



GIL/GKP/2024-25  
September 06, 2024

**BSE Limited**  
Floor 25, P J Towers,  
Dalal Street,  
Mumbai- 400 001, INDIA  
Scrip Code: 532726

**National Stock Exchange of India Limited**  
"EXCHANGE PLAZA",  
Bandra – Kurla Complex,  
Bandra (East), Mumbai- 400 051, INDIA  
Symbol: GALLANTT

Dear Sir/Madam,

**SUB: SUBMISSION OF ANNUAL REPORT FOR THE FINANCIAL YEAR 2023-24**

**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 2023-24. The same is also being dispatched electronically to the Members of the Company whose e-mail ids are registered with the Company or Depository Participant(s) for approval and adoption at the 20<sup>th</sup> Annual General Meeting of the Company to be held on Monday, September 30, 2024 at 3.00 P.M.

Copy of the Annual Report is also available at our website – [www.gallantt.com](http://www.gallantt.com)

Please acknowledge the receipt and oblige.

Thanking you,

Yours faithfully,  
**For GALLANTT ISPAT LIMITED**

Nitesh Kumar  
(CS & COMPLIANCE OFFICER)  
M. No. F7496

**Encl: As above**

**GALLANTT ISPAT LIMITED**

CIN: L27109UP2005PLC195660

Registered Office & Gorakhpur Unit: Gorakhpur Industrial Development Authority (GIDA),  
Sahjanwa, Gorakhpur - 273209, Uttar Pradesh

Tele-fax: 0551 3515500, E-mail: [csgml@gallantt.com](mailto:csgml@gallantt.com), Website: [www.gallantt.com](http://www.gallantt.com)

Gujarat Unit: Survey No. 175/1, Near Toll Gate, Samakhyali, Bhachau, Distt. Kutch - 370150, Gujarat

20th  
Annual Report  
2023-2024

**GALANTT**

**GALLANTT ISPAT LIMITED**



**Poised for  
Leadership**

# Across the pages

**1-29**

**CORPORATE OVERVIEW**

**30-184**

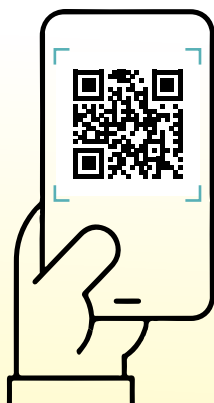
**STATUTORY REPORT**

**185-290**

**FINANCIAL REPORT**



We at Gallantt Ispat are well-positioned for leadership in the steel industry through our integrated steel plant driving consistent growth in both topline and profits. As the government's focus on infrastructure development intensifies and demand from other user industries continues to rise, the need for iron and steel products is set to soar. This presents a significant opportunity for integrated manufacturers like ours, and we are ready to capitalize on this demand, strengthening our market position and delivering greater value to our stakeholders.

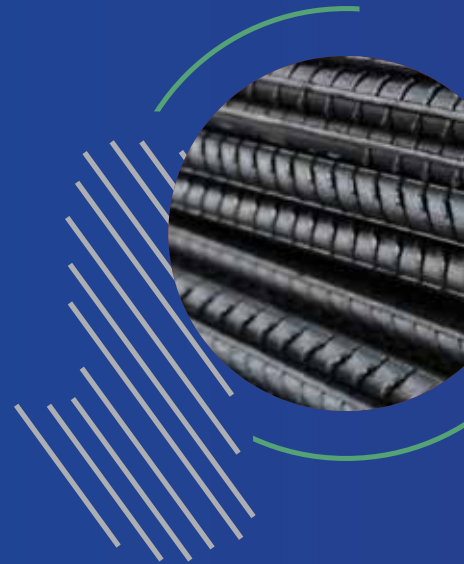


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# An effort in the right direction goes a long way in achieving lasting success.



Since inception, we have been committed to establishing ourselves as a leading player in the iron and steel industry. We have consistently aimed to achieve and maintain market dominance, delivering unprecedented growth for our stakeholders through three strategic pillars: robust product quality, adaptability to market dynamics, and sustainable manufacturing practices.

As we expand our business footprint, we gain momentum from our strategic initiatives, which continue to deliver positive results. Our growth in revenue and profits, along with significant improvements in free cash flow generation, underscores the strength of our effective execution and forward-thinking approach.

This growth is closely aligned with our unwavering commitment to sustainability, which is at the core of our strategic focus. Adhering to strong environmental, social, and governance (ESG) principles, we are dedicated to evolving into a more responsible and sustainable enterprise. By driving positive impact, we aim to set new benchmarks in corporate responsibility and environmental stewardship.

As we chart our course forward, our commitment to achieving a leadership position across our product offerings is driven by consistent innovation, advanced technologies, and rigorous quality and compliance standards. These pillars position us for even greater achievements. Simultaneously, we remain dedicated to enhancing shareholder value while enriching lives through our journey of continuous improvement. With a steadfast determination to make a difference in the world, we are scaling new heights, delivering with momentum, and infusing excellence into every step of our path.





# Corporate Information

## BOARD OF DIRECTORS

### Mr. Chandra Prakash Agrawal

Chairman & Managing Director

### Mr. Dinesh R. Agarwal

Whole Time Director

### Mr. Prem Prakash Agrawal

Whole Time Director

(Appointed w.e.f. November 02, 2023)

### Mr. Nitin Mahavir Prasad Kandoi

Whole-time Director

### Mr. Prashant Jalan

Director-Plant Operation

### Mr. Jyotirindra Nath Dey

Non-Executive Independent Director

(Retired w.e.f. March 31, 2024 due to completion of tenure)

### Mr. Ashtbhuja Prasad Srivastava

Non-Executive Independent Director

### Mrs. Nishi Agrawal

Non-Executive Independent Director

### Mr. Udit Agarwal

Non-Executive Independent Director

### Mrs. Smita Modi

Non-Executive Independent Director

(Appointed w.e.f. November 02, 2023)

### Mr. Pankaj Khanna

Non-Executive Independent Director

(Appointed w.e.f. November 02, 2023)

## AUDITORS

Maroti & Associates

Chartered Accountants

## COST AUDITORS

U. Tiwari & Associates

Cost Accountants

## CHIEF EXECUTIVE OFFICER

Mr. Mayank Agrawal

## CHIEF FINANCIAL OFFICER

Mr. Sandip Kumar Agarwal

## COMPANY SECRETARY

Mr. Nitesh Kumar

## REGISTERED OFFICE

Gorakhpur Industrial Development Authority (GIDA),

Sahjanwa, Gorakhpur – 273209,

Uttar Pradesh

Telefax: 0551-3515500

Website: www.gallantt.com

## BANKERS

State Bank of India

## EQUITY SHARES LISTED

BSE Limited

National Stock Exchange of India Limited

## REGISTRAR & SHARE TRANSFER AGENT

Niche Technologies Private Limited

7<sup>th</sup> Floor, Room, No. 7A & 7B,

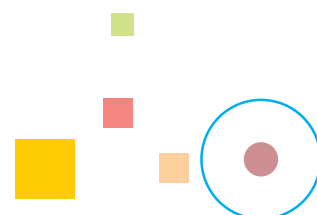
3A, Auckland Rd, Elgin, Kolkata,

West Bengal – 700017

Tel.: (033) 2280 6616 / 17 / 18

Email id: nichetechpl@nichetechpl.com

Website: www.nichetechpl.com





## WORKS OFFICE

- Survey No. 175/1, Near Toll Gate, Village – Samakhali, Taluka – Bachau, District – Kutch – 370150, Gujarat
- GIDA, Sahjanwa, Gorakhpur – 273209, Uttar Pradesh

## AUDIT COMMITTEE

Mr. Ashtbhuja Prasad Srivastava – Chairperson  
 Mr. Jyotirindra Nath Dey  
 (Retired w.e.f. March 31, 2024 due to completion of tenure)  
 Mr. Nitin Mahavir Prasad Kandoi  
 Mr. Pankaj Khanna  
 (Inducted into the Committee as a Member w.e.f. March 30, 2024)

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Udit Agarwal – Chairperson  
 Mrs. Nishi Agrawal  
 Mr. Jyotirindra Nath Dey  
 (Retired w.e.f. March 31, 2024 due to completion of tenure)  
 Mr. Ashtbhuja Prasad Srivastava  
 (Inducted into the Committee as a Member w.e.f. March 30, 2024)

## NOMINATION AND REMUNERATION COMMITTEE

Mr. Jyotirindra Nath Dey – Chairperson  
 (Retired w.e.f. March 31, 2024 due to completion of tenure)  
 Mrs. Smita Modi  
 (Inducted into the Committee as a Chairperson w.e.f. March 30, 2024)  
 Mrs. Nishi Agrawal  
 Mr. Udit Agarwal

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Jyotirindra Nath Dey – Chairperson  
 (Retired w.e.f. March 31, 2024 due to completion of tenure)  
 Mr. Udit Agarwal  
 (Inducted into the Committee as a Chairperson w.e.f. March 30, 2024)  
 Mr. Chandra Prakash Agrawal  
 Mr. Dinesh R. Agarwal

## RISK MANAGEMENT COMMITTEE

Mr. Jyotirindra Nath Dey – Chairperson  
 (Retired w.e.f. March 31, 2024 due to completion of tenure)  
 Mr. Pankaj Khanna  
 (Inducted into the Committee as a Chairperson w.e.f. March 30, 2024)  
 Mr. Nitin Mahavir Prasad Kandoi  
 Mrs. Nishi Agrawal

## COMMITTEE OF DIRECTORS

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





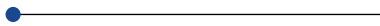
# Report Card for the FY 2023-24

During the year under review, we reported our best-ever full-year performance with reduction in debt, balanced revenue growth, strong EBITDA and a robust PAT. The sustained expansion of our EBITDA and PAT is a testament to our solid financial performance, positioning us for even greater success. Our performance across various operating regions and product divisions showed encouraging upward trends, significantly strengthening our future prospects in these areas.

## Financial scorecard

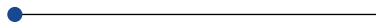
Rs. **4,22,712** Lakhs

Revenue



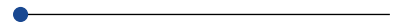
Rs. **45,505** Lakhs

EBITDA



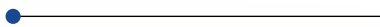
Rs. **22,534** Lakhs

PAT



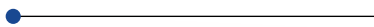
**9.64%**

ROE



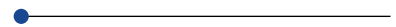
**12.72%**

ROCE



**0.28**

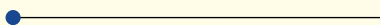
Debt to Equity



## Environmental stewardship

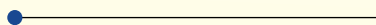
**44%**

Overall power from clean energy



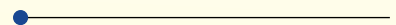
**100%**

Fly-ash utilisation



**Zero**

Water discharge



### People engagement

**1.28%**  
Women Employees



**500**  
Total Learning Hours



**Rs. 10,818 Lakhs**  
Employee Benefit Expenses



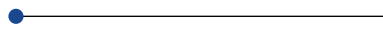
### Social engagement

**Rs. 428 Lakhs**  
CSR Expenditure

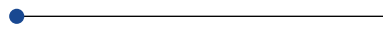


### Governance engagement

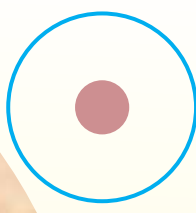
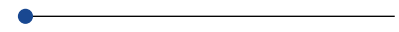
**55%**  
Independent Directors on Board



**95%**  
Board Meeting attendance



**93%**  
Committee Meeting attendance







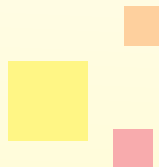
# Poised for leadership through foundation of strength

Gallantt Ispat Ltd. incorporated during 2005 by first generation entrepreneur Mr. Chandra Prakash Agrawal, is a leading integrated steel manufacturer in India, committed to producing a diverse range of high-quality iron and steel products which includes Sponge Iron, Billets and TMT Bars. Since our inception, we have focused on sustainable growth and innovation, utilizing modern technology and a robust infrastructure to meet the ever-growing demand in sectors such as infrastructure, construction, and manufacturing.

Our vision to "Build a Stronger Future" drives everything we do. With our state-of-the-art integrated steel plant, we maintain full control over our production processes, ensuring that we consistently deliver products of the highest standards. Over the years, we have expanded our operations, solidifying our market position and earning the trust of our customers and stakeholders alike.

We believe that people form the core of all our endeavours. With their curiosity, creativity, agility, and intuition, they enable us to navigate change with foresight and resilience. Our empowered workforce brings strong technical expertise and scientific capabilities to uphold our dominance in terms of compliance and quality.

Beyond our business success, we are deeply committed to corporate social responsibility. We believe in giving back to the communities we operate in and contributing to environmental sustainability. As we continue to evolve, our focus remains on innovation, operational excellence, and strategic growth, positioning us at the forefront of the steel industry.





## Vision

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



## Mission

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



## Pride

We are proud to be engaged in nation building by manufacturing, branding and marketing of Gallantt and Gallantt Advanced TMT Bars.



## Enduring quality

We are proud of the recognition and certifications we have achieved, which reflect our commitment to quality, safety, and sustainability in our operations. We are certified with ISO 9001:2008, Bureau of Indian Standard (ISI), ISO 9001:2000 and H & K (Germany).





# Chairman and Managing Director's Note



During the current financial year, the iron and steel industry in India witnessed remarkable growth, reinforcing its critical role in the nation's industrial landscape. This period was characterized by robust demand, largely driven by the government's ongoing push for infrastructure development.





**Dear Shareholders,**

**Leadership is the compass that guides one to success, turning vision into action and potential into achievement. I am proud of the consistent progress we have achieved over the past fiscal years. Our commitment to operational excellence and strategic investments has positioned us at the forefront of the industry.**

### **Operating Landscape**

Despite global challenges and geopolitical tensions, the Indian economy demonstrated resilience, emerging as the world's fastest growing major economy. Substantial government investments in infrastructure and progressive economic reforms have created a favourable environment for businesses.

In a rapidly developing economic environment, infrastructure and real estate development creates constant demand for iron & steel products given their direct correlation with GDP growth. In India, for an average citizen consumption of finished steel remains at 86.7 kg a year whereas the global consumption remains at 233 kg, which clearly shows the huge gap and opportunities for the iron & steel industry domestically. In such a scenario, capacity augmentation by industry is an imperative. We at Gallantt Ispat are fully geared to cater to the varied needs coming from the user industries through our integrated manufacturing facilities.

### **Steel industry review**

During the current financial year, the iron and steel industry in India witnessed remarkable growth, reinforcing its critical role in the nation's industrial landscape. This period was characterized by robust demand, largely driven by the government's ongoing push for infrastructure development. Major initiatives, such as the National Infrastructure Pipeline (NIP) and Gati Shakti, accelerated the construction of roads, railways, ports, and urban infrastructure, leading to increased consumption of steel. The automotive and manufacturing sectors also contributed to this surge, with growing production and the adoption of advanced technologies.

In response to the rising demand, steel manufacturers expanded their capacities and invested in modernizing their facilities to enhance productivity and sustainability. The focus on reducing carbon footprints and adopting environmentally friendly practices gained momentum, aligning the industry with global sustainability goals. Additionally, India's iron and steel exports remained strong, with domestic producers benefiting from favourable international market conditions.

Overall, FY 2023-24 was a dynamic year for the iron and steel sector in India, marked by significant advancements, increased production, and a positive outlook driven by both domestic and international demand. The industry's growth trajectory during this period underscored its vital contribution to the country's economic development.

### **Performance review**

We at Gallantt Ispat, being a pioneer and leading manufacturer in the Indian iron & steel industry enjoy a coveted place in the market. With a rich legacy spanning nearly two decades, we have established a strong presence in India and long-standing customer relationships. We possess an edge over competition due to rich management experience, in-depth market understanding, strong brand equity and diversified business operation both geographically and in terms of portfolio. Our products have earned a strong brand equity. Our production and sales volumes continue to be strong. There is significant infrastructure development in the states that we operate. We are very happy with our performance this year and are looking forward to an even more robust FY25.

During the year under review, we clocked 8.7% growth in sales volume of Sponge Iron, 26.2% of Billets and 8.8% of



At Gallantt Ispat sustainability through our embedded Environmental, Social, and Governance (ESG) principles are integral to our long-term strategy and operations. We recognize that sustainable growth is only possible when we align our business practices with the broader goals of environmental stewardship, social responsibility, and robust governance.

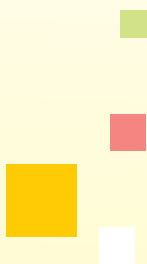
TMT Bars. To fulfil growing demand and to support our expanding portfolio, we are continuously striving to expand our capacity. We aim to upgrade our plants and bring in modern technology to ensure cost efficiencies and produce superior quality products. This year, we successfully integrated two wagon tippers into our operations, which have significantly contributed to cost efficiency and bolstered our bottom line. These advanced systems not only optimize the unloading process by reducing wastage but also minimize delays, thereby enhancing overall operational efficiency. The introduction of wagon tippers has proven to be a strategic move, streamlining our supply chain and reinforcing our commitment to operational excellence in the steel industry.

### Building a robust organisation

Today, we command a dominant market share in the organised B2B and B2C segment of the iron and steel products. Going ahead, we are quite optimistic of sustaining our growth for some interesting reasons.

**New categories:** We were traditionally a steel manufacturing Company but our gradual shift from single product dependence to multi-layer has created a niche for the Company across varied markets.

**Brand leverage:** Today our flagship brands "Gallantt and Gallantt Advanced TMT Bars" command a leading pie in the market and contribute significantly to our topline. These brands are endorsed by Mr. Ajay Devgan, leading Bollywood Superstar and Celebrity through ATL (Print media, Television, Cinema Advertising, Radio broadcast, Social Media Post) and BTL (Sign boards, Billboards, In store promotion, Bus shelter, Hoardings, Event sponsorship, Press conference, POP Materials, Dealers-Distributors Scheme, Annual meet, other events). Such integrated marketing campaigns are strategically aimed towards building a strong brand and expanding the consumer base in the targeted markets.





## Sustainability

At Gallantt Ispat sustainability through our embedded Environmental, Social, and Governance (ESG) principles are integral to our long-term strategy and operations. We recognize that sustainable growth is only possible when we align our business practices with the broader goals of environmental stewardship, social responsibility, and robust governance. Our commitment to ESG is reflected in our continuous efforts to minimize our environmental impact, enhance the well-being of our employees and communities, and uphold the highest standards of corporate governance.

By embedding ESG into our core operations, we not only contribute positively to society and the environment but also create long-term value for our stakeholders. Our initiatives, such as adopting energy-efficient technologies, reducing and recycling of resources, promoting workplace safety, taking care of the society and peoples in our surroundings and ensuring transparency in our business practices, are driving us towards becoming a more responsible and sustainable enterprise. At Gallantt Ispat, ESG is not just a commitment—it's a fundamental part of who we are and how we operate as we build a stronger future for all.

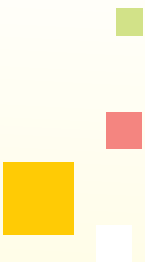
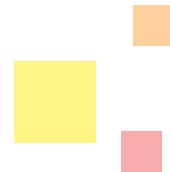
## Outlook

We remain confident of our business growth prospects and continue to invest in future growth. There is growth in demand for our products having the highest level of quality and our ability to cater the needs of all our customers on a timely basis. We are striving to increase the share of our portfolio and undertake cost optimization initiatives to improve our margin profile. Our strong order book, with a customer mix of both government departments and private sector enterprises, ensures robust growth in coming years.

I want to express profound gratitude for the unwavering support extended by our customers, employees, shareholders, suppliers, banks, and government. To our dedicated employees – your hard work and passion is what makes us achieve the impossible every day. Last but not least, I am grateful to our Board of Directors for their continued trust in our organisation. I am confident that together, we will attain new heights of success and carve a unique place for the organization in the iron and steel industry.

With warm regards

**C. P. Agrawal**





# Letter from the Chief Executive Officer



During FY 2023-24, the iron & steel industry in India witnessed robust growth, driven by strong demand from key industries such as construction, infrastructure, and automotive. Production levels reached new highs, with India solidifying its position as one of the world's leading producers of finished steel.





## Dear Shareholders,

I am happy to present to you the performance report of your Company for FY 2023-24 – a year that saw Gallantt scale new vistas in its journey to transforming the country's infrastructure landscape through its qualitative products. The Company has reported excellent operational and financial performance for FY 2023-24 and we are very satisfied with the overall performance. Led by healthy volume growth and higher realization, the Company reported its highest ever yearly sales and net profit for the year ended March 2024.

## Industry overview

During FY 2023-24, the raw material scenario for the iron and steel industry in India was marked by steady domestic production of key inputs like iron ore and coking coal. While iron ore supply remained stable, fluctuations in global coal prices and occasional supply chain disruptions posed challenges. The industry also saw a growing emphasis on using scrap metal as an alternative raw material, aligning with sustainability goals. Overall, the industry's raw material procurement remained resilient, supported by government initiatives to boost domestic availability and reduce import dependency.

During FY 2023-24, the iron & steel industry in India witnessed robust growth, driven by strong demand from key industries such as construction, infrastructure, and automotive. Production levels reached new highs, with India solidifying its position as one of the world's leading producers of finished steel. Sponge iron production continued to thrive, driven by India's abundant iron ore resources and the increasing adoption of electric arc furnace (EAF) and induction furnace (IF) technologies. Prices for sponge iron fluctuated between Rs.29,000 and Rs.33,000 per tonne, influenced by raw material costs and energy prices. Billets, a key intermediate product, saw consistent demand, with prices averaging around Rs.45,000 to Rs.50,000 per tonne. This was buoyed by the growing need for high-quality inputs in the production of finished steel products. TMT bars, essential for construction, maintained strong market traction, with prices generally ranging from Rs.55,000 to Rs.60,000 per tonne. The demand for TMT bars was particularly robust due to ongoing urbanization projects and government-led infrastructure initiatives.

The domestic demand for finished steel rolled products grew in tandem with the government's continued focus on infrastructure development and urbanization, leading to

increased consumption. Export markets also provided a significant boost, with Indian manufacturers capitalizing on rising global demand. The sector's resilience and adaptability to changing market conditions underscored its vital role in the broader industrial landscape of India during FY 2023-24.

## Company overview

In FY 2023-24, we recorded a steady financial performance, with revenue holding firm at Rs.4,056.70 crores, the same as the previous year. Despite the revenue growth remaining flat, we witnessed a significant improvement in profitability. EBITDA increased from Rs.367.36 crores in FY 2022-23 to Rs.455.04 crores in FY 2023-24, while PAT saw a substantial rise from Rs.140.91 crores to Rs.225.33 crores during the same period. This growth in EBITDA and PAT was primarily driven by a favourable cost environment, where lower input costs led to reduced selling prices, enhancing our margins. Additionally, our ongoing efficiency and cost rationalization initiatives played a crucial role in bolstering our financial performance. These initiatives, which have been sustainably integrated into our operations, continue to contribute to our bottom line, positioning us for future growth and resilience in an evolving market landscape.

In FY 2023-24, our operations demonstrated robust performance and efficiency. Total captive power generation increased by 14.70%, enhancing our energy self-sufficiency and operational reliability. Our backward integration strategy paid off as the pellet plant in Gorakhpur, which became operational in July 2023, contributed significantly to our profitability, with pellet production reaching 459,705 tonnes. In terms of production and sales, we saw notable growth across various segments. Sponge iron production rose by 11.7%, while sales increased by 8.7%, reflecting our strengthened market position. Billet production surged





Technological advancements have been another cornerstone of our strategy. We are upgrading our facilities to improve capacity utilization from the current 80% to 95%. The installation of modern wagon tipplers is expected to significantly reduce wastage and improve turnaround times, with the full benefits projected to be realized within the current year.

by 14.5%, with sales climbing by 26.2%, underscoring our improved capacity and market demand. TMT production grew by 9.4%, with sales up by 8.8%, highlighting our successful product expansion and market penetration.

I am pleased to announce that the Company has successfully completed the purchase of two railway rakes, with an investment of Rs.55 crore. These rakes have now been received and are fully operational. This strategic investment is poised to bring significant benefits to our operations. By enhancing our logistics capabilities, these rakes will streamline our transportation processes, reduce dependence on external freight services, and lower overall logistics costs. This will not only improve our efficiency but also contribute to

more timely and cost-effective delivery of our products. As a result, we anticipate enhanced operational performance and a stronger competitive edge in the market, reinforcing our commitment to driving sustainable growth and delivering value to our stakeholders.

### **Strengthening the business**

In strengthening our business, we are focused on expanding and deepening our product distribution network, recognizing that success in the B2C steel sector depends on this strategy. Over the past three years, we have significantly grown our distribution reach, increasing our network to 2,700 delers and 34 distributors. Looking forward, we aim to further expand our network of dealers and distributors over the next five years. We also took various initiatives to increase its retail presence with a vision to become the most preferred tiles brand. We are also constantly evaluating and evolving ways in which we can reach consumers. We are scaling our marketing and branding initiatives and are leveraging iconic engagement platforms to create strong brand awareness among consumers. We have made significant investments in marketing and brand building activities to foster customer engagement.

We have also made substantial investments in our infrastructure to enhance our value chain, improve accessibility, and manage costs. We have a private railway siding within our plant premises, equipped with a wagon tippler and a material handling capacity of 2 million tonnes per annum. This has significantly reduced our handling costs, streamlined operations, minimized material losses, and ultimately boosted our profitability. Additionally, we also invested Rs.55 crores in two railway rakes under the General Purpose Wagon Investment Scheme (GPWIS) by Indian Railways. The first rake became operational in September 2023, and the second in February 2024. These rakes ensure the efficient and cost-effective transportation of key raw materials, such as iron ore and coal, to the manufacturing facilities, enhancing smooth plant operations. Additionally, the company benefits from a 10% rebate on railway freight for 15 years under GPWIS, expecting to transport 3-3.5 lakh tonnes of material in FY 2024-25, resulting in annual savings of Rs.7-8 crores.



The launch of our pelletisation plant has been a key development, allowing us to eliminate dependency on external suppliers while ensuring consistent quality and reduced costs. This initiative has already contributed to savings of Rs.1,000 per tonne, with further benefits anticipated starting in FY25. We are also exploring the introduction of value-added products, which will further enhance our product portfolio and strengthen our market position.

We were declared the successful “Preferred Bidder” for the Todupura Iron Ore Block in Karauli, Rajasthan, by the Government of Rajasthan on June 15, 2024, following an e-auction. We are taking all necessary steps to secure the Letter of Intent, clearances, and execute the Lease Deed to start mining operations. With a 260.71-hectare area and 85.42 million tonnes of iron ore, this deposit will supply our Gujarat unit for 20-25 years, ensuring cost reduction, operational flexibility, and improved profitability. We aim to have the mines operational within the next few years, subject to various government approvals.

Our recent Memorandum of Understanding (MOU) with the National Small Industries Corporation (NSIC) to supply steel to MSMEs registered with them. This partnership not only underscores the high quality of our products but also ensures their wider distribution, which we believe will significantly enhance our overall turnover and profitability.

These efforts collectively underscore our dedication to growth, operational excellence, and delivering exceptional value to our stakeholders.

## Outlook

At Gallantt Ispat, we are optimistic of prospects on account of the low cost of being in business, combined with scale. As we look ahead, the outlook for the steel industry is increasingly promising, driven by the government’s proposed investment and outlay in infrastructure and development projects. The recent announcement of a substantial Rs.10 lakh crore investment in infrastructure over the next five years is expected to create a significant demand for steel products. This initiative aims to bolster various sectors, including transportation, urban development, and energy, all of which are major consumers of steel.

The increased infrastructure spending will not only stimulate growth within the industry but also present numerous opportunities for steel manufacturers to expand their market presence. We anticipate a boost in demand for both long steel products, driven by new projects and ongoing urbanization efforts. This positive trajectory aligns with our strategic focus on enhancing production capabilities and scaling operations to meet the anticipated surge in demand.

Furthermore, the government’s commitment to improving the ease of doing business and supporting manufacturing through favourable policies will provide a conducive environment for industry growth. We are well-positioned to capitalize on these developments, leveraging our expanded production capacity and strategic investments to drive sustained growth and deliver value to our stakeholders. As we continue to navigate this evolving landscape, we remain committed to advancing our operational excellence and contributing to the sector’s overall progress.

## Closing note

Lastly, fostering robust relationships remains a top priority for us. Through targeted initiatives, we will continue to strengthen engagement and collaboration with all stakeholders. We are firmly convinced that nurturing these connections will lead to mutual benefits, enabling stakeholders to accomplish their objectives while propelling our Company towards even greater heights of growth.

In conclusion, I take this opportunity to extend my sincere gratitude to our valued customers and stakeholders, including business partners and shareholders, for their unwavering trust in our Company. I would also like to express my appreciation to our dedicated employees for their hard work and commitment. At Gallantt Ispat, we recognize the vast opportunities before us. With a steadfast focus on our priorities, we are confident in the rewards that lie ahead, building a stronger future for all stakeholders.

Regards

**Mayank Agrawal**



**Gallantt Ispat Limited, not just any other steel Company. The Company is strategically addressing the cyclic nature of the steel industry by implementing several key measures to create a sustainable niche for itself.**

- By expanding the product offerings and mitigating the risks associated with market fluctuations.
- By investing in backward integration. This move not only secures a consistent quality of raw materials.
- By focusing on operational efficiencies through technological upgrades.
- By investing in logistics infrastructure, to reduce transportation costs and improves supply chain reliability.
- By implementing cost-control measures and efficiency initiatives to manage operational costs effectively.
- By anticipating market trends and investing in future growth areas, the company positions itself for stability and success.

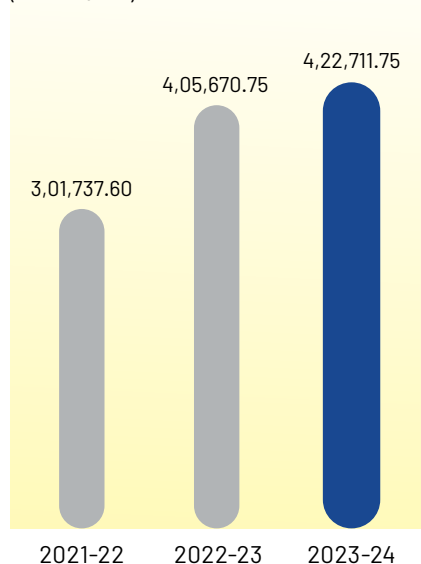




# Poised for leadership through a lens on the success of today and a peep into the future

## Revenue from Operation

(Rs. in Lakhs)



### Definition

Growth in sales net of taxes.

### Why is this measured?

It is an index that showcases your Company's ability to enhance revenues, an index that can be compared with sectoral peers.

### What does it mean?

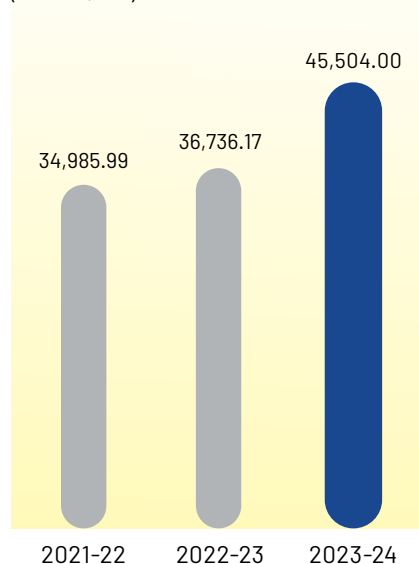
Enhanced revenues can enhance market share, visibility and a larger base for the amortization of expenses.

### Value impact

Your Company reported a flat revenue during FY 2023-24 due to lower selling prices translating from lower input costs.

## EBITDA

(Rs. in Lakhs)



### Definition

Earnings before the deduction of interest, depreciation, extraordinary items, tax and also after excluding non-operating income.

### Why is this measured?

It is an index that showcases your Company's ability to generate a surplus following the expensing of all operating costs.

### What does it mean?

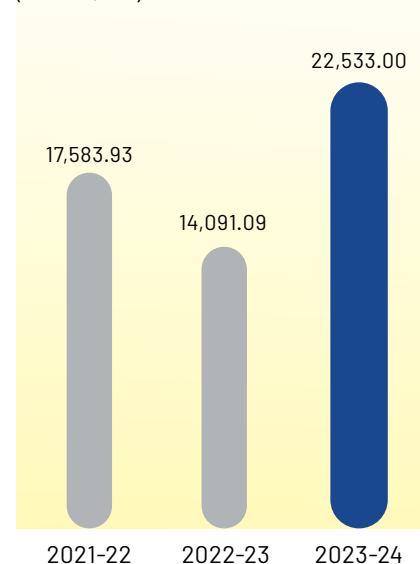
It helps create a robust growth engine.

### Value impact

Your Company a healthy increase in EBITDA by 23.8% driven by increased production efficiency, higher volumes, cost rationalization initiatives, strategic diversification, effective management of raw material costs, and expanded market reach.

## PAT

(Rs. in Lakhs)



### Definition

Profit earned during the year after deducting all expenses and provisions.

### Why is this measured?

This measure highlights room of the business in enhancing investors value.

### What does it mean?

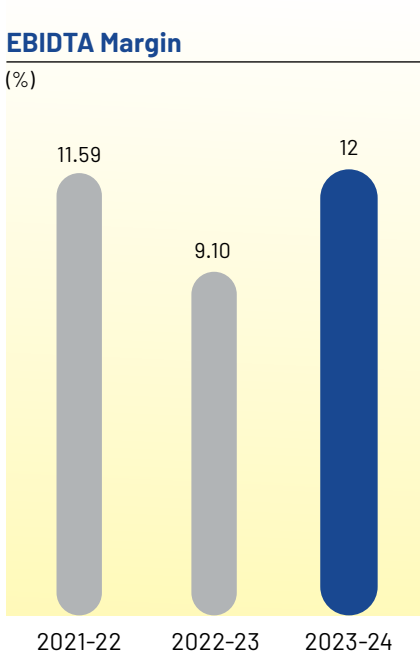
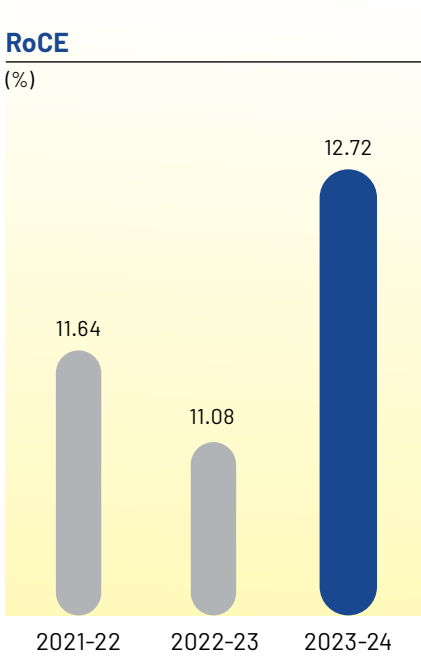
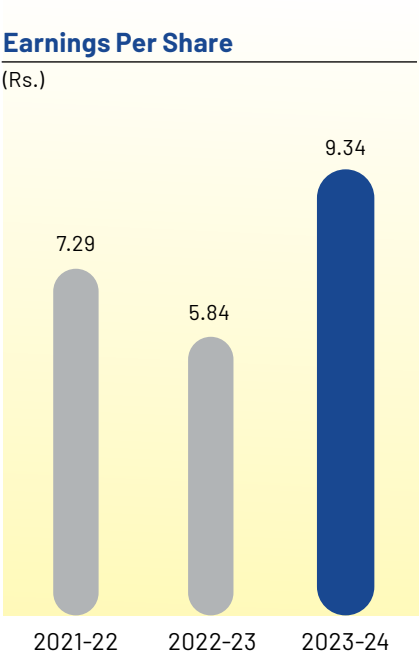
Ensures that adequate surplus is available for reinvestment.

### Value impact

Your Company reported a 62.50% increase in PAT due to strategic operational efficiencies, robust demand in the steel industry.

**India Rating & Research**  
**Ind A+/Stable**  
for long-term bank facilities

**India Rating & Research**  
**Ind A+**  
for short-term bank facilities



**Definition**  
Earnings Per Share (EPS) is a financial ratio measures a company's profitability by dividing its net income by the number of outstanding shares of its common stock.

**Why is this measured?**  
EPS is measured to assess a company's profitability on a per-share basis, providing insight into its financial performance and value for shareholders.

**What does it mean?**  
EPS indicates the portion of a company's profit allocated to each outstanding share of common stock.

**Value impact**  
The jump in EPS of your Company is driven by strong profitability, enhanced operational performance, and prudent financial management.

**Definition**  
It is a financial ratio that measures a company's profitability and capital efficiency - EBIT minus Other Non-Operating Income/ Closing Capital Employed.

**Why is this measured?**  
RoCE is a useful metric for comparing profitability across companies based on the amount of capital used - especially in capital intensive sectors.

**What does it mean?**  
Enhanced RoCE can potentially drive valuations and perception.

**Value impact**  
Your Company reported a RoCE growth of 164 basis points, driven by enhanced operational efficiencies and optimized capital allocation, leading to better returns.

**Definition**  
EBITDA margin is a financial metric that measures a company's operating profitability by expressing EBITDA as a percentage of total revenue.

**Why is this measured?**  
EBITDA margin is measured to evaluate a company's operational efficiency and profitability relative to its revenue.

**What does it mean?**  
EBITDA margin impacts financial analysis by revealing how effectively a company generates profit from its operations, excluding non-operational expenses.

**Value impact**  
Your Company EBITDA margin grew at a CAGR of 15.6% from 9.10% in FY23 to 12% in FY24, indicating significant improvements in operational efficiency and profitability.



# Poised for leadership through enhanced capacities

Gallantt Ispat has established itself as a leader in the steel manufacturing industry, renowned for its state-of-the-art facilities and robust production capabilities. With a focus on innovation and quality, the company leverages advanced technology and efficient processes to produce high-grade steel products that meet diverse industry demands.

## The Company manufactures



### Pellet

7,92,000 MT



### Sponge Iron

9,18,000 MT



### Steel Melt Shop

9,57,000 MT



### Rolling Mill

9,50,400 MT



### Power Plant

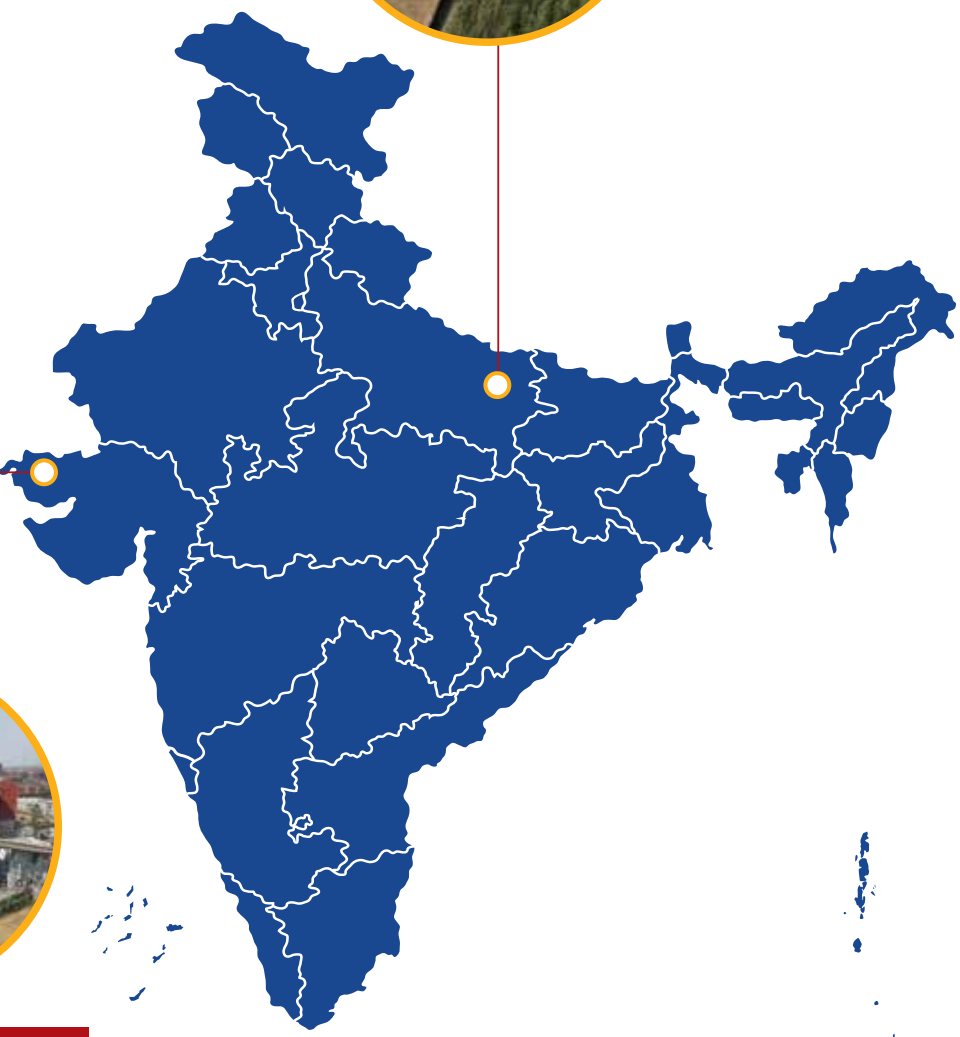
129 MW

**Strategically located plants and capacities**



**Gorakhpur, Uttar Pradesh**

Sponge Iron	5,44,500 MT
Steel Melt Shop	5,28,000 MT
Rolling Mill	5,28,000 MT
Power Plant	78 MW
Pellet Plant	7,92,000 MT



**Kutch, Gujrat**

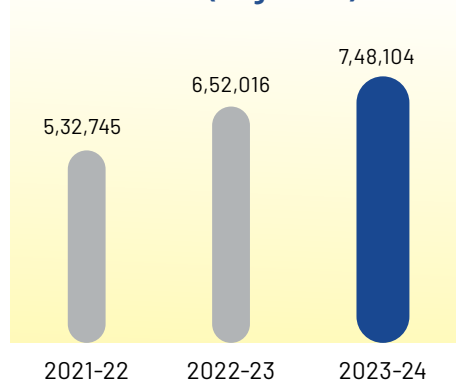
Sponge Iron	3,73,500 MT
Steel Melt Shop	4,29,000 MT
Rolling Mill	4,22,400 MT
Power Plant	51 MW



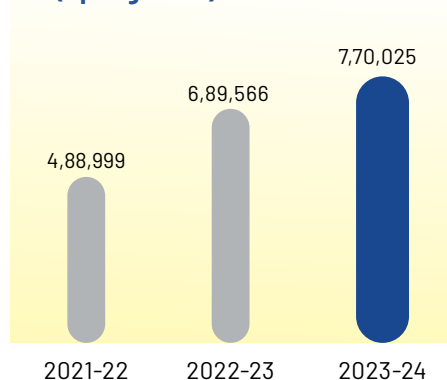


## Robust operational efficiencies

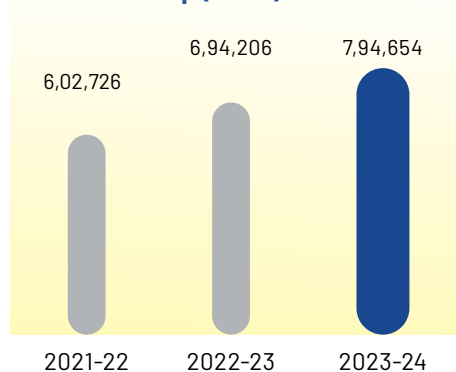
### Power Plant MW (Mega Units)



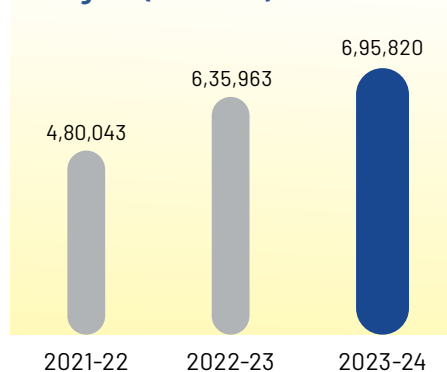
### DRI (Sponge Iron) MT



### Steel Melt Shop (Billet) MT



### Rolling Mill (TMT Bars) MT



## Raw material security

Gallantt Ispat ensures robust raw material security through its integrated operations, including a captive pellet plant, secured coal linkages with miners, a dedicated railway siding, and a captive power plant. These strategic assets provide the company with a reliable supply chain, operational efficiency, and cost advantages, positioning it strongly in the steel manufacturing sector.

### Pellet plant

The Company's pellet plant in Gorakhpur, meets the company's entire production requirements. This captive production is estimated to be 10-15% more cost-efficient than sourcing from the local market. Moreover, the superior quality of inputs, such as Sponge Iron and Billets, directly enhances the quality of the finished products.





### Coal availability

The Company ensures a reliable coal supply through strong linkages with Northern Coalfields Limited, Eastern Coalfields Limited, and National Coal Mines, guaranteeing continued availability. Additionally, direct sourcing from international bulk miners enhances and maintains consistent coal quality, supporting efficient production processes.

### Railway siding and rakes

The Company has its own private railway siding, under the code MGIS allotted by Indian Railway, at Industrial complex in Gorakhpur for efficient procurement of major raw material viz. Iron Ore and Coal in large bulk. Additionally, the company also possess captive railway rakes at both units enabling efficient material movement and seamless connectivity. The Gorakhpur unit is further equipped with a modern material wagon tippler, which reduces wastage and minimizes delays, enhancing overall operational efficiency.



### Captive power plant

The Company's manufacturing facilities are equipped with a combined captive power capacity of 129 MW, primarily utilizing waste heat recovery. This captive power availability significantly reduces the company's reliance on the grid, ensuring consistent and efficient energy supply for its operations.

## Digital integration

At Gallantt Ispat, we have embarked on an ambitious digital technology and IT-enabled business transformation program to enhance value creation throughout our enterprise. A key component of this initiative is the implementation of SAP S4 HANA software, which is pivotal in digitalizing our plants and processes. This advanced system not only streamlines operations but also facilitates real-time data integration, enabling us to build the capabilities necessary for delivering transformative solutions. Through this integration, we are committed to optimizing efficiency, improving decision-making, and driving substantial growth across our organization.



# Poised for leadership through our brand reach

## Building a reputable brand

Gallantt Ispat employs a multifaceted approach to marketing its products, utilizing various modes to reach diverse audiences and enhance brand visibility. We leverage digital marketing strategies, including targeted online advertising, social media campaigns, and content marketing to engage with potential customers and drive brand awareness. Additionally, we invest in traditional marketing methods such as print media, trade shows, outdoor hoardings and industry events to showcase our products and connect with key stakeholders.

In a strategic move to elevate our brand's profile, we have partnered with leading Bollywood celebrity Mr. Ajay Devgan. His association with our brand brings a high level of credibility and appeal, significantly enhancing our market presence. Celebrity engagement offers numerous benefits, including increased media coverage, enhanced consumer trust, and a broader reach to potential customers. Mr. Devgan's endorsement not only adds prestige to our brand but also creates a strong emotional connection with consumers, thereby boosting our overall brand reputation and driving greater market penetration.

## Expanding reach

Central to Gallantt's value proposition is its strong sales and dealer relationships. We believe these relationships to be a core pillar of the aspirational spaces that we strive to create for our customers. We have developed a robust marketing model for our products. The model is divided majorly into supply of our products through dealer-distribution network, and supply of products for infrastructure-related projects to government as well as private enterprises and private customers.





# 2,700

Dealers

# 34

Distributors

## Ensuring quality

Our above-industry average performance stems from cultivating long-term, sustainable relationships rather than mere transactional interactions. This commitment is grounded in decades of dedicated service and an unwavering focus on quality. Ensuring the delivery of superior products is our top priority, supported by rigorous quality control measures. Our quality control personnel conduct thorough examinations and inspections throughout the production and supply chain, resulting in world-class products and minimal rejects.

Our dedication to quality has earned us several prestigious international certifications, including ISO 9001:2008, ISO 9001:2000, Bureau of Indian Standards (ISI), and H & K (Germany). These accreditations, along with our consistent performance, have garnered us numerous accolades which includes:

Gallantt Group has been recognized as the highest Tax Payers for Financial year 2023-24 by the State Tax Department, Gorakhpur District.

CMD of the company was awarded with the "Bhamashah Award" and Certificate of appreciation on the eve of "Vyapari Kalyan Diwas".

CII - Green Products & Services Council - Certified Green product.

These achievements reinforce our reputation and underscore our commitment to excellence in every aspect of our operations.



# Poised for leadership through a focus on ESG, the core of our Company's personality

The term "ESG" is becoming a prevalent acronym utilized globally to evaluate and filter companies. Analysts, thought leaders, governance bodies, media, communities, and bankers have adopted ESG as a crucial assessment tool for gauging the quality of corporate managements. This has contributed to the expansion of the evaluation discipline beyond just the Balance Sheet - in many cases, the assessment process has incorporated ESG, with the viewpoint that compliance levels will inevitably reflect on the Balance Sheet.



## So what is ESG?

Environmental, Social and Governance (ESG) is a framework used to assess an organization's business practices and performance on various sustainability and ethical issues. It also provides a way to measure business risks and opportunities in those areas. In capital markets, some investors use ESG criteria to evaluate companies and help determine their investment plans, a practice known as ESG investing.

While sustainability, ethics and corporate governance are generally considered to be non-financial performance indicators, the role of an ESG program is to ensure accountability and the implementation of systems and processes to manage a company's impact, such as its carbon footprint and how it treats employees, suppliers and other stakeholders. ESG initiatives also contribute to broader business sustainability efforts that aim to position companies for long-term success based on responsible corporate management and business strategies.

## Gallantt Ispat and ESG

At Gallantt Ispat, our operations consistently reinforce our dedication to shared values and purpose-driven business conduct. We firmly uphold democratic principles, justice, and equality. The imminent issue of our time is climate change, posing severe risks to our welfare, livelihoods, food security, and prospects for future growth. In response to this, ESG principles though voluntarily have been incorporated into all aspects of our operations and wider business practices through a fine lens of sustainability. This empowers us to responsibly manage shareholder and institutional capital while fostering a business model that caters to multiple stakeholders and enhances value for all.

## Energy and other emissions

Gallantt Ispat is actively fostering an energy-efficient culture by enhancing operational efficiencies, implementing energy conservation mechanisms, and prioritizing the integration of various sources into its energy mix. Our integrated steel facility at Gorakhpur produces TMT bars of international quality, supported by a captive power plant (CPP) that meets the electricity demands of various units, including the Pellet Plant, DRI, SMS, Rolling Mill, and subsidiary units. To ensure cost-effective electricity generation while utilizing diverse fuel sources like Indian coal, biomass, and by-products from DRI such as Dolchar and microfine dust, the CPP operates at peak efficiency with a focus on minimizing environmental impact.

The captive power plant operates in strict compliance with all environmental norms, including dust emission control, 100% fly ash utilization, and zero water discharge (ZLD). All boilers are equipped with Electrostatic Precipitators (ESPs), and continuous online stack data is linked with the Central Pollution Control Board. Emissions from all stacks within the company premises, are maintained within the prescribed standards. The plant also adheres to Zero Liquid Discharge (ZLD) principles, with Sewage Treatment Plants (STP) and Water Treatment Plants (WTP) installed to recycle and reuse treated water from both the plant and colony.

## Focus to reduce carbon foot-prints

The Company has recently signed a MoU with M/s. Sunsure Energy Pvt. Ltd. to purchase 7 MW of solar power for its Gorakhpur Unit. In line with the Uttar Pradesh Government's solar policy, the company will invest 26% equity in Sunsure's Bandha Unit, qualifying it as a captive user. This will lead to exemptions or reductions in charges like wheeling, transmission, and cross-subsidy levies from the Power Corporation, reducing the cost of grid-imported units and boosting profitability. The solar power supply is expected to be operational by October 2024, advancing our mission to reduce carbon footprints.

## Creating a green belt

Green Belt development is a key focus alongside our production activities. We have undertaken systematic plantation across the plant campus, including both the



plant area and residential complex. Plant species were carefully selected based on agro-climatic conditions and rapid growth feasibility, adhering to the Green Belt norms prescribed by the Ministry of Environment and Forests. As of March 31, 2024, approximately 20,000 plants have been planted, with plans to add another 2,000 during FY 2024-25, continuing our commitment to environmental sustainability.

### Fostering relationships

At Gallantt Ispat, we recognise that growth does not come from how well we can grow our assets. But from how well we can grow our relationships. The soul of our unwritten mission statement is not about the profits for the Company, but with value for the stakeholders associated with the Company.

Talent Management at our Company involves the design and implementation of strategies, policies and systems to ensure that highly qualified individuals can be attracted,

recruited and retained. Our company is fully committed towards its responsibilities and is contributing effectively to facilitate value-creation in various arenas of its operations including health & safety, employee training. Our skilled team of over [ ] personnel including technical & non-technical staff, drives execution excellence. Through initiatives like employee engagement in decision making, annual get-together, sports & office picnic, the Company aims to foster a sense of equality and diversity amongst its human resource.

We also work with our suppliers, customers and various other peoples associated with the Company on a long-term perspective. Innovative management policies ensure the development and trust of various stakeholders. Our above-industry average performance has come from the extension of this value beyond a one-off transaction into a sustainable relationship across the long-term.



**Corporate Social Responsibility:** Corporate Social Responsibility and sustainability is as central to our business as other verticals are. We pursue both with equal passion and we contribute to the development of peoples in our surrounding where we operate. Following the guidelines of the Companies Act, during the year we spent Rs.1 Crores towards the following initiatives:

Gallantt Foundation, the philanthropic arm of Gallantt Group, was established in 1992 to give back to society. Based in Gorakhpur, Uttar Pradesh, the Foundation is engaged in various charitable and social activities. Recently, it launched a free food distribution initiative in Gorakhpur, using two food vans to serve around 2,000 people daily at key locations like bus stations, hospitals, and railway



stations. Since the launch of the first van in July 2022 and the second in December 2022, the initiative has provided approximately 10.5 lakh meals as of March 31, 2024. A fully automated kitchen supports this effort, ensuring timely food supply.

Gallantt Group is sponsoring the construction of a state-of-the-art auditorium at Guru Gorakshnath University, Gorakhpur, with an investment of Rs.25 Crores. The

auditorium, designed to accommodate 1,500 people, aims to enhance the quality of education by providing modern facilities like LCD projectors and screens for lectures. It will also serve as a venue for cultural activities, offering students and staff opportunities to showcase their talents in public lectures, art performances, and music shows. The construction is progressing rapidly and is expected to be completed by December 2024.



## