

GML/DEL/2020-21

August 18, 2020

To, The Manager Bombay Stock Exchange Limited Floor 25, P J Towers, Dalal Street, Mumbai- 400 001, INDIA Scrip Code: 532726	To, The Manager National Stock Exchange of India Limited "EXCHANGE PLAZA", Bandra – Kurla Complex, Bandra (East), Mumbai- 400 051, INDIA Scrip Code: GALLANTT
--	--

Sir/Madam,

SUB: SUBMISSION OF ANNUAL REPORT FOR THE YEAR 2019-20**REF: REGULATION 34 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

In compliance with Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding herewith a copy of Annual Report of the Company for the financial year 2019-20 which is being dispatched to the members of the Company for approval and adoption at the 16th Annual General Meeting of the Company to be held on Thursday, September 10, 2020 at 1:30 P.M.

Copies of the Annual Reports are available at our website – **www.gallantt.com**

Please acknowledge the receipt and oblige.

Thanking you,

Yours faithfully,

For **GALLANTT METAL LIMITED**

GALLANTT METAL LIMITED

Abanerji
Company Secretary

Arnab Banerji

(CS & COMPLIANCE OFFICER)

M. No. A59335

Encl: As above

GALLANTT METAL LIMITED

Office : Ward-10 BC, Plot No. 123, Ground Floor, Gandhidham, Kutch, Gujrat-370 201, Tel.: 02836-395626 / 395636 Fax : 02836-235787

Works : Near Toll Gate Village - Samakhlyali, Taluka-Bhachau, Kutch - Gujrat, Tel.: 91 98 795 60878, Fax : +91 2837 283690

Registered Office : "GALLANTT HOUSE", 1-7, Jangpura Extension, New Delhi -110 014

Telefax : 011-45048767, E-mail: gml@gallantt.com, Website : www.gallantt.com

Corporate Identification No. : L27109DL2005PLC350524

GALANTT

GALLANTT METAL LIMITED



Annual Report 2019-20



My Dear Shareowners

I am pleased to present to you our performance for 2019-20.

Fiscal Year 2019-20 was a difficult year for the Indian economy. Amidst weak business environment, dwindling consumer demand, slowing private investment and global slowdown, the growth of Indian economy decelerated. Despite multiple efforts made by the government to arrest the slowdown, the year registered the lowest growth rate in over six years.

Before we look forward, let's look back. During the financial year ended March 2020, the Indian economy registered a GDP growth of 4.20%, declining consistently from Q1 FY 2020 when it grew by 5.20%. It is hard to pinpoint the exact problem but global growth, trade wars, lower credit growth, and many other challenges came together to make it a difficult year.

At Gallantt Metal, we continue to focus on our five goals; organisational growth, margin, capital efficiency, expanding our capacity and human resources. We have created embedded value in our business by strengthening our core capabilities and remaining responsive to the changing industry dynamics. Our products, processes, execution brilliance and robust corporate governance enable us to leverage the right opportunity to unlock value for shareholders, customers, employees, partners and the larger community of stakeholders. We continuously focus in manufacturing quality products thereby moving forward in our journey of being the most inspirational steel manufacture brand for consumers.

Fy20 was a good year but it was not good as we expected. During the year Revenue from Operations stood at ₹ 86,504.66 Lacs as against ₹ 1,06,378.53 Lacs during the last 18-19. The Profit before Interest, Depreciation and Taxation stood at ₹ 3,341.66 Lacs as against ₹ 13,007.79 Lacs in the previous year registering a shrinking of 74.31%. The Net Profit after Tax for the year fall to ₹ 748.23 Lacs from ₹ 7,162.65 Lacs in the previous year. Standalone Earnings per Share (EPS) stood at ₹ 0.92 (face value of ₹ 10/- each) and Consolidated Earnings per Share (EPS) stood at ₹ 2.76 (face value of ₹ 10/- each) for the Financial Year ended March 31, 2020. During the year

Company has reported relatively sluggish performance both in terms of profitability and turnover due to the market conditions as it was highly bearish and unfavourable together with low selling prices with no corresponding downward adjustment in raw material prices mainly iron ore.

In spite of the odds, we have little demonstrated that the right strategy and focus will deliver consistent and sustainable growth. Despite the unforeseen challenges from the external environment we continue to strengthen our internal operations by upgrading technology, streamlining processes and rationalization of human resources.

The end of 2019 was shadowed by an uncertainty which led the entire world to a stand-still in 2020. The spread of Coronavirus (Covid-19) compelled all major economies around the world to undergo a forced lockdown to reduce the impact of the pandemic on the health of their people. The lockdown had severe implications on global as well as Indian economic and financial stability. It is expected that global growth will contract by over 3% in 2020, the worst contraction since the 1930s. For the first time since the Great Depression, both advanced and developing economies are in recession together. We anticipate that Covid-19 would have an impact on the Company's performance at least through the Second or Third Quarter of financial year 2020-21. However, Rapid urbanisation, increasing population, and infrastructure development, Government initiatives such as 'Make in India' will provide impetus to the growth in steel demand and added advantages to the Company. The plan for building smart cities, affordable housing, dedicated freight and high-speed rail corridors is expected to create significant demand for steel in the country. With leadership position in the Western part of the Country like Gujarat, Maharashtra etc. and modern integrated production facilities, Gallantt Metal is well positioned to capitalise on the opportunities and deliver strong growth even during the pandemic era. Gallantt Metal is confident in its ability to navigate this period through strong financial discipline and cash flow management.

The health and safety of its workforce has always been paramount to Gallantt Metal. The Company has placed utmost priority on the health and safety of the employees – from testing to contact tracing, monitoring social distancing norms, hygiene at workplace, classifying employee risk levels and providing appropriate healthcare responses, apart from sharing regular travel advisories.

Our journey, our success, is really about our people. Our industry is one that is critically dependent on skilled hands and experience. Our Company is fortunate to have teams of experts, knowledgeable and talented people.

In closing, I would like to extend my sincere gratitude to all who make Gallantt Metal's progress possible. Our employees have ensured that we maintain our position in a competitive landscape; I thank them for their hard work and professionalism. Gallantt Metal also acknowledges the support extended by various government agencies. We would also like to express our appreciation to our partners, suppliers, the steel fraternity, investors and other stakeholders for their support and confidence in our business.

Thanks,

C. P. AGRAWAL



GALLANTT METAL LIMITED

Corporate Identity Number (CIN): L27109DL2005PLC350524

Corporate Profile

BOARD OF DIRECTORS

Mr. Chandra Prakash Agrawal
Chairman & Managing Director

Mr. Dinesh Raghbir Prasad Agarwal
Whole Time Director

Mr. Prashant Jalan
Resigned w.e.f. June 29, 2020
Director-Plant Operation

Mr. Nitin Mahavir Prasad Kandoi
Director

Mr. Dindayal Jalan
Non-Executive Independent Director

Mr. Ashtbhuja Prasad Srivastava
Non-Executive Independent Director

Mrs. Richa Bhartiya
Resigned w.e.f. June 29, 2020
Non-Executive Independent Director

Mr. Jyotirindra Nath Dey
Non-Executive Independent Director

AUDITORS
ALPS & CO.
Chartered Accountants

COST AUDITORS
U. Tiwari & Associates
Cost Accountants

CHIEF FINANCIAL OFFICER
Mr. Sandip Kumar Agarwal

COMPANY SECRETARY
Mr. Arnab Banerji

REGISTERED OFFICE

"GALLANTT HOUSE", I-7, Jangpura
Extension, New Delhi – 110014.
Telefax: 011-45048767
Website: www.gallantt.com

BANKERS

State Bank of India

EQUITY SHARES LISTED

Bombay Stock Exchange Limited
National Stock Exchange of India
Limited

REGISTRARS & SHARE TRANSFER AGENT

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

WORKS OFFICE

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

AUDIT COMMITTEE

Mrs. Richa Bhartiya (Resigned w.e.f. June
29, 2020) - Chairperson
Mr. Jyotirindra Nath Dey
Mr. Nitin Mahavir Prasad Kandoi

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Nitin Mahavir Prasad Kandoi -
Chairperson
Mrs. Richa Bhartiya (Resigned w.e.f.
June 29, 2020)
Mr. Jyotirindra Nath Dey

NOMINATION AND REMUNERATION COMMITTEE

Mr. Jyotirindra Nath Dey - Chairperson
Mrs. Richa Bhartiya (Resigned w.e.f.
June 29, 2020)
Mr. Nitin Mahavir Prasad Kandoi

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Mr. Jyotirindra Nath Dey - Chairperson
Mr. Chandra Prakash Agarwal
Mr. Dinesh Raghbirprasad Agarwal

COMMITTEE OF DIRECTORS

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

16th ANNUAL GENERAL MEETING

Date	10.09.2020
Day	Thursday
Time	1.30 P.M
Place	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)
Book Closure Date for AGM	Friday, September 04, 2020 to Thursday, September 10, 2020 (both days inclusive)
MEMBERS ARE REQUESTED TO REGISTER THEIR EMAIL ADDRESS WITH THE DEPOSITORY PARTICIPANTS/REGISTRAR & SHARE TRANSFER AGENT	

Contents

Notice **2** Directors' Report **16** Management Discussion and Analysis Report **37** Report on Corporate Governance **71** Auditors' Report **100** Balance Sheet **106** Statement of Profit and Loss **107** Statement of Changes in Equity **108** Cash Flow Statement **109** Notes on Financial Statement **111** Consolidated Auditors' Report **137** Consolidated Balance Sheet **142** Consolidated Statement of Profit & Loss **143** Consolidated Statement of Changes in Equity **144** Consolidated Cash Flow Statement **145** Consolidated Notes on Financial Statement **147**



GALLANTT METAL LIMITED

CIN:L27109DL2005PLC350524

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

Phone No. 011-45048767, Fax No. 011-45048767

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 Sixteenth Annual General Meeting of GALLANTT METAL LIMITED (CIN:L27109DL2005PLC350524) will be held on Thursday, 10th September, 2020 at 1.30 P.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, the Audited Consolidated Financial Statements of the Company for the said financial year and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dinesh Raghuraj Prasad Agarwal (DIN: 01017125), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES

3. **To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2021 and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. U. Tiwari & Associates, Cost Accountants (Firm Registration Number 23872) appointed as the Cost Auditors of the Company for audit of the cost accounting records of the Company for the financial year ending 31st March, 2021, be paid remuneration amounting to ₹ 50,000/- (Rupees Fifty Thousand only) excluding out of pocket expenses, if any".

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

4. **To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT subject to the provisions of sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the reappointment of Mr. Chandra Prakash Agrawal (DIN : 01814318) as Managing Director of the Company, not liable to retire by rotation, for a period of five years commencing from September 01, 2020 on the terms and conditions including remuneration set out in the Agreement dated June 29, 2020 entered into between the Company and Mr. Chandra Prakash Agrawal with specific authority to the Board of Directors to vary the terms and conditions of appointment including remuneration payable to Mr. Chandra Prakash Agrawal provided that the remuneration payable to Mr. Chandra Prakash Agrawal shall not exceed the maximum limits for payment of managerial remuneration specified in the Companies Act, 2013."

"RESOLVED FURTHER THAT approval be and is hereby accorded to the remuneration, perquisites, benefits and amenities payable as per the terms and conditions of the Agreement entered into by Mr. Chandra Prakash Agrawal with the Company for the aforesaid appointment and as set out in the statement annexed to the Notice including the following:

Salary:-At the rate of ₹ 2,00,000/- (Rupees Two Lacs only) per month from 1st September, 2020 in the scale of ₹ 2,00,000 - 10,000 – 2,50 000/- with provision for annual increment of ₹ 10,000/- from the beginning of the Financial Year i. e. 01.04.2021.

Perquisites: - He will be entitled to reimbursement of medical expenses and leave travel concession for self and family, club fees & premium for medical/accidental insurance subject to maximum amount not exceeding ₹ 5,00,000/- in a financial

year. For the purpose of calculating the ceiling, the prerequisites shall be evaluated as per Income Tax Rules, 1961.

Others:- Use of car for Company's business, telephone and other communication facilities at residence/ other places, reimbursement of travelling, entertainment and all other expenses for the purpose of business incurred by him shall not be treated as prerequisites.

Commission:- No commission shall be paid.

Minimum Remuneration:- The above salary will be payable to the Managing Director even in case of loss or inadequacy of profits in respect of any financial year during his tenure of office in compliance with Schedule V to the Companies Act, 2013.

Sitting Fees: The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

Gratuity and encashment of leave: He will be entitled to gratuity and encashment of leave as per rules of the Company.

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Chandra Prakash Agrawal any remuneration, prerequisites, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013 as may be decided by the Board of Directors, subject to necessary sanctions and approvals."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, prerequisites, benefits and amenities payable to Mr. Chandra Prakash Agrawal in the light of further progress of the Company which shall be in accordance with the prescribed provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force)."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto".

5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT subject to the provisions of sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the reappointment of Mr. Dinesh Raghbir Prasad Agarwal (DIN : 01017125) as Whole-time Director of the Company, liable to retire by rotation, for a period of five years commencing from November 01, 2020 on the terms and conditions including remuneration set out in the Agreement dated June 29, 2020 entered into between the Company and Mr. Dinesh Raghbir Prasad Agrawal with specific authority to the Board of Directors to vary the terms and conditions of appointment including remuneration payable to Mr. Dinesh Raghbir Prasad Agarwal provided that the remuneration payable to Mr. Dinesh Raghbir Prasad Agarwal shall not exceed the maximum limits for payment of managerial remuneration specified in the Companies Act, 2013."

"RESOLVED FURTHER THAT approval be and is hereby accorded to the remuneration, prerequisites, benefits and amenities payable as per the terms and conditions of the Agreement entered into by Mr. Dinesh Raghbir Prasad Agarwal with the Company for the aforesaid appointment and as set out in the statement annexed to the Notice including the following:

Salary:- At the rate of ₹ 2,00,000/- (Rupees Two Lacs only) per month from 1st September, 2020 in the scale of ₹ 2,00,000 - 10,000 – 2,50 000/- with provision for annual increment of ₹ 10,000/- from the beginning of the Financial Year i. e. 01.04.2021.

Prerequisites: - He will be entitled to reimbursement of medical expenses and leave travel concession for self and family, club fees & premium for medical/accidental insurance subject to maximum amount not exceeding Rs. 5,00,000/- in a financial year. For the purpose of calculating the ceiling, the prerequisites shall be evaluated as per Income Tax Rules, 1961.

Others:- Use of car for Company's business, telephone and other communication facilities at residence/ other places, reimbursement of travelling, entertainment and all other expenses for the purpose of business incurred by him shall not be treated as prerequisites.

Commission:- Not exceeding 3.0 (three) percent of net profit in an accounting year of the Company subject to availability of profit. Commission shall be paid on Quarterly basis of the provisional net profit earned by the Company subject to the conditions that the total Commission shall not exceed 3% of the Net Profit of the accounting year. Commission payment shall be subject to availability of profit.

Minimum Remuneration:- The above salary will be payable to the Whole-time Director even in case of loss or inadequacy of profits in respect of any financial year during his tenure of office in compliance with Schedule V to the Companies Act, 2013.

Sitting Fees: The Whole-time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

Gratuity and encashment of leave: He will be entitled to gratuity and encashment of leave as per rules of the Company.

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Dinesh Raghbir Prasad Agarwal remuneration, perquisites, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013 as may be decided by the Board of Directors, subject to necessary sanctions and approvals.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Mr. Dinesh Raghbir Prasad Agarwal in the light of further progress of the Company which shall be in accordance with the prescribed provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force).”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto”.

6. **To consider and approve granting of Loan u/s 185 to M/s. GL Steel & Power Limited (GL Steel) and in this regard if thought fit, to pass the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provision of Section 185 and other applicable provisions if any, of the Companies Act, 2013 and rules made thereunder (as may be amended from time to time ('the Act'), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 consent of the Members of the Company, be and is hereby accorded to grant loan to M/s. GL Steel & Power Limited (GL Steel), a Company in which one or more Directors are interested and which is a related party, up to an amount of ₹ 5 Crores (Rupees Five Crores Only) from time to time in one or more tranches for its Principal Business Activities on such terms and conditions including the rate of interest, security to be provided by GL Steel and repayment of loan taken, as the Board of Directors in discussion with GL Steel may finalize.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company.”

For Gallantt Metal Limited

Arnab Banerji

(Company Secretary)

M.N.A59335

Date: July 28, 2020

Place: Kolkata

NOTES:

1. In view of the prevailing COVID-19 pandemic, the Ministry of Corporate Affairs (the "MCA") vide its General Circulars No. 14/2020, No. 17/2020 and No. 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively (hereinafter, collectively referred as the "MCA Circulars") read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, has allowed companies to conduct their Annual General Meetings through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), thereby, dispensing with the requirement of physical attendance of the members at their AGM and accordingly, the 16th Annual General Meeting (the "AGM" or the "Meeting") of Gallantt Metal Limited (the "Company") will be held through VC or OAVM in compliance with the said circulars and the relevant provisions of the Companies Act, 2013 (as amended) (the "Act") and Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations"). Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
2. Keeping the convenience of the Members positioned in different time zones, the Meeting has been scheduled at 1:30 P.M. IST.
3. **IN TERMS OF THE MCA CIRCULARS AND SEBI CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2020/79 DATED MAY 12, 2020, THE REQUIREMENT OF SENDING PROXY FORMS TO HOLDERS OF SECURITIES AS PER PROVISIONS OF SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS, HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY TO APPOINT PROXY BY THE MEMBERS WILL NOT BE AVAILABLE AND CONSEQUENTLY, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE CONVENING THE 16TH AGM OF THE COMPANY (THE "NOTICE").**

However, in pursuance of Section 113 of the Act and Rules framed thereunder, the corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting 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 vote, to the Scrutinizer through e-mail at tanmayks@gmail.com with a copy marked to evoting@nsdl.co.in

4. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the Notice.
5. 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.
6. Explanatory Statement pursuant to Section 102 of the Act and Rules framed thereunder, in respect of the Special Business under Item No. 3, 4, 5 and 6 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.
7. **Dispatch of Annual Report through E-mail**
In accordance with the MCA Circulars and the said SEBI Circular dated May 12, 2020, the Notice along with the Annual Report of the Company for the financial year ended March 31, 2020, will be sent only through e-mail, to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., M/s. Niche Technologies Private Limited or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2020 shall be available on the websites of the Company viz., www.gallantt.com and of the Stock Exchanges where Equity Shares of the Company are listed. The Notice shall also be available on the e-Voting website of the agency engaged for providing e-Voting facility, i.e., National Securities Depository Limited (NSDL), viz., www.evoting.nsdl.com
8. 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.

9. 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.
10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.gallantt.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
12. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
13. **INSTRUCTION FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC OR OAVM**

Members will be able to attend the AGM through VC or OAVM or view the live webcast of the AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-Voting login credentials and selecting the EVEN for the AGM.

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by

using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

- Members are encouraged to join the Meeting through Laptops for better experience.
 - Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - 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.
 - 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.
 - Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at csgml@gallantt.com. The same will be replied by the company suitably.
 - Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
14. **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.

15. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Monday, September 07, 2020 at 9:00 A.M. and ends on Wednesday, September 09, 2020 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

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: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

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 ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services 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***

1. Your password details 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

2. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(if you are holding shares in your demat account

- with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
3. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 4. Now, you will have to click on “Login” button.
 5. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to tanmayks@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to (Mr. Vikram Jha) at evoting@nsdl.co.in. For any further assistance, you may contact Mr. Jyotimoy Banerjee, Investors Relations Manager at Telephone No. 033-22895796.

16. 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.
 - Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.
17. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, with respect to the Special Businesses as set out in Item Nos. 3, 4, 5 and 6 are annexed hereto. Additional Information, pursuant to Para 1.2.5 of SS-2 (“Secretarial Standard on General Meetings”) and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of re-appointment of Mr. Chandra Prakash Agrawal and Mr. Dinesh Raghubir Prasad Agarwal at the 16th Annual General Meeting is also annexed hereto.
 18. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 04, 2020 to Thursday, September 10, 2020 (both days inclusive) for the purposes of the Annual General Meeting. Board of Directors has not recommended Dividend for the Financial Year 2019-20.

19. The Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 has mandated all Companies to use approved electronic mode of payment for making cash payments such as dividend to the Members (where core banking details are available) or to print the bank account details of the Members (as per the Company's records) on the physical payment instruments (in case where the core banking details are not available or electronic payment instructions have failed or rejected by the Bank). Hence, the Members are requested to furnish/ update their bank account name & branch, bank account number and account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. at the earliest with:
 - i. The respective Depository Participants (DP) (in case of the shares held in Electronic Mode) or;
 - ii. The Registrar & Share Transfer Agent of the Company (R&T Agent) (in case of the shares held in Physical form).
20. Members holding shares in demat mode may kindly note that any request for change of address or change of E-mail ID or change in bank particulars/ mandates or registration of nomination are to be instructed to their Depository Participant only, as the Company or its Registrar & Share Transfer Agent cannot act on any such request received directly from the Members holding shares in demat mode. However, Members holding shares in physical mode are requested to notify the Registrar & Share Transfer Agent of the Company of any change in their address and e-mail id as soon as possible.
21. Members are requested to contact the Company's Registrar & Share Transfer Agent Niche Technologies Pvt. Ltd. 7th Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata, West Bengal – 700017. Tel.: (033) 2280 6616 / 17 / 18 Email id: nichetechpl@nichetechpl.com; Website: www.nichetechpl.com for reply to their queries/redressal of complaints, if any, or contact Mr. Arnab Banerji, Company Secretary at the Registered Office of the Company (Phone No.: +91-11-45048767; Email: csgml@gallantt.com).
22. Members, who have not yet encashed their dividend warrants for the financial year ended March 31, 2018 and 2019 are requested to make their claim to the Company's Registrar & Share Transfer Agent immediately.
23. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Registrar & Share Transfer Agent.
24. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's Registrar & Share Transfer Agent for consolidation into single folio.
25. Since, the securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, Members holding shares in physical form are requested to get their shares dematerialized at the earliest.
26. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests the Members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars etc. from the Company electronically.
27. All documents referred to in the Notice and the Explanatory Statement shall be made available for inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members desirous of inspecting the same may send their requests at csgml@gallantt.com from their registered e-mail addresses mentioning their names and folio numbers / demat account numbers. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available for inspection upon login at NSDL e-Voting system at <https://www.evoting.nsdl.com>
28. In accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has engaged the services of National Securities Depository Limited (NSDL) to provide the facility of voting by electronic voting system to all the Members to enable them to cast their votes electronically in respect of all the businesses to be transacted at the aforesaid Meeting. The facility of casting the votes by the Members using such electronic voting system from a place other than venue of the AGM ("remote e-voting") is being provided by NSDL.
29. The voting rights of Members shall be in proportion to their shares of the total paid up equity share capital of the Company as on the cut-off date. The remote e-Voting period will commence on Monday, September 07, 2020 (9:00 A.M. IST) and will end on Wednesday, September 09, 2020 (5:00 P.M. IST). During this period, the Members of the Company, holding shares either in physical or

dematerialized mode, as on the cut-off date, i.e., Thursday, September 03, 2020, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter.

30. 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 03, 2020, 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.
31. Only those Members who are present in the Meeting through VC or OAVM facility and have not cast their votes on resolutions through remote e-Voting and are otherwise not barred from doing so, shall be allowed to vote through e-Voting system during the AGM. However, Members who would have cast their votes by remote e-Voting may attend the Meeting, but shall neither be allowed to change it subsequently nor cast votes again during the Meeting and accordingly, their presence shall also be counted for the purpose of quorum under Section 103 of the Act. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, September 03, 2020 being the cut-off date, are entitled to vote on the Resolutions set forth in the Notice. The voting rights of the Members shall be in proportion to their share(s) of the paid-up equity share capital of the Company as on the cut-off date. A person who is not a member as on the cut-off date, i.e., Thursday, September 03, 2020 should treat this Notice for information purpose only.
32. The Board of Directors has appointed CS Tanmay Kumar Saha, (FCS : 8847/C.P. No.: 11918), or failing whom, such other practicing company secretary as the Board of Directors of the Company may appoint, as the Scrutinizer for scrutinizing the process of remote e-Voting and also e-Voting during the Meeting in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of the Meeting, count the votes cast at the Meeting and thereafter, unblock the votes cast through remote e-Voting in presence of atleast 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 de-

clared forthwith by the Chairman or by any other director/person duly authorised in this regard. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website (www.gallantt.com) and on the e-Voting website of NSDL (www.evoting.nSDL.com) immediately after the results are declared and shall simultaneously be communicated to the Stock Exchanges where the equity shares of the Company are listed. The results declared along with the said Report shall also be made available for atleast 3 days on the Notice Boards of the Company at its Registered Office in New Delhi and at the Corporate Office in Kolkata.

33. Subject to the receipt of requisite number of votes, the businesses mentioned in the Notice / the resolution(s) forming part of the Notice shall be deemed to be passed on the date of the AGM, i.e., Thursday, September 10, 2020.
34. Members holding shares in physical mode or whose e-mail addresses are not registered, may cast their votes through e-Voting system, after registering their e-mail addresses by sending the following documents to the Company at csqml@gallantt.com or to the RTA at nichetechpl@niche-techpl.com:
 - (i) Scanned copy of a signed request letter, mentioning the name, folio number / demat account details & number of shares held and complete postal address;
 - (ii) Self-attested scanned copy of PAN Card; and
 - (iii) Self-attested scanned copy of any document (such as AADHAAR card / latest Electricity Bill / latest Telephone Bill / Driving License / Passport / Voter ID Card / Bank Passbook particulars) in support of the postal address of the Member as registered against their shareholding.

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

For Gallantt Metal Limited

Arnab Banerji

(Company Secretary)

M.N.A59335

Date: July 28, 2020

Place: Kolkata

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

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

ITEM NO. 3

The Board of Directors at its meeting held on May 25, 2020 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, 2021, at a remuneration amounting to ₹ 50,000 (Rupees Fifty Thousand only) excluding out of pocket expenses, if any. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor shall be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 3 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. 3 of this Notice. The Board recommends the resolutions set forth in item no. 3 for the approval of Members by way of Ordinary Resolution.

ITEM NO. 4

The tenure of Mr. Chandra Prakash Agrawal as Managing Director was upto 31st August, 2020. Subject to the approval of the Shareholders in the next General Meeting, the Board of Directors have at their Meeting held on June 29, 2020, pursuant to the approval of the Nomination and Remuneration Committee and Audit Committee, approved the re-appointment of Mr. Chandra Prakash Agrawal as Managing Director of the Company for a period of 5 years w.e.f. 1st September, 2020. He is a Bachelor of Commerce from Gorakhpur University having multifunctional experience of more than thirty five years. He is very well versed in all aspects of marketing, finance, costing, technical matters and administration.

He is aged about 65 years. The proposed remuneration will be within overall limit of Schedule V of the Companies Act, 2013. In his term of office spanning Fifteen 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. In view of the significant contributions made by him, the Board of Directors recommend the appointment of Mr. Chandra Prakash Agrawal as a Managing Director designated as Chairman & Managing Director of the Company for a period of five years on the remuneration as detailed hereinbelow, which shall be effective from September 01, 2020.

Mr. Chandra Prakash Agrawal forms part of the Promoter Group as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and holds 3,00,000 Equity Shares in the Company. Further, he is a Director of Gallantt Ispat Limited and Gallantt Metalliks Limited.

Briefly, the terms and conditions of the re-appointment and remuneration of Mr. Chandra Prakash Agrawal are as follows:

1. He shall carry out such duties as may be entrusted to him subject to the supervision of the Board of Directors.
2. The re-appointment shall be for a period of 5 (five) years w.e.f. 01.09.2020.
3. **Remuneration:**

Salary:-At the rate of ₹ 2,00,000/- (Rupees Two Lacs only) per month from 1st September, 2020 in the scale of ₹ 2,00,000 - 10,000 – 2,50 000/- with provision for annual increment of ₹ 10,000/- from the beginning of the Financial Year i. e. 01.04.2021.

Perquisites: - He will be entitled to reimbursement of medical expenses and leave travel concession for self and family, club fees & premium for medical/accidental insurance subject to maximum amount not exceeding Rs. 5,00,000/- in a financial year. For the purpose of calculating the ceiling, the perquisites shall be evaluated as per Income Tax Rules, 1961.

Others:- Use of car for Company's business, telephone and other communication facilities at residence/ other places, reimbursement of travelling, entertainment and all other expenses for the purpose of business incurred by him shall not be treated as perquisites.

Commission:-No commission shall be paid.

Minimum Remuneration:- The above salary will be payable to the Managing Director even in case of loss or inadequacy of profits in respect of any financial year during his tenure of office in compliance with Schedule V to the Companies Act, 2013.

Sitting Fees: The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

Gratuity and encashment of leave: He will be entitled to gratuity and encashment of leave as per rules of the Company.

Modification / revision in remuneration and terms and

conditions of appointment are subject to the approval of the members of the Company.

None of the Directors other than Mr. Chandra Prakash Agrawal is interested or concerned in the said resolution. The proposed resolution is required to be passed as a Ordinary Resolution as required under Schedule V to the Companies Act, 2013 and as such, the Directors commend your approval. In compliance with the provisions of Section 197 and 198 of the Companies Act, 2013, the terms of remuneration specified above are now being placed before the members in General Meeting for their approval. Further, in terms of General Circular No. 20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs, the matter regarding re-appointment of Mr. Chandra Prakash Agrawal, including fixing his remuneration, is considered unavoidable by the Board. Accordingly, in terms of Sections 2(94), 196, 197, 198 and 203 read with Schedule V to the Act, the re-appointment of Mr. Chandra Prakash Agrawal as a Managing Director of the Company, designated as stated above, is now being proposed before the Members of the Company for their approval.

In terms of the provisions of the Act, Mr. Chandra Prakash Agrawal has filed requisite consent(s) and disclosures before the Board. The Company has also received an intimation from Mr. Chandra Prakash Agrawal in Form DIR - 8 to the effect that he is not disqualified and further confirming that he is not debarred by virtue of any order passed by the Securities and Exchange Board of India, Ministry of Corporate Affairs, any Court or any such other Statutory Authority, to be re-appointed / continue as a Director in any company.

Mr. Chandra Prakash Agrawal satisfies all the conditions as set out in Part I of Schedule V as also under subsection (3) of Section 196 of the Companies Act, 2013 for being eligible to be appointed as a Managing Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Documents referred to in this Explanatory Statement (including the Agreement relating to re-appointment of Mr. Chandra Prakash Agrawal shall be made available for inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members desirous of inspecting the same may send their requests at csgml@gallantt.com from their registered e-mail addresses mentioning their names and folio numbers / demat account numbers.

Except Mr. Chandra Prakash Agrawal and his relatives, no other Director or Key Managerial Personnel of the Company, or their relatives, is concerned or interested financially or otherwise, in Resolution No. 4 as contained in the Notice.

The Board recommends the resolution as set out at Item No. 4 of the Notice for approval by the shareholders.

ITEM NO. 5

The tenure of Mr. Dinesh Raghbir Prasad Agarwal as Whole-time Director was upto 30th October, 2020. Subject to the approval of the Shareholders in the next General Meeting, the Board of Directors have at their Meeting held on June 29, 2020, pursuant to the approval of the Nomination and Remuneration Committee and the Audit Committee, approved the re-appointment of Mr. Dinesh Raghbir Prasad Agarwal as Whole-time Director of the Company for a period of 5 years w.e.f. 1st November, 2020. Mr. Dinesh Raghbir Prasad Agarwal, a promoter of the Company having experience of 32 years in the steel industry, is a Commerce Graduate. Mr. Dinesh Raghbir Prasad Agarwal is involved in the operations of the steel manufacturing facility of the Company. He was 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. Dinesh Raghbir Prasad Agarwal supervises the operation and functioning of steel and power plants, besides he supervises Purchase and procurement departments of the Company. He is aged about 55 years. The proposed remuneration will be within overall limit of Schedule V of the Companies Act, 2013. In his term of office since inception, Mr. Dinesh Raghbir Prasad Agarwal has 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. The Company has streamlined the process and achieved great administration within the organization under his superb guidance. In view of the significant contributions made by him, the Board of Directors recommend the reappointment of Mr. Dinesh Raghbir Prasad Agarwal as a Whole-time Director for a period of five years on the remuneration as detailed hereinbelow, which shall be effective from November 01, 2020.

Mr. Dinesh Raghbir Prasad Agarwal forms part of the Promoter Group as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and holds 23,07,251 Equity Shares in the Company.

Further, he is a Director of the following Companies:

GL Minerals Private Limited

Ganesh Laxmi Processors Private Limited

GL Steel And Power Limited

Kadodara Power Private Limited

Briefly, the terms and conditions of the re-appointment

and remuneration of Mr. Dinesh Raghbir Prasad Agarwal are as follows:

Salary:- At the rate of ₹ 2,00,000/- (Rupees Two Lacs only) per month from 1st September, 2020 in the scale of ₹ 2,00,000 - 10,000 – 2,50 000/- with provision for annual increment of ₹ 10,000/- from the beginning of the Financial Year i. e. 01.04.2021.

Perquisites: - He will be entitled to reimbursement of medical expenses and leave travel concession for self and family, club fees & premium for medical/accidental insurance subject to maximum amount not exceeding ₹ 5,00,000/- in a financial year. For the purpose of calculating the ceiling, the perquisites shall be evaluated as per Income Tax Rules, 1961.

Others:- Use of car for Company's business, telephone and other communication facilities at residence/ other places, reimbursement of travelling, entertainment and all other expenses for the purpose of business incurred by him shall not be treated as perquisites.

Commission:- Not exceeding 3.0 (three) percent of net profit in an accounting year of the Company subject to availability of profit. Commission shall be paid on Quarterly basis of the provisional net profit earned by the Company subject to the conditions that the total Commission shall not exceed 3% of the Net Profit of the accounting year. Commission payment shall be subject to availability of profit.

Minimum Remuneration:- The above salary will be payable to the Whole-time Director even in case of loss or inadequacy of profits in respect of any financial year during his tenure of office in compliance with Schedule V to the Companies Act, 2013.

Sitting Fees: The Whole-time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

Gratuity and encashment of leave: He will be entitled to gratuity and encashment of leave as per rules of the Company.

The proposed resolution is required to be passed as a Ordinary Resolution as required under Schedule V to the Companies Act, 2013 and as such, the Directors commend your approval. In compliance with the provisions of Section 197 and 198 of the Companies Act, 2013, the terms of remuneration specified above are now being placed before the members in General Meeting for their approval. Further, in terms of General Circular No. 20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs, the matter regarding re-appointment of Mr. Dinesh Raghbir Prasad Agarwal, including fixing his remuneration, is considered unavoidable by the Board. Accordingly, in terms of Sections 2(94), 196, 197, 198 and 203 read with Schedule V to the Act, the re-appointment of Mr. Dinesh Raghbir Prasad Agarwal as a Whole-time Director of the Company, designated as stated above, is now being

proposed before the Members of the Company for their approval.

In terms of the provisions of the Act, Mr. Dinesh Raghbir Prasad Agarwal has filed requisite consent(s) and disclosures before the Board. The Company has also received an intimation from Mr. Dinesh Raghbir Prasad Agarwal in Form DIR - 8 to the effect that he is not disqualified and further confirming that he is not debarred by virtue of any order passed by the Securities and Exchange Board of India, Ministry of Corporate Affairs, any Court or any such other Statutory Authority, to be re-appointed / continue as a Director in any company.

Mr. Dinesh Raghbir Prasad Agarwal satisfies all the conditions as set out in Part I of Schedule V as also under subsection (3) of Section 196 of the Companies Act, 2013 for being eligible to be appointed as a Whole-time Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Documents referred to in this Explanatory Statement including the Agreement relating to re-appointment of Mr. Dinesh Raghbir Prasad Agarwal shall be made available for inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members desirous of inspecting the same may send their requests at csgml@gallantt.com from their registered e-mail addresses mentioning their names and folio numbers / demat account numbers.

