.

## Notes

forming part of the financial statements

(₹ in lakhs)

	Computer Software	Brands / Trademark	Total
<b>03. Intangible Assets</b>			
<b>Cost or deemed cost</b>			
Balance at April 1, 2021	-	27,508.41	27,508.41
Additions	-	-	-
Disposals	-	-	-
<b>Balance at March 31, 2022</b>	-	<b>27,508.41</b>	<b>27,508.41</b>
Additions	-	-	-
Disposals	-	-	-
<b>Balance at March 31, 2023</b>	-	<b>27,508.41</b>	<b>27,508.41</b>
<b>Accumulated depreciation</b>			
Balance at April 1, 2021	-	5,511.29	5,511.29
Depreciation expense	-	2,755.81	2,755.81
Disposals	-	-	-
<b>Balance at March 31, 2022</b>	-	<b>8,267.11</b>	<b>8,267.11</b>
Depreciation expense	-	2,755.81	2,755.81
Disposals	-	-	-
<b>Balance at March 31, 2023</b>	-	<b>11,022.92</b>	<b>11,022.92</b>
<b>Carrying amount</b>			
<b>Balance at March 31, 2022</b>	-	<b>19,241.30</b>	<b>19,241.30</b>
<b>Balance at March 31, 2023</b>	-	<b>16,485.49</b>	<b>16,485.49</b>

	Amount in CWIP for the period of				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
<b>03. Capital work - in - progress ageing schedule</b>					
<b>Project in Progress</b>					
<b>As at 31<sup>st</sup> March, 2023</b>	30568.43	948.61	43.36	-	31560.40
<b>As at 31<sup>st</sup> March, 2022</b>	27213.12	8658.21	-	-	35871.33

The company shall provide the details of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company in following format and where such immovable property is jointly held with others, details are required to be given to the extent of the company's share.

## Notes

forming part of the financial statements

(₹ in lakhs)

Immovable Properties						
Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
PPE						
Freehold Land	at Japtiya Village 2.07 Acre	12.94	Govind Mills Limited	No	22.10.2001	Got the ownership of the property in the name of Transferror Company, by way of amalgamation.
"	at Bargadwa 0.30 Acre	3.04	Govind Mills Limited	No	20.07.2000	
"	at Bargadwa 0.86 Acre	7.18	Govind Mills Limited	No	13.07.2000	
"	at Bargadwa 0.31 Acre	1.78	Govind Mills Limited	No	21.07.2000	
"	at Bargadwa 0.15 Acre	0.94	Govind Mills Limited	No	16.02.2001	
"	at Bargadwa 0.15 Acre	0.94	Govind Mills Limited	No	05.10.2001	
"	at Bargadwa 0.66 Acre	3.80	Govind Mills Limited	No	30.03.2002	
"	at Avadhpur 2.775 Acre	2.70	Govind Steel & Power Ltd	No	17.08.2004	
"	at Avadhpur 5.332 Acre	5.50	Govind Steel & Power Ltd	No	17.08.2004	
"	at Sabdaian Kalan 1.16 Acre	3.57	Govind Mills Limited	No	23.07.2001	
"	at Sabdaian Kalan 0.37 Acre	0.88	Govind Mills Limited	No	19.09.2001	
"	at Sabdaian Kalan 0.27 Acre	0.47	Govind Mills Limited	No	24.09.2001	
"	at Sabdaian Kalan 0.61 Acre	0.74	Govind Mills Limited	No	16.10.2001	
"	at Sabdaian Kalan 0.08 Acre	0.12	Govind Mills Limited	No	27.10.2001	
"	at Sabdaian Kalan 0.32 Acre	0.66	Govind Mills Limited	No	19.11.2001	
Freehold Building	Office space at Kolkata	11.27	Hipoline Commerce Private Limited	No	01.04.2019	

		As at 31.03.2023		As at 31.03.2022	
		Qty. Nos.	Amount	Qty	Amount
<b>04.</b>	<b>Investments carried at fair value through other comprehensive income</b>				
	<b>Investments in equity shares</b>				
	<b>(a) Quoted</b>				
	Mukta Agriculture Ltd	22,000	0.66	22,000	1.34
	Cressanda Solutions Ltd	6,87,307	151.35	6,87,307	130.80
	Mystics Electronics Limited	18,800	0.55	18,800	1.14
	Matra Kaushal Enterprises Ltd.	4,15,000	8.96	4,15,000	8.96
	Shalimar Production Ltd	70,000	0.34	70,000	0.74
	<b>Total aggregate investments</b>	<b>12,13,107</b>	<b>161.86</b>	<b>12,13,107</b>	<b>142.98</b>
	<b>Investment in quoted instrument</b>				
	Aggregate carrying value		161.86		142.98
	<b>Aggregate market value</b>		<b>161.86</b>		<b>142.98</b>

## Notes

forming part of the financial statements

(₹ in lakhs)

	As at 31.03.2023	As at 31.03.2022
<b>05. Other Non-Current Financial Assets</b>		
(Unsecured, Considered good)		
(a) Security deposits	492.23	286.17
<b>Total non-current financial assets</b>	<b>492.23</b>	<b>286.17</b>
<b>06. Other Non-Current Assets</b>		
(a) Capital advances	217.67	337.72
(b) Balance with Statutory / Government Authorities	791.49	1,015.50
<b>Total other non-current assets</b>	<b>1,009.17</b>	<b>1,353.22</b>
<b>07. Deferred Tax Balances</b>		
The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:		
Deferred tax assets	6,858.15	6,334.00
Deferred tax liabilities	(14,114.55)	(7,967.63)
<b>Net deferred tax asset/(liability)</b>	<b>(7,256.40)</b>	<b>(1,633.63)</b>
<b>For Year ended 31.03.2023</b>		
<b>Deferred tax (liabilities)/assets in relation to:</b>		
<b>Deferred Tax Liability</b>		
Written down value of Assets	14,114.55	7,967.63
Other Provision	-	-
	<b>14,114.55</b>	<b>7,967.63</b>
<b>Deferred Tax Assets</b>		
Mat Credit entitlement	6,678.19	6,203.31
Provision for retirement benefit	179.95	83.55
Other Provision	-	47.14
	<b>6,858.15</b>	<b>6,334.00</b>
<b>08. Inventories</b>		
(a) Raw materials	29,196.21	16,436.36
Including in transit ₹ 10294.37 lakhs (P.Y. ₹ 5274.00 lakhs)		
(b) Work-in-progress	303.14	350.01
(c) Finished products	6,118.05	10,047.30
(d) Stores and spare parts	6,906.15	5,544.79
(e) Land at real estate business	760.80	760.80
<b>Total inventories</b>	<b>43,284.35</b>	<b>33,139.26</b>

1. Inventories are pledged on pari passu first charge against short term loans from bank (refer note 20)
2. The mode of valuation of Inventories has been stated in note 02 point - 05



## Notes

forming part of the financial statements

(₹ in lakhs)

	As at 31.03.2023	As at 31.03.2022
<b>09. Trade Receivables (Current)</b>		
Trade receivables - Considered Good Secured	-	-
Trade receivables - Considered Good Unsecured	13,736.41	15,702.86
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivable - Credit Impaired	-	-
	<b>13,736.41</b>	<b>15,702.86</b>

1. Trade receivables are pledged on pari passu first charge against short term loans from bank (refer note 20).

2. Trade receivables ageing schedule

	Outstanding for following periods from due date of payments						Total
	Not due	Less than 6 months *	6 months -1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed Considered Goods</b>							
<b>As at March 31, 2023</b>		12,787.34	660.72	148.15	140.20	-	13,736.41
<b>As at March 31, 2022</b>		11,291.87	384.26	118.81	3,907.92	-	15,702.86

\* Includes amount not yet due for payments

	As at 31.03.2023	As at 31.03.2022
<b>10. Cash and cash equivalents</b>		
(i) Cash in hand	17.30	39.13
(ii) Balances with banks		
(a) In current accounts	6.71	10.55
(b) In deposits accounts*	537.62	815.28
<b>Total cash and cash equivalents</b>	<b>561.63</b>	<b>864.96</b>

(i) \* This represent deposits with original maturity of less than or equal to three months.

<b>11. Bank balance other than Cash and cash equivalents</b>		
In deposits accounts*	568.81	471.43
Earmarked balance with bank for unclaimed dividend	1.85	1.90
	<b>570.66</b>	<b>473.33</b>
<b>Total cash and bank balances</b>	<b>1,132.28</b>	<b>1,338.29</b>
<b>Included above</b>		
(i) Bank deposits for margin against letters of credit and Bank Guarantee	1,106.43	1,286.71
(ii) * This represent deposits with original maturity of more than three months but within twelve months.		

## Notes

forming part of the financial statements

(₹ in lakhs)

	As at 31.03.2023	As at 31.03.2022
<b>12. Current Financial Assets - Loans</b>		
<b>(Unsecured, considered good)</b>		
(a) Loans to related parties (refer note 37)	402.51	409.79
(b) Loans to other Body Corporates	-	36.54
	<b>402.51</b>	<b>446.33</b>
Loans - Considered Good Secured	-	-
Loans - Considered Good Unsecured	402.51	446.33
Loans which have significant increase in credit risk	-	-
Loans- Credit Impaired	-	-
	<b>402.51</b>	<b>446.33</b>
Details of loans under section 186(4) of the Companies Act, 2013		
GL Steel and Power Limited	220.53	275.55
Ganesh Laxmi Processors Pvt Ltd	181.98	134.24
Charchit Creation Limited	-	36.54
<b>13. Other Financial Assets</b>		
(a) Interest accrued on fixed deposits	4.60	47.29
(b) Others	28.45	6.41
(c) Incentive receivable from government (PICUP)	26,184.30	24,352.58
(d) Other Advances	11.00	2.48
<b>Total other Financial Assets</b>	<b>26,228.35</b>	<b>24,408.76</b>
<b>14. Other Current Assets</b>		
(a) Advance with public bodies		
i) Balance with Statutory and Government authorities	550.42	750.21
ii) Advance to suppliers	11,691.37	8,710.50
iii) Other advances and prepayments		
a) Prepayments	241.80	62.88
b) Others	1,028.50	298.34
<b>Total Other Current Assets</b>	<b>13,512.09</b>	<b>9,821.94</b>
<b>15. Share Capital</b>		
<b>a) Authorised:</b>		
24,13,03,300 (P.Y. 8,30,00,000 ) Equity Shares of ₹ 10 each *	24,130.33	8,300.00
<b>Issued, Subscribed and fully paid up:</b>		
24,12,80,945 (P.Y. 8,13,22,324 ) Equity Shares of ₹ 10 each *	24,128.09	8,132.23
	<b>24,128.09</b>	<b>8,132.23</b>

\* Refer Note No. 45

## Notes

forming part of the financial statements

(₹ in lakhs)

	For the period ended As at 31.03.2023		For the period ended As at 31.03.2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>(b) Reconciliation of Number of shares and amount outstanding at the beginning and end of the reporting period</b>				
<b>Equity shares</b>				
<b>Issued, subscribed and fully paid up:</b>				
At beginning of the year	8,13,22,324	8,132.23	8,13,22,324	8,132.23
Cancelled during the year *	(6,54,96,896)	(6,549.69)	-	-
Issued during the year *	22,54,55,517	22,545.55	-	-
<b>At the end of the year</b>	<b>24,12,80,945</b>	<b>24,128.09</b>	<b>8,13,22,324</b>	<b>8,132.23</b>

### (c) Rights, preferences and restrictions attached to shares

#### Equity Shares

- The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, 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.
- The Company for the period of five years immediately preceding the date of Balance Sheet has :
  - Cancelled 6,54,96,896 equity shares pursuant to the Scheme of Amalgamation and Slump Sale.
  - Allotted 22,54,55,517 fully paid up equity shares of face value ₹ 10/- each pursuant to the Scheme of Amalgamation and Slump Sale. Post cancellation of 6,54,96,896 equity shares and fresh allotment of 22,54,55,517 equity shares, the outstanding issued, subscribed and paid-up number of equity shares are 24,12,80,945 of face value ₹ 10/- each.
  - Not bought back any equity shares.

### (d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholders	For the period ended As at 31.03.2023		For the period ended As at 31.03.2023	
	No. of Shares	Percentage of holding	No. of Shares	Percentage of holding
Chandra Prakash Agrawal	7,04,48,608	29.20	28,00,000	3.44
Dinesh R. Agarwal	1,40,12,196	5.81	23,07,251	2.84
Madhu Agrawal	1,56,89,917	6.50	-	-
Mayank Agrawal	1,63,31,915	6.77	-	-
Wallstreet Distributor Private Limited	1,78,82,697	7.41	-	-
Warner Dealcom Private Limited	1,26,19,582	5.23	-	-
Gallantt Ispat Limited	-	-	3,94,62,895	48.53
Lexi Exports Private Limited	-	-	1,19,30,679	14.67
Richie Credit and Finance Private Limited	-	-	50,20,194	6.17
Hipoline Commerce Private Limited	-	-	90,83,128	11.17

## Notes

forming part of the financial statements

(₹ in lakhs)

### (e) Shareholding of Promoters

Promoter Name	Share held at March 31, 2023		Share held at March 31, 2022		Percentage change during the period ended March 31, 2023
	No. of Shares	Percentage of holding	No. of Shares	Percentage of holding	
CHANDRA PRAKASH AGRAWAL HUF	49,53,863	2.05	-	-	2.05
GALLANTT ISPAT LIMITED	-	-	3,94,62,895	48.53	(48.53)
HIPOLINE COMMERCE PRIVATE LIMITED	-	-	90,83,128	11.17	(11.17)
ANUPAM AGARWAL	8,896	-	8,896	0.01	(0.01)
ASHUTOSH AGRAWAL	86,04,248	3.57	1,78,591	0.22	3.35
BRIJ MOHAN JOSHI	2,500	-	2,500	-	-
CHANDRA PRAKASH AGRAWAL	7,04,48,608	29.20	28,00,000	3.44	25.76
DINESH R. AGARWAL	1,40,12,196	5.81	23,07,251	2.84	2.97
KARUNA JINDAL	4,046	-	4,000	-	-
KUSUM DEVI JALAN	19,661	0.01	19,661	0.02	(0.01)
MAANAARV DINESHKUMAR AGARWAL	72,804	0.03	-	-	0.03
MADHU AGRAWAL	1,56,89,917	6.50	-	-	6.50
MAYANK AGRAWAL	1,63,31,915	6.77	-	-	6.77
NARAIN PRASAD AJITSARIA	2,500	-	2,500	-	-
NIDHI JALAN	24,500	0.01	24,500	0.03	(0.02)
NITIN MAHAVIR PRASAD KANDOI	4,51,571	0.19	10,500	0.01	0.18
OM PRAKASH JALAN	1,10,677	0.05	65,279	0.08	(0.03)
PALLAVI AGRAWAL	24,97,500	1.04	-	-	1.04
PREM PRAKASH AGRAWAL	73,34,667	3.04	15,995	0.02	3.02
PREM PRAKASH AGRAWAL HUF	55,75,467	2.31	32,500	0.04	2.27
PRIYA SARAFF	1,00,000	0.04	1,00,000	0.12	(0.08)
PRIYANKA DAS	29,512	0.01	4,898	0.01	-
PRIYANKA GUPTA	49,85,000	2.07	-	-	2.07
SANTOSH KUMAR AGRAWAL	2,97,535	0.12	1,05,247	0.13	(0.01)
SANTOSH KUMAR AGRAWAL HUF	56,50,943	2.34	1,10,000	0.14	2.21
SHRUTI KANDOI	17,056	0.01	17,056	0.02	(0.01)
SHYAMA AGRAWAL	51,60,670	2.14	1,90,000	0.23	1.91
SMRITI AGRAWAL	25,49,775	1.06	10,000	0.01	1.05
SUBODH KUMAR JALAN	10,000	-	10,000	0.01	(0.01)
SUMESH KUMAR AGARWAL	1,00,000	0.04	1,00,000	0.12	(0.08)
UMA AGRAWAL	8,45,615	0.35	13,792	0.02	0.33

## Notes

forming part of the financial statements

(₹ in lakhs)

	As at 31.03.2023	As at 31.03.2022
<b>16. Other Equity</b>		
(a) Securities premium	1,050.00	1,050.00
(b) Capital Reserve	1,11,147.23	1,11,147.23
(c) Retained Earnings	85,715.38	71,624.29
(d) Other Comprehensive Income	462.46	362.33
(e) Share Capital Pending issue	-	15995.86
<b>Total other equity</b>	<b>1,98,375.07</b>	<b>2,00,179.71</b>
<b>Securities Premium</b>		
Opening Balance	1,050.00	1,050.00
Changes during the year	-	-
<b>Closing Balance</b>	<b>1,050.00</b>	<b>1,050.00</b>
<b>Capital Reserve</b>		
Opening Balance	1,11,147.23	1,11,147.23
Changes during the year	-	-
<b>Closing Balance</b>	<b>1,11,147.23</b>	<b>1,11,147.23</b>
<b>Retained Earnings</b>		
Opening Balance	71,624.29	54,046.63
Profit for the period	14,091.09	17,583.94
IT demand of earlier year	-	(6.28)
<b>Closing Balance</b>	<b>85,715.38</b>	<b>71,624.29</b>
<b>Other Comprehensive Income</b>		
Opening Balance	362.33	166.02
Other Comprehensive Income for the year	153.92	254.07
Less : Tax impact on above	(53.79)	(57.76)
<b>Closing Balance</b>	<b>462.46</b>	<b>362.33</b>
<b>Share Pending Capital Issue</b>		
Opening Balance	15,995.86	-
Changes during the year	(15,995.86)	15,995.86
<b>Closing Balance</b>	<b>-</b>	<b>15,995.86</b>

### Nature and purpose of reserve

**Securities Premium Account :** The amount received in excess of face value of the equity shares is recognised in securities premium reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

**Capital Reserve :** The excess of fair value of net assets acquired over consideration paid in a common control transaction is recognised as capital reserve. Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill.

**Retained Earnings :** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

**Other Comprehensive Income :** The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Other comprehensive income (OCI) includes revenues, expenses, gains, and losses that are yet to be realized and are excluded from net income on an income statement. OCI represents the balance between net income and comprehensive income.



## Notes

forming part of the financial statements

(₹ in lakhs)

### Share capital pending issue :

Pursuant to the Scheme of Amalgamation of Gallantt Ispat Limited, AAR Commercial Company Limited, Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie Credit & Finance Private Limited with the Company and Slump Sale of 18 MW Power Plant of Gallantt Ispat Limited to Gallantt Metal Limited (now known as Gallantt Ispat Limited) as approved by the Honorable National Company Law Tribunal, Kolkata Bench and New Delhi Bench on September 22, 2021 and May 20, 2022 respectively, 6,54,96,896 equity shares inter-corporate shareholding held by the Transferor Companies in the Company (Gallantt Metal Limited) have been cancelled. Further, shareholders of Transferor Companies have been issued and allotted 22,54,55,517 equity shares of face value of ₹ 10/- as on the record date as fixed on June 07, 2022 in share entitlement ratio. Post cancellation and fresh allotment of shares, total number of outstanding equity shares in the Company is 24,12,80,945 ₹ 10/- each fully paid up. Newly allotted shares have got listed with BSE Limited and National Stock Exchange of India Limited. Further, in accordance with the Scheme, the name of the Transferee Company has been changed from Gallantt Metal Limited to GALLANTT ISPAT LIMITED. Equity shares in the Company are being traded in both the Stock Exchanges.

	As at 31.03.2023	As at 31.03.2022
<b>17. Non current Financial Liabilities - Borrowings</b>		
<b>A. Unsecured - at amortised cost</b>		
(a) Deferred VAT/CST Payable (Interest free Loan)	9,947.42	9,889.47
	<b>9,947.42</b>	<b>9,889.47</b>

1. These are carried at amortised cost.

<b>18. Non-current Provisions</b>		
(a) Provision for employee benefits	279.48	313.63
(b) Provision for Statutory Liability	272.19	272.19
<b>Total provisions</b>	<b>551.67</b>	<b>585.82</b>

<b>19. Other Non-current Liabilities</b>		
Deferred income (Capital subsidy)	843.11	942.02
<b>Total provisions</b>	<b>843.11</b>	<b>942.02</b>

<b>20. Current Financial Liabilities - Borrowings</b>		
<b>A. Secured - at amortised cost</b>		
(a) Repayable on demand		
From banks		
a) Cash credit	29,955.98	11,091.16
b) e-VFS from State Bank of India	-	1,094.14
c) Acceptance - Bill of Exchange	13,083.41	4,564.38
<b>Total Secured Borrowings</b>	<b>43,039.39</b>	<b>16,749.68</b>
<b>B. Unsecured - at amortised cost</b>		
(a) Other loans	787.65	12,016.66
<b>Total Unsecured Borrowings</b>	<b>787.65</b>	<b>12,016.66</b>
<b>Total Borrowings</b>	<b>43,827.04</b>	<b>28,766.34</b>

1. The above working capital loan from 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.

## Notes

forming part of the financial statements

(₹ in lakhs)

- The above working capital loan from bank is secured by collateral security by way of hypothecation on fixed assets including plant & machinery - both present and future and equitable mortgage over immovable properties of the company.
- The above working capital loan from bank is secured by collateral security by pledge of 5,10,500 (P.Y. 5,10,500) equity share of the company held by promoters.
- The above working capital loan is guaranteed by the personal guarantee of Sri C. P. Agrawal, Sri Dinesh R Agarwal and Sri Nitin Mahavir Prasad Kandoi, Directors of the Company.
- The above working capital loans from bank are bearing interest @ 7.80% - 8.55% (P.Y. 7.80%) on cash credit account and @ 5.50% - 8.00% (P.Y. 5.50% - 7.00%) on acceptance.
- The Company does not have any default as on the Balance Sheet date in repayment of loan or interest.

	As at 31.03.2023	As at 31.03.2022
<b>21. Current Financial Liabilities - Trade Payables</b>		
(a) Total outstanding dues to micro enterprises and small enterprises	-	5.80
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	6,429.93	15,752.03
<b>Total Trade Payables</b>	<b>6,429.93</b>	<b>15,757.83</b>

### Note:

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue as on March 31, 2023, to Micro, Small and Medium Enterprises on account of principal or interest.

### Trade Payable Ageing Schedule

	Outstanding for following periods from due date of payments				
	Less than 1 year *	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>As at March 31, 2023</b>					
Micro Small and Medium Enterprise	-	-	-	-	-
Others	6,281.13	136.77	0.40	11.63	6,429.93

	Outstanding for following periods from due date of payments				
	Less than 1 year *	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>As at March 31, 2022</b>					
Micro Small and Medium Enterprise	5.80	-	-	-	5.80
Others	12,096.31	155.72	3,500	-	15,752.03

\* Includes amount not yet due for payments

## Notes

forming part of the financial statements

(₹ in lakhs)

	As at 31.03.2023	As at 31.03.2022
<b>22. Current Financial Liabilities - Others</b>		
(a) Creditors for accrued wages and salaries	714.14	427.13
(b) Creditors for purchase of fixed assets	18.25	-
(c) Unclaimed Dividend	1.85	1.90
<b>Total Other Current Financial Liabilities</b>	<b>734.24</b>	<b>429.03</b>

<b>23. Other Current Liabilities</b>		
(a) Advance received from customers	1228.43	647.17
(b) Employee recoveries and employer's contributions	41.27	35.65
(c) Statutory dues	1232.82	1,069.79
(d) Other credit balances	288.46	806.34
<b>Total Other Current Liabilities</b>	<b>2,791.00</b>	<b>2,558.94</b>

<b>24. Current Provisions</b>		
(a) Provision for employee benefits		
i) Post retirement gratuity	-	21.03
<b>Total Current Provisions</b>	<b>-</b>	<b>21.03</b>

	For Year ended 31.03.2023	For Year ended 31.03.2022
<b>25. Revenue from operations</b>		
<b>Sale of Products</b>		
(a) Sale of manufactured goods	3,97,786.72	2,97,777.72
(b) Sale of traded goods	1,259.41	694.39
(c) Other operating revenue	4,412.15	3,265.49
<b>Revenue from Operations (Net)</b>	<b>4,03,458.27</b>	<b>3,01,737.60</b>

<b>26. Other Income</b>		
(a) Interest income from financial assets measured at amortised cost		
i) From fixed deposits	30.29	135.18
ii) From loans to subsidiaries and associates	35.16	-
iii) From Others	162.35	71.35
(b) Gain on foreign currency transactions (net)	-	463.91
(c) Gain on sale of fixed assets (net)	-	986.71
(d) Other non operating income	479.91	22.54
(e) Govt Incentives	1,831.72	3,681.12
<b>Total Other Income</b>	<b>2,539.44</b>	<b>5,360.80</b>

## Notes

forming part of the financial statements

(₹ in lakhs)

	For Year ended 31.03.2023	For Year ended 31.03.2022
<b>27. Cost of materials consumed</b>		
<b>Raw materials &amp; components consumed</b>		
(a) Opening stock	17,187.48	13,220.11
(b) Add: Purchases	3,40,053.56	2,49,671.18
	3,57,241.05	2,62,891.29
(c) Less: Closing stock	29,957.01	17,187.48
<b>Total raw materials consumed</b>	<b>3,27,284.03</b>	<b>2,45,703.81</b>

### Notes:

i) Manufactured goods consumed for own use ₹ 76.41 lakhs (P.Y. ₹ 2,563.05 lakhs) deducted from raw material consumed at cost price.

<b>28. Changes in inventories of finished products and work in progress</b>		
<b>Inventories at the beginning of the year/period</b>		
(a) Finished products	10,047.30	5,276.37
(b) Work-in-progress	350.01	38.00
	<b>10,397.31</b>	<b>5,314.37</b>
<b>Inventories at the end of the year/period</b>		
(a) Finished products	6,118.05	10,047.30
(b) Work-in-progress	303.14	350.01
	<b>6,421.19</b>	<b>10,397.31</b>
<b>Net (increase)/decrease</b>	<b>3,976.12</b>	<b>(5,082.95)</b>

<b>29. Employee Benefits Expense</b>		
(a) Salaries and wages, including bonus	8,281.98	6,597.20
(b) Company's contribution to provident and other funds	402.19	460.83
(c) Workmen and staff welfare expenses	134.31	145.56
<b>Total Employee Benefits Expense</b>	<b>8,818.48</b>	<b>7,203.60</b>

<b>30. Finance Costs</b>		
(a) Interest expense	2,471.08	1,751.39
(b) Other Borrowing costs	251.27	236.33
(c) Bank charges	-	58.63
<b>Total Finance Costs</b>	<b>2,722.35</b>	<b>2,046.35</b>

<b>31. Depreciation and Amortisation Expense</b>		
(a) Depreciation on assets	10,123.93	9,308.18
Less: Release from capital subsidy	(98.92)	(98.92)
<b>Total Depreciation Expense</b>	<b>10,025.01</b>	<b>9,209.26</b>

## Notes

forming part of the financial statements

(₹ in lakhs)

	For Year ended 31.03.2023	For Year ended 31.03.2022
<b>32. Other Expenses</b>		
<b>Raw materials &amp; components consumed</b>		
(a) Consumption of stores, spare parts and loose tools	5,065.34	4,719.92
(b) Repairs to buildings	69.84	45.11
(c) Repairs to plant and machinery	1,826.76	1,042.53
(d) Repairs to others	404.95	243.78
(e) Power and fuel	5,295.08	5,196.40
(f) Other manufacturing expenses	5,802.97	3,875.91
(g) Rent	17.38	17.86
(h) Rates, taxes and licenses	164.19	120.22
(i) Insurance charges	191.51	212.48
(j) Freight and handling charges	3,322.51	3,535.70
(k) Commission and brokerage	2,179.54	305.43
(l) Selling expenses	2,299.09	2,468.83
(m) Loss /(gain) on foreign currency transaction (net)	205.29	-
(n) Loss on sale/discard of assets	4.85	41.27
(o) Corporate social responsibility expenses	309.42	305.22
(p) Other general expenses	798.64	1,500.09
<b>Total Other Expenses</b>	<b>27,957.38</b>	<b>23,630.73</b>

### Note:

<b>1. Auditor's Remuneration (included in other general expenses)</b>		
Audit Fee	5.50	4.50
Other Services (certification fee)	0.50	0.50
Out of pocket expenses	1.22	0.00
<b>Total Finance Costs</b>	<b>7.22</b>	<b>5.00</b>

	For Year ended 31.03.2023	For Year ended 31.03.2022
<b>33. Income tax recognised in profit and loss</b>		
<b>Current tax</b>		
Current Tax Expenses	4,191.33	4,146.17
Mat credit availed / (entitlement)	(443.40)	(258.08)
Income Tax Expenses	3,747.93	3,888.09
In respect of prior years	13.74	-
Income tax expenses including earlier year tax	<b>3,761.67</b>	<b>3,888.09</b>
<b>Deferred tax</b>		
Deferred tax (assets / liabilities) of the current year	6,136.05	2,258.35
Deferred tax (assets) / liabilities in other comprehensive income	(53.79)	(57.76)
	<b>6,082.26</b>	<b>2,200.59</b>
<b>Total tax expense</b>	<b>9,843.93</b>	<b>6,088.68</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

	For Year ended 31.03.2023	For Year ended 31.03.2022
<b>The income tax expense for the year can be reconciled to the accounting profit (loss) as follows:</b>		
Profit before tax as per statement of Profit and Loss	23,988.81	23,730.38
Tax at special rate	-	974.70
Accounting profit before tax	<b>23,988.81</b>	<b>22,755.68</b>
Applicable income tax rate	<b>34.94%</b>	<b>34.94%</b>
Computed income tax expense	8,382.65	7,951.75
Tax at special rate	-	186.71
Effect of income that is exempt from tax	(2,267.68)	(2,037.94)
Effect of expenses that are not deductible in determining taxable profit	113.27	121.68
Effect of timing difference of depreciation	(2,521.97)	(2,389.04)
Effect of timing difference of liabilities	41.66	54.93
	<b>3,747.93</b>	<b>3,888.09</b>
<b>Reconciliation of deferred tax (assets) / liabilities</b>		
Effect of written down value	6,146.92	2,389.03
Effect of timing difference of liability	(118.45)	(130.68)
Effect of timing difference of liability in other comprehensive income	53.79	(57.76)
	<b>6,082.26</b>	<b>2,200.59</b>

### 34. Segment Reporting

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:

- Iron and Steel
- Power
- Real Estate

Revenue and expenses directly attributable to segment are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or 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

forming part of the financial statements

(₹ in lakhs)

### (i) Segment revenue and results

	For Year ended 31.03.2023	For Year ended 31.03.2022
<b>Segment revenue</b>		
Steel	4,03,458.27	2,99,929.81
Power	48,087.53	37,827.89
Real Estate	-	-
Unallocated Other income (Net)	2,539.44	7,163.15
	<b>4,54,085.25</b>	<b>3,44,920.85</b>
Inter-segment revenue	48,087.53	37,822.44
<b>Total</b>	<b>4,05,997.72</b>	<b>3,07,098.41</b>
<b>Segment Results</b>		
Steel	9,501.13	11,563.39
Power	14,670.59	8,909.79
Real Estate	-	-
<b>Total Segment Result</b>	<b>24,171.72</b>	<b>20,473.18</b>
Interest	2,722.35	2,046.35
Other unallocated expenses /(income)	(2,539.44)	(5,303.55)
Profit /(Loss) before taxes	<b>23,988.81</b>	<b>23,730.38</b>

### (ii) Segment assets and liabilities

<b>Segment assets</b>		
Steel	2,34,430.80	1,37,619.70
Power	41,054.46	37,580.12
Real Estate	1,060.80	1,112.07
Unallocated	18,337.90	92,584.81
<b>Total segment assets</b>	<b>2,94,883.97</b>	<b>2,68,896.70</b>
<b>Segment liabilities</b>		
Steel	72,380.81	60,584.76
Power	-	-
Real Estate	-	-
Unallocated	-	-
Shareholders' Fund	2,22,503.16	2,08,311.94
<b>Total Segment liabilities</b>	<b>2,94,883.97</b>	<b>2,68,896.70</b>

### (iii) Customer contributing more than 10% of revenue

There is no customer who contribute more than 10% of the total revenue

## Notes

forming part of the financial statements

(₹ in lakhs)

	For Year ended 31.03.2023	For Year ended 31.03.2022
<b>35. Earnings per share</b>		
<b>Basic &amp; Diluted earnings per share</b>		
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 attributable to owners of the Company	14,091.09	17,583.94
Weighted average number of equity shares for the purposes of basic earnings per share	24,12,80,945	8,13,22,324
Basic earnings per share	5.84	21.62
Diluted earnings per share	5.84	7.29

## 36. Employee Benefits

### (i) Defined contribution plans

#### Provident Fund

The contributions to the Provident Fund and Family Pension Fund of eligible employees are made to a Government administered Provident Fund i.e The Employees' Provident Fund and Miscellaneous Provision Act 1952 and there are no further obligations beyond making such contribution.

### (ii) 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.

#### Amount recognised as expenses

Employer's Contribution to Provident Fund amounting to ₹ 213.41 lakhs (previous year ₹ 188.16 lakhs) has been included in Note 29 Employee Benefits Expenses.

Employer's Contribution to ESIC amounting to ₹ 51.94 lakhs (previous year ₹ 44.88 lakhs) has been included in Note 29 Employee Benefits Expenses.

Gratuity cost amounting to ₹ 136.84 lakhs (previous year ₹ 227.79 lakhs) has been included in Note 29 Employee Benefits Expenses.

### (iii) The amount recognised in the Company's financial statements as at the year end as under:

	For Year ended 31.03.2023	For Year ended 31.03.2022
<b>1. Movement in the present value of the defined benefit obligation</b>		
a) Opening defined benefit obligation	757.21	695.16
b) Current service cost	62.41	179.31
c) Interest cost	48.30	46.27
d) Actuarial (gains)/ loss on obligation	(134.33)	(156.60)
e) Benefits paid	-	(6.93)
f) Closing defined benefit obligation	<b>733.59</b>	<b>757.21</b>

## Notes

forming part of the financial statements

(₹ in lakhs)

	For Year ended 31.03.2023	For Year ended 31.03.2022
<b>2. Movement in the fair value of the plan assets</b>		
a) Opening fair value of plan assets	422.57	375.73
b) Interest income on plan assets	30.84	26.54
c) Employer's contribution	-	18.54
d) Actuarial (gains)/ loss on Plan Assets	0.70	8.69
e) Benefits paid	-	(6.93)
f) Closing fair value of plan assets	<b>454.11</b>	<b>422.57</b>
<b>3. Components of defined benefit costs recognised in profit and loss</b>		
a) Current service cost	62.41	179.31
b) Interest expenses on defined benefit obligation	48.30	46.27
c) Interest (income) on plan assets	(30.84)	(26.54)
d) Defined benefit cost included in Profit & Loss Account	<b>79.87</b>	<b>199.04</b>
<b>4. Components of defined benefit costs recognised in other comprehensive income</b>		
a) Actuarial (gains)/ loss on obligation for the year	(134.33)	(156.60)
b) Return on plan assets (excluding interest income)	(0.70)	(8.69)
c) Total defined benefit cost recognised in OCI	(135.03)	(165.29)
<b>5. Amount recognised in the statement of financial position</b>		
a) Present value of obligation at the end of the year	733.59	757.21
b) Fair value of Plan Assets at the end of the year	(454.11)	(422.57)
c) Net defined benefit liability / (assets)	279.48	334.64
Of which Short term liability	-	21.02
<b>6. Estimated contribution to be made in next financial year</b>	-	21.02
<b>7. Acturial Assumptions</b>		
Discount Rate	7.21%	7.30%
Expected Rate of Return on plan Assets		
Salary Escalation rate	5.00%	5.00%
Employee Turnover		
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
<b>8. Assets Information</b>		
Gratuity Fund (SBI Life)	454.11	422.57
Target allocation	100%	100%

## Notes

forming part of the financial statements

(₹ in lakhs)

### (iv) 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 Year ended 31.03.2023		For Year ended 31.03.2022	
	(Increase)	(Decrease)	(Increase)	(Decrease)
Discount Rate (0.5% movement)	702.72	766.96	708.97	810.73
Salary escalation rate (0.5% movement)	767.67	701.76	809.25	709.41
Withdrawal rate (1% movement)	741.15	724.32	746.56	769.27

## 37. Related Party Disclosures

### (i) Related parties where control exists

### (ii) Related parties with whom transactions have taken place during the year

GL Steel and Power Limited	(Company under common control)
Gallantt Industry Private Limited	(Director is interested)
Gallantt Udhyog Private Limited	(Director is interested)
Ganesh Laxmi Processors Private Limited	(Company under common control)
Gallantt Lifespace Developers Private Limited	(Relative of Director is Director)
Gallantt Foundation	(Trust in which Director is interested)
<b>Key Management personnel</b>	
Mr. Chandra Prakash Agrawal	Chairman and Managing Director
Mr. Dinesh R Agarwal	Wholetime Director
Mr. Nitin Mahavir Prasad Kandoi	Wholetime Director
Mr. Prashant Jalan	Director
Mr. Mayank Agrawal	CEO
Mr. Sandip Kumar Agarwal	Chief Financial Officer
Mr. Nitesh Kumar	Company Secretary
Mr. Arnab Banerji	Company Secretary till 10.08.2022
<b>Relative of key management personnel</b>	
Mr. Prem Prakash Agrawal	(Brother of Mr. Chandra Prakash Agrawal)
Mr. Santosh Kumar Agrawal	(Brother of Mr. Chandra Prakash Agrawal)
Mr. Ashutosh Agrawal	(Relative of Director)
Mrs. Madhu Agrawal	(Wife of Mr. Chandra Prakash Agrawal)
Mrs. Smriti Agrawal	(Relative of Director)



## Notes

forming part of the financial statements

(₹ in lakhs)

### Related Party Transactions

Name of the related party	Nature of transaction	As at 31.03.2023	As at 31.03.2022
GL Steel and Power Limited	Loan given	5.07	-
	Interest income	21.00	22.94
	Loan received (back)	79.00	-
Gallantt Industry Private Limited	Loan taken	3017.49	13793.04
	Loan taken (refund)	9143.82	7907.16
	Sale of product	47.15	2529.84
	Interest expenses	240.45	146.95
Gallantt Udhog Private Limited	Loan taken	3969.59	4549.42
	Loan taken (refund)	6332.34	2246.43
	Interest expenses	59.76	51.57
	Sale of product	113.28	56.00
	Purchase of products	5.55	347.42
Ganesh Laxmi Processors Private Limited	Sale of product	164.31	-
	Purchase of products	191.74	-
	Loan given	169.74	-
	Loan received (back)	0.50	5.75
	Interest income	14.16	14.89
Gallantt Lifespace Developers Private Limited	Sale of product	80.60	-
Gallantt Foundation	CSR Activity	215.00	-
Mr. Chandra Prakash Agrawal	Remuneration	60.20	61.20
	Share Sale	4.00	-
	Share Purchase	4.00	-
Mr. Dinesh R Agarwal	Remuneration	54.20	25.20
Mr. Nitin Mahavir Prasad Kandoi	Remuneration	56.00	36.00
Mr. Prashant Jalan	Remuneration	11.08	7.04
Mr. Mayank Agrawal	Remuneration	18.00	18.00
	Share Sale	3.00	-
	Share Purchase	3.00	-
Mr. Sandip Kumar Agarwal	Remuneration	27.11	17.53
Mr. Nitesh Kumar	Remuneration	39.90	19.05
Mr. Arnab Banerji	Remuneration	2.18	5.70
Mr. Chandra Prakash Agrawal (HUF)	Share Sale	8.80	-
	Share Purchase	8.80	-
Mrs. Madhu Agrawal	Share Sale	2.00	-
	Share Purchase	2.00	-
Mr. Prem Prakash Agrawal	Remuneration	-	36.00
	Share Sale	0.05	-
	Share Purchase	0.05	-

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(₹ in lakhs)

Name of the related party	Nature of transaction	As at 31.03.2023	As at 31.03.2022
Mr. Santosh Kumar Agrawal	Remuneration	-	36.00
	Share Sale	0.05	-
	Share Purchase	0.05	-
Mr. Ashutosh Agrawal	Share Sale	0.05	-
	Share Purchase	0.05	-
Mrs. Smriti Agrawal	Share Sale	0.05	-
	Share Purchase	0.05	-
<b>Outstanding Balance</b>			
Name of the related party	Nature of transaction	As at 31.03.2023	As at 31.03.2022
GL Steel and Power Limited	Loan given	220.53	275.55
Gallantt Industry Private Limited	Loan taken	-	5885.88
Gallantt Udhog Private Limited	Loan taken	-	2302.99
Ganesh Laxmi Processors Private Limited	Loan given	181.98	134.24
Gallantt Lifespace Developers Private Limited	Sale of Product	0.03	-

### 38. 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 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 31.03.2023	As at 31.03.2022
Debt		
Current borrowings	(43,827.04)	(28,766.34)
Long term borrowings	(9,947.42)	(9,889.47)
Current Maturity of long term borrowings	-	-
Cash and bank balances	1,132.28	1,338.29
Net debt	(52,642.17)	(37,317.53)
Total equity	2,22,503.16	2,08,311.94
Equity share capital	24,128.09	8,132.23
Other equity	1,98,375.07	2,00,179.71
<b>Net debt to equity ratio</b>	<b>(0.24)</b>	<b>(0.18)</b>

### 39. 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.

## Notes

forming part of the financial statements

(₹ in lakhs)

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.

### 1 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 31.03.2023	As at 31.03.2022
<b>Financial Liabilities</b>			
<b>Hedged</b>			
	USD	59.00	-
	INR	4,892.73	-
<b>Unhedged</b>			
Trade Payable	USD	50.14	46.17
	INR	4,089.65	3,509.05
<b>Financial Assets</b>			
<b>Hedged</b>			
Trade Receivable	USD	-	-
	INR	-	-
<b>Unhedged</b>			
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.

### 2 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 that 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:

## Notes

forming part of the financial statements

(₹ in lakhs)

### 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:

	As at 31.03.2023	As at 31.03.2022
Others	13,736.41	15,702.86
	<b>13,736.41</b>	<b>15,702.86</b>

### 3 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.

### Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities as at the Balance Sheet dates

As at 31.03.2023	Carrying amount	Less than 1 year	1 to 5 years	> 5 years
Short term borrowings	43,827.04	43,827.04	-	-
Long term borrowings	9,947.42	-	-	9,947.42
Trade payables	6,429.93	6,281.12	148.81	
Other financial liabilities	734.24	734.24		
<b>As at 31.03.2022</b>				
Short term borrowings	28,766.34	28,766.34	-	-
Long term borrowings	9,889.47	-	-	9,889.47
Trade payables	15,757.83	12,102.11	3,655.72	-
Other financial liabilities	429.03	429.03	-	-

### 40. Fair value measurements

Refer Note (2.07) for accounting policy on Financial Instruments.

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.

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(₹ in lakhs)

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 effect 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 31.03.2023	As at 31.03.2022
<b>Financial Assets:</b>		
Investment - Non -current	161.86	142.98
Security deposits - Non - current	492.23	286.17
Trade receivables	13,736.41	15,702.86
Cash and cash equivalents	561.63	864.96
Other bank balances	570.66	473.33
Loan - Current	402.51	446.33
Other Financial assets - Current	26,228.35	24,408.76
<b>Total</b>	<b>42,153.65</b>	<b>42,325.39</b>
<b>Financial Liabilities:</b>		
Borrowings - Current	43,827.04	28,766.34
Trade payable	6,429.93	15,757.83
Other financial liabilities	734.24	429.03
<b>Total</b>	<b>50,991.21</b>	<b>44,953.20</b>

<b>41. Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	150.77	414.13

## Notes

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(₹ in lakhs)

		As at 31.03.2023	As at 31.03.2022
<b>42.</b>	<b>Current Financial Liabilities - Others</b>		
(i)	Curtailing the assured benefit of exemption granted to New Industrial unit in Kutch, Gujarat. The Company is entitled to exemption for 100% of the duty paid in Cash after utilization of CENVAT Credit for 5 years from the date of Commercial Production. Hon'ble Supreme Court has granted the verdict against the Company in April, 2020, Company has filed review petition for the same that has also been dismissed	1,040.44	1,040.44
(ii)	Commissioner of Central Excise, Kutch Commissionerate issued show cause notice on excise duty liability on sales tax incentive availed by the Company. We have objected and filed the reply in the year 2017 thereafter we did not get any response from them inspite of our reminder in April, 2018.	170.12	170.12
(iii)	Commissioner, Central GST (Audit) issued show cause notice on wrong availment of CENVAT credit on imported coal. Hon'ble CESTAT granted the verdict in our favour, however Department preferred appeal in High Court.	603.35	603.35
(iv)	Benefit on import of coal from AIFTA Preferential Tariff denied by the Kandla custom. We have preferred appeal to Commissioner of Custom. (₹ 39.03 lakhs has been paid against the same)	39.03	39.03
(v)	Disputed liability in respect of sales tax (₹ 42.00 lakhs has been paid against the same).	80.04	80.04
(vi)	Income Tax demand raised by the department from A.Y 2006-07 to 2019-2020 that has been disputed by the Company in various forum of Income Tax Department.	17.75	17.75
(vii)	Claim against the Company not acknowledged debt in respect of disputed liability of freight with railway. Case is pending in Hon'ble High Court, Gujarat.	161.45	161.45
(viii)	Hon'ble High court of Gujarat has declared collection of green cess by the State Act ultra vires the constitution and the same is therefor void and ordered to refund the green cess collected. We had applied for refund.	25.56	25.56
(ix)	Various SCN issued by CGST and SGST, Varanasi and Gorakhpur for wrong avilment of input credit. For that reply already been submitted by the Company.	1,676.75	1,190.49
(x)	SCI issued by the Additional Director CGST / SGST Gorakhpur u/s 129(3), Company has filed appeal against the same and also deposited amount of ₹ 3.96 lakhs	3.96	3.96

## 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.



## Notes

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(₹ in lakhs)

**43.** The Company's Gorkhapur unit has been established under attraction of financial incentives and other benefits of a 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 the following financial incentives:

- a) Capital investment subsidy, additional capital investment subsidy and infrastructure subsidy @35% on fixed capital investment.
- b) Reimbursement of freight paid on raw materials subject to maximum of 65% of the fixed capital investment.
- c) Amount payable on 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.

State Government, after declaring the unit an 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 a 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 lakhs against the capital investment made upto 31st May, 2012. The incentive received of ₹ 2,428 lakhs has been credited in fixed assets in the ratio of capital investment made. No provision has been made for the unrealised claim of ₹ 9834 lakhs 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 materials 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 lakhs, Since Company has already claimed ₹ 22,775.00 lakhs till March, 2018 as such no amount is available to be claimed as freight subsidy during the year and onward,
- c) Amount payable on 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 repayable after 15 years. The company has claimed as interest free loan amounting to ₹ 10,828.03 lakhs up to 30th June, 2017 on account of VAT upto 30th June, 2017. Out of total claim of ₹ 10,828.03 lakhs, ₹ 9,255.64 lakhs 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 lakhs 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 deposited amount of ₹ 16,523.66 lakhs relating to old unit covered under this scheme which is eligible to be converted as interest free loan and this amount is refundable as interest free loan from 01.07.2017 to 31.03.2023.

**44. a)** The Company's Gorkhapur unit has expanded its capacities 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 of 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 refund of 80% of the amount of cash paid as SGST on account of sales from expanded capacities. Company has paid an amount of ₹ 23,781.18

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lakhs in cash as SGST for the period from 1st December, 2017 to 31st March, 2022 and Company has filed its claim for release of subsidy from time to time for ₹ 19,024.95 Lakhs 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 lakhs as SGST refund which was accounted for in 2019-20, an amount of ₹ 3,681.12 lakhs as SGST refund which was accounted for in 2021-22 and an amount of ₹ 1,831.72 lakhs as SGST refund which is accounted for in 2022-23.

- b) The Company's Gokhapur unit has expanded its capacities under attraction of financial incentives and other benefits of a scheme of State Government of Uttar Pradesh notified vide Government Order No. 691/77-6-17-05-(M)/17 dated 13.07.2017 as amended from time to time and claimed the refund of upto 90% of the amount of cash paid as SGST. The Company has paid an amount of ₹ 7,113.75 lakhs in cash as SGST for the period from 1st April, 2022 to 31st March, 2023 and Company has claimed for release of subsidy of ₹ 6,402.37 lakhs.

### 45. Business Combinations during the year

#### Amalgamation of Companies

During the year Company has concluded 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 the Company (we being the "Transferee Company" or "Company") 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. Stock Exchanges have issued their No-Objection and thereafter Company and Transferor Companies complied with the requisite formalities in this regard.

Brief details of the Scheme are as under:

1. GIL, AAR, HIPOLINE, LEXI and RICHIE all are TRANSFEROR COMPANIES and GML is TRANSFEREE 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:
  - (i) 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.
  - (ii) 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
  - (iii) 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.
  - (iv) 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.
  - (v) 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.

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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 Honorable National Company Law Tribunal, New Delhi Bench 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.

Honorable National Company Law Tribunal, Kolkata Bench and Honorable National Company Law Tribunal, New Delhi Bench have, vide their orders dated September 22, 2021 and May 20, 2022 respectively, approved the Scheme. Certified copy of the Order of Honorable National Company Law Tribunal, Kolkata Bench was filed with the Registrar of Companies, West Bengal on November 05, 2021. Further, certified true copy of the Order passed by Honorable National Company Law Tribunal is to be filed with the Registrar of Companies, Delhi and Haryana.

Pursuant to the Scheme of Amalgamation of Gallantt Ispat Limited, AAR Commercial Company Limited, Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie Credit & Finance Private Limited with the Company and Slump Sale of 18 MW Power Plant of Gallantt Ispat Limited to Gallantt Metal Limited (the

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(₹ in lakhs)

“Scheme”) as approved by the Honorable National Company Law Tribunal, Kolkata Bench and New Delhi Bench on September 22, 2021 and May 20, 2022 respectively, 6,54,96,896 Equity Shares inter-corporate shareholding held by the of Transferor Companies in the Company (Gallantt Metal Limited) have been cancelled. Further, shareholders of Transferor Companies have been issued and allotted 22,54,55,517 equity shares of face value of ₹ 10/- as on the record date as fixed on June 07, 2022 in share entitlement ratio. Post cancellation and fresh allotment of shares, total number of outstanding equity shares in the Company is 24,12,80,945 of face value of ₹ 10/- each. Newly allotted shares have been got listed with BSE Limited and National Stock Exchange of India Limited. Further, in accordance with the Scheme, the name of the Transferee Company has been changed from Gallantt Metal Limited to GALLANTT ISPAT LIMITED. Equity Shares in the Company are being traded in both the Stock Exchanges.

Effect of the Scheme have been accounted for in the Books of Accounts of the Company in accordance with the Scheme of Amalgamation and Slump Sale as approved by the Honorable National Company Law Tribunal, Kolkata Bench and New Delhi Bench (Honorable NCLTs). Further, effect of the Scheme have been accounted for in accordance with the applicable Accounting Standards as per Section 103 of the Companies Act, 2013.

	For Year ended 31.03.2023	For Year ended 31.03.2022
<b>46. Corporate Social Responsibility Contribution (CSR Expenses)</b>		
1. Gross amount required to be spent by the company during the year	306.33	340.94
2. Amount spent during the year on		
(i) Construction / acquisition of any fixed assets	-	-
(ii) On purpose other than (i) above	309.42	305.22
3. Shortfall at the end of the year	-	-
4. Total of previous year shortfall	(31.87)	(67.59)
5. Excess contribution in CSR at the end of the year and previous years	34.96	31.87
6. Reason for shortfall	-	-
7. Nature of CSR activities	Health, Education and nutrition and safety	Health, Education and nutrition and safety

**Note:** Company has contributed and done CSR expenses worth ₹ 215 lakhs through Gallantt Foundation, related party (in-house trust).

	As at 31st March, 2023	As at 31st March, 2022
<b>47. Disclosure pertaining to Micro, Small &amp; Medium Enterprises Development Act, 2006, as per information available with the company.</b>		
Principal amount outstanding as at year end	-	5.80
Interest due on above and unpaid as at year end	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the year of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

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(₹ in lakhs)

- 48.** Details of Loans and Advances, in the nature of loans, granted to promoters, directors, KMPs and the related parties that are repayable on demands or without specifying any terms or period of repayment:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties	402.54	100.00%

- 49.** Details of borrowings from banks or financial institutions taken on the basis of security of current assets:

Quarter	Name of the Bank	Particulars of the security provided	Amount as per book of account	Amount as reported in the quarterly return / statement	Amount of difference
Q-1 June, 2022	State Bank of India	Inventory and Receivables	20,155.85	18,861.11	1,294.74
	HDFC Bank Limited	Inventory and Receivables	24,616.75	25,352.00	(735.25)
Q-2 September, 2022	State Bank of India	Inventory and Receivables	23,244.11	22,122.40	1,121.71
	HDFC Bank Limited	Inventory and Receivables	28,054.82	26,811.00	1,243.82
Q-3 December, 2022	State Bank of India/ HDFC Bank Limited	Inventory and Receivables	55,228.78	58,653.32	(3,424.54)
Q-4 March, 2023	State Bank of India/ HDFC Bank Limited	Inventory and Receivables	56,259.96	56,415.95	(155.99)

### Reason for difference

Statement of inventory submitted to the bank is valued on estimation basis and includes advance to supplier as stock in transit whereas afterwards actual valuation of the same is done at the time of quarterly result and advance to supplier is taken under the head "Advance".

### 50. Subsequent Events

The Income Tax Department, Ministry of Finance has in exercise of power under Section 132 of the Income Tax Act, 1961 has carried out an Income Tax Search Operation at the Plant Office and Factory Premises of the Company together with other business offices and residential houses of Promoters and Officers of the Company. Department has seized few documents and records of the Company for further processing in the above search. Any impact with respect will be ascertained in due course.

- 51.** Balances under Trade Receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

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(₹ in lakhs)

### 52. Financial Ratios

Sr. No.	Financial Ratio	Numerator	Denominator	2022-2023	2021-2022	% age variance	Remarks for variation more than 25%
(a)	Current Ratio	Current assets	Current liabilities	1.85	1.81	2.12	Not Applicable
(b)	Debt Equity Ratio	Total debt	Shareholders Equity	0.325	0.291	11.85	Not Applicable
(c)	Debt Service Coverage Ratio	Earnings before interest, depreciation and tax	Debt service	9.86	13.63	(27.66)	This ratio has decreased due to decrease in net profit on account of higher provision of deferred tax during the year
(d)	Return on Equity Ratio	Net Profit after tax	Average Equity	6.54	8.82	(25.81)	This ratio has decreased due to decrease in net profit on account of higher provision of deferred tax during the year
(e)	Inventory Turnover Ratio	Revenue from operation	Average inventory	49.37	38.96	26.74	This ratio has increased due to increase in high transit inventory during March 31
(f)	Trade Receivables Turnover Ratio	Revenue from operation	Average trade receivables	27.11	20.60	31.60	This ratio has increased due to high project sale in March wherein credit period are high
(g)	Trade Payables Turnover Ratio	Purchase	Average trade payable	19.28	17.18	12.24	Not Applicable
(h)	Net Capital Turnover Ratio	Revenue from operation	Average working capital	8.75	7.76	12.81	Not Applicable



## Notes

forming part of the financial statements

(₹ in lakhs)

Sr. No.	Financial Ratio	Numerator	Denominator	2022-2023	2021-2022	% age variance	Remarks for variation more than 25%
(i)	Net Profit Ratio	Net Profit after tax	Net Sales	3.53	5.89	(40.06)	This ratio has decreased due to decrease in net profit on account of higher provision of deferred tax during the year
(j)	Return on Capital employed	Earnings before interest and tax	Capital employed	11.08	11.64	(4.86)	Not Applicable
(k)	Return on Investment	Income generated from revenue	Average Investment	Not Applicable	Not Applicable		Not Applicable

- 53.** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits has received Presidential assent on 28th September 2020. The Code has been published in the Gazette of India. However, the effective date of the Code is yet to be notified and final rules for quantifying the financial impact are also yet to be issued. In view of this, the Company will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.
- 54.** The Company has not disclosed or surrendered any income during the year in the tax assessment under the Income Tax Act, 1961, such as, search or survey or any other relevant provisions of the Income Tax Act, 1961 and therefore details is required for any transaction not recorded in the books of accounts.
- 55.** No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 56.** The Company do not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
- 57.** Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation.

See accompanying notes forming part of the financial statements  
As per terms of our report attached

For **MAROTI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No : 322770E

**Komal Jain**  
Partner

Membership No. 303583  
New Delhi, May 29, 2023

For and on behalf of the Board of Directors  
**Chandra Prakash Agrawal**  
Chairman & Managing Director  
**Dinesh R Agarwal**  
Whole-time Director  
**Mayank Agrawal**  
Chief Executive Officer  
**Sandip Kumar Agarwal**  
Chief Financial Officer  
**Nitesh Kumar**  
Company Secretary  
Gorakhpur, May 29, 2023

## Notes

[illegible]



A bird's eye view  
of the  
Gorakhpur manufacturing facility.





**GALLANTT ISPAT LIMITED**

"Gallantt House"

I-7, Jangpura Extension, New Delhi - 110014

Email: [csgml@gallantt.com](mailto:csgml@gallantt.com)