Except Mr. Dinesh Raghbir Prasad Agarwal and his relatives, no other Director or Key Managerial Personnel of the Company, or their relatives, is concerned or interested financially or otherwise, in Resolution No. 5 as contained in the Notice.

The Board recommends the resolution as set out at Item No. 5 of the Notice for approval by the shareholders.

ITEM NO. 6

Pursuant to the provisions of Section 185 of the Companies Act, 2013 as amended by Companies Amendment Act, 2017, the Company may advance any Loan including any Loan represented by a Book debt to any person in whom any of the Director of the Company is interested subject to condition that Members approve the same by way of Special Resolution.

Members are hereby informed that GL Steel and Power Limited (GL Steel) is a Related Party as Mr. Dinesh Raghbir Prasad Agarwal, Whole-time Director is common in both the Companies. Mr. Dinesh Raghbir Prasad Agarwal holds 23,520 Equity Shares (40% approx.) shares in GL Steel. GL Steel is in requirement of funds for running its business operations in a more efficient manner. For this purpose, the Board of Directors on the basis of the recommendation of the Audit Committee, has approved granting of Loan up to

₹ 5 Crores (Rupees Five Crores only) to GL Steel in one or more tranches, in its Meeting held on July 28, 2020. This approval is subject to approval of Members by way of Special Resolution.

This loan shall be utilized by M/s. GL Steel for its principal business activities only and not for granting of further loan or investment purpose.

None of the Directors / KMP and their relatives other than above is in any way concerned or interested in this

resolution.

The Board hereby recommends the resolution as set out at Item No. 6 for consideration and approval of Members of the Company by way of Special Resolution.

For Gallantt Metal Limited

Arnab Banerji

(Company Secretary)

M.N.A59335

Date: July 28, 2020

Place: Kolkata

INFORMATION OF MR. CHANDRA PRAKASH AGRAWAL

Name of the Director	Mr. Chandra Prakash Agrawal
Director Identification No.	01814318
Father's Name	Late Govind Prasad Agrawal
Designation of Director and Category	Chairman & Managing Director, Executive Director
Date of Birth/Age	25.12.1955/ 65 Years
Nationality	Indian
Date of first Appointment	01.04.2005
Terms and Conditions of Appointment	As per the Agreement dated 29.06.2020
Brief Profile and expertise in specific functional areas	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 Metal 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 15 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.
Qualification	B-Com
Directorship held in other Companies	Gallantt Ispat Limited Gallantt Metalliks Limited
Membership / Chairmanship of Committees of other Boards	Member, CSR Committee, Gallantt Ispat Limited
Relationships with other Directors, Manager and Key Managerial Personnel of the Company	NIL
Number of Board Meetings attended during the year	5
Remuneration drawn in financial year 2019-20 (including sitting fees, if any)	₹ 22.80 Lacs
Number of shares held in the Company	3,00,000

INFORMATION OF MR. DINESH RAGHUBIR PRASAD AGARWAL

Name of the Director	Mr. Dinesh Raghbir Prasad Agarwal
Director Identification No.	01017125
Father's Name	Mr. Raghbir Prasad Agarwal
Designation of Director and Category	Whole-time Director, Executive Director
Date of Birth/Age	19.03.1965/ 55 Years
Nationality	Indian
Date of first Appointment	07.02.2005
Terms and Conditions of Appointment	As per the Agreement dated 29.06.2020
Brief Profile and expertise in specific functional areas	<p>He is Promoter of the Company having an overall experience of 29 years. Over the period he has understood the business techniques in the field of Production, Purchase and Marketing etc.</p> <p>Mr. Dinesh Raghbir Prasad 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>
Qualification	B-Com
Directorship held in other Companies	GL Minerals Private Limited Ganesh Laxmi Processors Private Limited GL Steel And Power Limited Kadodara Power Private Limited
Membership / Chairmanship of Committees of other Boards	NIL
Relationships with other Directors, Manager and Key Managerial Personnel of the Company	NIL
Number of Board Meetings attended during the year	5
Remuneration drawn in financial year 2019-20 (including sitting fees, if any)	₹ 61.44 Lacs
Number of shares held in the Company	23,07,251

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have the pleasure in presenting the 16th Annual Report on the business and operations of the Company along with the Audited Financial Statements of the Company for the financial year ended March 31, 2020.

CORPORATE OVERVIEW

Gallantt Metal Limited ("Your Company" or "The Company") is a leading Iron and Steel manufacturing Company in Gujarat. The Company has its Registered Office at New Delhi and Factory at Samakhlyali, Kutch, Gujarat.

WORKING RESULTS

(₹ in Lacs)

Financial Results	Standalone		Consolidated	
	2020	2019	2020	2019
Income from operation	86,504.66	1,06,378.53	86,504.66	1,06,378.53
Other Operating Income	114.21	540.21	114.21	540.21
Finance Cost	637.54	598.99	637.54	598.99
Depreciation (including amortization)	1,415.10	1,409.29	1,415.10	1,409.29
Profit Before Tax	1,289.02	10,999.51	1,289.02	10,999.52
Tax Expenses (including Deferred Tax)	540.79	3,836.86	540.79	3,836.86
Profit After Tax	748.23	7,162.65	748.23	7,162.65
Share of Profit from Associate	-	-	1,492.63	3,271.54
Profit for the Period	748.23	7,162.65	2,240.86	10,434.20

FINANCIAL ACCOUNTING AND ADOPTION OF IND AS

The Financial Statements for the FY 2019-20 are prepared under Ind-AS. Pursuant to Section 129(3) of the Companies Act, 2013, the Consolidated Financial Statements of the Company prepared in accordance with the Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and Indian Accounting Standard 110 on Consolidated Financial Statements is provided in the Annual Report.

BUSINESS OPERATION AND PERFORMANCE REVIEW

During the year Revenue from Operations stood at ₹ 86,504.66 Lacs as against ₹ 1,06,378.53 Lacs during the last FY 18-19. The Profit before Interest, Depreciation

and Taxation stood at ₹ 3,341.66 Lacs as against ₹ 13,007.79 Lacs in the previous year registering a shrinking of 74.31%. The Net Profit after Tax for the year fall to ₹ 748.23 Lacs from ₹ 7,162.65 Lacs in the previous year. Standalone Earnings per Share (EPS) stood at ₹ 0.92 (face value of ₹ 10/- each) and Consolidated Earnings per Share (EPS) stood at ₹ 2.76 (face value of ₹ 10/- each) for the Financial Year ended March 31, 2020. During the year Company has reported relatively sluggish performance both in terms of profitability and turnover due to the market conditions as it was highly bearish and unfavourable together with low selling prices with no corresponding downward adjustment in raw material prices mainly iron ore.

PRODUCTION AT A GLANCE

Product	2019-20		2018-19		% of Change	
	Production	Sales*	Production	Sales*	Production	Sales*
Sponge Iron (M.T.)	1,93,614.000	1,92,470.020	2,03,827.000	2,04,326.190	(5.01%)	(5.80%)
M.S. Billets (M.T.)	2,52,432.652	2,56,827.670	2,69,872.926	2,70,145.800	(6.46%)	(4.93%)
M.S. Round Bar & Miss Rolled Bar (M.T.)	2,29,776.230	2,25,235.440	2,50,918.200	2,50,340.600	(9.43%)	(10.03%)
Power Generation (KWH)	21,44,23,095	21,44,23,095	22,07,23,330	22,07,23,330	(2.85%)	(2.85%)

*Sales include captive consumption also.

Due to pandemic COVID 19, the entire operations of your company as per the Government's directive were suspended w.e.f. 23rd March, 2020.

There is no change in the nature of the business of the Company. Disclosure of financial statement of Associate Company M/s. Gallantt Ispat Limited has been provided in the prescribed format as a part of this Report.

There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future. Factory had been working efficiently during the year. Safety measures and processes have been installed and improved upon at the plants and work sites. There are no material changes or commitments affecting the financial position of the Company which have occurred

between the end of the financial year and the date of this Report.

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

In adherence to the safety norms prescribed by Government of India and State Government, the operations were partially resumed in the month of April as per Government guidelines in all its manufacturing locations, warehouses and offices. However, now it is fully functional.

Prior to resumption of operations, the Company laid down a detailed Standard Operating Procedure regarding Work from Home facility for its employees in order to ensure smooth functioning of operations. Thereafter, the Company has taken utmost care of its staffs and work force by taking measures like thermal screening and sanitation process of employees, sanitization of premises, recommending use of Arogya Setu App, maintain social distancing etc. The Company is in a comfortable liquidity position due to adequate banking limits being in place. The Company has also embarked upon a Company-wide initiative to bring down costs and conserve cash. This programme is well under way and the Company is expected to get benefits as a consequence of these initiatives in future.

DIVIDEND

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

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

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

DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS

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

SHARE CAPITAL

As on 31 March 2020, the authorized capital of the Company was ₹ 83,00,00,000/- (Rupees Eighty Three Crores only) and the paid up capital stands at ₹ 81,32,23,240/- (Rupees Eighty One Crores Thirty Two Lacs Twenty Three Thousand Two Hundred and Forty only) consisting of 8,13,22,324 equity shares of ₹ 10/- (Rupee Ten) each. There was no change in share capital of the Company during the financial year under review. During the year under review, the company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2020, 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 2020-21 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.

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 2019-20.

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

- i) In the preparation of annual accounts, the applicable accounting standards have been followed and there has been no material departure.

- ii) The selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for the financial year ended 31st March, 2020.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts have been prepared on a going concern basis.
- v) Sufficient internal financial controls have been laid down and such internal financial controls are adequate and were operating effectively, and
- vi) Proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

FINANCE AND ACCOUNTS

As mandated by the Ministry of Corporate Affairs, IND AS is applicable to the Company from the Financial Year commencing from April 01, 2017. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2020. Financial Statement has been prepared as per applicable Ind-AS.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

LISTING INFORMATION

The Equity Shares in the Company are in dematerialized form and is listed with Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Listing Fee has been paid to the Stock Exchanges for the year 2020-21. The ISIN No. of the Company is INE297H01019.

CREDIT RATING

During the year under report, vide its rating press release dated October 04, 2019, the Rating agency M/s. India Rating & Research Private Limited has affirmed Ind A/Stable rating for the Company's Fund Based Long Term facilities (long term) and Ind A1 for Non-Fund based Short Term facilities. Further, vide its press release dated January 27, 2020, M/s. India Rating &

Research Private Limited has placed Company's Long-Term Issuer Rating of 'IND-A' on Rating Watch Negative (RWN).

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 ALPS & Co., Chartered Accountants (Firm Registration Number: FRN 313132E) were appointed as Statutory Auditors in the 13th (Thirteenth) Annual General Meeting (AGM) of the Company for a period of five years, from the conclusion of 13th AGM till the conclusion of the 18th AGM of the Company, subject to ratification of their appointment at every AGM by the shareholders, if required, pursuant to the provisions of the Companies Act, 2013 ("Act"). Central Government vide the Companies (Amendment) Act, 2017 has amended the provisions of Section 139 of the Act and ratification of appointment of Statutory Auditors in every AGM is no longer required. The Statutory Auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules made thereunder to continue to act as Statutory Auditors of the Company.

The Statutory Auditors had carried out audit of financial statements of the Company for the financial year ended March 31, 2020 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.

Necessary certificate has been obtained from the Auditors as per Section 139(1) of the Companies Act, 2013.

The notes on accounts referred to the Auditors' Report are self-explanatory and therefore, do not call for any further explanation.

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

The information required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of

the Companies (Accounts) Rules, 2014, is annexed as **ANNEXURE-II** to this Directors' report.

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

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

DISCLOSURE IN RESPECT OF VOTING RIGHTS NOT EXERCISED

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

COST AUDIT

The Company has submitted the Cost Audit Report and Cost Compliance Report for the year 2018-19 duly certified by a Cost Accountant to the Central Government within the due date. M/s. U. Tiwari & Associates, Cost Accountants were appointed with the approval of the Central Government to carry out the cost audit in respect of the Company for the financial year 2019-20.

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors, based on the recommendation of the Audit Committee, has appointed M/s. U. Tiwari & Associates, Cost Accountants, as Cost Auditor of the Company for conducting the Cost Audit for the financial year 2020-21 on a remuneration of ₹ 50,000/- 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 2020-21 along with a certificate confirming their independence and arm's length relationship.

Company has made and maintained the cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

INSURANCE

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

INTERNAL COMPLAINT REGARDING SEXUAL HARRASSMENT

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 and Committee of Directors have been disclosed under Corporate Governance Report. Board of Directors has reconstituted all the above Committees and the same has been disclosed under Corporate Governance Report.

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

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

PARTICULARS OF EMPLOYEES

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

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

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

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

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

MARKET AND FUTURE PROSPECTS

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

DETAILS OF POLICIES

(i) Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The summary of Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Corporate Governance Report. The Remuneration Policy is uploaded on the website of the Company. The web link to the Remuneration Policy is as under: [https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Nomination and Remuneration Policy/ Remuneration Criteria Non-Executive Director](https://www.gallantt.com/Investors%20Corner/Gallantt%20Metal%20Limited/Nomination%20and%20Remuneration%20Policy/Remuneration%20Criteria%20Non-Executive%20Director) w.e.f. 01.04.2019.

(ii) Corporate Social Responsibility Policy (CSR)

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

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

(iii) Risk Management Policy

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

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

The web link to the Risk Management Policy is as under: [https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Risk Management Policy](https://www.gallantt.com/Investors%20Corner/Gallantt%20Metal%20Limited/Risk%20Management%20Policy) w.e.f. 01.04.2019.

(iv) Whistle Blower Policy – Vigil Mechanism

Your Company has formulated a Vigil Mechanism Policy with a view to provide a mechanism for employees and directors of the Company to approach 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. Arnab Banerji, Company Secretary as the Whistle Officer under the Vigil Mechanism Policy.

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

SECRETARIAL AUDITORS

Mr. Anurag Fatehpuria, Practising Company Secretary, having office address at 23/1, Sita Nath Bose Lane, Salkia Howrah Pin-711101 has been appointed as Secretarial Auditors of the Company for the FY ended 31.03.2020. The Secretarial Audit Report received from the Secretarial Auditors is annexed to this report marked as **ANNEXURE-VIII** and forms part of this report.

ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

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

The performance of the Board and committees was evaluated after seeking inputs from all the Directors on the basis of the criteria such as Board/ committee constitutions, frequency of meetings, effectiveness of processes etc. The performance of individual Directors (including Independent Directors) was evaluated by

the Board and Nomination & Remuneration committee (excluding the Director being evaluated) after seeking inputs from all Directors on the basis of the criteria such as thought contribution, business insights and applied knowledge.

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

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

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

FAMILIARISATION PROGRAMME

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

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

All the Board members of the Company are afforded every opportunity to familiarize themselves with the Company, its management, its operations and industry perspective on a regular basis. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and sector. All the information/documents sought by them is/are also shared with them for enabling a good understanding of the Company, its various operations and the industry. The Directors were apprised on key aspects of operations and market

trend and the Company's performance and its future projects. The details of programmes for familiarisation for Independent Directors are posted on the website of the Company at www.gallantt.com under the Investors Corner of Gallantt Metal Limited under the link: https://www.gallantt.com/Investors_Corner/Gallantt_Metal_Limited/Familiarization_Programme_Imparted.

CODE OF CONDUCT

Your Company has adopted a Code of Conduct for members of the Board (incorporating duties of Independent Directors) and the Senior Management. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company. Your Company has received confirmations from all concerned regarding their adherence to the said Code.

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

The full text of the Code is hosted on the Company's website www.gallantt.com under the Investors Corner of Gallantt Metal Limited under the link: https://www.gallantt.com/Investors_Corner/Gallantt_Metal_Limited/Code_of_Conduct_of_BOD-w.e.f._01.04.2019.

CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

Your Company has adopted a Code of Conduct for Prevention of Insider Trading and Code of Practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information (hereinafter referred to as the "Code of Conduct" as per Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The full text of the Code is hosted on the Company's website www.gallantt.com under the Investors Corner of Gallantt Metal Limited under the link: https://www.gallantt.com/Investors_Corner/Gallantt_Metal_Limited/Code_of_Conduct_of_Insider_Trading-w.e.f._01.04.2019.

NUMBER OF MEETINGS OF BOARD AND AUDIT COMMITTEE HELD DURING THE YEAR 2019-2020

Five (5) meetings of the Board of Directors of the Company were conducted during the financial year and also Five (5) meetings of the Audit Committee of the Board of Directors were conducted during the financial year. The details of board/committee/shareholders

meetings are provided under the Corporate Governance Report which forms part of the Annual Report.

AUDIT COMMITTEE

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

Names	Designation	Category
Mrs. Richa Bhartiya*	Chairperson	Independent
Mr. Jyotirindra Nath Dey	Member	Independent
Mr. Nitin Mahavir Prasad Kandoi	Member	Non-Executive

*Mrs. Richa Bhartiya resigned from the Directorship of the Company with effect from June 29, 2020 and consequently relinquishes from the Audit Committee also.

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

Names	Designation	Category
Mr. Nitin Mahavir Prasad Kandoi	Chairperson	Non-Executive
Mrs. Richa Bhartiya*	Member	Independent
Mr. Jyotirindra Nath Dey	Member	Independent

*Mrs. Richa Bhartiya resigned from the Directorship of the Company with effect from June 29, 2020 and consequently relinquishes from the Stakeholders Relationship Committee also.

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

NOMINATION AND REMUNERATION COMMITTEE

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

Names	Designation	Category
Mr. Jyotirindra Nath Dey	Chairperson	Independent
Mr. Nitin Mahavir Prasad Kandoi	Member	Non-Executive
Mrs. Richa Bhartiya*	Member	Independent

*Mrs. Richa Bhartiya resigned from the Directorship of the Company with effect from June 29, 2020 and consequently relinquishes from the Nomination and Remuneration Committee also.

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

Names	Designation	Category
Mr. Jyotirindra Nath Dey	Chairperson	Independent
Mr. Chandra Prakash Agrawal	Member	Executive
Mr. Dinesh Raghbir Prasad Agarwal	Member	Executive

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

COMMITTEE OF DIRECTORS

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

Names	Designation	Category
Mr. Chandra Prakash Agrawal	Chairperson	Executive
Mr. Dinesh Raghbir Prasad Agarwal	Member	Executive
Mr. Nitin Mahavir Prasad Kandoi	Member	Non-Executive

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

Pursuant to the provisions of Section 129(3) of the Act, a statement containing performance & salient features of the financial statements of Company's associate Companies in Form AOC-1 is attached as **ANNEXURE-IX**. The Company has no Subsidiary Company. Gallantt Ispat Limited is an 'Associate' of the Company.

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

In accordance with Section 136 of the Act, the financial statements of the Associate Companies are available for inspection by the members at the Registered Office of

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

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

Pursuant to the review and recommendation of the Audit Committee, Board of Directors of the Company, at their meeting held on January 18, 2020, decided and disposed off entire shareholding held in GL Steel and Power Limited (hereinafter referred to as "GL Steel") thereby GL Steel disassociated as Wholly Owned Subsidiary of the Company.

As on March 31, 2020 the Company did not have any subsidiary or joint ventures. In terms of the Regulation 46(2)(h) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the policy for determining material subsidiaries is placed on the website of the Company at www.gallantt.com under Investors Corner of Gallantt Metal Limited.

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

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

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower Policy is available on the website of the Company.

The details of establishment of the Vigil Mechanism Policy is displayed on the website of the Company www.gallantt.com under the link: [https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Whistle Blower Policy-w.e.f. 01.04.2019](https://www.gallantt.com/Investors%20Corner/Gallantt%20Metal%20Limited/Whistle%20Blower%20Policy-w.e.f.%2001.04.2019).

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility Committee and has framed a Corporate

Social Responsibility Policy and identified Healthcare, Children's education, as some of the key areas. The 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 Raghubir Prasad Agarwal

KEY MANAGERIAL PERSONNEL

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

Sl. No.	Name	Designation
1	Mr. Chandra Prakash Agrawal	Chairman and Managing Director
2	Mr. Dinesh Raghubir Prasad Agarwal	Whole-time Director
3	Mr. Prashant Jalan*	Whole-time Director
4	Mr. Sandip Kumar Agarwal	Chief Financial Officer
5	Mr. Arnab Banerji**	Company Secretary
6	Mr. Tarun Kumar Rathi***	Company Secretary

*Resigned from the Board of Directors of the Company effective from June 29, 2020.

** Appointed effective from November 01, 2019.

*** Resigned effective from close of working hour on October 31, 2019

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Ind - AS on Consolidated Financial Statements read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Consolidated Audited Financial Statements and Consolidated Cash Flow Statement for the year ended March 31, 2020 are provided in the Annual Report.

A statement containing the salient feature of the financial statements of each of the subsidiary and Associate Company in the prescribed Form AOC-1 is annexed **ANNEXURE-IX**.

Pursuant to Section 136 of the Act, the financial statements of the subsidiary and Associate Companies are kept for inspection by the shareholders at the Registered Office of the Company. The Company shall provide free of cost, the copy of the financial statements of its subsidiary and Associate companies to the shareholders upon their request. The statements are also available on the website of the Company www.gallantt.com

COVID 19 STEPS TAKEN BY THE COMPANY

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

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

BUSINESS RESPONSIBILITY REPORT

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

EXTRACT OF ANNUAL RETURN

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

RISK MANAGEMENT

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

Key Risk	Impact to Gallantt Metal Limited	Mitigation Plans
Commodity Price Risk	Risk of price Fluctuation on basic raw materials like Iron Ore, Coal, Chemicals, Scraps as well as finished goods used in the process of manufacturing.	The Company commands excellent business relationship with the business associates. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways. Also by focusing on new value added products helps in lowering the impact of price fluctuation in finished goods.
Uncertain global economic environment – slow growth in global economy	Impact on raw materials which are imported	We have internal procedure to mitigate the global adverse impact.
Interest Rate Risk	Any increase in interest rate can affect the finance cost	Any increase in interest rate can affect the finance cost. Dependence on debt is very minimum and we have surplus funds cushion to settle the entire debt in case the need arises. Further, the Company has repaid the Term Loan in full.
Foreign Exchange Risk	Your company does not have export sales. However, import raw materials from country outside India. Any volatility in the currency market can impact the overall profitability.	The Company commands excellent business relationship with the sellers and suppliers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways.
Human Resources Risk	Your Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and non-availability of the required talent resource can affect the overall performance of the Company.	By continuously benchmarking of the best HR practices across the industry and carrying out necessary improvements to attract and retain the best talent. Also recruitment is across almost all states of India which helps to mitigate this risk and we do not anticipate any major issue for the coming five years.
Competition Risk	Your company is always exposed to competition Risk from Steel and Ago Manufacturers across the region. The increase in competition can create pressure on margins, market share etc.	By continuous efforts to enhance the brand image of the Company, quality, Cost, timely delivery and customer service.

Key Risk	Impact to Gallantt Metal Limited	Mitigation Plans
Compliance Risk – Increasing regulatory requirements	Any default can attract penal provisions	By regularly monitoring and review of changes in regulatory framework. By monitoring of compliance through legal compliance Management tools and regular internal audit and secretarial audit.
Industrial Safety, Employee Health and Safety Risk	The Steel and Agro industry is labour intensive and are exposed to accidents, health and injury risk due to machinery breakdown, human negligence etc.	By development and implementation of critical safety standards across the various departments of the factory, establishing training need identification at each level of employee.

UNPAID AND UNCLAIMED AMOUNT OF DIVIDEND AND SHARE APPLICATION MONEY

Following amount of Unpaid Dividend has not been claimed and paid till 31.03.2020:

Nature of Money	Relevant Financial Year	Bank Account Details	Amount lying (In Rs.)
Final Dividend for 2018	2017-18	IDBI Bank Account No. 1526103000000578	74,891.25
Final Dividend for 2019	2018-19	IDBI Bank Account No. 1526103000000897	51,546.75

Members who have not so far encashed their Divided 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

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

a) Transfer of Unclaimed Dividend to IEPF:

During the year Company was not required to transfer unclaimed dividend to IEPF as there was no amount unclaimed dividend outstanding for such transfer.

b) Transfer of shares to IEPF:

As required under Section 124 of the Companies Act, 2013, Company was not required to transfer any Equity Shares to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2019-20.

BOARD OF DIRECTORS AND SENIOR EXECUTIVE

The Board of Directors comprises of Eight Directors of which four are Independent. In terms Section 152 of the Companies Act, 2013, Mr. Dinesh Raghuraj Prasad Agarwal (DIN: 01017125), liable to retire by rotation at the ensuing Annual General Meeting is eligible for re-election.

Mr. Ashtbhuja Prasad Srivastava (DIN: 08434115), Mrs. Richa Bhartiya (DIN: 06905283), Mr. Jyotirindra Nath Dey (DIN: 00180925) and Mr. Dindayal Jalan (DIN: 00006882) are Independent Directors of the Company.

Mrs. Richa Bhartiya has tendered her resignation from the Directorship of the Company with effect from June 29, 2020. Mr. Prashant Jalan, Whole-time Director has tendered his resignation from the Directorship of the Company with effect from June 29, 2020.

Presently, Company has optimum combination of Executive, Non-Executive and Independent Directors on the Board of the Company. One Woman Director shall be appointed 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. Sandip Kumar Agarwal is Chief Financial Officer and is inter alia looking after the core finance function of the Company. Mr. Arnab Banerji is working in the capacity of Company Secretary and Compliance Officer.

None of the Directors of your Company is disqualified under the provisions of Section 164(2)(a) & (b) of the Companies Act, 2013 and a certificate dated June 29, 2020 received from Company Secretary in Practice certifying that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the Companies by SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed to the Corporate Governance Report.

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

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

At their meeting held on June 29, 2020, Mr. Chandra Prakash Agrawal (effective from September 01, 2020) and Mr. Dinesh Raghubir Prasad Agarwal (effective from November 01, 2020, all being executive Directors have been re-appointed for a period of five years and their reappointment was approved by the shareholders of the Company. Mr. Tarun Kumar Rathi, Company Secretary & Compliance Officer has resigned with effect from close of business hours on October 31, 2019. Accordingly, he also ceased to be a KMP of the Company. Based on the recommendation of the Nomination and Remuneration Committee of the Board, Mr. Arnab Banerji (ACS – A59335), a qualified Company Secretary, has been appointed by the Board of Directors at its meeting held on October 21, 2019 as the Company Secretary & Compliance Officer and KMP of the Company, w.e.f. November 01, 2019. Details pertaining to their remuneration have been provided in the Extract of Annual Return annexed hereto and forming part of this Report. Mr. Prashant Jalan, Whol-time Director resigned from the Board effective from close of working hour on June 29, 2020.

TRANSFER TO RESERVES

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

RELATED PARTY TRANSACTIONS

The details of Related Party Transactions during the Financial Year ending 31.03.2020, being arm's length transactions have been reported in the financial statements and forms part of this report. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the website of the Company www.gallantt.com under the Investors Corner of Gallantt Metal 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. 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 U.P.
- Promoter of Gallantt Group Mr. C.P. Agrawal & family has been listed on India's Super Rich List at 188th position in 2014 by the Business World Magazine.
- Gems of Purvanchal: Jagran Coffee Table Book has given a place to our promoter Shri. C.P. Agrawal by stating "MAKING A MARK WITH BUSINESS IN STEEL".
- Shri Yogi Adityanath Maharaj Ji, C.M. of U.P., honoured the company for 'Entrepreneur of the region' during Gorakhpur Mahotsav 2018.

- The top challengers Award 2018: awarded by the Construction World Magazine, a world famous magazine.
- The Gallant Men: Steel 360, a renowned magazine of steel industry felicitated the group and its promoters in its cover story May, 2018.
- Ranked at 6th position among the top 10 mid-size rebar producers in India by Steel 360 magazine in August, 2018 edition.

During the year:

- Listed “200 BEST UNDER A BILLION COMPANIES” in Forbes Asia Magazine, July/August 2019 edition.
- Group Chairman, Shri Chandra Prakash Agrawal was felicitated with momento for his significant and imperishable contributions to the Industrial development in the State, by Shri Yogi Adityanath Maharaj ji, C.M.of U.P on the eve of U.P. Diwas Mahotsav, in January, 2020.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since 31st March, 2020 till the date of this Report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company. However, after approval of the Scheme of Amalgamation as above all the assets and liabilities of the Transferor Companies shall be transferred to the Company.

Significant and material orders passed by the regulators / courts / tribunals impacting the going concern status and the Company’s operations in future.

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

GENERAL

- 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.

CHANGE IN SHARE CAPITAL

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

INTERNAL FINANCIAL CONTROLS

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

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

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

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

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

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

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

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

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

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

FRAUD REPORTING

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

ENVIRONMENT AND SAFETY

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

TRANSFER OF SHARES COMPULSORILY IN DEMAT MODE

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

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

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Procedure for Nomination and Appointment of Directors:

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

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

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

EMPLOYEES WELFARE

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

AMALGAMATION OF COMPANIES

At their meeting held on January 18, 2020, Board of Directors of the Company has approved the Scheme of Amalgamation and Slump Sale providing for the Amalgamation of Gallantt Ispat Limited (Transferor Company No. 1 or GIL), AAR Commercial Company Limited (Transferor Company No. 2 or AAR), Hipoline

Commerce Private Limited (Transferor Company No. 3 or HIPOLINE), Lexi Exports Private Limited (Transferor Company No. 4 or LEXI) and Richie Credit and Finance Private Limited (Transferor Company No. 5 or RICHIE) (together referred to as the "Transferor Companies") with Gallantt Metal Limited ("Transferee Company" or "GML") and for the Slump Sale of 18 MW Power Plant Undertakings of Gallantt Ispat Limited to the Transferee Company and their respective shareholders and Creditors ("Scheme") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013.

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

Brief details of the Scheme are as under:

1. GIL, AAR, HIPOLINE, LEXI and RICHIE all are TRANSFEROR COMPANIES and GML is TRANSFEE COMPANY.
2. The Transferee Company is a listed Company. GIL and AAR are also Listed Companies.
3. Upon the Scheme becoming effective in lieu of the amalgamation no consideration will be due to the Transferor Companies and in consideration of the amalgamation of the Transferor Companies with the Transferee Company pursuant to the Scheme including the consequential extinguishment of the shareholding in Transferor Companies, the Transferee Company shall without further application, issue and allot as given below equity shares in the Transferee Company to the equity shareholders of the Transferor Companies whose names appear in the Register of Members of the Transferor Companies on the Record Date:
 - 13 (Thirteen) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 14 (Fourteen) equity shares of ₹ 1/- each fully paid up held by such member in GIL.
 - 5 (Five) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 1 (One) equity share of ₹ 10/- each fully paid up held by such member in AAR.

- 9 (Nine) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 2 (Two) equity shares of ₹ 10/- each fully paid up held by such member in HIPOLINE.
- 84 (Eighty-Four) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 1 (One) equity share of ₹ 10/- each fully paid up held by such member in LEXI.
- 101 (One Hundred One) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 2 (Two) equity shares of ₹ 10/- each fully paid up held by such member in RICHIE.

4. Transferor Companies GIL and AAR and Transferee Company GML are under the Jurisdiction of the Registrar of Companies, Delhi and Haryana and Transferor Companies, HIPOLINE, LEXI and RICHIE are under the jurisdiction of the Registrar of Companies, West Bengal.
5. Pursuant to the Scheme 18 MW Power Plant Undertakings of GIL will be sold and transferred to the Transferee Company through Slump Sale at a consideration of ₹ 35 Crores payable in cash.
6. "Appointed Date of Slump Sale" means the open of business hours on 1st April 2019
7. "Appointed Date" means the open of business hours on 1st April 2019 after the completion of the slump sale.

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

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of Companies Act, 2013 (hereinafter referred to as "the Act"), Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2019-20, together with the Auditors' Report form part of this Annual Report.

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 proviso of Section 143 (12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment (s) thereof for the time being in force);

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

ACKNOWLEDGEMENT

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

On behalf of the Board

Place: Gorakhpur
Date: June 29, 2020

C. P. Agrawal
Chairman

ANNEXURE - I TO THE DIRECTORS' REPORT

DIVIDEND DISTRIBUTION POLICY

1. Statutory Mandate

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

2. Background

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

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

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

3. Policy

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

4. Dividend

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

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

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

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

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

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

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

5. Factors to be considered for declaration of Dividend

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

6. Revision in the Policy

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

7. General

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

ANNEXURE - II TO THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

(a) Energy Conservation Measures Taken

Steps taken for conservation of energy:

Your Company is continually taking necessary steps to absorb and adopt the latest technologies. These initiatives enable the facilities to become more efficient and productive as the company expands, thereby helps in energy conservation. All machinery and equipment are continuously serviced, updated and overhauled in order to maintain them in good condition. This resulted in consumption of lesser energy consumption. Energy Conservation continues to receive increased emphasis at all the units of the Company. Your Company's technical team monitors closely and vigorously various plants and equipments and suggests adoption of new and latest technology etc. and discuss to identify areas of improvement.

In addition to the existing Energy Conservation measures, the Engineering and Production departments in each manufacturing unit work closely towards improving

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

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

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

FORM –A

Disclosure of Particulars with respect to conservation of energy

Particulars	2019-20	2018-19
A. Power & Fuel Consumption		
1 Electricity		
(a) Purchased		
Total Unit in Lacs KWH	186.24	254.08
Amount ₹ in Lakh	1,904.17	2,316.29
Rate Per Unit (₹)	10.22	9.12
(b) Own Generation (Net)		
Total Units in Lakh KWH	2,144.23	2,207.23
Amount ₹ In Lakh	11,241.01	10,059.91
Rate per Unit	5.24	4.56
2. Coal		
Quantity- M.T.	3,08,775	3,13,624
Total Cost- Rs: in Lakh	16,989.86	19,608.27
Average rate – Rs: per M.T.	5,502	6,252
3. Furnace Oil		
Quantity (K. Ltrs.)	222.779	226.99
Total Cost (Rs: Lakh)	70.52	76.07
Average Rate (Rs: / K. Ltrs.)	31,653	33,513
B. Consumption per unit of production		
1. Electricity (Unit/M.T.)	75	72
Sponge Iron	766	761
SMS (Furnace and Concast)	109	103
Rolling Mills		
2. Coal (Kg/M.T.)	638	609
Power Plant (per 1000 KWH)(Net)	15	13
Rolling Mills (Kg/M.T.)	872	864
Sponge Iron (Kg/M.T.)		

FORM –B**Disclosure of Particulars with respect to technology absorption****RESEARCH & DEVELOPMENT (R&D)****Specific areas in which R & D carried out by the Company**

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

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**1. Efforts, in brief, made towards technology absorption, adaptation etc.**

- Absorbing and adapting latest technology in maintenance system.
- Technical Interaction with expert.
- Continuous efforts are being made towards improvements in existing production process.

2. Benefits derived as a result of the above efforts

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

	2019-2020 (₹ in Lacs)	2019-2019 (₹ in Lacs)
Raw Materials	14,889.35	26,500.08
Stores, Chemical and Packaging Materials	18.68	17.41
Capital Goods	-	-
Expenditure in foreign currency	343.91	386.90
Earning in foreign currency	-	-

ANNEXURE - III TO THE DIRECTORS' REPORT

MANAGERIAL REMUNERATION

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

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

Name	Designation	Ratio to median remuneration of employees
Mr. Chandra Prakash Agrawal	Chairman & Managing Director	10.17:1
Mr. Dinesh Raghbir Prasad Agarwal	Whole-time Director	27.42:1
Mr. Prashant Jalan #	Director (Plant-Operation)	3.09:1
Mr. Nitin Mahavir Prasad Kandoi	Non-Executive Director	N.A. *
Mr. Dindayal Jalan	Independent Director	N.A. *
Mrs. Richa Bhartiya #	Independent Director	N.A. *
Mr. Ashtbhuja Prasad Srivastava	Independent Director	N.A. *
Mr. Jyotirindra Nath Dey	Independent Director	N.A. *

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

Resigned from the Board of Directors effective from June 29, 2020.

- (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	5.56%
Mr. Dinesh Raghbir Prasad Agarwal	Whole-time Director	(-) 82.60%
Mr. Prashant Jalan	Director (Sales & Marketing)	2.76%
Mr. Nitin Mahavir Prasad Kandoi	Director (Plant-Operation)	N.A. *
Mr. Dindayal Jalan	Independent Director	N.A. *
Mrs. Richa Bhartiya	Independent Director	N.A. *
Mr. Ashtbhuja Prasad Srivastava	Independent Director	N.A. *
Mr. Jyotirindra Nath Dey	Independent Director	N.A. *
Mr. Sandip Kumar Agarwal	Chief Financial Officer	35.47%
Mr. Tarun Kumar Rathi	Company Secretary	(-)7.76%
Mr. Arnab Banerji	Company Secretary	N.A.

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

- (c) percentage increase in the median remuneration of employees in the financial year: (-) 2.79%

- (d) number of permanent employees on the rolls of company; 955

- (e) explanation on the relationship between average increase in remuneration and company performance: The profit before tax for the financial year ended March 31, 2020 decreased by 88.28% and the profit after tax for the financial year ended March 31, 2020 decreased by 89.55%, whereas the increase in median remuneration is 2.79%. The average decrease 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 decreased by 71.28%, whereas the profit before tax decreased by 88.28% and the profit after tax decreased by 89.55%.

- (g) average percentile decrease already made in the salaries of employees other than the managerial personnel in the last- financial year and its comparison with the percentile decrease in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for decrease in the managerial remuneration: 1.38% (non-Managerial personnel) and 2.76% (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	5.56%	The profit before tax for the financial year ended March 31, 2020 decreased by 88.28% and the profit after tax for the financial year ended March 31, 2020 decreased by 89.55%.
Mr. Dinesh Raghbir Prasad Agarwal	Whole-time Director	(-) 82.60%	
Mr. Prashant Jalan	Director (Sales & Marketing)	2.76%	
Mr. Sandip Kumar Agarwal	Chief Financial Officer	35.47%	
Mr. Tarun Kumar Rathi	Company Secretary	-7.76%	
Mr. Arnab Banerji	Company Secretary	N.A.	

- (i) 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.
- (j) 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
- (k) We hereby affirm that the remuneration paid to the managerial and non-managerial personnel is as per the Remuneration Policy of the Company approved

at the board meeting dated 30.05.2014.

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

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 Metal 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	61	Bachelor of Engineering	01/04/2014	4851560	Greensol Power System Pvt Ltd.	President	Power Plant	No	39
2	Mahesh Kumar Hukmchand Gupta	Hukmichand Gupta	01/08/1957	63	Bachelor of Commerce	01/04/2004	2859912	Ganesh Laxmi Processors Pvt. Ltd, Surat	President	Administration	No	39
3	Balvinder Darshan Ram Dhiman Rai	Darshan Ram Rai	14/04/1957	63	Bachelor of Engineering (Electrical)	09/05/2014	2859220	K.R. Pulp & Pappers Ltd, Sahajapur.	V.P.	Power Plant	No	38
4	Akash Agarwal	Dinesh R Agarwal	02/05/1989	31	Bachelor of Business Administration	01/06/2017	2664918	Ganesh Laxmi Processors Pvt. Ltd, Surat	Executive	Administration	Yes	8
5	Prashant Bhardwaj	Subhash Chandra Sharma	15/09/1978	42	PGDBM	01/07/2013	2390033	Kamdheni Ispat Ltd	V.P. (Sales)	Sales	No	19
6	Parathasaradhi Sekhar Rao Dulla	Sekhar Rao Dulla	12/03/1982	38	B. Tech, Metallurgy	01/01/2016	2311441	Baba Akila Sai Jyoti Industries Pvt. Ltd	General Manager, Process	Sponge Plant	No	15
7	Arup Chakraborty	Asitranjan Chakraborty	02-01-1971	49	Diploma Mechanical	01-06-2016	1917661	L & T Limited	General Manager	Administration	No	26
8	Rampratap Singh	Hanumat Singh	01-10-1959	60	Bachelor of Arts	12-12-2017	1717311	Shyam DRI Jarsiguda	General Manager, Process	Furnaces	No	36
9	Ravindra Srivastava	Narendra Bahadur Singh	27-07-1952	68	Diploma/B.E. Mechanical Engineering	01-02-2016	1689780	ITC RAIPUR	AGM	Project	No	42
10	Senthil Kumar Perumal	Perumal	09-04-1975	45	B.Tech (Mechanical)	10-05-2019	1659920	Operation Energy India Ltd, Chennai	General Manager, Project	Power Plant	No	23

ANNEXURE - IV TO THE DIRECTORS' REPORT

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

Rs. In Lacs

Sl. No.	Borrower	Loans	Rate of Interest (%)	Purpose for which the loan is proposed to be utilized by the receiptient	Investments	Guarantee
1	Gallantt Ispat Ltd	500.00	9.25	Principal Business	NIL	NIL
2	Gallantt Ispat Ltd	500.00	9.25	Principal Business	NIL	NIL
3	Gallantt Ispat Ltd	500.00	9.25	Principal Business	NIL	NIL
4	GL Steel & Power Pvt Ltd	1.78	9.00	Principal Business	NIL	NIL
5	Shree Surabhi Wheat Products Pvt Ltd.	200.00	9.25	Principal Business	NIL	NIL
6	Shree Surabhi Wheat Products Pvt Ltd.	100.00	9.25	Principal Business	NIL	NIL
7	GL Steel & Power Pvt Ltd	5.00	9.00	Principal Business	NIL	NIL

ANNEXURE - V TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. ECONOMY OVERVIEW AND DEVELOPMENT

Global economic prospects solely rest on the pandemic fading eventually and the stimulus that governments will be able to provide their economies. Commodity prices including oil and metal remained soft. Global GDP growth rate, according to International Monetary Fund (IMF's World Economic Outlook, April 2020 issue) moderated by 70 basis points (bps) to 2.9% (3.6% in 2018). With a growth rate of 3.7%, Emerging Markets and Developing Economies (EMDE) outpaced the 1.7% growth rate of Advanced Economies. The growth rate of world trade volumes decelerated to 0.9% in 2019 from a healthy 3.8% in the previous year.

2019 can be summarised as a year of rebalancing increased protectionism with protracted globalisation that was achieved over the last two and a half decades. Heightened trade conflicts resulting in immediate and arbitrary tariffs, geopolitical tensions across many regions and economic realignments including uncertainty around Brexit resulted in a non-conducive environment for large scale investments and growth in consumption. The year got marked with events like frequent disturbances in Hong Kong and the Persian Gulf and blow hot - blow cold trade negotiations between the US and China.

According to the International Monetary Fund (IMF), global economic growth is likely to witness a steep de-growth of -4.9% in CY 2020, amidst 'The Great Lockdown' led by COVID-19. The contraction in growth seeps down to over 170 nations, and for several of them, this comes as a double whammy as they were already fighting existing headwinds in their economy.

The advanced economies are mostly experiencing widespread outbreak, especially the US, the UK, Germany, France, Italy and Spain, and are therefore deploying containment measures that extract a sizable toll on economic activity. Additionally, adverse market sentiments are also likely to impact economic prospects. Some partial lifting of lockdown measures has been witnessed in recent weeks.

The emerging markets and developing economies are under pressure to balance their public health scenario with their economic development goals. However, emerging and developing Asia group is expected to be the only region with some growth rate in CY2020 due to significant domestic demand and policy responses.

INDIAN ECONOMY

One of the fastest-growing economies in the world until recent years, India recorded below 6% GDP growth on a y-o-y basis for the 1st time in seven

years. During the 1st quarter of FY20 India recorded a near 5% growth, the slowest since the fourth quarter of FY13. Three of the four growth engines such as private consumption, private investment, and exports have slowed down significantly. Consumption, the biggest contributor to India's growth till date, fell to an 18-quarter low of 3.1% in Q1 FY20, pointing to the fragile consumer sentiment and purchasing ability. Private consumption which contributes nearly 60% to India's GDP, is estimated to have grown at just 5.7% in 2019-20 compared to the 8.1% growth in the previous fiscal year. On the industry side, several core sectors including auto, real estate, and manufacturing were in deep waters for the major part of FY20. The auto sector in 2019 witnessed its worst decline in auto sales in more than two decades. Manufacturing is expected to have grown at just 2% in 2019-20, the lowest growth rate in nearly 15 years, compared to 6.9% in 2018-19. Exports grew at just 5.7% and have remained volatile owing to global uncertainties around trade and investments and geopolitical tensions. The fourth engine, government consumption, and investment are running out of steam because of the limited elbow room the government has for counter-cyclical spending as the budget deficit remains under pressure.

Recent Developments

The return of a majority government from the same dispensation provided political stability and policy continuity. Aiming to revive growth by way of boosting private investment and consumptions, the Central Government and the Central Bank made many accommodative stances including successive lowering of policy rates and a substantive lowering of corporate taxes. Among the key themes of the year were added thrust to doubling of farmers' income, propelling the country's economy towards the 5 trillion dollar mark, rationalising corporate taxes, attracting global companies to manufacture in India, furthering ease of doing business and expanding exports.

Despite the imminent risks to the economy, India's growth is expected to gain pace gradually in the coming months, expectedly driven by targeted measures to protect jobs, income support to the vulnerable sections of households and businesses, and encourage investments. The Government of India has already announced a Rs. 20 Trillion package (or ~10% of India's GDP) to assist the nation and its people in mitigating the economic impacts of this pandemic. India's economy remains resilient with robust long-term fundamentals, providing large external buffers and reserves, which bolster the country's potential to increase fiscal expenditure once the pandemic recedes. Moreover, India has the capacity and scale to expand its share in the global supply chain, which has been disrupted by the COVID-19 outbreak.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Steel Industry

The global steel industry faced pricing pressure for most parts of CY 2019, in the wake of a protective market environment in key economies. This was further aggravated due to country-specific demand slowdown that fuelled market imbalances.

In line with a conservative trade sentiment, consumer industries of steel undertook active destocking. This led to stunted capacity utilisation and resulted in net excess capacity globally. This was further complemented by addition of new capacities and resulted in downward pressure on steel prices.

Steel demand in developed economies are expected to decline 17.1% y-o-y in CY 2020, due to the COVID-19 impact with businesses struggling to stay afloat and high unemployment levels. Thus, recovery in CY 2021 is expected to be muted at 7.8% y-o-y. Steel demand recovery in the EU markets is likely to get delayed beyond CY 2020. The US market is also likely to witness a slight recovery in CY 2021. Meanwhile, Japanese and Korean steel demand will witness double-digit declines in CY 2020, with Japan being impacted by reduced exports and halted investments in automobiles and machinery sectors, and Korea being impacted by lower exports and weak domestic industry.

Steel demand in developing countries excluding China is expected to decline by 11.6% in CY 2020, followed by a 9.2% recovery in CY 2021.

The World Steel Association (worldsteel) forecasts steel demand to decline by 6.4% y-o-y to 1,654 MnT in CY 2020, due to the COVID-19 impact. However, it has asserted that the global steel demand could rebound to 1,717 MnT in CY 2021 and witness a 3.8% rise on a y-o-y basis. Chinese demand is likely to recover faster than in the rest of the world. The forecast assumes that lockdown measures will be eased by June and July, with social distancing continuing and major steelmaking countries not witnessing a second wave of the pandemic.

Steel demand is expected to decline sharply across most countries, especially in the second quarter of CY 2020, with a likely gradual recovery from the third quarter. However, risks to the forecast remain on the downside as economies make a graded exit from the lockdowns, without any particular cure or vaccine for COVID-19.

Indian Steel Industry

The Indian steel industry, after recovering from the twin shocks of demonetisation and the Goods and Services Tax (GST) reform, was on a fast track growth curve, especially in the latter part of the year-19-20. However, the COVID-19 has put a lot of uncertainty in the steel industry in the world, and more so in India, due to the lockdown announcement towards end of March.

India is the world's second largest producer of crude steel and is estimated to become the second-largest consumer of finished steel products over the medium term, with the sector contributing 2% of the country's GDP. The growth in India's steel consumption is driven primarily by infrastructure, construction and automobile sectors that account for 75% of the domestic demand. The growth in India's production and consumption of steel is a direct result of its economic development and consistent government efforts to strengthen the industry. However, construction and manufacturing activities were subdued for most part of the year driven by a credit squeeze and prolonged monsoon season. This also translated into softer pricing and weaker spreads for finished steel, notably in the first half of FY 2019-20. Well-placed players in the industry responded by shifting their market focus to exports, to liquidate accumulated inventory. This led to India becoming a net exporter of steel during the year under review, with non-alloy Hot Rolled Coil being the most exported item.

Worth mentioning India was the world's second-largest steel producer with production standing at 106.5 MT in 2018. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output. India's steel production capacity has expanded to 137.975 million tones in FY19. India surpassed Japan to become the world's second largest steel producer in 2019, with crude steel production of 111.2 million tonnes.

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

Government Initiatives

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

- Government introduced Steel Scrap Recycling Policy aimed to reduce import.
- An export duty of 30 per cent has been levied on iron ore (lumps and fines) to ensure supply to domestic steel industry.
- Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.
- The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 envisages 300 million tonnes (MT) steel-making capacity and

160 kgs per capita steel consumption by 2030-31.

- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs. 200 crore (US\$ 30 million).
- The Government of India raised import duty on most steel items twice, each time by 2.5 per cent and imposed measures including anti-dumping and safeguard duties on iron and steel items.

National Steel Policy 2017

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

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

Key features of the NSP 2017:

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

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

ADVANTAGE IN INDIA

I. Demand Growth:

Power and Cement industries in India will aid the growth in the metals and mining sector. Increase in iron and steel demand will also benefit the sector.

II. Attractive Opportunities:

The Ministry of Steel, government of India aims to more than double the steel production

capacity to 300 million tonnes by 2030-31, indicating new opportunities in the sector.

III. Policy Support:

100 % FDI allowed in the mining sector and exploration of metal and non-metal ores under the Automatic Route.

IV. Competitive Advantage:

India benefits from strategic location that enables convenient exports to developed as well as the fast developing Asian markets. It also has a fair production and conversion cost advantage in steel and alumina.

Rise in infrastructure development and automotive production are driving growth in the sector. Power and cement industries are also aiding growth in the metals and mining sector. Demand for iron and steel is set to continue, given the strong growth expectations for the residential and commercial building industry.

We, at Gallantt Metal, have the following production data of the Fiscal 2019-20 under the Steel Segment:

Product	2019-20	
	Production	Sales*
Sponge Iron (M.T.)	1,93,614.000	1,92,470.020
M.S. Billets (M.T.)	2,52,432.652	2,56,827.670
M.S. Round Bar & Miss Rolled Bar (M.T.)	2,29,776.230	2,25,235.440
Power Generation (KWH)	21,44,23,095	21,44,23,095

*Sales include captive consumption also.

Major Product-wise Turnover

	FY 2019-20		FY 2018-19	
	Qty (MT/Unit)	Rs. in Lacs	Qty (MT)	Rs. in Lacs
Steel (MT)*	2,43,613.790	84,747.22	2,67,257.610	1,03,527.48

*Company has Integrated Steel Plant facilities at Samakhiyali, Kutch, Gujarat,. 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

With several backward and forward linkages in place, several factors catalyse the demand in the steel industry. Traditionally, construction, infrastructure, automobiles and consumer durable sectors generate steel demand, while the availability of raw materials

and workforce have an impact on the production. During FY 2020, Indian steel manufacturers continued to face the challenges of imported steel due to elevated level of imports from Japan and South Korea, besides reduced demand from the automobile and its ancillary sectors. However, the government is working towards bolstering India's steel industry by direct and indirect policy stimuli that are expected to increase demand (multimillion-dollar NIP and fresh investment in power, railways, and water, coupled with renewed interest in the automobile sector) and reduced imports.

India's domestic steel industry is especially vulnerable to cheaper imports and demand fluctuation. The slump in domestic steel consumption and decrease in investment across sectors have affected the overall growth and profitability of the steel industry. The current wave of protectionism and trade wars is further impacting the industry.

As India works towards becoming a manufacturing powerhouse through policy initiatives like Make in India, the steel industry has emerged as a major focus area given the dependence of a plethora of sectors on its output. India is currently the world's second largest producer of steel and is set to become the second largest consumer of steel, with the industry contributing about 2% of the country's GDP. The industry has the potential to help India regain its positive trade balance in steel as well as to drive the country's export manufacturing capabilities.

The Government's continued focus on infrastructure creation, manufacturing and rural development is expected to lead to an accelerated momentum in the investment cycle and steel demand. The main factors that lead to a significant increase in demand for steel are new infrastructure developments and the growing needs of the increasing middle class in India specially in Gujarat, Maharashtra, Rajasthan etc.. The construction, automobile and manufacturing sectors will attract a high demand for steel over the next decade.

The renewed importance given by Government on affordable housing, roads, sagarmala projects and other infrastructure projects are expected to create steel demand, this will augur well for steel industry also.

Threats and Risks

Covid-19

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

The availability of raw material at right price remains a concern for the steel sector and then there is the

threat of cheap dumping from China, say experts and industry players. The government, however, is keeping a brave face and its focus areas for the New Year include increasing per capital steel consumption, finding new markets for India-made steel and a shift in the industry's attention towards production of special steel.

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

3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Major Product-wise Turnover

	2019-20		2018-19		% of Change	
	Production	Sales*	Production	Sales*	Production	Sales*
Sponge Iron (M.T.)	1,93,614.000	1,92,470.020	2,03,827.000	2,04,326.190	(5.01%)	(5.80%)
M.S. Billets (M.T.)	2,52,432.652	2,56,827.670	2,69,872.926	2,70,145.800	(6.46%)	(4.93%)
M.S. Round Bar & Miss Rolled Bar (M.T.)	2,29,776.230	2,25,235.440	2,50,918.200	2,50,340.600	(9.43%)	(10.03%)
Power Generation (KWH)	21,44,23,095	21,44,23,095	22,07,23,330	22,07,23,330	(2.85%)	(2.85%)

*Sales include captive consumption also.

	2020	2019	% of Change
SEGMENT REVENUE (Rs. in Lakh)			
Steel	86,504.66	1,06,378.53	(18.68)
Power	15,648.71	15,177.64	3.10
Unallocated	114.21	540.21	(78.86)
SEGMENT RESULTS (Rs. in lacs)			
Steel	(2,595.36)	5,962.37	(143.53)
Power	4,407.71	5,095.92	(13.51)

4. OUTLOOK

India's steel consumption growth is expected to rise over the medium to long term on account of government expenditure on infrastructure and fiscal stimulus to manufacturing industries. Further, the country is looking to modernise, expand and accommodate the aspirations of a growing population where industrialisation, urbanisation and access to technology are the key pillars of the economic growth.

Since, Infrastructure has linkages to other industries like cement, brick and steel through backward and forward linkages. The outlook for the industry looks reasonable, since India has good iron ore deposits, skilled manpower and growing demand for steel. The improved demand is expected to continue in the current fiscal as well on the back of ongoing government funded infrastructure projects. In spite of a downturn in the Global Steel demand, Indian steel demand could survive showing an upward

trend, setting a road ahead for the growth of the domestic steel industry in the long run. The upward trend is expected to be continued on account of fiscal measures taken by the Government such as infusion of funds for development of infrastructure sector, introduction of stimulus packages for revival of industry besides factors like increase in consumption and production of steel, upcoming infrastructure and Greenfield projects, stabilization of prices etc. The National Steel Policy has a target for taking Indian Steel production upto 110 MT by 2019-20.

5. RISKS AND CONCERNS

Availability of Raw materials like Iron Ore, Coal etc. at a competitive cost is the main area of concern for the Company. High cost of iron ore and coal impacting the EBITDA margin. Availability and cost of required grade of Iron ore are impacted by Global movement and parity of landed cost considering price, freight, tariff and exchange rates and also Domestic demand-supply gap, constraints and vendor actions. All these concern as well as Government policies and their impact on raw materials availability are being tracked regularly.

Global economic uncertainties have affected India's economy, Key risks synonymous to industry include the global recessionary trend, economic slowdown, increase in financial charges, non-availability (or undue increase in cost) of raw materials, such as, iron ore, coal and labour etc., coupled with market fluctuations. 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.

Apart from this Industry is highly labour intensive and is subject to stringent labour laws. The swings on commodity prices, the volatility of several currencies across the world, the economic conditions of countries where our suppliers and buyers operate from and inter-country trade issues are some of the uncertainties that we face frequently. The company mitigates these risks by timely managerial intervention and by carefully to put in place robust risk mitigation strategies and

incorporate agility in operations to meet temporary headwinds and create opportunities of growth.

Since steel business is a highly competitive market, the Company is prone to risks from price sensitive markets, geographic dependencies and limited customer segments.

The Company tries to counter these risks by forging long term relationships with buyers of products of the Company that again results from meeting end users expectations consistently.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Revenue from Operations for the current year is Rs. 86,504.66 Lacs as compared to Rs. 1,06,378.53 Lacs in the previous year. The Profit before Tax for the year under review is Rs. 1,289.02 Lacs as against Rs. 10,999.51 Lacs in the previous year. Profit after Tax during FY 2019-20 stood at Rs. 748.23 Lacs as against Rs. 7,162.65 Lacs in the previous year

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

SEGMENT REVENUE (Rs. In lacs)			
	2020	2019	% Changes
Steel	86,504.66	1,06,378.53	(18.68)
Power	15,648.71	15,177.64	3.10
Unallocated	114.21	540.21	(78.86)
SEGMENT RESULTS (₹ In lacs)			
	2020	2019	% Changes
Steel	(2,595.36)	5,962.37	(143.53)
Power	4,407.71	5,095.92	(13.51)

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

We believe that our intellectual capital is the true asset of our business and losing them could have an adverse effect on the Company's performance. At Gallantt Metal, we believe that to ensure skill development and to be able to face major challenges, we need teams who deliver and who are motivated. Our human capital is our greatest tool for shaping the future of the Company and is also critical for our smooth functioning. Discovering talented people and retaining them is the key aim of our HR policy. Our people are our greatest strength as a company and the bedrock of our organization. That's why our highest priority is to provide a rewarding workplace that's safe, welcoming, and supportive of professional development. Employees work with great zeal with the feeling in mind that the interest of employer and employees is one and the same, i.e. to increase production. Every worker feels that he is a co-owner of the gains of industry. The employer in his turn must realize that the gains of industry are not for him along but they should be shared equally and generously with his workers.

Company's Learning and Development Programs cater to a wide variety of employee profiles addressing Sales and Marketing, Manufacturing and Leadership. Our company enjoys the support of committed and well satisfied human capital. The manpower strength of the Company as on 31st March 2020 was 955 permanent employees including Executive Directors, Chief Financial Officer, Company Secretary and other management staff across different locations.

The Company maintained harmonious industrial relations in all units of the Company during the financial year 2019-20.

9. SIGNIFICANT CHANGES IN FINANCIAL RATIOS

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

Financial Ratio	FY 2019-20	FY 2018-19	Change (%)	Reason for change
Debtors Turnover	28.69	24.15	18.77	Debtor turnover increased due to non realisation of debtor in second half of March due to Covid Panademic

Financial Ratio	FY 2019-20	FY 2018-19	Change (%)	Reason for change
Inventory Turnover	6.15	8.27	(25.62)	Inventory build up in second half of March due to Covid Panademic.
Interest Coverage Ratio	3.89	33.96	(88.54)	Interest coverage ratio declined due to declined of Profit Margin because of steel market adversely affected.
Current Ratio	1.43	2.00	(28.59)	Current Ratio declined because of loan taken for the project of the Company.
Debt Equity Ratio	0.36	0.17	112.62	Debt Equity Ratio declined because of loan taken for the project of the Company.
Operating Profit Margin (%)	2.00	10.60	(81.10)	Operating profit decreased during the year due to sluggish market situation and overall subdued performance of steel Industry.
Net Profit Margin (%)	0.86	6.70	(87.11)	Net profit decreased during the year due to sluggish market situation and overall subdued performance of steel Industry.
Return on Net Worth (%)	1.54	14.88	(89.66)	Returned to Net worth declined due to declined in profit margin.

CAUTIONERY STATEMENT

The statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic & overseas markets in which the Company operates, changes in the government regulations, tax laws & other statutes & other incidental factors.

On behalf of the Board

Place: Gorakhpur
Date: June 29, 2020

C. P. Agrawal
Chairman

ANNEXURE - VI TO THE DIRECTORS' REPORT

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

CONCEPT & CONTEXT

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

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

CORPORATE SOCIAL RESPONSIBILITY PHILOSOPHY

GML'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. GML 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 GML's social responsibility objectives and provides guidance on the social responsibilities of all individuals associated with the GML. GML's primary responsibility is to ensure the long-term success of the Gallantt Group through the adoption and management of good corporate social behaviour.

OBJECTIVES OF THE POLICY

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

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

DEFINITIONS

Act means the Companies Act, 2013;

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

Ministry means the Ministry of Corporate Affairs;

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

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

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

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

LIST OF CSR PROJECTS/PROGRAMS/ACTIVITIES

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

The activities involve the following:

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

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

AREA OF ACTIVITY

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

FUNDING AND QUANTUM OF AMOUNT FOR CSR

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

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

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

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

THE PROCESS TO MONITOR SUCH PROJECTS OR PROGRAMS

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

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

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

Appropriate documentation and amendments of the CSR Policy, annual CSR activities, reports on execution by CSR Partner(s) and expenditures will be undertaken on a regular basis and the same will be available to the Board of Directors of the Company.

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

The CSR Committee and persons / entities authorised by it will conduct the due diligence checks on the current projects/partners on a quarterly basis and report anomalies, if any, immediately.

THE PROCEDURES

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

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

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

PLANNING AND IMPLEMENTATION

- For the purpose of focusing its efforts in a continued and effective way, Education and Literacy Enhancement is identified as a main thrust area, besides other activities permitted under the Regulations.
 - A list of CSR projects / programmes which the Company plans to undertake during the implementation year will be laid down before the Committee at the beginning of each year, specifying modalities of execution in the areas/sectors chosen and implementation schedules for the same.
 - Identification of projects and the executing agency/ NGO will be made, inter alia, by assessing the following:
 - Project Objectives
 - Baseline Survey – As-is and To-be state basis, accordingly the outcome of the project will be measured.
 - Implementation Schedules – Timelines for milestones of the project will need to be prescribed and agreed upon.
 - Responsibilities and authorities.
 - Major results expected and measurable outcome including the expenses/charges ratio as against the actual CSR spend.
- If the Company decides to set up a Trust or Section 8 Company, or Society or Foundation or any other form of entity operating within India to facilitate implementation of its CSR activities in accordance with its stated CSR Policy, the following shall apply:
 - The Company would need to specify the projects/programmes to be undertaken by such an organization, for utilizing funds provided to it;
 - The Company shall establish a monitoring mechanism to ensure that the allocation is spent for the intended purpose only.
 - The Company may also conduct/implement its CSR programmes through Trusts, Societies, or Section 8 Companies operating in India, which are not set up by the Company itself, herein collectively referred to as 'CSR Partner(s)'.
 - Such spends may be included as part of its prescribed CSR spend only if such organizations have an established track record of at least three years in carrying on activities in related areas.
 - Company may collaborate or pool resources with other companies to undertake CSR activities within India. Only activities which are not for the benefit of employees of the company or their family members shall be considered as CSR activity.
 - CSR Committee in consultation with the Board of Directors of the Company will identify suitable projects for implementation in line with the objectives of the Company and requirements laid down under the Regulations. These projects would be executed either directly by the Company and / or through CSR Partner(s).
 - While identifying projects, CSR Committee will assess CSR Partner(s) organizations who would execute the projects at the grass root level. At a minimum they need to meet the following criteria:
 - The CSR Partner(s) has a permanent office/ address in India;
 - The CSR Partner(s) is a Trusts, Societies, or Section 8 Company having an established track record of three years in undertaking similar CSR programmes or projects in pursuance with the relevant regulations;
 - Possesses a valid income-tax Exemption Certificate
 - The antecedents of the CSR Partner are verifiable
 - Have requisite framework to report progress/ status of the projects on a quarterly basis on agreed parameters.

- vi. Maintain a required level of auditable records on the CSR initiatives conducted in conjunction with GIL as agreed mutually.

REVIEW AND REPORTING

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

The Company will report in the prescribed format, the details of CSR initiatives and activities of the Company in the Directors' Report and on the website of the

Company, as required under the Regulations. Such reporting will be done, pertaining to financial year(s) commencing on or after the 1st day of April, 2014.

AMENDMENTS TO THE POLICY

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

ANNEXURE - VII TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES

- Brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs. : CSR Policy is available in this Annual Report being part of Directors' Report and is also available at website www.gallantt.com

The focus areas of CSR Policy are as follows

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

- Promoting education including special education especially among children, women, elderly and the differently abled and livelihood enhancement projects in backward areas;
 - Promoting health care including preventive health care and sanitation and making available safe drinking water;
- Composition of the CSR Committee: Mr. Jyotirindra Nath Dey, Chairman, Mr. Chandra Prakash Agrawal and Mr. Dinesh Raghubir Prasad Agarwal
 - Average net profit of the Company for the last three financial years: ₹ 6,956.86 Lacs.
 - Prescribed CSR expenditure (2% of the average net profit of the company for the last 3 financial years): ₹ 139.14 Lacs.
 - Details of CSR spent during the financial year.
 - Total amount to be spent for the financial year: ₹ 139.92 Lacs
 - Amount unspent, if any: NIL
 - Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs 1. Local area or other 2. Specify the State and District where projects or programs were undertaken	Amount outlay (Budget project or programs wise)	Amount spent on the projects or programs Sub-heads: 1. Direct Expenditure on projects or programs 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency (give details of implementing agency)
1.	The company is promoting animal welfare through Prabhubhai Varchand	Promoting Animal Welfare	Programme is undertaken in the backward area of Samakhjali, Kutch, Gujarat.	An amount of ₹ 1.35 Lacs has been paid and the CSR Committee of the Company is monitoring the actual expenditure and surplus, if any.	₹ 1.35 Lacs	₹ 352.30 Lacs *	Amount has been contributed directly by the Company to Prabhubhai Varchand, Samakhjali, Kutch, Gujarat for the Financial Year 2019-20.
2.	The company is promoting Social Welfare for economically weaker section of the society through Bala Ahir Seva Samaj.	Promoting Social Welfare etc.	Programme is undertaken at Samakhjali, Kutch, Gujarat for the benefit of public at large.	An amount of ₹ 5.00 Lacs has been paid for the Compound Wall making charges.	₹ 5.00 Lacs	₹ 357.30 Lacs *	Amount has been contributed directly by the Company to Bala Ahir Seva Samaj Samakhjali, Kutch, Gujarat for the Financial Year 2019-20.
3.	The company is promoting Water facility for economically weaker section of the society through Bala Ahir Seva Samaj.	Promoting Social Welfare etc.	Programme is undertaken at Gram Panchayat, Samakhjali, Kutch, Gujarat for the benefit of public at large.	An amount of ₹ 1.70 Lacs has been paid for the Compound Wall making charges.	₹ 1.70 Lacs	₹ 359.00 Lacs *	Amount has been contributed directly by the Company to Gram Panchayat, Samakhjali, Kutch, Gujarat for the Financial Year 2019-20.

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs 1. Local area or other 2. Specify the State and District where projects or programs were undertaken	Amount outlay (Budget project or programs wise)	Amount spent on the projects or programs Sub-heads: 1. Direct Expenditure on projects or programs 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency (give details of implementing agency)
4.	The company is promoting Rural Development for the benefit of the society in the backward area of Samakhali, Kutch, Gujarat.	Rural Development.	Rural Development Programme is undertaken at Village –Juna Ktaria under Sujlam Suflam Jal Abhiyan-2019	An amount of ₹ 0.90 Lac has been paid	₹ 0.90 Lac	₹ 359.90 Lacs *	Amount has been contributed directly by the Company through Devabhai Chakubhai Rabari for the Rural Development Programme is undertaken at Village –Juna Ktaria under Sujlam Suflam Jal Abhiyan-2019 for the Financial Year 2019-20.
5.	The company is promoting Rural Development for the benefit of the society in the backward area of Samakhali, Kutch, Gujarat.	Rural Development.	Rural Development Programme is undertaken at Village –Juna Ktaria under Sujlam Suflam Jal Abhiyan-2019	An amount of ₹ 0.90 Lac has been paid	₹ 0.90 Lac	₹ 360.80 Lacs *	Amount has been contributed directly by the Company through Ranchhodhbhai Sombhai Rabari for the Rural Development Programme is undertaken at Village –Juna Ktaria under Sujlam Suflam Jal Abhiyan-2019 for the Financial Year 2019-20.
6.	The company is promoting Rural Development for the benefit of the society in the backward area of Samakhali, Kutch, Gujarat.	Rural Development.	Rural Development Programme is undertaken at Village –Sukhpur, Kanmer & Mewasa Village under Sujlam Suflam Jal Abhiyan-2019	An amount of ₹ 2.70 Lac has been paid	₹ 2.70 Lac	₹ 363.50 Lacs *	Amount has been contributed directly by the Company through Jai Mataji Construction, for the Rural Development Programme is undertaken at Village –Juna Ktaria under Sujlam Suflam Jal Abhiyan-2019 for the Financial Year 2019-20.
7.	The company is promoting Education for economically weaker section of the society through Gyan Ved Foundation (Charitable Society) area of Assam for the benefit of the society in the backward area of Samakhali, Kutch, Gujarat.	Promoting Education etc.	Programme is undertaken in the backward area of State of Assam through local Trust/Society	An amount of ₹ 125.00 Lacs has been paid	₹ 125.00 Lac	₹ 488.50 Lacs *	Amount has been contributed directly to the following implementing agency: GYAN VED FOUNDATION (CHARITABLE SOCIETY) for the Financial Year 2019-20. KC Agencies Building, RKB Path, Dibrugarh – 786001. Assam.

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs 1. Local area or other 2. Specify the State and District where projects or programs were undertaken	Amount outlay (Budget project or programs wise)	Amount spent on the projects or programs Sub-heads: 1. Direct Expenditure on projects or programs 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency (give details of implementing agency)
8.	The company is promoting Rural Development for the benefit of the society in the backward area of Samakhlyali, Kutch, Gujarat.	Rural Development.	Rural Development Programme is undertaken at Village –Gharana, Kutch, Gujarat	An amount of ₹ 2.00 Lac has been spent	₹ 2.00 Lac	₹ 490.50 Lacs *	Amount has been contributed directly by the Company for the Rural Development Programme is undertaken for the Financial Year 2019-20
9.	The company is promoting Rural Development and health for the benefit of the society in the backward area of Samakhlyali, Kutch, Gujarat.	Rural Development./ Health/ Sanitisation	Rural Development Programme is undertaken at Village –Samakhlyali, Kutch, Gujarat	An amount of ₹ 0.36 Lac has been paid	₹ 0.36 Lac	₹ 490.86 Lacs	Rural Development Programme is undertaken at Village –Samakhlyali, Kutch, Gujarat

This cumulative expenditure of ₹ 490.86 Lacs includes contribution of ₹ 139.92 Lacs on CSR activities during financial year 2019-20.

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount. : Company has contributed the amount for the approved project and amount has been spent. However, the CSR Committee is monitoring the entire process.
7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

For CSR Committee, GALLANTT METAL LIMITED

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

Place: Kolkata
Date: 29.06.2020

ANNEXURE - VIII TO THE DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2020

[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 METAL 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 practices by M/s. Gallantt Metal 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.

2. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we, on strength of those records, and information so provided, hereby report that in our opinion and understandings, the Company has, during the audit period covering the financial year ended on March 31, 2020, appears to have complied with the statutory provisions listed hereunder and also in our limited review, that the Company has proper and required Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes' book, forms and returns filed and other records maintained by the Company and made available to us, for the financial year ended on March 31, 2020 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;

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;

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 Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited pursuant

to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

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

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

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

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

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

There are no other specific events/actions in pursuance of 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:

The Regional Director (ER), Ministry of Corporate Affairs vide its order dated April 11, 2019 approved shifting of Registered Office from the state of West Bengal to the National Capital Territory of Delhi. The Company has filed E-Form INC-22 with the Registrar of Companies, West Bengal, intimating the shifting of the Registered Office of the Company from 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700 069 (from

the jurisdiction of Registrar of Companies, West Bengal) to "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014 (to the jurisdiction of Registrar of Companies, Delhi and Haryana).

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

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

Anurag Fatehpuria

Company Secretary

Place: Kolkata

Date: 29.06.2020

ACS 34471; CP No. 12855

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 METAL LIMITED

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, and authorised representatives during the conduct of the audit and also on the review of quarterly compliance report issued by the respective departmental heads/ Company Secretary/Managing Director & CEO, and taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour Laws & Environment Laws.
8. We further report that the Compliance by the Company of applicable Financial Laws like Direct & Indirect Tax Laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2020 but before issue of the Report.

Anurag Fatehpuria

Company Secretary

Place: Kolkata

Date: 29.06.2020

ACS 34471; CP No. 12855

UDIN:A034471B000392169

ANNEXURE - IX TO THE DIRECTORS' REPORT

FORM NO. AOC.1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Sl. No.	Name of the Company	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of shareholding

NIL

Part "B": Associates and Joint Ventures

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

Name of Associate	Gallantt Metal Limited
1. Latest audited Balance Sheet Date	31.03.2020
2. Shares of Associate held by the company on 31.03.2020	GALLANTT ISPAT LIMITED
No.	7,25,19,920
Amount of Investment in Associate	4,260.20 lakhs
Extend of Holding %	25.68%
3. Description of how there is significant influence	Associate Company
4. Reason why the associate/joint venture is not consolidated	By way of Ownership
5. Networth attributable to Shareholding as per latest audited Balance Sheet	Consolidated
6. Profit / Loss for the year	
i. Considered in Consolidation	₹ 1492.63 lakhs
ii. Not Considered in Consolidation	NIL

As per our Report of even date

For **ALPS & Company**

Chartered Accountants

FRN. 313132E

(A. K. Khetawat)

Partner

Membership No.: 517195

UDIN: 20052751AAAABN5176

Place : Kolkata

Dated : 29.06.2020

Chandra Prakash Agrawal**Dinesh Raghubir Prasad Agarwal****Sandip Kumar Agarwal****Arnab Banerji**

Chairman & Managing Director

Whole-time Director

Chief Financial Officer

Company Secretary

Notice

Board & Management Report

Standalone Financial Report

Consolidated Financial Report

ANNEXURE - X TO THE DIRECTORS REPORT

BUSINESS RESPONSIBILITY STATEMENT

(Part of the Directors Report) Annual Report 2019-20

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

(Rs. In Lacs)

1	Corporate Identity Number (CIN) of the Company	L27109DL2005PLC350524
2	Name of the Company	GALLANTT METAL LIMITED
3	Registered address	"GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014.
4	Website	www.gallantt.com
5	E-mail id	csgml@gallantt.com
6	Financial Year reported	2019-20
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Iron, Steel and Power
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Iron & Steel and Power
9	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	Only one plant of Steel Unit is located at Village – Samakhyali, Taluka – Bhachau, District – Kutch, Gujarat. Registered Office at "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014. Corporate Office at 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069, West Bengal. Head Office at "GALLANTT LANDMARK", AD Tower Compound, Bank Road, Gorakhpur – 273001, Uttar Pradesh.
10	Markets served by the Company – Local/State/National/International	Local/State/National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Paid up Capital (INR)	81,32,23,240/-
Total Turnover (INR)	8,65,04,66,644/-
Total profit after taxes (INR)	7,48,25,946/-
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Please refer annexure to the Board Report regarding CSR
List of activities in which expenditure in 4 above has been incurred.	Please refer annexure to the Board Report regarding CSR

SECTION C: OTHER DETAILS

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

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

DIN Number (if applicable)	01814318
Name	Chandra Prakash Agrawal
Designation	Managing Director
Telephone number	011-45048767
e-mail id	gml@gallantt.com

2. Details of BR Head

DIN Number (if applicable)	01814318
Name	Chandra Prakash Agrawal
Designation	Managing Director
Telephone number	011-45048767
e-mail id	gml@gallantt.com

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

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

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

4. Governance related to BR

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

field of CSR. Other supporting functions/groups like Sustainability, meet on a periodic basis to assess the BR performance.

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

SECTION E: PRINCIPLE-WISE PERFORMANCE**PRINCIPLE 1****ETHICS, TRANSPARENCY AND ACCOUNTABILITY**

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

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

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

- a) **Whistle Blower Policy** – to provide an avenue for directors and employees to inform about any wrongdoing in the company and reassurance that they will be protected from reprisals or victimization for whistle blowing.
- b) **Policy for Determining Materiality of Events and Information** - The objective of this Policy is: (a) to ensure disclosure of any event or information which, pursuant to SEBI regulations is material, (b) to determine whether an event or information is material or not, and (c) to ensure timely, accurate, uniform and transparent disclosure.
- c) **Code of Conduct for Directors & Senior Management** – to ensure, inter-alia, protection of confidential information, preventing conflict of interest, ensuring that anti-bribery and corruption laws are complied with, and ensure compliance with all the applicable laws, regulations and Company's policies.
- d) **Company's Code of Conduct on (prevention of) Insider Trading** – to prevent insider trading and protect of price sensitive information.
- e) **Policy on prevention of sexual harassment.**

These policies cover the Company, subsidiaries.

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

The Company has in place different mechanisms for receiving and dealing with complaints from different stakeholders viz. shareholders, customers, employees, vendors etc. There are dedicated resources to respond to the complaints within a time bound manner.

PRINCIPLE 2**PRODUCT LIFE CYCLE SUSTAINABILITY**

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

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

We are conscious that extraction of natural resources gives rise to negative environmental impacts, from gas and particulate emissions and hazardous waste; to water extraction and landscape modification. To this end, we manage our footprint to the most stringent global standards throughout the project life cycle.

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

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

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

Our product movements to consumers take place through rail and roadways. The environmental impacts like dust emission during transportation of coal, iron ore, lime etc., final products and road dust etc. have been identified. All safety and environmental protocols are followed and proper training is provided for handling. At material handling areas for coal and iron ore, new technologies are installed with proper water sprinklers.

Ore transport from the railways to the factory point is carried out through trucks with properly covered to ensure no spillage and dust generation.

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

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

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

The Company sources its major inputs like Iron Ore and Coal from large national and international manufacturers/sellers. Going forward, we will make further efforts to increase local sourcing. Our direct & indirect employment as also our CSR activities are largely focused on the communities surrounding our operations.

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

Our primary activities are in the producing of steel and Power products as well as power generation using well

established processes and technologies. Our focus on best available technology helps us to produce these products using efficient energy consumption and maximum product output.

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

**PRINCIPLE 3:
EMPLOYEE WELL-BEING**

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

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

1.	Please indicate the Total number of employees.	995
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	532
3.	Please indicate the Number of permanent women employees.	25(included in 1 above)
4.	Please indicate the Number of permanent employees with disabilities.	9
5.	Do you have an employee association that is recognized by management?	N.A.
6.	What percentage of your permanent employees is members of this recognized employee association?	NIL
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	NIL
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Casual/Temporary/Contractual Employees (d) Employees with Disabilities	100% employees (in-house/on the Job Training) 100% employees (in-house/on the Job Training) 100% employees (in-house/on the Job Training) Not applicable

**PRINCIPLE 4:
STAKEHOLDER ENGAGEMENT**

1. Has the company mapped its internal and external stakeholders? Yes/No

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

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

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

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

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

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

**Principle 5:
HUMAN RIGHTS**

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

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

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

Gallantt Metal Limited has received no such complaint pertaining to sexual harassment during the reporting year 2019-20.

Principle 6: ENVIRONMENTAL

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

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

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

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

3. Potential environmental risks

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

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? No such project.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Not undertaken.

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

Yes, all emission/waste generated by the Company are within the permissible limits given by CPCB/SPCB in 2019-20.

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

No show cause notices from SPCB or CPCB are pending as at end of the financial year 2019-20.

Principle 7: Policy Advocacy

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

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

The Gandhidham Chamber of Commerce & Industry, Gandhidham Federation of Kutch Industries Association, Bhuj

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

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

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

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

The Company supports inclusive growth and equitable development through its Corporate Social Responsibility (CSR) programmes. The Company has aligned its CSR programmes with the requirements of the Companies Act 2013. The Company has set up a three members CSR Committee of the Board. The Company's CSR Policy has been approved by the CSR Committee and the Board. The CSR programmes are clearly mentioned in the CSR policy.

2. The CSR programmes of the Company are overseen largely by NGOs. However, it is being planned to do the same by in-house teams and wherever need

arise in future services of NGO partners and other agencies will be taken subject to their expertise.

3. The CSR programmes and their impacts/ outcomes are monitored and reviewed by the management periodically as also by the CSR committee of the Board.

4. Details on the Company's CSR programmes on community development have been shared in the Directors Report.

The Company is socially committed to focus these areas:

- a. Education
- b. Health, Nutrition and Sanitation
- c. Need Based Community Infrastructure Development

5. Steps taken to ensure that this community development initiative is successfully adopted by the community

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

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

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

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

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

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

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

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

No case has been filed by stakeholders against the Company regarding unfair trade practices, irresponsible advertising and anti-competitive behaviour during the last five years. Therefore, no such cases remain pending as on the end of the financial year 2019-20.

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

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

Date: June 29, 2020
Place: Gorakhpur

On behalf of the Board
C. P. Agrawal
Chairman

ANNEXURE - XI TO THE DIRECTORS' REPORT

Extract of Annual Return as on the financial period ended on 31st March 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies

(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of Main Product / Services	NIC Code of the Product	% to total turnover of the Company
1	Steel	2410	84.59
2	Power*	3510	15.30

*Inter Segment

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. N.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of Shares	Applicable Section
1.	Gallantt Ispat Limited	L27109DL2005PLC350523	Associate	25.68	Section 2(6) of the Companies Act, 2013

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

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	6140420	0	6140420	7.551	6130445	0	6130445	7.538	-0.013
b) Centran Government	0	0	0	0	0	0	0	0	0
c) State Government	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	48546023	0	48546023	59.696	48546023	0	48546023	59.696	0.000
e) Banks / Financial Institutions	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	54686443	0	54686443	67.247	54676468	0	54676468	67.234	-0.013
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks / Financial Institutions	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0.000	0	0	0	0.000	0.000
Total	54686443	0	54686443	67.247	54676468	0	54676468	67.234	-0.013
Shareholding of Promoter (A) = (A)(1)+(A)(2)									
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / Financial Institutions	0	0	0	0	37	0	37	0.000	0.000
c) Central Governments	0	0	0	0	0	0	0	0	0
d) State Governments	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) Foreign Institutional Investors (FII)	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
Alternate Investment Funds	16971	0	16971	0.021					-0.021

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	
(2) Sub-total (B)(1)	16971	0	16971	0.021	37	0	37	0.000	-0.021
(2) Non-Institutions									
a) Bodies Corporate	0	0	0	0	0	0	0	0	0
i) Indian	18467094	0	18467094	22.709	18655674	0	18655674	22.940	0.231
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	3714123	31	3714154	4.567	3490827	31	3490858	4.293	-0.274
ii) Individual shareholders holding nominal share capital in excess of Rs 1 l	4096959	0	4096959	5.038	4180384	0	4180384	5.141	0.103
c) Others Specify	0	0	0	0	0	0	0	0	0
1. NRI	170513	0	170513	0.210	163965	0	163965	0.202	-0.008
2. Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
3. Foreign Nationals	0	0	0	0	0	0	0	0	0
4. Clearing Members	165190	0	165190	0.203	154938	0	154938	0.191	-0.012
5. Trusts	5000	0	5000	0.006	0	0	0	0	-0.006
6. Foreign Bodies - D.R.	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	26618879	31	26618910	32.733	26645788	31	26645819	32.766	0.033
Total Public Shareholding (B) = (B)(1)+(B)(2)	26635850	31	26635881	32.753	26645825	31	26645856	32.766	0.013
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A+B+C)	81322293	31	81322324	100.000	81322293	31	81322324	100.000	0.000

B. Shareholding of Promoters

Sl 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	20400	0.025	0.000	10400	0.013	0.000	-0.012
2	ASHU GOEL	250	0.000	0.000	275	0.000	0.000	0.000
3	ASHUTOSH AGARWAL	178591	0.220	0.000	178591	0.220	0.000	0.000
4	BRIJ MOHAN JOSHI	2500	0.003	0.000	2500	0.003	0.000	0.000
5	CHANDRA PRAKASH AGRAWAL	300000	0.369	100.000	300000	0.369	100.000	0.000

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	
6	DINESH KUMAR AGARWAL	2307251	2.837	9.102	2307251	2.837	9.102	0.000
7	GALLANTT ISPAT LIMITED	39462895	48.527	0.000	39462895	48.527	0.000	0.000
8	HIPOLINE COMMERCE PRIVATE LIMITED	9083128	11.169	0.000	9083128	11.169	0.000	0.000
9	KARUNA JINDAL	5000	0.006	0.000	5000	0.006	0.000	0.000
10	KUSUM DEVI JALAN	19661	0.024	0.000	19661	0.024	0.000	0.000
11	NARAIN PRASAD AJITSARIA	2500	0.003	0.000	2500	0.003	0.000	0.000
12	NARESH CHANDRA AGARWAL	9000	0.011	0.000	9000	0.011	0.000	0.000
13	NIDHI JALAN	24500	0.030	0.000	24500	0.030	0.000	0.000
14	NITIN KANDOI	10500	0.013	4.762	10500	0.013	4.762	0.000
15	OM PRAKASH JALAN	48279	0.059	0.000	48279	0.059	0.000	0.000
16	PREM PRAKASH AGRAWAL	15995	0.020	0.000	15995	0.020	0.000	0.000
17	PREM PRAKASH AGRAWAL HUF	32500	0.040	0.000	32500	0.040	0.000	0.000
18	PRIYA AGARWAL	100000	0.123	0.000	100000	0.123	0.000	0.000
19	PRIYANKA DAS	4898	0.006	0.000	4898	0.006	0.000	0.000
20	SANTOSH KUMAR AGRAWAL	2605247	3.204	0.000	2605247	3.204	0.000	0.000
21	SANTOSH KUMAR AGRAWAL HUF	110000	0.135	0.000	110000	0.135	0.000	0.000
22	SHARDA DEVI JALAN	2500	0.003	0.000	2500	0.003	0.000	0.000
23	SHRUTI KANDOI	17056	0.021	0.000	17056	0.021	0.000	0.000
24	SHYAMA AGRAWAL	190000	0.234	0.000	190000	0.234	0.000	0.000
25	SMRITI AGARWAL	10000	0.012	0.000	10000	0.012	0.000	0.000
26	SUBODH KUMAR JALAN	10000	0.012	0.000	10000	0.012	0.000	0.000
27	SUMESH KUMAR AGARWAL	100000	0.123	0.000	100000	0.123	0.000	0.000
28	UMA AGARWAL	13792	0.017	0.000	13792	0.017	0.000	0.000
	TOTAL	54686443	67.247	0.934	54676468	67.234	0.934	-0.013

C. Change in Promoter's Shareholding

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ANUPAM AGARWAL				
	a) At the Beginning of the Year	20400	0.025		
	b) Changes during the year				
	Date Reason				
	04/10/2019 Transfer	-1500	0.002	18900	0.023
	18/10/2019 Transfer	-1116	0.001	17784	0.022
	25/10/2019 Transfer	-1004	0.001	16780	0.021
	01/11/2019 Transfer	-11	0.000	16769	0.021
	08/11/2019 Transfer	-2500	0.003	14269	0.018
	15/11/2019 Transfer	-1056	0.001	13213	0.016
	22/11/2019 Transfer	-500	0.001	12713	0.016
	29/11/2019 Transfer	-2313	0.003	10400	0.013
	c) At the End of the Year			10400	0.013
2	ASHU GOEL				
	a) At the Beginning of the Year	250	0.000		
	b) Changes during the year				
	Date Reason				
	03/05/2019 Transfer	200	0.000	450	0.001
	17/05/2019 Transfer	300	0.000	750	0.001
	24/05/2019 Transfer	250	0.000	1000	0.001
	06/09/2019 Transfer	-500	0.001	500	0.001
	13/09/2019 Transfer	200	0.000	700	0.001
	27/09/2019 Transfer	500	0.001	1200	0.001
	01/11/2019 Transfer	-800	0.001	400	0.000
	29/11/2019 Transfer	-25	0.000	375	0.000
	06/12/2019 Transfer	-100	0.000	275	0.000
	c) At the End of the Year			275	0.000
3	ASHUTOSH AGARWAL				
	a) At the Beginning of the Year	178591	0.220		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			178591	0.220
4	BRIJ MOHAN JOSHI				
	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	0.003
5	CHANDRA PRAKASH AGRAWAL				
	a) At the Beginning of the Year	300000	0.369		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			300000	0.369
6	DINESH KUMAR AGARWAL				
	a) At the Beginning of the Year	2307251	2.837		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			2307251	2.837
7	GALLANTT ISPAT LIMITED				
	a) At the Beginning of the Year	39462895	48.527		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			39462895	48.527
8	HIPOLINE COMMERCE PRIVATE LIMITED				
	a) At the Beginning of the Year	9083128	11.169		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			9083128	11.169
9	KARUNA JINDAL				
	a) At the Beginning of the Year	5000	0.006		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			5000	0.006

SI No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	KUSUM DEVI JALAN				
	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	0.024
11	NARAIN PRASAD AJITSARIA				
	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	0.003
12	NARESH CHANDRA AGARWAL				
	a) At the Beginning of the Year	9000	0.011		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			9000	0.011
13	NIDHI JALAN				
	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	0.030
14	NITIN KANDOI				
	a) At the Beginning of the Year	10500	0.013		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			10500	0.013
15	OM PRAKASH JALAN				
	a) At the Beginning of the Year	48279	0.059		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			48279	0.059
16	PREM PRAKASH AGRAWAL				
	a) At the Beginning of the Year	15995	0.020		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			15995	0.020
17	PREM PRAKASH AGRAWAL HUF				
	a) At the Beginning of the Year	32500	0.040		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			32500	0.040
18	PRIYA AGARWAL				
	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	0.123
19	PRIYANKA DAS				
	a) At the Beginning of the Year	4898	0.006		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			4898	0.006
20	SANTOSH KUMAR AGRAWAL				
	a) At the Beginning of the Year	2605247	3.204		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			2605247	3.204
21	SANTOSH KUMAR AGRAWAL HUF				
	a) At the Beginning of the Year	110000	0.135		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			110000	0.135
22	SHARDA DEVI JALAN				
	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	0.003
23	SHRUTI KANDOI				
	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	0.021

Sl No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
24	SHYAMA AGRAWAL				
	a) At the Beginning of the Year	190000	0.234		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			190000	0.234
25	SMRITI AGARWAL				
	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	0.012
26	SUBODH KUMAR JALAN				
	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	0.012
27	SUMESH KUMAR AGARWAL				
	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	0.123
28	UMA AGARWAL				
	a) At the Beginning of the Year	13792	0.017		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			13792	0.017
	T O T A L	54686443	67.247	54676468	67.234

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	AGARWAL MUKESH KUMAR				
	a) At the Beginning of the Year	370086	0.455		
	b) Changes during the year				
	Date Reason				
	13/09/2019 Transfer	18517	0.023	388603	0.478
	c) At the End of the Year			388603	0.478
2	ANSH OVERSEAS PRIVATE LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	18/10/2019 Transfer	556535	0.684	556535	0.684
	c) At the End of the Year			556535	0.684
3	ASHU AGRAWAL				
	a) At the Beginning of the Year	244413	0.301		
	b) Changes during the year				
	Date Reason				
	19/07/2019 Transfer	16363	0.020	260776	0.321
	c) At the End of the Year			260776	0.321
4	JAI LAKSHMI SOLVENTS PRIVATE LIMITED				
	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	0.736
5	LEXI EXPORTS PVT LTD				
	a) At the Beginning of the Year	11930679	14.671		
	b) Changes during the year		[NO CHANGES DURING THE YEAR]		
	c) At the End of the Year			11930679	14.671
6	MAGENTA COMMERCE PRIVATE LTD				
	a) At the Beginning of the Year	556535	0.684		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	b) Changes during the year				
	Date Reason				
	18/10/2019 Transfer	-556535	0.684	0	0.000
	c) At the End of the Year			0	0.000
7	NAJMUDDIN GULAMHUSEIN KHERAJ				
	a) At the Beginning of the Year	400000	0.492		
	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
	c) At the End of the Year			400000	0.492
8	NIHON IMPEX PRIVATE LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	29/11/2019 Transfer	12545	0.015	12545	0.015
	06/12/2019 Transfer	22406	0.028	34951	0.043
	13/12/2019 Transfer	17882	0.022	52833	0.065
	27/12/2019 Transfer	11262	0.014	64095	0.079
	03/01/2020 Transfer	213	0.000	64308	0.079
	10/01/2020 Transfer	36552	0.045	100860	0.124
	24/01/2020 Transfer	36248	0.045	137108	0.169
	31/01/2020 Transfer	1000	0.001	138108	0.170
	07/02/2020 Transfer	24	0.000	138132	0.170
	28/02/2020 Transfer	5000	0.006	143132	0.176
	06/03/2020 Transfer	18423	0.023	161555	0.199
	13/03/2020 Transfer	5245	0.006	166800	0.205
	20/03/2020 Transfer	18585	0.023	185385	0.228
	27/03/2020 Transfer	24009	0.030	209394	0.257
	31/03/2020 Transfer	1127	0.001	210521	0.259
	c) At the End of the Year			210521	0.259
9	RAGHUBIR PRASAD AGARWALLA				
	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	0.305
10	RICHIE CREDIT AND FINANCE PRIVATE LIMITED				
	a) At the Beginning of the Year	5020194	6.173		
	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
	c) At the End of the Year			5020194	6.173
11	SANJAY AGRAWAL				
	a) At the Beginning of the Year	296162	0.364		
	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
	c) At the End of the Year			296162	0.364
12	SANJAY AGRAWAL				
	a) At the Beginning of the Year	189377	0.233		
	b) Changes during the year				
	Date Reason				
	30/08/2019 Transfer	-79250	0.097	110127	0.135
	c) At the End of the Year			110127	0.135
	TOTAL	19854157	24.414	20020308	24.618

E. Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	CHANDRA PRAKASH AGARWAL				
	a) At the Beginning of the Year	300000	0.369		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			300000	0.369
2	DINESH KUMAR AGARWAL				
	a) At the Beginning of the Year	2307251	2.837		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			2307251	2.837
3	NITIN KANDOI				
	a) At the Beginning of the Year	10500	0.013		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10500	0.013
4	SANDIP KUMAR AGRAWAL				
	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	0.012
	TOTAL	2627147	3.231	2627147	3.231

V. INDEBTEDNESS

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

Amount in lacs

Particulars	Secured Loan	Unsecured Loan	Deposit	Total Indebtedness
	excluding Deposit			
Indebtedness at the beginning of the financial year				
(i) Principal Amount	5,126.49	0.00	0.00	5,126.49
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (1+2+3)	5,126.49	0.00	0.00	5,126.49
Change in Indebtedness during the Financial Year				
• Addition	0.00	8,500.00	0.00	8,500.00
• Reduction	1,350.95	0.00	0.00	1,350.95
Net Change	1,350.95	0.00	0.00	7,149.05
Indebtedness at the end of the financial year				
(i) Principal Amount	3,775.54	8,500.00	0.00	12,275.54
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (1+2+3)	3,775.54	8,500.00	0.00	12,275.54

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Chandra Prakash Agrawal	Dinesh Raghbirprasad Agarwal	Prashant Jalan	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	22.80	22.80	6.92	52.52
2	Commission	-	38.64	-	331.07
3	Others –Remuneration benefits	-	-	-	-
	Total (A)	22.80	61.44	6.92	91.16

B. Remuneration to Other Directors (All being Independent)

S.N.	Particulars of Remuneration	Name of Directors							Total Amount (Rs. in Lacs)
		Nitin M. Kandoi	J. N. Dey	Prasant Kankrania	Richa Bhartiya	Sandip Kumar	Dindayal Jalan	Ashtbhuja P. Srivastava	
1	Fees for attending Board/Committee Meetings	0.24	0.38	0.08	0.30	0.04	0.02	0.10	1.16
2	Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3	Others	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

C. Remuneration to Key Managerial Personnel

S.N.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs. In Lacs)
		Tarun Kumar Rathi	Arnab Banerji	Sandip Kumar Agarwal	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	4.56	2.17	16.43	23.16
2	Others –Remuneration benefits	NIL	NIL	NIL	NIL

VII PENALTIES / PUNISHMENT/COMPOUNDING DURING THE FINANCIAL YEAR

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

REPORT ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE PHILOSOPHY

The Company is committed to good Corporate Governance and believes that it is essential for achieving long-term corporate goals and to enhance stakeholders' value. Timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is also an important part of Corporate Governance. The Company believes that best board practices, transparent disclosures and shareholder empowerment are necessary to maximize the long term value to the shareholders of the Company and to ensure that all stakeholders' interests are protected. The Company abides by well-accepted norms of ethical, moral and legal conduct in all its business operations. The Company encourages and promotes a culture of intensive deliberations, transparency and impartiality in its dealings with stakeholders and the public at large. It adheres to uncompromising integrity in the conduct of business and does not tolerate corrupt and immoral practices.

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").

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 Company has a very balanced and diverse Board of Directors,

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

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

As on March 31, 2020, your Company's Board comprised of 8 Directors (out of which 62.50% 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, 2020 is as follows:

- Executive Directors – 3
- Non-Executive Director-1
- Non Executive Independent Directors – 4

	Names of the Director	% to the total number of Directors
I)	Independent Director	50%
	Mr. Dindayal Jalan	
	Mr. Ashtbhuja Prasad Srivastava	
	Mrs. Richa Bhartiya	
	Mr. Jyotirindra Nath Dey	
II	Non-Executive Non-Independent Director	12.5%
III	Executive Director	37.5%
	Chandra Prakash Agrawal	
	Dinesh Raghubir Prasad Agarwal	
	Prashant Jalan	

*Mrs. Richa Bhartiya and Mr. Prashant Jalan, Directors of the Company resigned from the Directorship of the Company with effect from June 29, 2020.

Mr. Ashtbhuja Prasad Srivastava (DIN: 08434115) was appointed as an Additional Independent Director of the Company effective from April 29, 2019 and his appointment was regularised as a Director (Independent) at the Annual General Meeting held on September 26, 2019.

Mr. Dindayal Jalan (DIN: 00006882) was appointed as Additional Independent Director on the Board of the Company effective from June 23, 2019 and his appointment was regularised as Director (Independent) at the Annual General Meeting held on September 26, 2019.

The composition of the Board reflects the judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company. The Board is balanced comprising Executive and Non-Executive Directors. The Board has been constituted in such a way that it has understanding and competence to deal with current and emerging business issues. The Board periodically evaluates the need for change in its size and composition to ensure that it remains aligned with statutory and business requirements.

None of the Directors on the Board are related to each other. However, relative of Mr. Dinesh Raghbir Prasad Agarwal was employed in the Company.

None of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian Public Companies in which he/she is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors.

None of the Directors hold office in more than ten Public Companies. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations. The Board confirms that the Independent Directors fulfil the conditions specified in these regulations and that they are Independent of the management.

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

Name of Director	Expertise in specific functional area
Mr. Chandra Prakash Agrawal	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 Metal 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 Gujarat. 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 Gujarat, Maharashtra and Rajasthan. In his term of office spanning 15 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.
Mr. Dinesh Raghbir Prasad Agarwal	He is Promoter of the Company having an overall experience of 29 years. Over the period he has understood the business techniques in the field of Production, Purchase and Marketing etc. Mr. Dinesh Raghbir Prasad 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. <u>His area of job is diversified and looking after factory operation of the Company.</u>
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.

Name of Director	Expertise in specific functional area
Mr. Nitin Mahavir Prasad Kandoi	He is involved in setting up of the operations of our Company and has been instrumental in the implementation of technological advances made in the manufacturing processes of our Company. During this period and under his Directorship, the Company has completed and achieved various targets and plans and the Company achieved higher levels of growth. His expertise in the steel and power businesses has been instrumental in contributing to the growth of the Company. Mr. Kandoi supervises the operation and functioning of steel and power plants.
Mr. Dindayal Jalan	Mr. Dindayal Jalan is a Chartered Accountant and has vast expertise of over 40 years in financial management, corporate negotiations, financial control, business planning, due diligence, business development, treasury, capital raising, business structuring, investor relations, commercial, taxation, people development and strategic planning.
Mrs. Richa Bhartiya	Mrs. Richa Bhartiya is a Chartered Accountant. She has vast experience in the field of finance, taxation, accounts, audit and company law matter.
Mr. Ashtbhuja Prasad Srivastava	Mr. Ashtbhuja Prasad Srivastava has been an officer of Indian Revenue Service (IRS), 1976 batch. Being in the post of Chief Commissioner, Income Tax Mr. Ashtbhuja Prasad Srivastava has a vast experience of 36 years in the field of finance, accounts, taxation and audit. He has the expertise to formulate effective strategies, innovative tax planning and effectively manage compliance of taxation law.
Mr. Jyotirindra Nath Dey	Mr. Jyotirindra Nath Dey is an Electrical Engineer having experience of over 48 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 any many more.

2.2 Appointment of Directors

Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and terms and conditions of appointment. The Company has issued letter of appointment to all the Independent Directors and the terms and conditions of their appointment have been disclosed on the Company's website www.gallantt.com

2.3 Meetings and Attendance

During the financial year 2019-20, Five Board Meetings were held. These were held on 29.04.2019, 23.06.2019, 13.08.2019, 21.10.2019 and 18.01.2020. The maximum time gap between any two board meetings was less than 120 days.

2.4 Changes during the Year

Mr. Prasant Kankrania and Mr. Sandip Kumar tendered their resignation from the Directorship of the Company effective from April 29, 2019. Mr. Ashtbhuja Prasad Srivastava (DIN: 08434115) has been appointed as an Additional Independent Director of the Company effective from April 29, 2019. Mr. Dindayal Jalan (DIN: 00006882) was appointed as Additional Independent Directors on the Board of the Company effective from June 23, 2019. Appointments of Mr. Ashtbhuja Prasad Srivastava and Mr. Dindayal Jalan were regularised by the Shareholders at the last Annual General Meeting held on September 26, 2019.

2.5 Re-appointment of Directors Proposed at upcoming AGM:

In terms Section 152 of the Companies Act, 2013, Mr. Dinesh Raghubir Prasad Agarwal (DIN: 01017125), 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. However, relative of Mr. Dinesh Raghubir Prasad Agarwal was employed in the Company.

Brief resume, nature of expertise in specific functional areas, Directorships and Membership of the Board Committees of the proposed appointee / re-appointee are given in the Explanatory Statement attached to the Notice of 16th 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, 2020 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 (26/09/2019) Attended	No. of Board Meetings Attended out of 5 meetings held during the year	No. of other directorships in public companies as on 31/03/2020	No. of other Board Committees in which he is a member or Chairperson (Other than Gallantt Metal) As on 31/03/2020	
					Chairman	Member
Mr. Chandra Prakash Agrawal, Chairman & Managing Director (DIN: 01814318)	Executive/ Promoter	Yes	5	1	Nil	Nil
Mr. Dinesh Raghbir Prasad Agarwal, Whole-time (DIN: 01017125)	Executive/ Promoter	No	5	1	Nil	Nil
Mr. Prashant Jalan Whole-time Director (DIN: 06619739)*	Executive / Promoter	No	5	Nil	Nil	Nil
Mr. Nitin Mahavir Prasad Kandoi Whole-time Director (DIN:01979952)	Non-Executive/ Promoter	No	5	1	Nil	Nil
Mr. Dindayal Jalan Director (DIN:00006882)	Non-Executive/ Independent	Yes	1	1	Nil	Nil
Mrs. Richa Bhartiya Director (DIN: 06905283)*	Non-Executive/ Independent	Yes	5	Nil	Nil	Nil
Mr. Ashtbhuj Prasad Srivastava Director (DIN: 08434115)	Non-Executive/ Independent	No	5	1	Nil	Nil
Mr. Jyotirindra Nath Dey Director (DIN: 00180925)	Non-Executive/ Independent	Yes	2	2	1	3
Mr. Prasant Kankrania Director (DIN: 05241947)**	Non-Executive/ Independent	N.A.	1	Nil	Nil	Nil
Mr. Sandip Kumar Director (DIN: 08088624)**	Non-Executive/ Independent	N.A.	1	Nil	Nil	Nil

* Mr. Prashant Jalan and Mrs. Richa Bhartiya tendered their resignation from the Directorship of the Company effective from June 29, 2020.

** Mr. Prasant Kankrania and Mr. Sandip Kumar, Non Executive Independent Directors of the Company tendered their resignation from the Directorships of the Company effective from April 29, 2019.

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

Notes:

- Mrs. Richa Bhartiya, Mr. Ashtbhuja Prasad Srivastava, Mr. Dindayal Jalan and Mr. Jyotirindra Nath Dey have been considered as Independent Directors as they qualify to be Independent Directors as per the provisions of the Companies Act, 2013 and Listing Regulations.
- Other Directorships of only Indian Public Limited Companies have been considered.
- In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of two

Committees viz. Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies have been considered.

- The details of Director seeking re-appointment at the ensuing Annual General Meeting have been furnished in the Notice convening the Meeting of the shareholders.
- 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:

Sl. No.	Name of Director	Name of other listed entities in which the concerned Director is a Director	Category of Directorship
1	Mr. Chandra Prakash Agrawal Chairman & Managing Director (DIN: 01814318)	1. Gallantt Ispat Limited (CIN: L27109DL2005PLC350523)	Executive Director
2	Mr. Dinesh Raghubir Prasad Agarwal, Whole-time Director (DIN: 01017125)	None	-
3	Mr. Prashant Jalan Director (Plant Operation)# (DIN: 06619739)	None	-
4	Mr. Nitin Mahavir Prasad Kandoi Director (DIN:01979952)	1. Gallantt Ispat Limited (CIN: L27109DL2005PLC350523)	Executive Director
5	Mrs. Richa Bhartiya # Director (DIN: 06905283)	None	-
6	Mr. Dindayal Jalan Director (DIN:00006882)	1. Gallantt Ispat Limited (CIN: L27109DL2005PLC350523)	Non – Executive Independent Director
7	Mr. Jyotirindra Nath Dey Director (DIN: 00180925)	1. Concrete Credit Limited (CIN: L17299WB1981PLC033782)	Non – Executive Independent Director
8	Mr. Ashtbhuja Prasad Srivastava Director (DIN: 08434115)	1. Gallantt Ispat Limited (CIN: L27109DL2005PLC350523)	Non – Executive Independent Director

resigned effective from June 29, 2020.

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:

- i) 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;
- ii) Behavioural skills - attributes and competencies to use their knowledge and skills to contribute

effectively to the growth of the Company;

- iii) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making;
- iv) Financial and Management skills;
- v) 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 2019-20, 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:

1. Review of performance of non-independent directors and the Board as a whole;
2. 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 fulfills the key functions as prescribed under the Listing Regulations.

During the financial year 2019-20, 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 April 29, 2019 whereby, all the Independent Directors were present and without the presence of the Non-Independent Directors and the members of the management of the Company.

2.10 Shareholding of Directors Including Non-Executive Directors

The details of shares held by the Directors of the Company in their individual names as on March 31, 2019 are furnished below:

Sr. No.	Name of Directors	No. of Shares held
1.	Mr. Chandra Prakash Agrawal	3,00,000
2.	Mr. Dinesh Raghubir Prasad Agarwal	23,07,251
3.	Mr. Prashant Jalan	NIL
4.	Mr. Nitin Mahavir Prasad Kandoi	10,500
5.	Mrs. Richa Bhartiya	NIL
6.	Mr. Jyotirindra Nath Dey	NIL
7.	Mr. Ashtbhuja Prasad Srivastava	NIL
8.	Mr. Dindayal Jalan	NIL

None of the Independent Director held any shares in the Company during the year ended March 31, 2020.

However, Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director holds 10,500 shares in the Company.

2.11 Induction and Familiarization Program for Directors

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

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

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

2.12 Independent Directors

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

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

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

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Independent Directors of the Company viz. Mr. Dindayal Jalan, Mr. Ashtbhuja Prasad Srivastava, Mrs. Richa Bhartiya and Mr. Jyotirindra Nath Dey 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 Board evaluation, issued by the SEBI. Proper mechanism has been provided to each Director for their feedback and evaluation. The parameters for performance evaluation of the Board includes the roles and responsibilities of the Board, timeliness for circulating the board papers, content and the quality of information provided to the Board, overseeing and guiding on major plans of action, risk management, annual budget/capex, acquisition and investment/ divestments etc. The performance of the Committees are evaluated based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, 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 5 times during the year and the time gap between any two meetings did not exceed 120 days.

2.17 Independent Directors confirmation by the Board

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

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

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

2.19 Criteria of Selection of Independent Directors

The Nomination and Remuneration Committee considers, inter alia, the following attributes/criteria,

whilst recommending to the Board the candidature for appointment as Independent Director:

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

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

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

Pursuant to Schedule V, Part C of SEBI LODR Regulations 2015 read with Amendments thereof, below are the list of core skills/expertise/competencies identified by the Board of Directors for the year under review as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board:

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

S.N.	Category	Core skills/expertise/competencies identified by the Board of Directors	Available with the Board
6.	Sales and marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance Company's reputation.	Yes
7.	Strategy and strategic planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies.	Yes

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

During the reporting year Mr. Sandip Kumar (date of resignation 29.04.2019), and Mr. Prasant Kankrania (date of resignation 29.04.2019) have tendered their resignation from the Directorship of the Company. These Directors resigned from the Directorship due to their personal reason and other engagements.

Mr. Richa Bhartiya (DIN: 06905283), Independent Director has also tendered her resignation from the Directorship of the Company with effect from June 29, 2020. In her resignation letter Mr. Richa Bhartiya has stated the following reasons for her resignation from the Board of the Company:

“Sudden heavy work pressure, preoccupation, lack of time and my all other engagements, I find it difficult to devote my time to all of them. Also, due to Covid – 19 pandemic, and other connected reasons, it is not possible to travel to attend the meetings of Board of Directors and Committees of the Board.”

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

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

Your Company has five Board level committees:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Committee of Directors*

*The Board of Directors at its meeting held on June 29, 2020, constituted the “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 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 three Non-Executive Independent Directors. The role of the Audit Committee is to provide directions to and oversee the internal audit and risk management functions, review of financial results and annual financial statements, interact with statutory auditors and such other matters as are required in terms of the Companies Act, 2013 and SEBI Listing Regulations.

Constitution of the Audit Committee complies with requirements of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements)

Regulations 2015 with all members being financially literate and most having accounting or related financial management expertise.

4.1 Composition

As on March 31, 2020, the Audit Committee comprised of three Directors viz. Mrs. Richa Bhartiya (Chairperson), Mr. Jyotirindra Nath Dey and Mr. Nitin Mahavir Prasad Kandoi, all of whom possess accounting and financial management expertise/exposure. Mr. Arnab Banerji, Company Secretary acts as the Secretary to the Audit Committee. The Audit Committee has been reconstituted on June 23, 2019 by introduction of Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Non-Independent Director as a Member and appointment of Richa Bhartiya as a Chairperson. At the Board Meeting held on June 29, 2020, Mrs. Richa Bhartiya tendered her resignation from the Directorship of the Company and consequently she also relinquishes as a Chairperson of the Audit Committee.

Mrs. Richa Bhartiya, the Chairperson – Audit Committee was present at the Annual General Meeting held on Thursday, September 26, 2019.

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 Sub-section 3 of Section 134 of the Companies Act 2013;

- Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to the financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Reviewing and monitor the auditor’s independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
22. The Audit Committee to review utilisation of loans and/or advances from investment by holding company in subsidiary company exceeding INR 100 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.

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 Five (5) Audit Committee Meetings were held in the financial year 2019–20. The meetings were held on 29.04.2019, 23.06.2019, 13.08.2019, 21.10.2019 and 18.01.2020.

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

Names	Designation	Category	Committee Meeting Attended
Mrs. Richa Bhartiya*	Chairperson	Independent	5
Mr. Jyotirindra Nath Dey	Member	Independent	5
Mr. Nitin Mahavir Prasad Kandoi	Member	Independent	4
Mr. Prasant Kankrania**	Chairman	Independent	1

*Appointed as a Chairperson effective from June 23, 2019. Resigned from the Directorship and Audit Committee effective from June 29, 2020.

** Resigned on April 29, 2019.

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

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

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of Section 178 (5) of the Act, read with Regulation 20 of the Listing Regulations the Board has constituted Stakeholders' Relationship Committee

("SRC"). As per the Listing Regulations, the Committee shall specifically 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.

5.1 Composition

During the year ended 31st March, 2020, the Stakeholders Relationship Committee comprised of Mr. Nitin Mahavir Prasad Kandoi, a Non-executive Director, as the Chairperson and Mrs. Richa Bhartiya (Independent Director) and Mr. Jyotirindra Nath Dey (Independent Director) as Members. Mr. Arnab Banerji, 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 shares related complaints, if any, in the e-mail Id csgml@gallantt.com designated exclusively for the purpose.

5.2 Terms of Reference

- specifically look into the redressal of grievances of shareholders, debenture holders and other security holders.
- consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.
- to look in to various aspects of interest of shareholders and other security holders.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders

5.3 Meetings and Attendance

No meeting of the Stakeholders Relationship Committee Meeting was held in the financial year 2019-20. The Stakeholders Relationship Committee wanted to hold meeting in the last week of March, 2020 but it could not meet owing to the lockdown and restrictions on the public as well as the Corporate Sector across the Country because of the pandemic Covid-19 outbreak.

Employees were (and also "are") working remotely, but due to difficulties faced in co-ordination and lack of office facilities, companies are likely to face difficulties in undertaking timely compliances of various applicable laws. Keeping in mind the aforesaid, the Securities and Exchange Board of India (SEBI) has temporarily relaxed a number of compliance requirements for the corporate sector. One of the relaxations is-SEBI has extended the last date for conduct of at least one meeting of the Stakeholders Relationship Committee in the Financial Year 2019-20 till June 30, 2020 (in place of March 31, 2020). Hence, the Stakeholders Relationship Committee met on June 27, 2020.

The composition of the Committee as on March 31, 2020 and details of attendance at the Meetings are as follows:

Names	Designation	Category	Committee Meeting Attended
Mr. Nitin Mahavir Prasad Kandoi	Chairperson	Non-executive / Promoter	1*
Mr. Jyotirindra Nath Dey	Member	Independent	1*
Mrs. Richa Bhartiya	Member	Independent	1*

*Stakeholders Relationship Committee Meeting held on June 27, 2020.

5.4 Status of Complaints

Sl. No.	Particulars	Numbers
1.	Complaints pending as on 1 April, 2019	NIL
2.	Complaints received during the year ended 31 March, 2020	NIL
3.	Complaints disposed of during the year ended 31 March, 2020	NIL
4.	Complaints pending as on 31 March, 2020	NIL

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

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

As 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

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

6. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178 of Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee (NRC) of the Board of Directors was formed by the Board of Directors to oversee the Company's nomination process for the senior management and to decide their salary, perquisites and commission / performance linked remuneration etc., to be paid to them and other employees within the broad frame-work of the Policy, merit and Company's performance. Presently NRC consists of three Non-Executive Independent Directors.

6.1 Role of Nomination and Remuneration Committee

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

a. Terms of Reference -

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

b. Responsibilities and Duties:

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

- Reviewing the structure, size and composition (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.

6.2 Meetings and Attendance

During the year ended 31st March, 2020, the NRC comprised of Mr. Jyotirindra Nath Dey, an Independent Director, as the Chairperson and Mrs. Richa Bhartiya and Mr. Nitin Mahavir Prasad Kandoi as Members. Mr.

Arnab Banerji, Company Secretary acts as the Secretary to the Committee.

A total of four Nomination and Remuneration Committee Meeting was held in the financial year 2019–20. The meetings were held on 29.04.2019, 23.06.2019, 13.08.2019 and 21.10.2019.

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	Chairman	Independent	4
Mr. Nitin Mahavir Prasad Kandoi	Member	Non-Executive/ Promoter	3
Mrs. Richa Bhartiya*	Member	Independent	4
Mr. Prasant Kankrania**	Member*	Independent	1

* Mrs. Richa Bhartiya resigned from the Directorship as well as the Nomination and Remuneration Committee effective from June 29, 2020.

** Mr. Prasant Kankrania resigned from the Directorship as well as the Nomination and Remuneration Committee effective from April 29, 2019..

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

6.3 Nomination and Remuneration Policy of the Company

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

The remuneration of the Managing Director, Executive Director and KMPs of the Company is recommended by the Nomination and Remuneration Committee based on established criteria.

Summary of Remuneration Policy of the Company

The Board has adopted the Remuneration Policy on the recommendation of the Nomination and Remuneration Committee in compliance with Section 178 of the Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. In keeping with the provisions of Section 178, the remuneration structure of the Company comprises of fixed remuneration (including fixed supplements), performance-based

remuneration (variable salary), pension scheme, where applicable, other benefits in kind and severance payment, where applicable. Further, the Policy states that the Non-Executive Directors and Independent Directors of the Company may receive remuneration only by way of sitting fee and reimbursement of expenses for participation in meetings of the Board or Committee thereof, as may be permissible by the applicable law. Additionally, the Policy also lays down the overall selection criteria for the executives of the Company which is based on broad heads such as competencies, capabilities, compatibility, strong interpersonal skills, commitment among others. The Remuneration Policy of the Company has been disclosed on the website of the Company. The web link to the Remuneration Policy is as under: [https://www.gallantt.com/Investors Corner/Gallantt Metal Limited/Nomination and Remuneration Policy/Remuneration Criteria Non-Executive Director w.e.f. 01.04.2019](https://www.gallantt.com/Investors%20Corner/Gallantt%20Metal%20Limited/Nomination%20and%20Remuneration%20Policy/Remuneration%20Criteria%20Non-Executive%20Director%20w.e.f.%2001.04.2019)

Board Diversity

In order to ensure a balance composition of the Board, the Company shall consider candidates from a wide variety of backgrounds, shall not discriminate on the basis of gender, ethnicity and/or physical disability and shall ensure an appropriate mix of educational qualification, skills, competency and experience as required in the context of the business of the Company and sector for it, to function effectively.

6.4 Remuneration of Directors

(a) Executive Directors (Managing / Whole-time Directors)

The aggregate value of salary and perquisites paid for the year ended 31st March, 2020 to Managing/ Whole-time Directors are as follows:

Name	Designation	Aggregate Value of Salary & Perquisites (Rs. In Lacs)
Mr. Chandra Prakash Agrawal	Chairman and Managing Director	21.60
Mr. Dinesh Raghbir Prasad Agarwal	Whole time Director	61.44
Mr. Prashant Jalan	Director-Plant Operation*	6.92

* resigned from the Directorship effective from June 29, 2020.

The Remuneration to the Executive Directors is determined by the Nomination and Remuneration Committee within the statutory limit subject to the approval of shareholders of the Company. As per the

agreement entered into with the Executive Directors there is no provision for severance fees to the Directors. The Company has adopted an Evaluation policy to evaluate performance of each director, the Board as a whole and its committees. Evaluation is also carried out by the Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act 2013 and Code for Independent Directors' as outlined under Schedule IV of the Companies Act, 2013. Such evaluation factors various criteria including contribution, domain expertise, strategic vision, industry knowledge, participation in discussions etc.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to Section 135 of Companies Act, 2013, the Corporate Social Responsibility Committee of the Board of Directors was formed by the Board of Directors. The composition of the CSR Committee is in line with provisions of Section 135 of the Companies Act, 2013.

7.1 Terms of reference

The CSR Committee is empowered pursuant to its terms of reference, inter alia, to:

1. Recommend the amount of expenditure to be incurred on the CSR activities;
2. Monitor implementation and adherence to the CSR Policy of the Company from time to time;
3. Prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmes/activities proposed to be undertaken by the Company; and
4. Such other activities as the Board of Directors may determine from time to time.

7.2 Meetings and Attendance

The Committee met four (4) times during the financial year ended 31st March, 2020 on 29.04.2019, 13.08.2019, 21.10.2019 and 18.01.2020.

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, 2020 is detailed below:

Names	Designation	Details of Meetings held during the F.Y. 2018-19	Committee Meeting Attended
Mr. Jyotirindra Nath Dey	Chairperson	Independent	4
Mr. Chandra Prakash Agrawal	Member	Executive	4
Mr. Dinesh Raghbir Prasad Agarwal	Member	Independent	4

The Board of Directors of the Company has approved the CSR Policy of the Company on the recommendations of the CSR Committee. The details of the CSR initiatives of the Company form part of the CSR Section in the Annual Report. The CSR Policy has been placed on the website of the Company www.gallantt.com

8. COMMITTEE OF DIRECTORS

Pursuant to Section 179 of Companies Act, 2013, the Board of Directors has constituted a new Committee of the Board by giving nomenclature "Committee of Directors" to consider, discuss and decide the businesses of routine urgent nature.

"Committee of Directors" is comprised of following Directors:

- Mr. Chandra Prakash Agrawal, Executive Director (Chairman)
- Mr. Dinesh Raghbir Prasad Agarwal, Executive Director (Member)
- Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director (Member)

Mr. Arnab Banerji, Company Secretary of the Company acts as the Secretary for the "Committee of Directors."

"Committee of Directors" meets as and when required to consider matters assigned to it by the Board of Directors from time to time and the broad terms of reference of the "Committee of Directors" are as under:

The broad terms of reference includes the following:

- (1) To avail loan up to the maximum limit of ₹ 2,500 lacs in a single transaction from any Bank/financial institutions/lenders and to hypothecate/mortgage the assets of our Company accordingly subject to overall borrowing limit up to ₹ 25,000 lacs and subject to yearly review;
- (2) To enter into forward contracts for hedging/derivatives (in US Dollar or other currency as may be decided) with various banks from time to time as may be required in the ordinary course of business for purchase of raw materials, spares or other goods;
- (3) To avail vehicles loan from any Bank/Institutions/Lenders for the business of our Company;
- (4) To give power/authorization to any Director or Company Secretary of our Company to sign and file any Forms and/or application required to be filed with Registrar of Companies from time to time;
- (5) To open and close the Banking accounts of our Company;
- (6) To change the Signatories of the Bank accounts whenever required;
- (7) To give power/authorization/duties through resolution or otherwise whenever required to a person on behalf of our Company in relation to

business operations of our Company including but not limited to:

- Government Subsidy and benefits related;
- Application with Governmental, Semi-Governmental and other authorities including railways, mining;
- Application to the Government or autonomous bodies;
- Judicial or quasi-judicial matters;
- Environmental and safety issues;
- Issues of importance and strategic significance relating to the operations of the Company;
- Other operational matters of the Company as may be assigned from time to time by the Board.

(8) To affix or authorise fixation of the Common seal of our Company to such documents/ papers in connection with above powers as may be necessary; and

(9) To do all such acts, things or deeds as may be necessary or incidental to exercise of the above powers.

9. SUBSIDIARY COMPANIES

As on March 31, 2020, 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.

The Policy on Material Subsidiaries can be accessed on the Company's website www.gallantt.com

10. RISK MANAGEMENT

The Company has developed and implemented a Risk Management Policy for identifying the risk associated with business of the Company and measures to be taken to mitigate the same. The Audit Committee has additional oversight in the area of financial risks and controls. All risks are well integrated with functional and business plans and are reviewed on a regular basis by the senior leadership. There are no risks which in the opinion of the Board threaten the existence of the Company.

In today's economic environment, Risk Management is a very important part of business. The main aim

of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes.

Your Company laid down procedures to inform Board members about risk assessment and minimisation and has implemented the Risk Management plan and continuously monitors it. Details of Key Risks and Mitigation Plan are given in the Directors Report forming part of the Annual Report.

11. RELATED PARTY TRANSACTIONS

In terms of the Indian Accounting Standard "Related Party Disclosures", as prescribed under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, the Company has identified the related parties covered therein and details of transactions with such related parties have been disclosed in Note to the Accounts forming part of this Annual Report.

Transactions with related parties entered into by the Company are in the ordinary course of business and on arm's length basis and do not have potential conflicts with the Company. Further, these transactions are also placed in the Audit Committee Meeting(s) for its prior approval or omnibus approval. There is no materially significant related party transaction during the financial year ended March 31, 2020.

None of the related party transactions entered into by the Company were in conflict with the Company's interest. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for their approval. Omnibus approvals are taken for the transactions which are repetitive in nature. In compliance with Listing Regulations, the necessary statements/disclosures with respect to the Related Party Transactions are tabled before the Audit Committee and the Board of Directors on quarterly basis. In line with requirement of the Companies Act, 2013 and Regulation 23 of the Listing Regulations, your Company has adopted a Policy on Related Party Transactions which is available at Company's website www.gallantt.com

12. GENERAL BODY MEETINGS

12.1 Location and time of last 3 Annual General Meetings are as under:

Year	Venue	Date	Time
2018-19	Geeta Bhawan, 16, Block C, Jangpura Extension, Jangpura, New Delhi – 110014. India	26.09.2019	12.30 P.M.
2017-18	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017	27.09.2018	3.30 P.M.
2016-17	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017	26.09.2017	3:30 P.M.

12.2 Special resolutions passed at the previous three Annual General Meetings are as below:

General Body Meeting	Financial Year	Date	Venue	Special Resolutions
15th Annual General Meeting	2018-19	26.09.2019	Geeta Bhawan, 16, Block C, Jangpura Extension, Jangpura, New Delhi – 110014. India	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Prashant Jalan (DIN: 06619739) as a Whole-time Director of the Company designated as “Director- Plant Operation”. 2. Reappointment of Mrs. Richa Bhartiya (DIN: 06905283) as an Independent Director for second term for a period of five years.
14th Annual General Meeting	2017-18	27.09.2018	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017	<ol style="list-style-type: none"> 1. To reappoint Mr. Jyotirindra Nath Dey (DIN:00180925) as an Independent Director for Second Term of five years. 2. To reappoint Mr. Prasant Kankrania (DIN: 05241947) as an Independent Director for Second Term of five years. 3. To revise remuneration of Mr. Dinesh Raghubir Prasad Agrawal (DIN: 01017125). 4. Granting of Loan under Section 185 of the Companies Act, 2013 to M/s. Gallantt Ispat Limited
13th Annual General Meeting	2016-17	26.09.2017	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017	No Special Resolution passed

12.3 The Details of Special Resolutions passed through postal ballot during the financial year 2019-20: No special resolution was passed through postal ballot in the last year.

12.4 Person who conducted the postal ballot exercise – Not Applicable.

12.5 Whether any special resolution is proposed to be conducted through postal ballot – At present, there is no proposal to pass any special resolution through Postal Ballot.

12.6 Procedure for Postal Ballot: Not Applicable.

12.7 Extraordinary General Meeting: No Extra-Ordinary General Meeting held during the Financial Year 2019-20.

12.8 Court Convened Meeting of Shareholders

During the year no Court Convened Meeting convened and held.

13. MEANS OF COMMUNICATION

In accordance with Regulation 46 of the Listing Regulations, the Company has maintained a functional website at www.gallantt.com containing basic information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. The contents of the said website are updated from time to time.

Information like quarterly / half yearly / annual financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board to enable them to put them on their websites and communicate to their members. In terms of Regulation 47 of the Listing Regulations the quarterly / half-yearly / annual financial results are also published in the

prescribed format within 48 hours of the conclusion of the meetings of the Board in which they are considered and approved, in one English newspaper circulating in the whole or substantially the whole of India and in one vernacular (Hindi) newspaper. These results are simultaneously posted on the website of the Company at www.gallantt.com

After shifting of the Registered Office from Kolkata to New Delhi, Company publishes all information in newspapers viz. Business Standard (All editions) and Naya India (Vernacular-Hindi). No presentations were made to institutional investors or to the analysts during the year.

Details about the means of communication:

1. Quarterly Results:

The quarterly and year to date financial results of the Company are published in leading newspapers in India which include, Business Standard and Ek Din (before shifting of Registered Office from Kolkata to New Delhi) and in Business Standard and Naya India (after shifting of Registered Office from Kolkata to New Delhi). The results are also displayed on the Company's website under <https://www.gallantt.com>

2. Whether it also displays official news releases; Yes

14. GENERAL SHAREHOLDERS INFORMATION

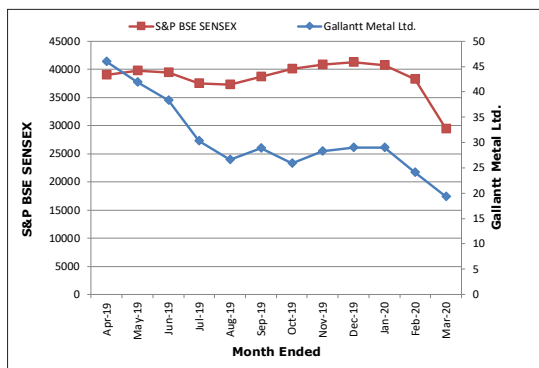
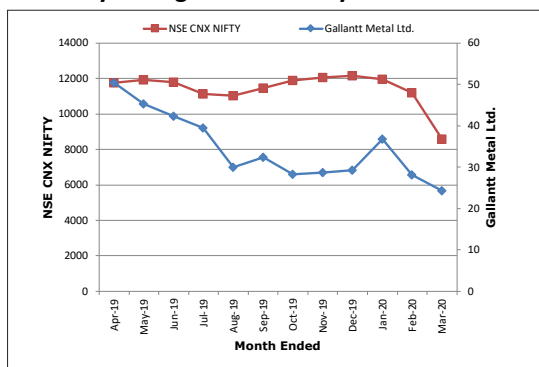
14.1	Date, time and time of the Annual General Meeting	Thursday, September 10, 2020 at 1.30 P.M.
14.2	Venue	The Company is conducting AGM through Video Conferencing (VC) /Other Audio Visual Means (OAVM), pursuant to circulars issued by the Ministry of Corporate Affairs ("MCA"), dated May 05, 2020 and as such there is no requirement to have a venue for the AGM.
14.3	Financial Year	April 01, 2019 to March 31, 2020
14.4	Cut-off date for determining the names of shareholders eligible to vote	Thursday, September 03, 2020
14.5	Cut-off date for determining the names of shareholders eligible to get Notice of Annual General Meeting	Friday, August 07, 2020
14.6	Publication of results for the financial year 2020-21 (tentative and subject to change)	a) First quarter results: On or before August 14, 2020. b) Second quarter and half year results: On or before November 14, 2020. c) Third quarter results: On or before February 14, 2021. d) Fourth quarter results and results for the year ending March 31, 2020: On or before May 30, 2021.
14.7	Dates of book closure	September 04, 2020 to September 10, 2020 (both days inclusive)
14.8	Dividend Payment Date	During the Financial Year 2019-20, the Board of Directors has not proposed for Final Dividend for the Financial Year 2019-20.
14.9	Listing on Stock Exchanges and Stock Code	1. BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Phones : (022) 22721233/4, 91-22-66545695 Fax : (022) 22721919 Stock Code: 532726 2. National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Tel No: (022) 26598100 – 8114 Fax No: (022) 26598120 Stock Code: GALLANTT
14.10	Payment of Listing Fees	Annual Listing Fees for both the stock exchanges for the financial year 2020-21 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 2019-20.

Month	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Apr-19	53.30	45.20	53.00	45.20
May-19	50.95	38.80	50.95	38.40
Jun-19	43.20	37.00	44.30	35.45
Jul-19	41.20	29.75	41.50	28.45
Aug-19	32.95	24.00	33.00	24.00
Sep-19	35.00	27.10	34.50	27.05
Oct-19	31.30	25.05	28.90	25.00
Nov-19	28.45	25.35	28.80	25.30
Dec-19	30.00	26.55	32.70	26.30
Jan-20	40.75	28.60	40.00	28.25
Feb-20	29.75	23.20	30.50	23.05
Mar-20	24.90	18.10	26.00	17.20

14.12 Performance of the Company's equity shares (closing share price) in comparison to BSE Sensex and NSE Nifty during the financial year 2019-20:



14.13 Suspension of Securities during the financial year 2019-20:

During the financial year 2019-20, the securities of the Company were not suspended from trading.

14.14 Registrar and Share Transfer Agents;

Niche Technologies Pvt. Ltd.
7th Floor, Room, No. 7A & 7B,
3A, Auckland Rd, Elgin, Kolkata,

West Bengal – 700017
Tel.: (033) 2280 6616 / 17 / 18
Email id: nichetechpl@nichetechpl.com
Website: www.nichetechpl.com

14.15 Share Transfer System;

The Company has a Committee of the Board of Directors called Stakeholders' Relationship Committee, which meets as and when required. The formalities for transfer of shares in the physical form are completed and share certificates are dispatched to the transferee within 15 days of receipt of the transfer documents, provided the documents are complete and the shares under transfer are not under dispute.

Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent. For lodgement of transfer deeds and any other documents or for any grievances/complaints, kindly contact any of the offices of Niche Technologies Private Limited.

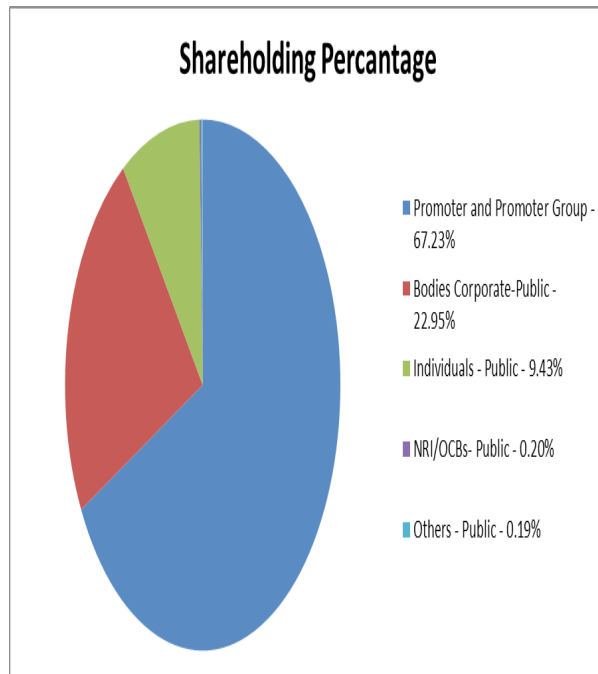
14.16 Distribution of equity shareholding as on March 31, 2020:

Distribution of shareholding by size is as given below:

No. of Shares held	Shareholders		Shares	
	Number	% to total	Number	% to total
Upto 500	5,524	76.861	8,85,313	1.089
501-1,000	749	10.422	6,46,255	0.795
1,001-5,000	699	9.726	15,81,583	1.945
5,001-10,000	86	1.197	6,50,914	0.800
10,001-50,000	94	1.308	20,20,588	2.485
50,001-1,00,000	13	0.181	8,90,191	1.095
1,00,001 and Above	22	0.306	7,46,47,480	91.792
TOTAL	7,187	100.000	8,13,22,324	100.000

14.17 Categories of shareholding as on 31st March, 2020

Category (as Gallantt reports to stock exchanges)	Shares Holdings	% of Total
PROMOTERS' HOLDING:		
Promoters	5,46,76,468	67.23
Total Promoters' Holding	5,46,76,468	67.23
PUBLIC SHAREHOLDING:		
Institutional Investors		
Financial Institution/Bank	37	0.00
Financial Institution Investor	0	0.00
Foreign Portfolio Investor	0	0.00
Others		
Bodies Corporate	1,86,55,674	22.95
Individuals	76,71,242	9.43
NRI/OCBs	1,63,965	0.20
Clearing Members/Clearing Corporation (Demat shares in transit)	1,54,938	0.19
IEPF	0	0.00
Total Public Shareholding	2,66,45,856	32.77
GRAND TOTAL	8,13,22,324	100

Category-wise shareholding:**14.18 Dematerialization of Shares and Liquidity**

The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the R&T Agent. On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialized, and an electronic credit of shares is given in the account of the Shareholder.

The Company's equity shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE297H01019. Nearly 100.00% of total listed equity shares have been dematerialised as on March 31, 2020.

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

(CIN):L27109DL2005PLC350524

14.22 Plant locations

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

14.23 Address for correspondence

Registrar and Share Transfer Agents;	Unit: Gallantt Metal Limited
Mr. S. Abbas, Senior System Manager	Contact Person: Mr. Arnab Banerji, Company Secretary and Compliance Officer
Niche Technologies Pvt. Ltd.	Corporate Office:
7th Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata, West Bengal – 700017.	1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069.W.B.
Tel.:(033) 2280 6616 / 17 / 18	Telefax: 033-46004831
Email id: nichetechpl@nichetechpl.com	Registered Office:
Website: www.nichetechpl.com	“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	Central Depository Services (India) Limited
Trade World, 'A' Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai – 400 013	Marathon Futurex, A-Wing, 25th floor, N M Joshi Marg, Lower Parel, Mumbai – 400 013
Tel. No.: (022) 2499 4200	Toll free No.: 1800-22-5533
Fax No.: (022) 2497 6351	Email: complaints
Email: info@nsdl.co.in	cdslindia.com
Website: www.nsdl.co.in	Website: www.cdslindia.com

Shareholders are requested to quote their Folio No./DP ID & Client ID, e-mail address, telephone number and its RTA.

14.24 List of all credit ratings obtained by the Company along with any revisions thereto, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad:

During the financial year 2019-20, the Company does not have any debt instruments or any Fixed Deposit

Programme or any scheme or the proposal of the Company involving mobilization of funds in India or in abroad.

During the year under report, vide its rating press release dated October 04, 2019, the Rating agency M/s India Rating & Research Private Limited has affirmed Ind A/ Stable rating for the Company's Fund Based Long Term facilities (long term) and Ind A1 for Non- Fund based Short Term facilities. Further, vide its press release dated January 27, 2020, M/s. India Rating & Research Private Limited has placed Company's Long- Term Issuer Rating of 'IND-A' on Rating Watch Negative (RWN).

14.25 Unpaid and Unclaimed Amount of Dividend and Share Application Money.

Following amount of Unpaid Dividend has not been claimed and paid till 31.03.2020:

Nature of Money	Relevant Financial Year	Bank Account Details	Amount lying (In Rs.)
Final Dividend for 2018	2017-18	IDBI Bank Account No. 1526103000000578	74,891.25
Final Dividend for 2019	2018-19	IDBI Bank Account No. 1526103000000897	51,546.75

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

14.26 Transfer of shares to IEPF

There are no Equity Shares to be transferred to Investor Education and Protection Fund Authority (IEPF) during the the financial year 2019-20 as required under Section 124 of the Companies Act, 2013.

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 2019-20 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of Company. Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements. The Board has approved a policy on materiality of related party transactions and on dealing with related party transactions and the same is disclosed on the website of the Company at the web

link to the Materiality of Related Party Transactions is as under: <https://www.gallantt.com/InvestorsCorner/GallanttMetalLimited/RelatedPartyTransactionPolicy-w.e.f.01.04.2019>.

15.2 Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by any of these authorities.

15.3 Accounting Standards

The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2019-20.

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 the link [https://www.gallantt.com/Investors Corner/Gallantt Metal Limited/ Whistle Blower Policy - w.e.f. 01.04.2019](https://www.gallantt.com/InvestorsCorner/GallanttMetalLimited/WhistleBlowerPolicy-w.e.f.01.04.2019).

15.5 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has complied with all the mandatory requirements of the Listing Regulations. The Company has also fulfilled the following discretionary requirements as provided in the Listing Regulations:

- 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 the link [https:// www.gallantt.com/Investors Corner/Policy On Material Subsidiary-w.e.f. 01.04.2019](https://www.gallantt.com/InvestorsCorner/PolicyOnMaterialSubsidiary-w.e.f.01.04.2019).

15.7 Web link where policy on dealing with related party transactions;

The Related Party Transaction Policy is also posted on the Company's website and can be accessed at https://www.gallantt.com/Investors_Corner/Gallantt_Metal_Limited/Related_Party_Transaction_Policy-w.e.f.01.04.2019.

15.8 Disclosure of commodity price risks and commodity hedging activities

The Company does not undertake any commodity hedging activities. The Company actively monitors the foreign exchange movements and takes forward covers as appropriate to reduce the risks associated with transactions in foreign currencies.

15.9 Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)

During the period under Report Company has not raised funds through preferential allotment of qualified institutional placement as specified under Regulation 32(7A).

15.10 A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority

Certificate as required under Part C of Schedule V of Listing Regulations, received from Mr. Anurag Fatehpuria (Membership No. 34471, CP No. 12855), Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on 29th June, 2020. 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 2019-20, wherein the Board had not accepted recommendations made by any committee of the Board.

15.12 Total fees paid to Statutory Auditors of the Company

Total fees of ₹ 6.02 Lacs for financial year 2019-20, 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 2019-20 are as under:

- a. Number of complaints filed during the financial year: NIL
- b. Number of complaints disposed of during the financial year: NIL
- c. Number of complaints pending as on end of the financial year: NIL

15.14 Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed

There is no case of non-compliance of any requirement of Corporate Governance.

15.15 Discretionary requirements as specified in Part E of Schedule II of the SEBI Listing Regulations:

The Company has complied with the discretionary requirements with regard to reporting of Internal Auditor directly to Audit Committee, moving towards a regime of unqualified Financial Statements and unmodified audit opinion.

15.16 Disclosures with respect to demat suspense account/unclaimed suspense account:

Disclosure with respect to demat suspense account/unclaimed suspense account: Not applicable.

15.17 The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

15.18 Particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.

15.19 In addition to Directors' Report, a Management Discussion and Analysis Report form part of the Annual Report to the shareholders. All key managerial personnel and senior management have confirmed that they do not have any material, financial and commercial interest in transactions with the Company that may have a potential conflict with the interest of the Company at large.

15.20 All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

15.21 In order to prevent misuse of any unpublished price sensitive information (UPSI), maintain confidentiality of all UPSI and prohibit any insider trading activity and

abusive self-dealing of securities, in the interest of the shareholders at large, the Company has framed a Code of Conduct for Prohibition of Insider Trading. The said Code prohibits the Designated Persons of the Company from dealing in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position in the Company.

The details of dealing in Company's shares by Designated Employees/Designated Persons are quarterly placed before the Audit Committee. The Code also prescribes sanction framework and any instance of breach of code is dealt in accordance with the same. A copy of the said Code is made available to all employees of the Company and compliance of the same is ensured.

Further the Company has framed a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is available on the website of the Company at www.gallantt.com

15.22 The Company as required under Clause 46 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, has designated the following email IDs namely 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 with the following link <https://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, 2020. 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, 2020.

The CEO and CFO have also given quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of SEBI LODR Regulations, 2015.

The annual certificate given by the CEO and the CFO is published in this Report as **Annexure-B** of this Corporate Governance Report.

15.30 Uday Kotak Committee Recommendations

In June 2017, SEBI set up a committee under the chairmanship of Shri Uday Kotak to advise on issues relating to corporate governance in India. In October 2017, the committee submitted a report containing its recommendations, which were considered by SEBI in its Board Meeting held in March 2018. On May 9, 2018, SEBI notified SEBI LODR (Amendment) Regulations, 2018 implementing majority of these recommendations effective from April 1, 2019 or such other date as specified therein.

The Company substantially complies with the amendments notified and wherever there are new requirements, it will take necessary steps to ensure compliance by the effective date.

Pursuant to Regulation 33 (8) of SEBI LODR Amendment Regulations 2018, the Statutory Auditor of the Company shall undertake a Limited Review of the audit of all the Subsidiaries, Joint Ventures and Associates whose accounts are to be consolidated with the Company as per Accounting Standard 21 with effect from April, 01, 2019 in accordance with guidelines issued by SEBI on this matter.

15.31 Policy for Preservation of Documents

Pursuant to the requirements under Regulation 9 of the Listing Regulations, the Board has formulated and approved a Document Retention Policy prescribing the manner of retaining the Company's documents and the time period up to certain documents are to be retained. The policy percolates to all levels of the organization who handle the prescribed categories of documents.

15.32 Policy for Determination of Legitimate Purposes

The Company has formulated a comprehensive Policy for Determination of Legitimate Purposes. This Policy is formulated pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI [Prohibition of Insider Trading] (Amendment)] Regulations, 2018 for determination of legitimate purpose of for performance of duties or discharge of legal obligations, which will be considered as exception for the purpose of procuring Unpublished Price Sensitive Information (UPS) relating to the Company or its listed securities or proposed to be listed securities, if any. The Policy is also hosted on the website of the Company at <https://www.gallantt.com>

15.33 Policy on enquiry of leak of Unpublished Price Sensitive Information

The Company has formulated a comprehensive Policy for enquiry of leak Unpublished Price Sensitive Information. This Policy is formulated as per requirement of Regulation 9A(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 for enquiry procedure in case of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information. The Policy is also hosted on the website of the Company at <https://www.gallantt.com>

15.34 Shareholder voting

Shareholders are requested to cast their votes on the Resolutions mentioned in the Notice of the Sixteenth Annual General Meeting of the Company by using any one of the following options:

1. Vote in advance of the Annual General Meeting through remote e-voting process.
2. Vote in person at the Annual General Meeting through electronic voting facilities.

15.35 Green Initiative in Corporate Governance

Rule 11 of the Companies (Accounts) Rules, 2014 permits circulation of Annual Report through electronic means to such of the shareholders whose e-mail addresses are registered with NSDL or CDSL or the shareholders who have registered their e-mail IDs with the Company to receive the documents in electronic form and physical copies to those shareholders whose e-mail IDs have not been registered either with the company or with the depositories.

To support this green initiative of the Government, shareholders are requested to register their e-mail addresses, with the DPs, in case shares are held in dematerialized form and with the R & T Agents, in case the share are held in physical form and also intimate changes, if any in their registered e-mail addresses to the company/ DPs, from time to time.

15.36 Compliance Certificate on Corporate Governance

Certificate received from M/s. ALPS & Co., Chartered Accountants (Firm Registration Number: FRN 313132E), Statutory Auditors of the Company having their office at 310, Todi Chambers, 2, Lalbazar Street, Kolkata – 700001 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 2019-20. 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 2019-20 are as follows:

Name of Director	Sitting Fees (Rs.)
Mr. Nitin Mahavir Prasad Kandoi	24,000
Mr. Jyotirindra Nath Dey	38,000
Mr. Prasant Kankrania	8,000
Mrs. Richa Bhartiya	30,000
Mr. Sandip Kumar	4,000
Mr. Dindayal Jalan	2,000
Mr. Ashtbhuja Prasad Srivastava	10,000
TOTAL	1,16,000

15.39 Dividend History for the last 10 financial years

The Table below highlights the history of Dividend declared by the Company in the last 10 financial years:

Sr. No	F.Y. of Declaration of Dividend	Date of Declaration of Dividend	Amount declared per share	Dividend Amount
1	2018-19	26.09.2019	₹ 0.25/- (Twenty Five Paise only)	₹ 2,03,30581
2	2017-18	27.09.2018	₹ 0.25/- (Twenty Five Paise only)	₹ 2,03,30581
3	2016-17	No Dividend Declared	-	-
4	2015-16	No Dividend Declared	-	-
5	2014-15	No Dividend Declared	-	-
6	2013-14	No Dividend Declared	-	-
7	2012-13	No Dividend Declared	-	-
8	2011-12	No Dividend Declared	-	-
9	2010-11	No Dividend Declared	-	-
10	2009-10	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, Non-Executive Directors holds 10,500 Shares in the company.

15.42 Codes and Policies

Particulars Website Details/Links:

Policy/Code	Weblink
Dividend Distribution Policy	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Composition and Profile of the Board of Directors	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Terms and conditions of appointment of Independent Directors	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Familiarisation Programme hours FY 2019-20 for Independent Directors	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Remuneration Policy of Directors, KMPs & Other Employees	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Code of Conduct	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Criteria of Making Payments to Non-Executive Directors	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Corporate Social Responsibility Policy	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Policy on Related Party Transactions	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Policy on Determining Material Subsidiary	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Whistle Blower Policy	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Document Retention and Archival Policy	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Prevention of Sexual Harassment (POSH) at Workplace	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Code of Conduct for Prevention of Insider Trading	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Legitimate Purpose policy	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Policy on enquiry of leak of Unpublished Price Sensitive Information	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes
Risk Management Policy	https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Policies and Codes

For and on Behalf of the Board

Place: Gorakhpur
Date: June 29, 2020

C. P. Agrawal
Chairman

DECLARATION

To
The Members of
Gallantt Metal 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, 2020.

Place : Gorakhpur
Date : June 29, 2020

C. P. Agrawal
Chairman and Managing Director

CEO/CFO CERTIFICATION

The Board of Director
Gallantt Metal Limited
"GALLANTT HOUSE",
I-7, Jangpura Extension,
New Delhi – 110014

Re: Financial Statements for the Financial year 2019-20 – Certificate by MD and CFO

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended on March 31, 2020 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 : June 29, 2020

Chandra Prakash Agrawal
Managing Director

Sandip Kumar Agarwal
Chief Financial Officer

INDEPENDENT AUDITOR'S CERTIFICATE TO THE MEMBERS OF GALLANTT METAL LIMITED

To
The Members of
Gallantt Metal Limited

1. We, ALPS & Co., Chartered Accountants, the Statutory Auditors of Gallantt Metal Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2020, 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 31st March, 2020. We state that in respect of investor grievances received during the year ended March 31, 2020, 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 ALPS & Co.
Chartered Accountants
Firm's Registration No: 313132E

A. K. Khetawat
Partner
Membership No: 52751
UDIN: 20052751AAAABK9515

Place: Kolkata
Date: June 29, 2020

Notice

Board & Management Report

Standalone Financial Report

Consolidated Financial Report

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 METAL 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 Metal 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 Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.N.	Name of the Directors	DIN	Date of Appointment in the Company
1	Mr. Chandra Prakash Agrawal	01814318	01.04.2005
2	Mr. Dinesh Raghubir Prasad Agarwal	01017125	07.02.2005
3	Mr. Prashant Jalan	06619739	12.08.2013 Resigned w.e.f. 29.06.2020
4	Mr. Nitin Mahavir Prasad Kandoi	01979952	07.02.2005
5	Mr. Jyotirindra Nath Dey	00180925	30.11.2005
6	Mr. Prasant Kankrania	05241947	29.03.2012 Resigned w.e.f. 29.04.2019
7	Mrs. Richa Bhartiya	06905283	12.11.2014 Resigned w.e.f. 29.06.2020
8	Mr. Sandip Kumar	08088624	31.03.2018 Resigned w.e.f. 29.04.2019
9	Mr. Ashtbhuj Prasad Srivastava	08434115	29.04.2019
10	Mr. Dindayal Jalan	00006882	23.06.2019

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

(Anurag Fatehpuria)

Practicing Company Secretary

Membership No. 34471,

CP No. 12855

UDIN: A034471B000392180

Place: Kolkata

Date: June 29, 2020

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Members of **Gallantt Metal Limited**
Report on the Standalone Financial Statements
Opinion

We have audited the accompanying standalone financial statements of Gallantt Metal Limited ("the Company") which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('The Act') in the manner so required and give a true and fair view in conformity with the Ind 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, 2020 and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the

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

Emphasis of Matter

We draw attention to Note no. 2A.2 to the Standalone Financial Statements, which describes the uncertainties and the impact of COVID-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matter. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit assessed the key audit matter
<p>Revenue from sale of products (Refer Note 2.12 of the standalone Ind AS financial statements)</p> <p>The Company recognises revenues when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.</p> <p>The terms of sales arrangements, including the timing of transfer of control, delivery specifications and judgement in determining timing of sales revenues. The risk is, therefore, that revenue may not be recognised in the current period in accordance with Ind AS 115.</p> <p>Accordingly, due to the risk associated with revenue recognition, it was determined to be a key audit matter in our audit of the standalone Ind AS financial statements</p>	<p>Following procedures have been performed to address this key audit matter:</p> <ul style="list-style-type: none"> • Considered the Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'. • Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition. • Performed sample test of individual sales transaction and traced to sales invoices, sales orders and other related documents. Further, in respect of the samples tested, checked that the revenue has been recognised as per the incoterms / when the conditions for revenue recognitions are satisfied. • Selected sample of sales transactions made pre and post year end, agreed the period of revenue recognition to underlying documents. • Assessed the relevant disclosures made within the standalone Ind AS financial statements.
<p>Assessment of litigations and related disclosure of contingent liabilities (Refer Note no. 2.11 and Note no. 40 of the Standalone Financial Statement)</p> <p>As of March 31, 2020, the Company has disclosed contingent liabilities of ₹ 2201.99 Lakhs relating to tax and legal claims. Taxation, arbitration and litigation exposures have been identified as a key audit matter due to the uncertainties and timescales involved for the resolution of these claims.</p>	<p>Following procedures have been performed to address this key audit matter:</p> <ul style="list-style-type: none"> • Gained an understanding of the process of identification of claims, litigations, arbitrations and contingent liabilities, and evaluated the design and tested the operating effectiveness of key controls. • Discussed and analysed material legal cases with the Company's legal department. • Analysed the responses obtained from the Company's legal advisors who conduct the court cases, tax and administrative proceedings, in which their status and possible expected manner of proceeding were described.

Key Audit Matters	How our audit assessed the key audit matter
Accordingly, there is judgement required by management in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed in the standalone Ind AS financial statements.	<ul style="list-style-type: none"> Received confirmation obtained by the Company from their legal counsel / consultants on a samples basis. Evaluated management's assumptions and estimates relating to the recognition of the provisions for disputes and disclosures of contingent liabilities in the standalone Ind AS financial statements. Assessed the adequacy of the disclosures with regard to facts and circumstances of the legal and litigation matters.
Impact of Covid 19 on Audit	
Due to outbreak of pandemic Covid 19 and consequent country wide lockdown enforced by Government of India. Due to this we could not carry out normal audit procedures and audit was carried out using "Work from Home" approach. This is considered as Key Audit Matter, since alternate audit procedures were performed for carrying out audit.	<p>Due to "Work from Home" approach adopted, we performed following alternative audit procedures:</p> <ul style="list-style-type: none"> Various data and confirmation were received either electronically through email or through data sharing on drive. For various audit procedures, reliance was placed on scanned copies of original document shared with us electronically. Interview/discussion with client via video conferencing/call conferencing and other verbal communications.

Other Information

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

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the standalone financial statement

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of standalone financial statement

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material mis-statement, 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 mis-statement when it exists. Mis-statement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

A further description of the auditor's responsibilities for the audit of the standalone financial statements is included in Annexure A. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by Section 143(3) of the Act, based on our audit we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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 Cash Flow Statement and Statement of change in equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our

- information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 in its standalone financial statements;
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **ALPS & Company**
Chartered Accountants
Firm's Registration No.313132E
(A.K. Khetawat)

Place: Kolkata
Date: June 29, 2020

Membership Number: 052751
UDIN: 20052751AAAABG2667

Annexure A

Responsibilities for Audit of Financial Statement

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material mis-statement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of mis-statements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of

our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that

were of most significance in the audit of the Standalone financial statements 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.

For **ALPS & Company**
Chartered Accountants
Firm's Registration No.313132E

(A.K. Khetawat)

Place: Kolkata
Dated: June 29, 2020

Partner
Membership Number: 052751
UDIN: 20052751AAAABG2667

ANNEXURE 'B' TO THE AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) Fixed assets have been physically verified by the Management at reasonable intervals which in our opinion is reasonable having regard to the size of the Company and nature of its fixed assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) The inventory has been physically verified at reasonable interval by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of accounts.
- iii) As per the information and explanation given to us, the company has not granted any loans, secured or unsecured to Companies, firms, LLPs or other parties, covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, sub-clause (a), (b) and (c) of clause (iii) of Paragraph 3 of the order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantee and security made, where ever applicable.
- v) The Company has not accepted any deposit from the public as stipulated under the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under and the directives issued by the Reserve Bank of India.

- vi) We have broadly reviewed the books of account maintained by the Company, pursuant to the Companies (Cost Records and audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and cost 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 and complete.
- vii) a) In our opinion and according to the information and explanations given to us, Company is generally been regular in depositing with appropriate authorities undisputed statutory dues, as required under this clause and applicable to the Company during the year. There is no undisputed amount payable in respect of aforesaid statutory dues, outstanding for more than six months from the date they become payable as on 31st March, 2020.
- b) According to the information and explanations given to us, the statutory dues that have not been deposited with the appropriate authorities on account of any dispute for the amount mentioned below:

Name of the Statute	Nature of the Dues	Amount (₹.in lacs)	Period	Forum where dispute is pending
Income Tax Act	Income Tax	115.22*	2006-07 to 2019-20	Various appellate forums
Value Added Tax	VAT	38.04*	2007-08	Jt. Commissioner of Appeal
Central GST	GST	603.35	2014-15 to 2017-18	Commission Appeal GST Central
Custom Act	Custom Duty	264.94	2011-12 to 2012-13	CESTAT, Ahmedabad
Central Excise Act	Excise Duty	170.12	2010-11	CESTAT, Ahmedabad

*net of amount paid under protest

- viii) Based on our audit procedure and on the basis of information and explanations given by the management, the Company has not defaulted in repayment of dues to financial institutions or banks. The Company has not issued any debentures.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year
- (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 non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **ALPS & Company**
Chartered Accountants
Firm's Registration No.313132E
(A.K. Khetawat)
Partner
Place: Kolkata
Dated: June 29, 2020
Membership Number: 052751
UDIN: 20052751AAAABG2667

ANNEXURE 'C' TO THE 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 Metal Limited ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone Ind AS 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 mis-statement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, 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 **ALPS & Company**
Chartered Accountants
Firm's Registration No.313132E

(A.K. Khetawat)

Partner

Place: Kolkata
Dated: June 29, 2020

Membership Number: 052751
UDIN: 20052751AAAABG2667

Balance Sheet as at 31st March 2020

(₹ in lacs)

	Notes	As at 31.03.2020	As at 31.03.2019
(I) ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	03	19,785.80	20,790.22
(b) Capital work in progress		24,077.91	12,748.00
		43,863.71	33,538.22
(c) Financial assets			
(i) Investments	04	4,260.20	4,266.08
(ii) Other financial assets	05	155.62	92.68
(d) Other non-current assets	06	1,328.64	2,089.49
(e) Deferred tax assets / (liabilities) (Net)	07	-	-
(f) Current Income tax assets (net)		194.14	62.82
		49,802.31	40,049.29
(2) Current Assets			
(a) Inventories	08	13,221.73	11,072.50
(b) Financial assets			
(i) Trade receivables	09	2,274.34	3,756.88
(ii) Cash and cash equivalent	10(a)	128.20	154.86
(iii) Other balances with bank	10(b)	351.34	95.18
(iv) Loans	11	-	211.28
(v) Other financial assets	11A	14.14	10.90
(c) Other current assets	12	532.70	1,065.31
		16,522.45	16,366.91
TOTAL ASSETS		66,324.76	56,416.20
(II) EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	13	8,132.23	8,132.23
(b) Other equity	14	40,517.33	40,015.23
		48,649.56	48,147.46
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	5,666.67	-
(b) Provisions	16	103.64	57.85
(c) Deferred tax liabilities / (Assets) (Net)	7	356.39	41.62
		6,126.70	99.47
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	3,775.54	5,126.49
(ii) Derivative liabilities	18	-	28.61
(iii) Trade payables	19	3,670.16	1,846.06
(iv) Other financial liabilities	20	3,699.61	582.63
(b) Provisions	21	76.31	57.06
(c) Other current liabilities	22	326.88	512.90
(d) Current Income tax liabilities (net)		-	15.51
		11,548.50	8,169.26
TOTAL EQUITY AND LIABILITIES		66,324.76	56,416.20

See accompanying notes forming part of the financial statements

As per terms of our report attached

For and on behalf of the Board of Directors

For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Dated : June 29, 2020

Chandra Prakash Agrawal

Dinesh Raghubir Prasad Agarwal

Sandip Kumar Agarwal

Arnab Banerji

Chairman & Managing Director

Whole-time Director

Chief Financial Officer

Company Secretary

Statement of Profit and Loss for the year ended 31st March 2020

(₹ in lacs)

	Notes	For Year ended 31.03.2020	For Year ended 31.03.2019
(1) Revenue from operations	23	86,504.66	1,06,378.53
(2) Other income	24	114.21	540.21
(3) Total Revenue (1) + (2)		86,618.87	1,06,918.74
(4) EXPENSES			
(a) Cost of materials consumed	25	71,716.74	79,113.89
(b) Purchase of stock in trade		234.21	1,788.05
(c) Changes in inventories of finished products and work in progress	26	(1,585.63)	(1,432.63)
(d) Employee benefits expense	27	2,920.56	2,989.90
(e) Finance costs	28	637.54	598.99
(f) Depreciation expense	29	1,415.10	1,409.29
(g) Other expenses	30	9,991.33	11,451.74
Total Expenses (4)		85,329.85	95,919.23
(5) Profit before tax (3) - (4)		1,289.02	10,999.51
(6) Tax Expense			
(a) Current tax			
(i) Current tax for current period		279.77	3,585.64
(ii) Current tax for the previous years		0.25	11.92
(b) Deferred tax			
(i) Deferred tax for current period		260.77	239.30
Total tax expense (6)		540.79	3,836.86
(7) Profit for the period (5) - (6)		748.23	7,162.65
(8) Other comprehensive income			
(a) Items that will not be reclassified to statement of profit and loss			
(i) Remeasurement of the employees defined benefit plans		(1.59)	8.69
(ii) Less : Income tax relating to items that will not be reclassified to profit or loss		(0.56)	3.04
Total other comprehensive income (8)		(1.04)	5.65
(9) Total comprehensive income for the period (7) + (8)		747.19	7,168.30
(10) Earnings per equity share: (Face value of share of ₹ 10 each)	33		
(a) Basic		0.92	8.81
(b) Diluted		0.92	8.81

See accompanying notes forming part of the financial statements

As per terms of our report attached

For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Dated : June 29, 2020

Chandra Prakash Agrawal

Dinesh Raghubir Prasad Agarwal

Sandip Kumar Agarwal

Arnab Banerji

Chairman & Managing Director

Whole-time Director

Chief Financial Officer

Company Secretary

For and on behalf of the Board of Directors

GALANIT

Notice

Board & Management Report

Standalone Financial Report

Consolidated Financial Report

Statement of Changes in Equity for the year ended 31st March 2020

(₹ in lacs)

A. Equity Share Capital

Particulars	Amount
Balance as at 1 April 2018	8,132.23
Changes in equity share capital during the year ended March 31, 2019	-
Balance as at 31 March 2019	8,132.23
Changes in equity share capital during the year ended March 31, 2020	-
Balance as at March 31, 2020	8,132.23

B. Other Equity

Statement of changes in Equity	Reserves and surplus		Items of OCI	Total Equity
	Security Premium	Retained Earnings	Remeasurement of defined benefit liability	
Balance at April 1, 2018	1,050.00	31,997.18	44.85	33,092.03
Total comprehensive income for the year ended 31.03.2019				
Profit or Loss	-	6,917.55	-	6,917.55
Other Comprehensive Income (net of tax)	-	-	5.65	5.65
Balance at March 31, 2019	1,050.00	38,914.73	50.50	40,015.23
Total comprehensive income for the year ended 31.03.2020				
Profit or Loss	-	748.23	-	748.23
Other Comprehensive Income (net of tax)	-	-	(1.04)	(1.04)
Total Comprehensive Income	1,050.00	39,662.96	49.47	40,762.43
Transaction with owners, recorded directly in equity contributions by and distribution to owners				
Dividend (including dividend distribution tax)	-	(245.10)	-	(245.10)
Total contribution by and distribution to owner	-	(245.10)	-	(245.10)
Balance at March 31, 2020	1,050.00	39,417.86	49.47	40,517.33

See accompanying notes forming part of the financial statements

As per terms of our report attached

For and on behalf of the Board of Directors

For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Dated : June 29, 2020

Chandra Prakash Agrawal

Dinesh Raghubir Prasad Agarwal

Sandip Kumar Agarwal

Arnab Banerji

Chairman & Managing Director

Whole-time Director

Chief Financial Officer

Company Secretary

Cash Flow Statement for the year ended 31st March 2020

(₹ in lacs)

	For the year ended 31.03.2020	For the year ended 31.03.2019
A. Cash Flow from Operating activities:		
Profit for the period	1,289.02	10,999.51
<i>Adjustments for:</i>		
Income tax expenses recognised in the statement of profit and loss		
Depreciation expense	1,415.10	1,409.29
Interest income	(70.23)	(429.62)
Interest expenses	445.85	333.75
Remeasurement Gain / (Loss) on defined benefit plan	(1.59)	8.69
Net (Gain)/Loss on derivative instruments	-	28.60
(Profit)/loss on sale of property, plant & equipments	0.91	65.34
Liabilities/provision no longer required written back	(1.24)	0.15
Operating profit before working capital changes	3,077.82	12,415.71
<i>Adjustments for (increase)/decrease in operating assets</i>		
Inventories	(2,149.23)	(93.73)
Trade receivables	1,482.54	1,294.99
Non-current financial Assets	(62.94)	(16.00)
Other non-current assets	(0.01)	12.20
Current financial assets	(23.30)	(4.74)
Other current assets	532.61	(492.71)
<i>Adjustments for increase/(decrease) in operating liabilities</i>		
Trade Payables	1,824.10	(6,045.03)
Current financial liabilities	(58.36)	125.63
Other current liabilities	(186.02)	(528.75)
Provisions	66.28	42.32
Cash generated from operations	4,503.49	6,709.89
Direct taxes paid	(372.29)	(2,397.97)
Net cash generated from operating activities	4,131.19	4,311.92
B. Cash Flow from Investing activities:		
Purchase of property, plant and equipment	(10,639.86)	(10,976.39)
Sale of property, plant & equipment	1.24	114.85
Investment in Shares	5.88	-
Movement in loans and advances	211.28	6,802.98
Movement in fixed deposit held as margin	(256.17)	(62.50)
Interest received	61.68	432.27
Net cash (used in) investing activities	(10,615.95)	(3,688.79)

GALANIT

Notice

Board & Management Report

Standalone Financial Report

Consolidated Financial Report

Cash Flow Statement for the year ended 31st March 2020

(₹ in lacs)

	For the year ended 31.03.2020	For the year ended 31.03.2019
C. Cash Flow from Financing activities:		
Proceeds from long term borrowings	8,500.00	-
Repayment of short term borrowings	(1,350.95)	(343.11)
Interest paid	(445.85)	(333.78)
Dividend Paid	(203.31)	(203.31)
Dividend distribution tax paid	(41.79)	(41.79)
Net cash (used in) financing activities	6,458.11	(921.99)
Net increase/(decrease) in cash and cash equivalents	(26.66)	(298.86)
Cash and cash equivalents as at 1st April	154.86	453.72
Cash and cash equivalents as at 31st March	128.20	154.86

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(a)}
2. Figures in brackets represent outflows.

As per terms of our report attached
For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Dated : June 29, 2020

For and on behalf of the Board of Directors

Chandra Prakash Agrawal

Dinesh Raghubir Prasad Agarwal

Sandip Kumar Agarwal

Arnab Banerji

Chairman & Managing Director

Whole-time Director

Chief Financial Officer

Company Secretary

Notes on financial statements for the year ended 31st March 2020

Note -01 General Information

1.01 Corporate Information

Gallantt Metal 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 on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is engaged in manufacturing of Steel and Steel products with power plant and having its manufacturing unit at Village Samakhali, Dist Kutch in the State of Gujarat.

1.02 Basis of preparation of financial statement

These financial statement 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.

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. 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, 2020 were approved by the Board of Directors and authorised for issue on June 29, 2020.

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 operate. 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 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

Notes on financial statements for the year ended 31st March 2020

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 25 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.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of intangible assets is recognised in profit and loss.

The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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 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:

Notes on financial statements for the year ended 31st March 2020

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 financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an

Notes on financial statements for the year ended 31st March 2020

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 Off setting of Financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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.

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 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

Notes on financial statements for the year ended 31st March 2020

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 (INR), which is Company's functional and presentation currency.

Transactions in currencies other than entity's functional currency (foreign currency) are recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies (other than derivative contracts) remaining unsettled at the end of the each reporting period are remeasured at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currency are retranslated at the rate prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange difference on monetary items are recognised in profit and loss in the period.

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 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 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) and Note on COVID-19

2A.1 Recent accounting pronouncements which are not yet effective

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notifications which would have been applicable from April 1, 2020.

2A.2 Notes on COVID-19

In view of the lockdown across the country due to the outbreak of COVID pandemic, manufacturing operations are scaled down or shut down in compliance with the directives / orders issued by the local Panchayat / Municipal Corporation / State / Central Government authorities.

As per management's current assessment, no significant impact on carrying amounts of inventories, trade receivables, investments and other financial assets is expected, and management will continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these Financial Statements.

Notes on financial statements for the year ended 31st March 2020

(` in lacs)

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	Total
Cost or deemed cost												
Balance at April 1, 2018	803.31	4,579.92	557.57	17,909.35	398.92	43.51	28.33	44.83	232.51	6.08	171.32	24,775.65
Additions	120.14	-	-	42.92	40.79	-	3.26	0.58	79.96	1.05	209.00	497.70
Disposals	-	-	-	(277.73)	(3.04)	-	-	-	(21.65)	-	-	(302.42)
Balance at March 31, 2019	923.45	4,579.92	557.57	17,674.54	436.67	43.51	31.59	45.41	290.82	7.13	380.32	24,970.93
Additions	75.55	-	-	0.83	6.41	3.17	2.94	0.38	81.87	0.98	240.69	412.82
Disposals	-	-	-	-	-	-	-	-	(5.51)	-	(380.32)	(385.83)
Balance at March 31, 2020	999.00	4,579.92	557.57	17,675.37	443.08	46.68	34.53	45.79	367.18	8.11	240.69	24,997.92
Accumulated depreciation												
Balance at April 1, 2018	-	317.47	124.87	2,019.69	231.58	15.49	12.78	20.57	50.98	4.82	95.40	2,893.65
Depreciation expense	-	162.97	62.67	935.34	17.75	4.74	3.56	8.41	31.17	0.83	181.85	1,409.29
Disposals	-	-	-	(110.85)	-	-	-	-	(10.51)	(0.87)	-	(122.23)
Balance at March 31, 2019	-	480.44	187.54	2,844.18	249.33	20.23	16.34	28.98	71.64	4.78	277.25	4,180.71
Depreciation expense	-	162.97	62.67	914.32	15.84	4.27	2.76	6.50	42.82	1.08	201.86	1,415.09
Disposals	-	-	-	-	-	-	-	-	(3.36)	-	(380.32)	(383.68)
Balance at March 31, 2020	-	643.41	250.21	3,758.50	265.17	24.50	19.10	35.48	111.10	5.86	98.79	5,212.12
Carrying amount												
Balance at March 31, 2019	923.45	4,099.48	370.03	14,830.36	187.34	23.28	15.25	16.43	219.18	2.35	103.07	20,790.22
Balance at March 31, 2020	999.00	3,936.51	307.36	13,916.87	177.91	22.18	15.43	10.31	256.08	2.25	141.90	19,785.80

Note:

- 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.
- 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 on financial statements for the year ended 31st March 2020

(₹ in lacs)

04. Investments in Subsidiaries and Associates					
		As at 31.03.2020		As at 31.03.2019	
		Qty Nos.	Amount	Qty Nos.	Amount ₹ lakhs
Investments in Equity Instruments (Fully paid up unless stated otherwise)					
(a)	Quoted Investments				
	Associates				
	Gallantt Ispat Limited at face value of Re. 1 each (P.Y. ₹ 1 each)	7,25,19,920	4,260.20	7,25,19,920	4,260.20
	Total aggregate quoted investments	7,25,19,920	4,260.20	7,25,19,920	4,260.20
(b)	Unquoted Investments				
	Subsidiary				
	GL Steel & Power Ltd. at face value of ₹ 10 each.	-	-	58,800	5.88
	Total aggregate unquoted investments	-	-	58,800	5.88
	Total Investments carrying value		4,260.20		4,266.08
	Aggregate book value of quoted investments		4,260.20		4,260.20
	Aggregate market value of quoted investments		13,670.00		21,828.50
05. Other non-current financial assets (Unsecured, Considered good)					
		As at 31.03.2020		As at 31.03.2019	
(a)	Security deposits		155.62		92.68
	Total non-current financial assets		155.62		92.68
06. Other non-current assets					
(a)	Capital advances		577.76		1,338.62
(b)	Balance with Statutory / Government Authorities		750.88		750.88
	Total other non-current assets		1,328.64		2,089.50
07. Deferred tax balances					
The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:					
	Deferred tax assets		3,063.69		3,095.24
	Deferred tax liabilities		(3,420.08)		(3,136.86)
	Net deferred tax asset/(liability)		(356.39)		(41.62)
For Year ended 31.03.2020					
Deferred tax (liabilities)/assets in relation to:					
Defferred Tax Liability					
	Written down value of Assets		3,420.08		3,133.82
	Other Provision		-		3.04
			3,420.08		3,136.86
Defferred Tax Assets					
	Mat Credit entitlement		2,957.02		3,011.60
	Provision for retirement benefit		62.32		43.19
	Other Provision		44.35		40.45
			3,063.69		3,095.24

GALLANTT

Notice

Board & Management Report

Standalone Financial Report

Consolidated Financial Report

Notes on financial statements for the year ended 31st March 2020

(₹ in lacs)

08. Inventories		
	As at 31.03.2020	As at 31.03.2019
(a) Raw materials	7,049.57	6,711.98
Including in transit ₹ 3681.56 lacs (P.Y. ₹ 4225.28 lacs)		
(b) Work-in-progress	-	32.97
(c) Finished products	4,208.18	2,589.57
(d) Stores and spare parts	1,963.98	1,737.98
Total inventories	13,221.73	11,072.50

- Inventories are pledged on pari passu first charge against short term loans from bank (refer note 17)
- The mode of valuation of Inventories has been stated in note 02 point -05

09. Trade receivables (Current) Unsecured, considered good		
Total trade receivables	2,274.34	3,756.88
	2,274.34	3,756.88

- Trade receivables are pledged on pari passu first charge against short term loans from bank (refer note 17).

10. Cash and bank balances		
(a) Cash and cash equivalents		
(i) Cash on hand	6.97	9.77
(ii) Balances with banks		
(a) In current accounts	5.07	5.09
(b) In deposits accounts*	116.16	140.00
Total cash and cash equivalents	128.20	154.86
(b) Other bank balances		
In deposits accounts**	350.08	94.43
Earmarked balance with bank for unclaimed dividend	1.26	0.75
	351.34	95.18
Total cash and bank balances	479.54	250.04
Included above		
(i) Bank deposits for margin against letters of credit and Bank Guarantee	466.24	234.43
(ii) * This represent deposits with original maturity of less than or equal to three months.		
** This represent deposits with original maturity of more than three months but within twelve months.		

11. Current Financial Assets - Loans (Unsecured, considered good)		
(a) Loan to related parties (refer note 35)	-	211.28
	-	211.28
Details of loans under section 186(4) of the Companies Act, 2013		
GL Steel and Power Limited (wholly owned subsidiary)	-	211.28

11A. Other financial assets		
(a) Interest accrued on fixed deposits	11.49	2.94
(b) Others	2.65	7.97
Total other financial assets	14.14	10.91

Notes on financial statements for the year ended 31st March 2020

(₹ in lacs)

12. Other current assets		As at 31.03.2020	As at 31.03.2019
(a)	Advance with public bodies		
	i) Balance with Statutory and Government authorities	201.26	508.17
	ii) Advance to suppliers	289.50	500.54
	iii) Other advances and prepayments		
	a) Prepayments	41.64	52.57
	b) Others	0.30	4.03
	Total other current assets	532.70	1,065.31

13. Share capital			
Authorised:			
83,000,000 (P.Y. 83,000,000) Equity Shares of Rs. 10 each		8,300.00	8,300.00
Issued, Subscribed and fully paid up:			
81,322,324 (P.Y. 81,322,324) Equity Shares of Rs. 10 each		8,132.23	8,132.23
		8,132.23	8,132.23

Reconciliation of Number of Shares and amount outstanding at the beginning and end of the reporting period

	For the period ended 31.03.2020		For the period ended 31.03.2019	
	No. of Shares	Amount ₹ lacs	No. of Shares	Amount ₹ lacs
Equity shares				
Issued, subscribed and fully paid up:				
At beginning and end of the year	8,13,22,324	8,132.23	8,13,22,324	8,132.23
Issued during the year	-	-	-	-
At end of the year	8,13,22,324	8,132.23	8,13,22,324	8,132.23

Rights, preferences and restrictions attached to shares

Equity Shares

- (i) The company has one class of equity shares having a par value of ₹ 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.
- (ii) The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.
- (iii) The Company for the period of five years immediately preceding the date of Balance Sheet has not:
 - (a) Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.
 - (b) Allotted fully paid up shares by way of bonus shares.
 - (c) Bought back any class of shares.

Notes on financial statements for the year ended 31st March 2020

(₹ in lacs)

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholders	For the period ended 31.03.2020		For the period ended 31.03.2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Gallantt Ispat Limited	3,94,62,895	48.53	3,94,62,895	48.53
Lexi Exports Pvt. Limited	1,19,30,679	14.67	1,19,30,679	14.67
Richie Credit and Finance Pvt. Ltd.	50,20,194	6.17	50,20,194	6.17
Hipoline Commecre Pvt. Ltd.	90,83,128	11.17	90,83,128	11.17

14. Other Equity		As at 31.03.2020	As at 31.03.2019
a)	Securities premium	1,050.00	1,050.00
b)	Retained Earnings	39,417.86	38,914.73
c)	Other Comprehensive Income	49.47	50.50
Total other equity		40,517.33	40,015.23
Securities Premium			
	Opening and closing balance	1,050.00	1,050.00
Retained Earnings			
	Opening balance	38,914.73	31,997.18
	Profit for the period	748.23	7,162.65
	Less : Dividend	(203.31)	(203.31)
	Tax On Dividend	(41.79)	(41.79)
	Closing balance	39,417.86	38,914.73
Other Comprehensive Income			
	Opening Balance	50.50	44.85
	Other Comprehensive Income for the year	(1.59)	8.69
	Less : Tax impact on above	(0.56)	3.04
	Closing Balance	49.47	50.50
		40,517.33	40,015.23

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.

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

15. Non current Financial Liabilities - Borrowings			
A.	Unsecured - at amortised cost		
(a)	Other loans	5,666.67	-
		5,666.67	-

- These are carried at amortised cost.
- Refer Note No. 20 for current maturities of non-current borrowings

16. Non-current Provisions			
(a)	Provision for employee benefits		
	Retirement gratuity	103.64	57.85
Total provisions		103.64	57.85

17. Current Financial Liabilities - Borrowings		
	As at 31.03.2020	As at 31.03.2019
A. Secured - at amortised cost		
(a) Repayable on demand		
From banks		
a) Cash credit	1,364.17	1,594.66
(b) Other loans		
From banks		
a) Foreign currency loan (supplier credit)	-	2,450.46
b) Rupee loan (Bill discounting)	2,411.37	1,081.37
Total secured borrowings	3,775.54	5,126.49
Total borrowings	3,775.54	5,126.49

- 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
- 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 viz. land and building situated in Kutch, Gujarat
- 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 loans is guaranteed by the corporate guarantee of M/s Hipoline Commerce Pvt. Ltd.
- The above working capital loan is guaranteed by the personal guarantee of Sri C. P. Agrawal, Sri Dinesh R Agarwal and Sri Nitin Kandoi, Directors of the company.
- The Company does not have any default as on the Balance Sheet date in repayment of loan or Interest.

18. Current Financial Liabilities - Derivative		
(a) Foreign currency forward contracts	-	28.61
Total derivative liabilities	-	28.61

19. Current Financial Liabilities - Trade Payables		
(a) Total outstanding dues to micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,670.16	1,846.06
Total Trade Payables	3,670.16	1,846.06

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, 2020, to Micro, Small and Medium Enterprises on account of principal or interest

20. Current Financial Liabilities - Others		
(a) Current maturities of long term debts	2,833.33	-
(b) Creditors for accrued wages and salaries	363.06	421.93
(c) Creditors for purchase of fixed assets	501.96	159.95
(d) Unclaimed Dividend	1.26	0.75
Total other current financial liabilities	3,699.61	582.63

Notes on financial statements for the year ended 31st March 2020

(₹ in lacs)

21. Current Provisions			
		As at 31.03.2020	As at 31.03.2019
(a)	Provision for employee benefits		
	i) Post retirement gratuity	76.31	57.06
		76.31	57.06
22. Other current liabilities			
(a)	Advance received from customers	70.06	28.48
(b)	Employee recoveries and employer's contributions	14.79	10.52
(c)	Statutory dues	237.76	469.63
(d)	Other credit balances	4.27	4.27
	Total other current liabilities	326.88	512.90
23. Revenue from operations			
		For the year ended 31.03.2020	For the year ended 31.03.2019
	Sale of Products		
(a)	Sale of manufactured goods	84,747.22	1,03,527.48
(b)	Sale of traded goods	237.89	1,844.21
(c)	Other Operating Revenue	1,519.55	1,006.84
	Revenue from Operations (Net)	86,504.66	1,06,378.53
24. Other income			
(a)	Interest income from financial assets measured at amortised cost		
	i) From fixed deposits	27.06	26.63
	ii) From loans to subsidiaries and associates	-	17.83
	iii) From Others	43.17	385.16
(b)	Dividend income		
	i) From associate	-	72.52
(c)	Profit on sale of current investemnt	-	12.88
(d)	Gain on foreign currency transactions (net)	21.48	-
(e)	Gain on sale of fixed assets (net)	0.91	-
(f)	Other non operating income	21.59	25.19
	Total other income	114.21	540.21
25. Cost of materials consumed			
	Raw materials & components consumed		
(a)	Opening stock	6,711.98	7,933.03
(b)	Add: Purchases	72,054.33	77,892.84
		78,766.31	85,825.87
(c)	Less: Closing stock	7,049.57	6,711.98
	Total raw materials consumed	71,716.74	79,113.89

Notes:

- i) Manufactured goods consumed for own use Rs. 416.41 lakhs (P.Y. Rs. 294.11 lakhs) deducted from raw material consumed at cost price.

26. Changes in inventories of finished products and work in progress		For the year ended 31.03.2020	For the year ended 31.03.2019
	Inventories at the beginning of the year/period		
(a)	Finished products	2,589.58	1,156.43
(b)	Work-in-progress	32.97	33.48
		2,622.55	1,189.91
	Less: Inventories at the end of the year/period		
(a)	Finished products	4,208.18	2,589.57
(b)	Work-in-progress	-	32.97
		4,208.18	2,622.54
	Net (increase)/decrease	(1,585.63)	(1,432.63)
27. Employee Benefit Expenses			
(a)	Salaries and wages, including bonus	2,703.26	2,800.87
(b)	Company's contribution to provident and other funds	144.70	106.80
(c)	Workmen and staff welfare expenses	72.60	82.23
	Total employee benefits expense	2,920.56	2,989.90
28. Finance costs			
(a)	Interest expense	445.85	333.75
(b)	Other Borrowing costs	191.69	265.24
	Total finance costs	637.54	598.99
29. Depreciation and amortisation expense			
(a)	Depreciation on tangible assets	1,415.10	1,409.29
	Total depreciation expense	1,415.10	1,409.29
30. Other expenses			
(a)	Consumption of stores, spare parts and loose tools	1,399.17	1,956.88
(b)	Repairs to buildings	28.92	59.77
(c)	Repairs to plant and machinery	241.25	314.01
(d)	Repairs to others	25.00	37.86
(e)	Power and fuel	3,152.11	3,530.28
(f)	Other manufacturing expenses	1,819.55	1,844.13
(g)	Rent	3.46	3.82
(h)	Rates, taxes and licenses	22.27	23.01
(i)	Insurance charges	79.21	50.92
(j)	Freight and handling charges	2,413.81	2,673.82
(k)	Commission and brokerage	69.78	53.58
(l)	Selling expenses	239.70	285.72
(m)	Loss /(gain) on foreign currency transaction (net)	-	99.41
(n)	Loss on sale/discard of assets	-	65.34
(o)	Corporate social responsibility expenses	139.92	101.79
(p)	Other general expenses	357.18	351.40
	Total other expenses	9,991.33	11,451.74
	Note:		
	Auditor's Remuneration (included in other general expenses)		
	Audit Fee	4.50	4.50
	Tax Audit Fee	0.50	0.50
	Other Services (certification fee)	0.50	0.50
	Out of pocket expenses	0.52	0.87
		6.02	6.37

31. Income tax recognised in profit and loss		
	For the year ended 31.03.2020	For the year ended 31.03.2019
Current tax		
Current Tax Expenses	225.22	2,354.63
Mat credit availed / (entitlement)	54.55	1,231.01
Income Tax Expenses	279.77	3,585.64
In respect of prior years	0.25	11.92
Income tax expenses including earlier year tax	280.02	3,597.56
Deferred tax		
Deferred tax (assets) / liabilities of the current year	260.77	239.30
Deferred tax (assets) / liabilities in other comprehensive income	(0.56)	3.04
	260.21	242.34
Total tax expense	540.23	3,839.90
The income tax expense for the year can be reconciled to the accounting profit (loss) as follows:		
Profit before tax as per statement of Profit and Loss	1,289.02	10,999.51
Accounting Profit before tax	1,289.02	10,999.51
Applicable Income Tax rate	34.944%	34.944%
Computed income tax expense	450.44	3,843.67
Effect of income that is exempt from tax	-	(25.34)
Effect of expenses that are not deductible in determining taxable profit	49.07	60.21
Effect of timing difference of Depreciation	(285.95)	(312.04)
Effect of timing difference of liabilities	66.21	19.14
	279.77	3,585.64
Reconciliation of deferred tax (assets) / liabilities		
Effect of written down value	286.28	263.50
Effect of timing difference of liability	(25.51)	(24.20)
Effect of timing difference of liability in other comprehensive income	(0.56)	3.04
	260.21	242.34

32. 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

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.

(i) Segment revenue and results

Segment revenue

	For the year ended 31.03.2020	For the year ended 31.03.2019
Steel	86,504.66	1,06,378.53
Power	15,648.71	15,177.64
Unallocated Other income (Net)	114.21	540.21
	1,02,267.58	1,22,096.38
Inter-segment revenue	15,648.71	15,177.64
Total	86,618.87	1,06,918.74
Segment Results		
Steel	(2,595.36)	5,962.37
Power	4,407.71	5,095.92
Total Segment Result	1,812.35	11,058.29
Interest	637.54	598.99
Other unallocated expnses /(income)	(114.21)	(540.21)
Profit /(Loss) before taxes	1,289.02	10,999.51

(ii) Segment assets and liabilities

Segment assets

	As at 31.03.2020	As at 31.03.2019
Steel	42,091.04	35,131.12
Power	19,751.39	16,710.89
Total segment assets	61,842.43	51,842.01
Unallocated	4,482.33	4,574.19
Total assets	66,324.76	56,416.20
Segment liabilities		
Steel	17,675.20	8,253.22
Power	0.00	0.00
Total segment liabilities	17,675.20	8,253.22
Unallocated	0.00	15.51
Shareholders' Fund	48,649.56	48,147.46
Total liabilities	66,324.76	56,416.20

(iii) Capital Expenditure

Steel	8,382.63	3,030.51
Power	3,360.10	7,354.97
Depreciation		
Steel	1,026.28	1,019.80
Power	388.83	389.49
Total depreciation	1,415.11	1,409.29

(iv) Customer contributing more than 10% of revenue

	For the year ended 31.03.2020	For the year ended 31.03.2019
Rajasthan Steel	13,531.36	12,649.24
Gallantt Steel Distributors	12,163.04	12,631.75

33. Earnings per share		
	For the year ended 31.03.2020	For the year ended 31.03.2019
Basic and diluted earnings per share		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Profit for the year attributable to owners of the Company	748.23	7,162.65
Weighted average number of equity shares for the purposes of basic earnings per share	8,13,22,324	8,13,22,324
Basic & Diluted earnings per share	0.92	8.81

34. Employee Benefit plans**(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 ₹ 78.34 lakhs (previous year ₹ 55.64 lakhs) has been included in Note 27 Employee Benefits Expenses.

Gratuity cost amounting to ₹ 66.36 lakhs (previous year ₹ 51.15 lakhs) has been included in Note 27 Employee Benefits Expenses.

(iii) The amount recognised in the Company's financial statements as at the year end as under:

	For the year ended 31.03.2020	For the year ended 31.03.2019
1 Movement in the present value of the defined benefit obligation		
a) Opening defined benefit obligation	199.26	150.66
b) Current service cost	54.65	45.08
c) Interest cost	15.24	12.05
d) Actuarial (gains)/ loss on obligation	1.47	(8.53)
e) Benefits paid	0.00	0.00
f) Closing defined benefit obligation	270.62	199.26

Notes on financial statements ^f for the year ended 31st March 2020

(₹ in lacs)

		For the year ended 31.03.2020		For the year ended 31.03.2019	
2	Movement in the fair value of the plan assets				
a)	Opening fair value of plan assets	84.35		78.21	
b)	Interest income on plan assets	6.45		5.98	
c)	Employer's contribution	0.00		0.00	
d)	Actuarial (gains)/ loss on Plan Assets	(0.12)		0.16	
e)	Benefits paid	0.00		0.00	
f)	Closing fair value of plan assets	90.68		84.35	
3	Components of defined benefit costs recognised in profit and loss				
a)	Current service cost	54.65		45.08	
b)	Interest expenses on defined benefit obligation	15.24		12.05	
c)	Interest (income) on plan assets	(6.45)		(5.98)	
d)	Defined benefit cost included in Profit & Loss Account	63.44		51.15	
4	Components of defined benefit costs recognised in other comprehensive income				
a)	Actuarial (gains)/ loss on obligation for the year	1.47		(8.53)	
b)	Return on plan assets (excluding interest income)	0.12		(0.16)	
c)	Total defined benefit cost recognised in OCI	1.59		(8.69)	
5	Amount recognised in the statement of financial position				
a)	Present value of obligation at the end of the year ¹	270.62		199.26	
b)	Fair value of Plan Assets at the end of the year	(90.68)		(84.35)	
c)	Net defined benefit liability / (assets)	179.94		114.91	
	Of which Short term liability	76.31		57.06	
6	Estimated contribution to be made in next financial year	76.31		57.45	
7	Actuarial Assumptions				
	Discount Rate	6.80%		7.65%	
	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	
8	Assets Information				
	Gratuity Fund (SBI Life)	90.68		84.35	
	Target allocation	100%		100%	
	Sensitivity Analysis	Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.			

		For the year ended 31.03.2020		For the year ended 31.03.2019	
		(Increase)	(Decrease)	(Increase)	(Decrease)
	Discount Rate (1% movement)	254.89	288.74	187.97	212.19
	Salary escalation rate (1% movement)	289.5	253.52	213.14	186.75
	Withdrawal rate (1% movement)	271.63	269.35	200.31	197.94

35. Related Party Disclosures

(i)	Related parties where control exists	
	Subsidiary Company	
	GL Steel and Power Limited (Ceased as subsidiary from 18.01.2020)	
(ii)	Related parties with whom transactions have taken place during the year	
	Gallantt Ispat Limited	(Associate company)
	Ganesh Laxmi Processors Private Ltd	(Company under common control)
	Gallantt Foundation	(Trust under common control)
(iii)	Key Management personnel	
	Mr. Chandra Prakash Agrawal	Chairman and Managing Director
	Mr. Dinesh R Agarwal	Wholetime Director
	Mr. Prashant Jalan	Director
	Mr. Sandip Kumar Agarwal	Chief Financial Officer
	Mr. Tarun Rathi	Company Secretary (resigned on 31.10.2019)
	Mr. Arnab Banerji	Company Secretary
(iv)	Relative of key management personnel	
	Mr. Akash Agarwal	(Son of Mr. Dinesh R Agarwal)

Related party Transactions

Name of the related party	Nature of transaction	31 March, 2020	31 March, 2019
GL Steel and Power Limited	Loan given	6.78	102.50
	Interest income	13.59	17.82
	Loan given (refund back)	230.29	0.00
Gallantt Ispat Limited	Loan given	1,500.00	600.00
	Loan given (refund back)	1,500.00	600.00
	Loan taken	500.00	750.00
	Loan taken (refund)	500.00	750.00
	Sale of product	51.33	22.80
	Purchase of products	78.68	84.89
	Interest income	0.25	0.01
Ganesh Laxmi Processors Private Ltd.	Sale of product	24.54	70.85
	Purchase of products	0.00	2.62
Gallantt Foundation	Contribution in CSR	0.00	35.00
Mr. Chandra Prakash Agrawal	Remuneration	22.80	21.60
Mr. Dinesh R Agarwal	Remuneration	61.44	352.67
Mr. Dinesh R Agarwal	Share Sold	2.35	0.00
Mr. Prashant Jalan	Remuneration	6.92	6.73
Mr. Sandip Kumar Agarwal	Remuneration	16.43	13.34
Mr. Tarun Rathi	Remuneration	4.56	4.94
Mr. Arnab Banerji	Remuneration	2.17	0.00
Mr. Akash Agarwal	Remuneration	26.65	26.65
Outstanding Balance			
Name of the related party	Nature of transaction	31 March, 2020	31 March, 2019
GL Steel and Power Limited	Loan given	0.00	211.28

36. Capital management

The Company manages its capital to ensure that entities will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Company consists of net debt 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 31.03.2020	As at 31.03.2019
Debt		
Current borrowings	(3,775.54)	(5,126.49)
Long term borrowings	(5,666.67)	-
Current Maturity of long term borrowings	(2,833.33)	-
Cash and bank balances	479.54	250.04
Net debt	(11,796.00)	(4,876.45)
Total equity	48,649.56	48,147.46
Equity share capital	8,132.23	8,132.23
Other equity	40,517.33	40,015.23
Net debt to equity ratio	(0.24)	(0.10)

37. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds FVTOCI investments and enter into derivative transactions. The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risks, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments. The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

(i) 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 31.03.2020	As at 31.03.2019
Financial Liabilities			
Hedged			
Borrowings - Suppliers' Credit	USD	-	34.87
	INR	-	2,450.46
Unhedged			
Trade Payable	USD	9.26	0.51
	INR	698.45	34.83

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.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company monitors each loans and advances given and makes any specific provision wherever required.

Based on prior experience and an assessment of the current economic environment, Management believes there is no credit risk provision required. Also Company does not have any significant concentration of credit risk.

The ageing of trade receivables that were not impaired was as follows:

Particulars	Amount `in Lacs`	
	As at 31.03.2020	As at 31.03.2019
Others	2,274.34	3,756.88
	2,274.34	3,756.88

(iii) 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 31.03.2020	Carrying amount	Less than 1 month	1 to 5 years	> 5 years
Short term borrowings	3,775.54	3,775.54	-	-
Long term borrowings	5,666.67	-	5,666.67	-
Trade payables	3,670.16	3,670.16	-	-
Other financial liabilities	3,699.61	3,699.61	-	-
As at 31.03.2019				
Short term borrowings	5,126.49	5,126.49	-	-
Derivative liabilities	28.61	28.61	-	-
Trade payables	1,846.06	1,804.06	-	-
Other financial liabilities	582.63	582.63	-	-

38. 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.

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.

Particulars	As at 31.03.2020	As at 31.03.2019
Financial Assets:		
Investment - Non -current	4,260.20	4,266.08
Security deposits - Non - current	155.62	92.68
Trade receivables	2,274.34	3,756.88
Cash and cash equivalents	128.20	154.86
Other bank balances	351.34	95.18
Loan - Current	-	211.28
Other Financial assets - Current	14.14	10.90
Total	7,183.84	8,587.86
Financial Liabilities		
Borrowings - Current	3,775.54	5,126.49
Trade payable	3,670.16	1,846.06
Derivative financial liabilities	-	28.61
Other financial liabilities	3,699.61	582.63
Total	11,145.32	7,583.79

39. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for	1,216.63	4,384.78
--	----------	----------

40. Contingent liabilities

		As at 31.03.2020	As at 31.03.2019
(i)	Curtailling 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 is planning to file review petition for the same.	583.79	595.96
(ii)	Commissioner of Central Excise, Kutch Commission rate issued Show Cause Notice on excise duty liability on sales tax incentive availed by the company.	170.12	170.12

Notes on financial statements for the year ended 31st March 2020

(₹ in lacs)

		As at 31.03.2020	As at 31.03.2019
(iii)	Demand raised by the Addl. Commissioner of Central Excise, Rajkot against utilisation of CENVAT credit of Basic Excise duty for payment of Education and Higher education Cess and filed appeal for the same before CESTAT, Ahmedabad.	-	49.22
(iv)	Commissioner, Central GST (Audit) issued show cause notice on wrong avaiement of CENVAT credit on imported coal. Company preferred appeal before the Commissioner Appeal against the same	603.35	-
(v)	Benefit on import of coal from AIFTA Preferential Tariff denied by the Kandla custom. We have preferred appeal to Commissioner of Custom. (₹ 39.03 lacs has been paid against the same)	39.03	39.03
(vi)	Disputed liability in respect of sales tax (₹ 42.00 lacs has been paid against the same).	80.04	80.04
(vii)	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.	115.22	62.61
(viii)	Claim against the company not acknowledged debt in respect of disputed liability of freight with railway. Case is pending in Hon'ble Highcourt, Gujarat.	161.45	161.45
(ix)	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
(x)	Outstanding guarantees to bank in respect of the guarantees given by bank in favour of various government authorithies.	423.43	423.43

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.

Note- 40A Amalgamation of Companies

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

In accordance with the Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "LODR") Company has 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 have also filed this application with the Stock Exchanges under Regulation 37 of LODR.

Brief details of the Scheme are as under:

- 1 **GIL, AAR, HIPOLINE, LEXI and RICHIE all are TRANSFEROR COMPANIES and GML is 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 member in AAR.
 - (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.
- 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 co-ordinating with the SEBI in respect of the said Scheme and matters connected therewith.

41. Dividend on Equity Shares

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Cash dividend on equity share declared and paid		
Final dividend for the year ended 31 March 2019 : Rs. 0.25 per share ((31 March 2018 ₹ 0.25)	-	203.31
Dividend distribution tax on final dividend	-	41.79
Total dividend paid	-	245.10
Proposed Dividend (*)		
Nil (31 March 2019 ₹ 0.25)	-	203.31
Dividend distribution tax on final dividend	-	41.79
Total dividend proposed	-	245.10

(*) Proposed Dividend is subject to Shareholders’ approval in the ensuing Annual General Meeting and has not been recognised as a liability as at Balance Sheet date.

Notes on financial statements for the year ended 31st March 2020

(₹ in lacs)

42. Corporate Social Responsibility Contribution (CSR Expenses)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
(a) Gross amount required to be spent by the company during the year	139.14	94.13
(b) Amount spent during the year on		
(i) Construction / acquisition of any fixed assets	0.00	0.00
(ii) On purpose other than (i) above	139.92	101.79

43. Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

44. Balances under Trade receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

45. Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation.

As per terms of our report attached

For and on behalf of the Board of Directors

For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Dated : June 29, 2020

Chandra Prakash Agrawal

Dinesh Raghubir Prasad Agarwal

Sandip Kumar Agarwal

Arnab Banerji

Chairman & Managing Director

Whole-time Director

Chief Financial Officer

Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of **Gallantt Metal Limited**

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Ind As financial statements of Gallantt Metal Limited (hereinafter referred to as the 'Group Company') and its associate, which comprise the consolidated Balance Sheet as at March 31, 2020, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows, Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated Ind As financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2020, the consolidated profit, consolidated total comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions

of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to Note no. 2A.2 to the Consolidated Financial Statements, which describes the uncertainties and the impact of COVID-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key Audit Matters	How our audit assessed the key audit matter
Revenue from sale of products (Refer Note 2.12 of the Consolidated Ind AS financial statements)	
<p>The Group Company recognises revenues when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group Company expects to be entitled in exchange for those goods.</p> <p>The terms of sales arrangements, including the timing of transfer of control, delivery specifications and judgement in determining timing of sales revenues. The risk is, therefore, that revenue may not be recognised in the correct period in accordance with Ind AS 115.</p> <p>Accordingly, due to the risk associated with revenue recognition, it was determined to be a key audit matter in our audit of the Consolidated Ind AS financial statements</p>	<p>Following procedures have been performed to address this key audit matter:</p> <ul style="list-style-type: none"> • Considered the Group Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'. • Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition. • Performed sample test of individual sales transaction and traced to sales invoices, sales orders and other related documents. Further, in respect of the samples tested, checked that the revenue has been recognised as per the incoterms / when the conditions for revenue recognitions are satisfied. • Selected sample of sales transactions made pre and post year end, agreed the period of revenue recognition to underlying documents. • Assessed the relevant disclosures made within the Consolidated Ind AS financial statements.
Assessment of litigations and related disclosure of contingent liabilities (Refer Note no. 2.11 and Note no. 40 of the Consolidated Financial Statement)	

Key Audit Matters	How our audit assessed the key audit matter
<p>As of March 31, 2020, the Group Company has disclosed contingent liabilities of Rs. 2201.99 Lakhs relating to tax and legal claims.</p> <p>Taxation, arbitration and litigation exposures have been identified as a key audit matter due to the uncertainties and timescales involved for the resolution of these claims.</p> <p>Accordingly, there is judgement required by management in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed in the Consolidated Ind AS financial statements.</p>	<p>Following procedures have been performed to address this key audit matter:</p> <ul style="list-style-type: none"> • Gained an understanding of the process of identification of claims, litigations, arbitrations and contingent liabilities, and evaluated the design and tested the operating effectiveness of key controls. • Discussed and analysed material legal cases with the Group Company's legal department. • Analysed the responses obtained from the Group Company's legal advisors who conduct the court cases, tax and administrative proceedings, in which their status and possible expected manner of proceeding were described. • Received confirmation obtained by the Group Company from their legal counsel / consultants on a samples basis. • Evaluated management's assumptions and estimates relating to the recognition of the provisions for disputes and disclosures of contingent liabilities in the Consolidated Ind AS financial statements. • Assessed the adequacy of the disclosures with regard to facts and circumstances of the legal and litigation matters.
<p>Impact of Covid 19 on Audit</p>	
<p>Due to outbreak of pandemic Covid 19 and consequent country wide lockdown enforced by Government of India. Due to this we could not carry out normal audit procedures and audit was carried out using "Work from Home" approach.</p> <p>This is considered as Key Audit Matter, since alternate audit procedures were performed for carrying out audit.</p>	<p>Due to "Work from Home" approach adopted, we performed following alternative audit procedures:</p> <ul style="list-style-type: none"> • Various data and confirmation were received either electronically through email or through data sharing on drive. • For various audit procedures, reliance was placed on scanned copies of original document shared with us electronically. • Interview/discussion with client via video conferencing/call conferencing and other verbal communications.
<p>Other Matter</p>	
<p>The Group Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information but does not include the consolidated Ind AS financial statements and our auditor's report thereon.</p> <p>Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.</p> <p>In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material mis-statement of this other information; we are required to report that fact. We have nothing to report in this regard</p> <p>Responsibilities of Management and those charged with governance for the consolidated financial statements</p> <p>The Group Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind</p>	<p>AS financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated change of equity of the Group Company including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the Group Company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group Company and of its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material mis-statement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Group Company as aforesaid.</p>

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the Group Company and of its associate are responsible for assessing the ability of the Group Company and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Group Company and of its associate are responsible for overseeing the financial reporting process of the Group Company and of its associate.

Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

A further description of the auditor's responsibilities for the audit of the consolidated Ind AS financial statements is included in Annexure A. This description forms part of our auditor's report.

Other Matters

The consolidated Ind AS financial statements also include the Group Company's share of net profit of ₹ 1487.40 Lakhs for the year ended 31st March, 2020 and total other comprehensive income of ₹ 3.15 lakhs for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of one associate, whose financial statements and financial information have not been audited by us. These financial statements and other financial information have been audited by other auditors which Ind AS financial statements, other financial information and auditor's report have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and consolidated Statement of Changes in equities dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Group Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the Group Company and its associate company incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Group Company and the operating effectiveness of such controls, refer to our separate report in Annexure B.
- g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Group Company in accordance with the provisions of section 197 read with Schedule V to the Act. Based on the consideration of reports of other statutory auditors of the subsidiary incorporated in India, the provisions of section 197 read with Schedule V of the Act are not applicable to the subsidiary incorporated in India for the year ended March 31, 2020.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group Company, its associates – Refer Note 40 to the consolidated Ind AS financial statements.
 - ii) The Group Company and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group Company, and its subsidiary companies and associate companies incorporated in India.

For **ALPS & Company**
Chartered Accountants
Firm's Registration No.313132E

(A.K. Khetawat)

Partner

Membership Number: 052751
UDIN:20052751AAAABH5587

Place: Kolkata
Dated: June 29, 2020

Annexure A**Responsibilities for Audit of Financial Statement**

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 consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group Company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group Company and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group Company and its associates to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Group Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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 consolidated Ind AS financial statements for the financial year ended 31st March, 2020 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.

For **ALPS & Company**
Chartered Accountants
Firm's Registration No.313132E

(A.K. Khetawat)
Partner

Place: Kolkata
Dated: June 29, 2020

Membership Number: 052751
UDIN:20052751AAAABH5587

ANNEXURE 'B' TO THE 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 M/S GALLANTT METAL LIMITED ("the Group Company") and its associate as of 31st March 2020 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Group Company and its associate company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 with reference to these consolidated financial statement 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 mis-statement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Group Company and its associate companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one associate company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company.

For **ALPS & Company**
Chartered Accountants
Firm's Registration No.313132E
(A.K. Khetawat)

Place: Kolkata
Dated: June 29, 2020

Partner
Membership Number: 052751
UDIN:20052751AAAABH5587

Consolidated Balance Sheet as at 31st March 2020

(₹ in lacs)

	Notes	As at 31.03.2020	As at 31.03.2019
(I) ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	03	19,785.80	20,790.22
(b) Intangible Asset		-	3.15
(c) Capital work in progress		24,077.91	12,748.00
		43,863.71	33,541.37
(d) Financial assets			
(i) Investments	04	21,115.49	19,619.77
(ii) Other financial assets	05	155.62	92.68
(e) Other non-current assets	06	1,328.64	2,141.60
(f) Deferred tax assets (Net)	07	-	-
(g) Advance Income tax assets (net)		194.14	65.10
		66,657.60	55,460.52
(2) Current Assets			
(a) Inventories	08	13,221.73	11,072.50
(b) Financial assets			
(i) Trade receivables	09	2,274.34	3,756.88
(ii) Cash and cash equivalent	10(a)	128.20	157.41
(iii) Other balances with bank	10(b)	351.34	254.26
(iv) Other financial assets	11	14.14	10.90
(c) Other current assets	12	532.70	1,065.30
		16,522.45	16,317.24
TOTAL ASSETS		83,180.05	71,777.76
(II) EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	13	8,132.23	8,132.23
(b) Other equity	14	57,372.61	55,374.79
		65,504.84	63,507.02
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	5,666.67	-
(b) Provisions	16	103.64	57.85
(c) Deferred tax liabilities / (Assets) (Net)	7	356.39	41.62
		6,126.70	99.47
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	3,775.54	5,126.49
(ii) Derivative liabilities	18	-	28.62
(iii) Trade payables	19	3,670.17	1,846.06
(iv) Other financial liabilities	20	3,699.62	582.64
(b) Provisions	21	76.31	57.06
(c) Other current liabilities	22	326.88	514.89
(d) Current Income tax liabilities (net)		-	15.51
		11,548.51	8,171.27
TOTAL EQUITY AND LIABILITIES		83,180.05	71,777.76

See accompanying notes forming part of the financial statements

As per terms of our report attached

For and on behalf of the Board of Directors

For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Dated : June 29, 2020

Chandra Prakash Agrawal

Dinesh Raghubir Prasad Agarwal

Sandip Kumar Agarwal

Arnab Banerji

Chairman & Managing Director

Whole-time Director

Chief Financial Officer

Company Secretary

Consolidated Profit and Loss for the year ended 31st March 2020

(₹ in lacs)

	Notes	For Year ended 31.03.2020	For Year ended 31.03.2019
(1) Revenue from operations	23	86,504.66	1,06,378.53
(2) Other income	24	114.21	540.21
(3) Total Revenue (1) + (2)		86,618.87	1,06,918.74
(4) EXPENSES			
(a) Cost of materials consumed	25	71,716.74	79,113.89
(b) Purchase of stock in trade		234.21	1,788.05
(c) Changes in inventories of finished products and work in progress	26	(1,585.63)	(1,432.63)
(d) Employee benefits expense	27	2,920.56	2,989.90
(e) Finance costs	28	637.54	598.99
(f) Depreciation expense	29	1,415.10	1,409.29
(g) Other expenses	30	9,991.33	11,451.74
Total Expenses (4)		85,329.85	95,919.23
(5) Profit before tax (3) - (4)		1,289.02	10,999.51
(6) Tax Expense			
(a) Current tax			
(i) Current tax for current period		279.77	3,585.64
(ii) Current tax for the previous years		0.25	11.92
(b) Deferred tax			
(i) Deferred tax for current period		260.77	239.30
(ii) Deferred tax relating to previous years		-	-
Total tax expense (6)		540.79	3,836.86
(7) Profit for the period (5) - (6)		748.23	7,162.65
(8) Share of Profit from Associate		1,492.63	3,271.54
(9) Profit for the period		2,240.86	10,434.19
(10) Other comprehensive income			
(a) Items that will not be reclassified to statement of profit and loss			
(i) Remeasurement of the employees defined benefit plans		(1.59)	8.69
(ii) Share of OCI from Associate (Net)		3.09	0.44
(iii) Less :Income tax relating to items that will not be reclassified to profit or loss		(0.56)	3.04
Total other comprehensive income (10)		2.06	6.09
(11) Total comprehensive income for the period (9) + (10)		2,242.92	10,440.28
(12) Earnings per equity share: (Face value of share of ₹ 10 each)	33		
(a) Basic		2.76	12.83
(b) Diluted		2.76	12.83

See accompanying notes forming part of the financial statements

As per terms of our report attached

For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Dated : June 29, 2020

Chandra Prakash Agrawal

Dinesh Raghubir Prasad Agarwal

Sandip Kumar Agarwal

Arnab Banerji

Chairman & Managing Director

Whole-time Director

Chief Financial Officer

Company Secretary

For and on behalf of the Board of Directors

GALANIT

Notice

Board & Management Report

Standalone Financial Report

Consolidated Financial Report

Consolidated Statement of Changes in Equity for the year ended 31st March 2020

(₹ in lacs)

A. Equity Share Capital

Particulars	Amount
Balance as at 1 April 2018	8,132.23
Changes in equity share capital during the year ended March 31, 2019	-
Balance as at 31 March 2019	8,132.23
Changes in equity share capital during the year ended March 31, 2020	-
Balance as at 31 March 2020	8,132.23

B. Other Equity

Statement of changes in Equity	Reserves and surplus			Items of OCI	Total Equity
	Capital Reserve	Security Premium	Retained Earnings	Remeasurement of defined benefit liability	
Balance at April 1, 2018	9,219.13	1,050.00	34,867.96	57.22	45,194.31
Total comprehensive income for the year ended 31.03.2019					
Profit for the year	-	-	10,189.09	-	10,189.09
Other Comprehensive Income	-	-	-	6.09	6.09
Change in share of associates	(14.70)	-	-	-	(14.70)
Balance at March 31, 2019	9,204.43	1,050.00	45,057.05	63.31	55,374.79
Total comprehensive income for the year ended 31.03.2020					
Profit for the period	-	-	2,240.86	-	2,240.86
Other Comprehensive Income	-	-	-	2.06	2.06
Change in share of associates	-	-	-	-	-
Total Comprehensive income	9,204.43	1,050.00	47,297.91	65.37	57,617.71
Transaction with owners, recorded directly in equity contributions by and distribution to owners					
Dividend (including dividend distribution tax)	-	-	(245.10)	-	(245.10)
Total contribution by and distribution to owner	-	-	(245.10)	-	(245.10)
Balance at March 31, 2020	9,204.43	1,050.00	47,052.81	65.37	57,372.61

See accompanying notes forming part of the financial statements

As per terms of our report attached
For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Dated : June 29, 2020

Chandra Prakash Agrawal

Dinesh Raghubir Prasad Agarwal

Sandip Kumar Agarwal

Arnab Banerji

Chairman & Managing Director

Whole-time Director

Chief Financial Officer

Company Secretary

For and on behalf of the Board of Directors

Consolidated Cash Flow Statement For the year ended 31st March 2020

(₹ in lacs)

	For the year ended 31.03.2020	For the year ended 31.03.2019
A. Cash Flow from Operating activities:		
Profit for the period	1,289.02	10,999.51
<i>Adjustments for:</i>		
Income tax expenses recognised in the statement of profit and loss		
Depreciation expense	1,415.10	1,409.29
Interest income	(70.23)	(429.62)
Interest expenses	445.85	333.75
Remeasurement Gain / (Loss) on defined benefit plan	(1.59)	8.69
Net (Gain)/Loss on derivative instruments	-	28.60
(Profit)/loss on sale of property, plant & equipments	0.91	65.34
Liabilities/provision no longer required written back	(1.24)	0.15
Share of Profit/ (Loss) from Associates	1,495.72	3,271.98
Operating profit before working capital changes	4,573.54	15,687.70
<i>Adjustments for (increase)/decrease in operating assets</i>		
Inventories	(2,149.23)	(93.73)
Trade receivables	1,482.54	1,294.99
Non-current financial Assets	(62.94)	(16.00)
Other non-current assets	52.09	1.94
Current financial assets	(23.31)	(4.73)
Other current assets	532.60	(492.70)
<i>Adjustments for increase/(decrease) in operating liabilities</i>		
Trade Payables	1,824.11	(6,045.03)
Current financial liabilities	(58.36)	125.64
Other current liabilities	(188.01)	(527.64)
Provisions	66.28	42.31
Cash generated from operations	6,049.30	9,972.74
Direct taxes paid	(370.01)	(2,399.00)
Net cash generated from operating activities	5,679.29	7,573.75
B. Cash Flow from Investing activities:		
Purchase of property, plant and equipment	(10,636.71)	(10,976.39)
Sale of property, plant & equipment	1.24	114.85
Investment in Shares	(1,495.72)	(3,271.98)
Movement in loans and advances	(0.00)	6,921.52
Movement in fixed deposit held as margin	(97.08)	(71.85)
Interest received	61.68	432.27
Net cash (used in) investing activities	(12,166.60)	(6,851.57)

GALANIT

Notice

Board & Management Report

Standalone Financial Report

Consolidated Financial Report

Consolidated Cash Flow Statement for the year ended 31st March 2020

(₹ in lacs)

	For the year ended 31.03.2020	For the year ended 31.03.2019
C. Cash Flow from Financing activities:		
Proceeds from long term borrowings	8,500.00	-
Repayment of short term borrowings	(1,350.95)	(440.66)
Interest paid	(445.85)	(333.75)
Dividend Paid	(203.31)	(203.31)
Dividend distribution tax paid	(41.79)	(41.79)
Net cash (used in) financing activities	6,458.10	(1,019.51)
Net increase/(decrease) in cash and cash equivalents	(29.21)	(297.34)
Cash and cash equivalents as at 1st April	157.41	454.75
Cash and cash equivalents as at 31st March	128.20	157.41

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(a))
2. Figures in brackets represent outflows.

As per terms of our report attached

For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Dated : June 29, 2020

For and on behalf of the Board of Directors

Chandra Prakash Agrawal

Dinesh Raghubir Prasad Agarwal

Sandip Kumar Agarwal

Arnab Banerji

Chairman & Managing Director

Whole-time Director

Chief Financial Officer

Company Secretary

Notes on financial statements for the year ended 31st March 2020

Note -01 General Information

1.01 Corporate Information

Gallantt Metal 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 on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company including its subsidiary and associate collectively referred as (Group) is engaged in manufacturing of Steel and Steel products with power plant and having its manufacturing unit at Village Samakhali, Dist Kutch in the State of Gujarat.

1.02 Basis of preparation of financial statement

These financial statement 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.

The consolidated financial statements have been prepared on accrual and going concern basis. All assets and liabilities of each entity in the Group 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. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements of the group for the year ended March 31, 2020 were approved by the Board of Directors and authorised for issue on June 29, 2020

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 Group is Indian Rupee (“₹”) which is the currency of the primary economic environment in which the Group operate. 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 Group 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

The group’s accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

Notes on financial statements for the year ended 31st March 2020

When measuring the fair value of a financial asset or a financial liability, the Group 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 group 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 25 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 Group 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.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of intangible assets is recognised in profit and loss.

The Group 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.

Notes on financial statements for the year ended 31st March 2020

2.03 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group 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 Group 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

Raw materials, work-in-progress and finished products are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price, non refundable taxes and duties and other directly attributable costs incurred in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Stores and spares are valued at cost comprising of purchase price, non refundable taxes and duties and other directly attributable costs after providing for obsolescence and other losses, where considered necessary.

Value of inventories are generally ascertained on the "FIFO (First in First out)" basis.

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 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.

Notes on financial statements for the year ended 31st March 2020

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 Group 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 Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Group 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 Group 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 Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

vii) Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Group recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Group's trade receivables do not contain significant

Notes on financial statements for the year ended 31st March 2020

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 Group 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 Off setting of Financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.10 Derivative financial instruments

The group 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 Group 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 group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase orders (net of advance) issued to parties for acquisition of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

2.12 Revenue recognition

i) Sale of goods

Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods.

Notes on financial statements for the year ended 31st March 2020

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 group 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 Group 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 Group are presented in Indian Rupee (INR), which is Group'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 Group 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 Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

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

Notes on financial statements for the year ended 31st March 2020

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 to 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 group will pay normal income tax during the

specified period and it is probable that future economic benefit associated with it will flow to the group.

- 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) and Note on COVID-19

2A.1 Recent accounting pronouncements which are not yet effective

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notifications which would have been applicable from April 1, 2020.

2A.2 Notes on COVID-19

In view of the lockdown across the country due to the outbreak of COVID pandemic, manufacturing operations are scaled down or shut down in compliance with the directives / orders issued by the local Panchayat / Municipal Corporation / State / Central Government authorities.

As per management's current assessment, no significant impact on carrying amounts of inventories, trade receivables, investments and other financial assets is expected, and management will continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these Consolidated Financial Statements.

Notes on financial statements for the year ended 31st March 2020

(₹ in lacs)

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	Total
Cost or deemed cost												
Balance at April 1, 2018	803.31	4,579.92	557.57	17,909.35	398.92	43.51	28.33	44.83	232.51	6.08	171.32	24,775.65
Additions	120.14	-	-	42.92	40.79	-	3.26	0.58	79.96	1.05	209.00	497.70
Disposals	-	-	-	(277.73)	(3.04)	-	-	-	(21.65)	-	-	(302.42)
Balance at March 31, 2019	923.45	4,579.92	557.57	17,674.54	436.67	43.51	31.59	45.41	290.82	7.13	380.32	24,970.93
Additions	75.55	-	-	0.83	6.41	3.17	2.94	0.38	81.87	0.98	240.69	412.82
Disposals	-	-	-	-	-	-	-	-	(5.51)	-	(380.32)	(385.83)
Balance at March 31, 2020	999.00	4,579.92	557.57	17,675.37	443.08	46.68	34.53	45.79	367.18	8.11	240.69	24,997.92
Accumulated depreciation												
Balance at April 1, 2018	-	317.47	124.87	2,019.69	231.58	15.49	12.78	20.57	50.98	4.82	95.40	2,893.65
Depreciation expense	-	162.97	62.67	935.34	17.75	4.74	3.56	8.41	31.17	0.83	181.85	1,409.29
Disposals	-	-	-	(110.85)	-	-	-	-	(10.51)	(0.87)	-	(122.23)
Balance at March 31, 2019	-	480.44	187.54	2,844.18	249.33	20.23	16.34	28.98	71.64	4.78	277.25	4,180.71
Depreciation expense	-	162.97	62.67	914.32	15.84	4.27	2.76	6.50	42.82	1.08	201.86	1,415.09
Disposals	-	-	-	-	-	-	-	-	(3.36)	-	(380.32)	(383.68)
Balance at March 31, 2020	-	643.41	250.21	3,758.50	265.17	24.50	19.10	35.48	111.10	5.86	98.79	5,212.12
Carrying amount												
Balance at March 31, 2019	923.45	4,099.48	370.03	14,830.36	187.34	23.28	15.25	16.43	219.18	2.35	103.07	20,790.22
Balance at March 31, 2020	999.00	3,936.51	307.36	13,916.87	177.91	22.18	15.43	10.31	256.08	2.25	141.90	19,785.80

Note:

- 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.
- 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.

04. Investments in Subsidiaries and Associates					
		As at 31.03.2020		As at 31.03.2019	
		Qty Nos.	Amount	Qty Nos.	Amount ₹ lakhs
	Investments in Equity Instruments (Fully paid up unless stated otherwise)				
(a)	Quoted Investments				
	Associates				
	Gallantt Ispat Limited at face value of ₹ 1 each (P.Y. ₹ 1 each)	7,25,19,920	4,260.20	7,25,19,920	4,260.20
	Capital reserve on Consolidation		9,204.43		9,204.43
	Post Acquisition profit		7,634.95		6,142.32
	Post Acquisition OCI		15.91		12.82
	Total aggregate quoted investments	7,25,19,920	21,115.49	7,25,19,920	19,619.77
(b)	Unquoted Investments				
	Subsidiary				
	GL Steel & Power Ltd. at face value of ₹ 10 each.	-	-	58,800	-
	Total aggregate unquoted investments	-	-	58,800	-
	Total Investments carrying value		21,115.49		19,619.77
	Aggregate book value of quoted investments		21,115.49		19,619.77
	Aggregate market value of quoted investments		13,670.00		21,828.50
05. Other non-current financial assets (Unsecured, Considered good)					
		As at 31.03.2020		As at 31.03.2019	
(a)	Security deposits		155.62		92.68
	Total non-current financial assets		155.62		92.68
06. Other non-current assets					
(a)	Capital advances		577.76		1,338.63
(b)	Balance with Statutory / Government Authorities		750.88		750.88
(c)	Others		-		52.11
	Total other non-current assets		1,328.64		2,141.62
07. Deferred tax balances					
The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:					
	Deferred tax assets		3,063.70		3,095.24
	Deferred tax liabilities		(3,420.09)		(3,136.86)
	Net deferred tax asset/(liability)		(356.39)		(41.62)
For Year ended 31.03.2020					
Deferred tax (liabilities)/assets in relation to:					
Deffered Tax Liability					
	Written down value of Assets		3,420.09		3,133.82
	Other Provision		0		3.04
			3,420.09		3,136.86
Deffered Tax Assets					
	Mat Credit entitlement		2,957.02		3,011.60
	Provision for retirement benefit		62.32		43.19
	Other Provision		44.36		40.45
			3,063.70		3,095.24

Notes on financial statements for the year ended 31st March 2020

(₹ in lacs)

08. Inventories			
		As at 31.03.2020	As at 31.03.2019
(a)	Raw materials	7,049.57	6,711.98
	Including in transit ₹ 3681.56 lacs (P.Y. ₹ 4225.28 lacs)		
(b)	Work-in-progress	-	32.97
(c)	Finished products	4,208.18	2,589.57
(d)	Stores and spare parts	1,963.98	1,737.98
	Total inventories	13,221.73	11,072.50

- Inventories are pledged on pari passu first charge against short term loans from bank (refer note 17)
- The mode of valuation of Inventories has been stated in note 02 point -05

09. Trade receivables (Current) Unsecured, considered good			
Total trade receivables		2,274.34	3,756.88
		2,274.34	3,756.88

- Trade receivables are pledged on pari passu first charge against short term loans from bank (refer note 17).

10. Cash and bank balances			
(a)	Cash and cash equivalents		
	(i) Cash on hand	6.97	11.03
	(ii) Balances with banks		
	(a) In current accounts	5.07	6.38
	(b) In deposits accounts*	116.16	140.00
	Total cash and cash equivalents	128.20	157.41
(b)	Other bank balances		
	In deposits accounts**	350.08	253.51
	Earmarked balance with bank for unclaimed dividend	1.26	0.75
		351.34	254.26
	Total cash and bank balances	479.54	411.66
	Included above		
	(i) Bank deposits for margin against letters of credit and Bank Guarantee	466.24	393.51
	(ii) * This represent deposits with original maturity of less than or equal to three months.		
	** This represent deposits with original maturity of more than three months but within twelve months.		

11. Other financial assets			
(a)	Interest accrued on fixed deposits	11.49	2.94
(b)	Others	2.65	7.97
	Total other financial assets	14.14	10.91

12. Other current assets			
(a)	Advance with public bodies		
	i) Balance with Statutory and Government authorities	201.26	508.18
	ii) Advance to suppliers	289.50	500.54
	iii) Other advances and prepayments		
	a) Prepayments	41.64	52.57
	b) Others	0.30	4.03
	Total other current assets	532.70	1,065.32

13. Share capital			
		As at 31.03.2020	As at 31.03.2019
Authorised:			
83,000,000 (P.Y. 83,000,000) Equity Shares of ₹ 10 each		8,300.00	8,300.00
Issued, Subscribed and fully paid up:			
81,322,324 (P.Y. 81,322,324) Equity Shares of ₹ 10 each		8,132.23	8,132.23
		8,132.23	8,132.23

Reconciliation of Number of shares and amount outstanding at the beginning and end of the reporting period

	For the period ended 31.03.2020		For the period ended 31.03.2019	
	No. of Shares	Amount ₹ Lakhs	No. of Shares	Amount ₹ Lakhs
Equity shares				
Issued, subscribed and fully paid up:				
At beginning and end of the year	8,13,22,324	8,132.23	8,13,22,324	8,132.23
Issued during the year	-	-	-	-
At end of the year	8,13,22,324	8,132.23	8,13,22,324	8,132.23

Rights, preferences and restrictions attached to shares**Equity Shares**

- (i) The company has one class of equity shares having a par value of ₹ 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.
- (ii) The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/ disinvestment.
- (iii) The Company for the period of five years immediately preceding the date of Balance Sheet has not:
- Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.
 - Allotted fully paid up shares by way of bonus shares.
 - Bought back any class of shares.

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholders	For the period ended 31.03.2020		For the period ended 31.03.2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Gallantt Ispat Limited	3,94,62,895	48.53	3,94,62,895	48.53
Lexi Exports Pvt. Limited	1,19,30,679	14.67	1,19,30,679	14.67
Richie Credit and Finance Pvt. Ltd.	50,20,194	6.17	50,20,194	6.17
Hipoline Commece Pvt. Ltd.	90,83,128	11.17	90,83,128	11.17

Notes on financial statements for the year ended 31st March 2020

(₹ in lacs)

14. Other Equity		As at 31.03.2020	As at 31.03.2019
a)	Securities premium	1,050.00	1,050.00
b)	Retained Earnings	47,052.81	45,057.05
c)	Capital Reserve	9,204.43	9,204.43
d)	Other Comprehensive Income	65.37	63.31
	Total other equity	57,372.61	55,374.79
	Securities Premium		
	Opening and closing balance	1,050.00	1,050.00
	Retained Earnings		
	Opening balance	45,057.05	34,867.96
	Profit for the period	2,240.86	10,434.19
	Less : Dividend	(203.31)	(203.31)
	Tax On Dividend	(41.79)	(41.79)
	Closing balance	47,052.81	45,057.05
	Other Comprehensive Income		
	Opening Balance	63.31	57.22
	Other Comprehensive Income for the year	1.50	9.13
	Less : Tax impact on above	(0.56)	3.04
	Closing Balance	65.37	63.31
	Capital Reserve		
	Opening balance	9,204.43	9,219.13
	Addition / (deduction) during the year	-	(14.70)
	Closing balance	9,204.43	9,204.43
		57,372.61	55,374.79

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.

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

15. Non current Financial Liabilities - Borrowings			
A. Unsecured - at amortised cost			
(a) Other loans		5,666.67	-
		5,666.67	-

- These are carried at amortised cost.
- Refer Note No. 20 for current maturities of non-current borrowings

16. Non-current Provisions			
(a) Provision for employee benefits			
Retirement gratuity		103.64	57.85
Total provisions		103.64	57.85

17. Current Financial Liabilities - Borrowings		
	As at 31.03.2020	As at 31.03.2019
A. Secured - at amortised cost		
(a) Repayable on demand		
From banks		
a) Cash credit	1,364.17	1,594.66
(b) Other loans		
From banks		
a) Foreign currency loan (supplier credit)	-	2,450.46
b) Rupee loan (Bill discounting)	2,411.37	1,081.37
Total secured borrowings	3,775.54	5,126.49
Total borrowings	3,775.54	5,126.49

- 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
- 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 viz. land and building situated in Kutch, Gujarat
- The above working capital loan from bank is secured by collateral security by pledge of 5,10,500 (31.03.2017: 5,10,500, 31.03.2016: 5,10,500) equity share of the company held by promoters.
- The above working capital loans is guaranteed by the corporate guarantee of M/s Hipoline Commerce Pvt. Ltd.
- The above working capital loan is guaranteed by the personal guarantee of Sri C. P. Agrawal, Sri Dinesh R Agarwal and Sri Nitin Kandoi, Directors of the company.
- The Company does not have any default as on the Balance Sheet date in repayment of loan or Interest.

18. Current Financial Liabilities - Derivative		
(a) Foreign currency forward contracts	-	28.60
Total derivative liabilities	-	28.60

19. Current Financial Liabilities - Trade Payables		
(a) Total outstanding dues to micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,670.16	1,846.06
Total Trade Payables	3,670.16	1,846.06

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, 2020, to Micro, Small and Medium Enterprises on account of principal or interest

20. Current Financial Liabilities - Others		
(a) Current maturities of long term debts	2,833.33	-
(b) Creditors for accrued wages and salaries	363.06	421.92
(c) Creditors for purchase of fixed assets	501.96	159.95
(d) Unclaimed Dividend	1.26	0.75
Total other current financial liabilities	3,699.61	582.62

Notes on financial statements for the year ended 31st March 2020

(₹ in lacs)

21. Current Provisions			
		As at 31.03.2020	As at 31.03.2019
(a)	Provision for employee benefits		
	i) Post retirement gratuity	76.31	57.06
		76.31	57.06
22. Other current liabilities			
(a)	Advance received from customers	70.06	28.48
(b)	Employee recoveries and employer's contributions	14.79	10.52
(c)	Statutory dues	237.76	471.40
(d)	Other credit balances	4.27	4.49
	Total other current liabilities	326.88	514.89
23. Revenue from operations			
		For the year ended 31.03.2020	For the year ended 31.03.2019
	Sale of Products		
(a)	Sale of manufactured goods	84,747.22	1,03,527.48
(b)	Sale of traded goods	237.89	1,844.21
(c)	Other Operating Revenue	1,519.55	1,006.84
	Revenue from Operations (Net)	86,504.66	1,06,378.53
24. Other income			
(a)	Interest income from financial assets measured at amortised cost		
	i) From fixed deposits	27.06	26.63
	ii) From loans to subsidiaries and associates	-	17.83
	iii) From Others	43.17	385.16
(b)	Dividend income		
	i) From associate	-	72.52
(c)	Gain on foreign currency transactions (net)	21.48	-
(d)	Gain on sale of fixed assets (net)	0.91	-
(e)	Profit on sale of current investemnt	-	12.88
(f)	Other non operating income	21.59	25.19
	Total other income	114.21	540.21
25. Cost of materials consumed			
	Raw materials & components consumed		
(a)	Opening stock	6,711.98	7,933.03
(b)	Add: Purchases	72,054.33	77,892.84
		78,766.31	85,825.87
(c)	Less: Closing stock	7,049.57	6,711.98
	Total raw materials consumed	71,716.74	79,113.89

Notes:

- i) Manufactured goods consumed for own use ₹ 416.41 lacs (P.Y. ₹ 294.11 lacs) deducted from raw material consumed at cost price.

26. Changes in inventories of finished products and work in progress		For the year ended 31.03.2020	For the year ended 31.03.2019
	Inventories at the beginning of the year/period		
(a)	Finished products	2,589.58	1,156.43
(b)	Work-in-progress	32.97	33.48
		2,622.55	1,189.91
	Inventories at the end of the year/period		
(a)	Finished products	4,208.18	2,589.58
(b)	Work-in-progress	-	32.97
		4,208.18	2,622.55
	Net (increase)/decrease	(1,585.63)	(1,432.64)
27. Employee Benefit Expenses			
(a)	Salaries and wages, including bonus	2,703.26	2,800.87
(b)	Company's contribution to provident and other funds	144.70	106.80
(c)	Workmen and staff welfare expenses	72.60	82.23
	Total employee benefits expense	2,920.56	2,989.90
28. Finance costs			
(a)	Interest expense	445.85	333.75
(b)	Other Borrowing costs	191.69	265.24
	Total finance costs	637.54	598.99
29. Depreciation and amortisation expense			
(a)	Depreciation on tangible assets	1,415.10	1,409.29
	Total depreciation expense	1,415.10	1,409.29
30. Other expenses			
(a)	Consumption of stores, spare parts and loose tools	1,399.17	1,956.88
(b)	Repairs to buildings	28.92	59.77
(c)	Repairs to plant and machinery	241.25	314.01
(d)	Repairs to others	25.00	37.86
(e)	Power and fuel	3,152.11	3,530.28
(f)	Other manufacturing expenses	1,819.55	1,844.13
(g)	Rent	3.46	3.82
(h)	Rates, taxes and licenses	22.27	23.01
(i)	Insurance charges	79.21	50.92
(j)	Freight and handling charges	2,413.81	2,673.82
(k)	Commission and brokerage	69.78	53.58
(l)	Selling expenses	239.70	285.72
(m)	Loss/(gain) on foreign currency transaction (net)	-	99.41
(n)	Loss on sale/discard of assets	-	65.34
(o)	Corporate social responsibility expenses	139.92	101.79
(p)	Other general expenses	357.18	351.40
	Total other expenses	9,991.33	11,451.74
Note:			
Auditor's Remuneration (included in other general expenses)			
	Audit Fee	4.50	4.50
	Tax Audit Fee	0.50	0.50
	Other Services (certification fee)	0.50	0.50
	Reimbursement of expenses	0.52	0.87
		6.02	6.37

31. Income tax recognised in profit and loss		
	For the year ended 31.03.2020	For the year ended 31.03.2019
Current tax		
Current Tax Expenses	(951.24)	2,962.47
Mat credit availed / (entitlement)	1,231.01	623.17
Income Tax Expenses	279.77	3,585.64
In respect of prior years	0.25	11.92
Income tax expenses including earlier year tax	280.02	3,597.56
Deferred tax		
Deferred tax (assets) / liabilities of the current year	260.77	239.30
Deferred tax (assets) / liabilities in other comprehensive income	(0.56)	3.04
	260.21	242.34
Total tax expense	540.23	3,839.90
The income tax expense for the year can be reconciled to the accounting profit (loss) as follows:		
Profit before tax as per statement of Profit and Loss	1,289.02	10,999.51
Accounting Profit before tax	1,289.02	10,999.51
Applicable Income Tax rate	34.944%	34.608%
Computed income tax expense	450.44	3,806.71
Effect of income that is exempt from tax	-	(12.55)
Effect of expenses that are not deductible in determining taxable profit	49.07	27.30
Effect of timing difference of Depreciation	(285.95)	(347.09)
Effect of timing difference of liabilities	66.21	27.96
	279.77	3,502.33
Reconciliation of deferred tax (assets) / liabilities		
Effect of written down value	286.29	(47.26)
Effect of timing difference of liability	(25.52)	(49.50)
Effect of timing difference of liability in other comprehensive income	(0.56)	(1.76)
	260.21	(98.52)

32. 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

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.

(i) Segment revenue and results

Segment revenue

	For the year ended 31.03.2020	For the year ended 31.03.2019
Steel	86,504.66	1,06,378.53
Power	15,648.71	15,177.64
Unallocated Other income (Net)	114.21	540.21
	1,02,267.58	1,22,096.38
Inter-segment revenue	15,648.71	15,177.64
Total	86,618.87	1,06,918.74
Segment Results		
Steel	(2,595.36)	5,962.37
Power	4,407.71	5,095.92
Total Segment Result	1,812.35	11,058.29
Interest	637.54	598.99
Other unallocated expnses /(income)	(114.21)	(540.21)
Profit /(Loss) before taxes	1,289.02	10,999.51

(ii) Segment assets and liabilities

Segment assets

	As at 31.03.2020	As at 31.03.2019
Steel	42,091.04	35,344.87
Power	19,751.39	16,710.89
Total segment assets	61,842.43	52,055.76
Unallocated	21,337.62	19,722.03
Total assets	83,180.05	71,777.79
Segment liabilities		
Steel	17,675.21	8,255.23
Power	0.00	0.00
Total segment liabilities	17,675.21	8,255.23
Unallocated	0.00	15.51
Shareholders' Fund	65,504.84	63,507.02
Total liabilities	83,180.05	71,777.76

(iii) Capital Expenditure

Steel	8,382.63	3,030.51
Power	3,360.10	7,354.97
Depreciation		
Steel	1,026.28	1,019.80
Power	388.83	389.49
Total depreciation	1,415.10	1,409.29

(iv) Customer contributing more than 10% of revenue

	For the year ended 31.03.2020	For the year ended 31.03.2019
Rajasthan Steel	13,531.36	12,649.24
Gallantt Steel Distributors	12,163.04	12,631.75

33. Earnings per share		
	For the year ended 31.03.2020	For the year ended 31.03.2019
Basic and diluted earnings per share		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Profit for the year attributable to owners of the Company	2,240.86	10,434.19
Weighted average number of equity shares for the purposes of basic earnings per share	8,13,22,324	8,13,22,324
Basic & Diluted earnings per share	2.76	12.83

34. Employee Benefit plans**(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 ₹ 78.34 lakhs (previous year ₹ 55.64 lakhs) has been included in Note 27 Employee Benefits Expenses.

Gratuity cost amounting to ₹ 66.36 lakhs (previous year ₹ 51.15 lakhs) has been included in Note 27 Employee Benefits Expenses.

(iii) The amount recognised in the Company's financial statements as at the year end as under:

	For the year ended 31.03.2020	For the year ended 31.03.2019
1 Movement in the present value of the defined benefit obligation		
a) Opening defined benefit obligation	199.26	150.66
b) Current service cost	54.65	45.08
c) Interest cost	15.24	12.05
d) Actuarial (gains)/ loss on obligation	1.47	(8.53)
e) Benefits paid	0.00	0.00
f) Closing defined benefit obligation	270.62	199.26

Notes on financial statements ^f for the year ended 31st March 2020

(₹ in lacs)

		For the year ended 31.03.2020		For the year ended 31.03.2019	
2	Movement in the fair value of the plan assets				
a)	Opening fair value of plan assets	84.35		78.21	
b)	Interest income on plan assets	6.45		5.98	
c)	Employer's contribution	0.00		0.00	
d)	Actuarial (gains)/ loss on Plan Assets	(0.12)		0.16	
e)	Benefits paid	0.00		0.00	
f)	Closing fair value of plan assets	90.68		84.35	
3	Components of defined benefit costs recognised in profit and loss				
a)	Current service cost	54.65		45.08	
b)	Interest expenses on defined benefit obligation	15.24		12.05	
c)	Interest (income) on plan assets	(6.45)		(5.98)	
d)	Defined benefit cost included in Profit & Loss Account	63.44		51.15	
4	Components of defined benefit costs recognised in other comprehensive income				
a)	Actuarial (gains)/ loss on obligation for the year	1.47		(8.53)	
b)	Return on plan assets (excluding interest income)	0.12		(0.16)	
c)	Total defined benefit cost recognised in OCI	1.59		(8.69)	
5	Amount recognised in the statement of financial position				
a)	Present value of obligation at the end of the year	270.62		199.26	
b)	Fair value of Plan Assets at the end of the year	(90.68)		(84.35)	
c)	Net defined benefit liability / (assets)	179.94		114.91	
	Of which Short term liability	76.31		57.06	
6	Estimated contribution to be made in next financial year	76.31		57.45	
7	Actuarial Assumptions				
	Discount Rate	6.80%		7.65%	
	Expected Rate of Return on plan Assets				
	Salary Escalation rate	5.00%		5.00%	
	Employee Turnover				
	Mortality	Indian Assured Lives Mortality (2006-08) Ultimate		Indian Assured Lives Mortality (2006-08) Ultimate	
8	Assets Information				
	Gratuity Fund (SBI Life)	90.68		84.35	
	Target allocation	100%		100%	

(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 the year ended 31.03.2020		For the year ended 31.03.2019	
		(Increase)	(Decrease)	(Increase)	(Decrease)
	Discount Rate (1% movement)	254.89	288.74	187.97	212.19
	Salary escalation rate (1% movement)	289.5	253.52	213.14	186.75
	Withdrawal rate (1% movement)	271.63	269.35	200.31	197.94

35. Related Party Disclosures

(i)	Related parties where control exists	
	Subsidiary Company	
	GL Steel and Power Limited (Ceased as subsidiary from 18.01.2020)	
(ii)	Related parties with whom transactions have taken place during the year	
	Gallantt Ispat Limited	(Associate company)
	Ganesh Laxmi Processors Private Ltd	(Company under common control)
	Gallantt Foundation	(Trust under common control)
(iii)	Key Management personnel	
	Mr. Chandra Prakash Agrawal	Chairman and Managing Director
	Mr. Dinesh R Agarwal	Wholetime Director
	Mr. Prashant Jalan	Director
	Mr. Sandip Kumar Agarwal	Chief Financial Officer
	Mr. Tarun Rathi	Company Secretary (resigned on 31.10.2019)
	Mr. Arnab Banerji	Company Secretary
(iv)	Relative of key management personnel	
	Mr. Akash Agarwal	(Son of Mr. Dinesh R Agarwal)

Related party Transactions

Name of the related party	Nature of transaction	31 March, 2020	31 March, 2019
Gallantt Ispat Limited	Loan given	1,500.00	600.00
	Loan given (refund back)	1,500.00	600.00
	Loan taken	500.00	750.00
	Loan taken (refund)	500.00	750.00
	Sale of product	51.33	22.80
	Purchase of products	78.68	84.89
	Interest income	0.25	0.01
Ganesh Laxmi Processors Private Ltd.	Sale of product	24.54	70.85
	Purchase of products	0.00	2.62
Gallantt Foundation	Contribution in CSR	0.00	35.00
Mr. Chandra Prakash Agrawal	Remuneration	22.80	21.60
Mr. Dinesh R Agarwal	Remuneration	61.44	352.67
Mr. Dinesh R Agarwal	Share Sold	2.35	0.00
Mr. Prashant Jalan	Remuneration	6.92	6.73
Mr. Sandip Kumar Agarwal	Remuneration	16.43	13.34
Mr. Tarun Rathi	Remuneration	4.56	4.94
Mr. Arnab Banerji	Remuneration	2.17	0.00
Mr. Akash Agarwal	Remuneration	26.65	26.65

36. Capital management

The Group 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 Group consists of net debt and the total equity of the Company.

The Group 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 Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group 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 31.03.2020	As at 31.03.2019
Debt		
Current borrowings	(3,775.54)	(5,126.49)
Long term borrowings	(5,666.67)	-
Current Maturity of long term borrowings	(2,833.33)	-
Cash and bank balances	479.54	411.66
Net debt	(11,796.00)	(4,714.83)
Total equity	65,504.84	63,507.02
Equity share capital	8,132.23	8,132.23
Other equity	57,372.61	55,374.79
Net debt to equity ratio	(0.18)	(0.07)

37. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The Group's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group also holds FVTOCI investments and enter into derivative transactions. The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group 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 Group'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 Group does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

(i) 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 Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

Foreign currency risk management

The Group 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 Group is Indian Rupee. The Group 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 31.03.2020	As at 31.03.2019
Financial Liabilities			
Hedged			
Borrowings - Suppliers' Credit	USD	-	34.87
	INR	-	2,450.46
Unhedged			
Trade Payable	USD	9.26	0.51
	INR	698.45	34.83

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 group's exposure to the risk of changes in market interest rates relates primarily to the group's short-term debt obligations with floating interest rates.

Interest rate sensitivity analysis

The Group 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.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances

The group'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 Group grants credit terms in the normal course of business.

The Group 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 Group does not have any significant concentration of credit risk.

The ageing of trade receivables that were not impaired was as follows:

Particulars	Amount ₹ in Crore''	
	As at 31.03.2020	As at 31.03.2019
Others	2,274.34	3,756.88
	2,274.34	3,756.88

(iii) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's reputation.

Management monitors rolling forecasts of the group'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 Group has access to funds from debt markets through loan from banks and other Debt instrument. The Group 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 31.03.2020	Carrying amount	Less than 1 year	1 to 5 years	> 5 years
Short term borrowings	3,775.54	3,775.54	-	-
Long term borrowings	5,666.67	-	5,666.67	-
Derivative liabilities	-	-	-	-
Trade payables	3,670.17	3,670.17	-	-
Other financial liabilities	3,699.62	3,699.62	-	-
As at 31.03.2019				
Short term borrowings	5,126.49	5,126.49	-	-
Derivative liabilities	28.62	28.62	-	-
Trade payables	1,846.06	1,846.06	-	-
Other financial liabilities	582.64	582.64	-	-

38. 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.

Financial instruments other than above are carried at amortised cost except certain assets which are carried at fair value.

The group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique

Level -1 : Quoted prices in active markets for identical assets or liabilities

Level -2 : Other techniques for which all inputs which have a significant effects on the recorded fair value are observable

Level -3 : Techniques using inputs having significant effect on the recorded fair value that are not based on observable market data.

Particulars	As at 31.03.2020	As at 31.03.2019
Financial Assets:		
Investment - Non -current	21,115.49	19,619.77
Security deposits - Non - current	155.62	92.68
Trade receivables	2,274.34	3,756.88
Cash and cash equivalents	128.20	157.41
Other bank balances	351.34	254.26
Loan - Current	-	(0.00)
Other Financial assets - Current	14.14	10.90
Total	24,039.13	23,891.89
Financial Liabilities		
Borrowings - Current	3,775.54	5,126.49
Trade payable	3,670.17	1,846.06
Derivative financial liabilities	-	28.62
Other financial liabilities	3,699.62	582.64
Total	11,145.32	7,583.81

39. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for	1,216.63	4,384.78
--	----------	----------

40. Contingent liabilities

		As at 31.03.2020	As at 31.03.2019
(i)	Curtailling 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 is planning to file review petition for the same.	583.79	595.96
(ii)	Commissioner of Central Excise, Kutch Commissionerate issued Show Cause Notice on excise duty liability on sales tax incentive availed by the company.	170.12	170.12

Notes on financial statements for the year ended 31st March 2020

(₹ in lacs)

		As at 31.03.2020	As at 31.03.2019
(iii)	Demand raised by the Addl. Commissioner of Central Excise, Rajkot against utilisation of CENVAT credit of Basic Excise duty for payment of Education and Higher education Cess and filed appeal for the same before CESTAT, Ahmedabad.	-	49.22
(iv)	Commissioner, Central GST (Audit) issued show cause notice on wrong avaiement of CENVAT credit on imported coal. Company preferred appeal before the Commissioner Appeal against the same	603.35	-
(v)	Benefit on import of coal from AIFTA Preferential Tariff denied by the Kandla custom. We have preferred appeal to Commissioner of Custom. (₹ 39.03 lacs has been paid against the same)	39.03	39.03
(vi)	Disputed liability in respect of sales tax (₹ 42.00 lacs has been paid against the same).	80.04	80.04
(vii)	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.	115.22	62.61
(viii)	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
(ix)	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
(x)	Outstanding guarantees to bank in respect of the guarantees given by bank in favour of various government authorithies.	423.43	423.43

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.

Note- 40A Amalgamation of Companies

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

In accordance with the Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "LODR") Company has 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 have also filed this application with the Stock Exchanges under Regulation 37 of LODR.

Brief details of the Scheme are as under:

- 1 **GIL, AAR, HIPOLINE, LEXI and RICHIE all are TRANSFEROR COMPANIES and GML is 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 member in AAR.
 - (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.
- 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 co-ordinating with the SEBI in respect of the said Scheme and matters connected therewith.

41. Dividend on Equity Shares

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Cash dividend on equity share declared and paid		
Final dividend for the year ended 31 March 2019 :	-	203.31
Rs. 0.25 per share (31 March 2018 ₹ 0.25)		
Dividend distribution tax on final dividend	-	41.79
Total dividend paid	-	245.10
Proposed Dividend (*)		
Nil per share (31 March 2019 ₹ 0.25)	-	203.31
Dividend distribution tax on final dividend	-	41.79
Total dividend proposed	-	245.10

(*) Proposed Dividend is subject to Shareholders' approval in the ensuing Annual General Meeting and has not been recognised as a liability as at Balance Sheet date.

Notes on financial statements for the year ended 31st March 2020

(₹ in lacs)

42. Corporate Social Responsibility Contribution (CSR Expenses)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
(a) Gross amount required to be spent by the company during the year	139.14	94.13
(b) Amount spent during the year on		
(i) Construction / acquisition of any fixed assets	0.00	0.00
(ii) On purpose other than (i) above	139.92	101.79

43. Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

44. Balances under Trade receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

45. Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation.

As per terms of our report attached

For and on behalf of the Board of Directors

For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Dated : June 29, 2020

Chandra Prakash Agrawal

Dinesh Raghubir Prasad Agarwal

Sandip Kumar Agarwal

Arnab Banerji

Chairman & Managing Director

Whole-time Director

Chief Financial Officer

Company Secretary



www.gallantt.com

GALLANTT METAL LTD.
(CIN: L27109DL2005PLC350524)
"Gallantt House",
I-7, Jangpura Extension
New Delhi - 110014, India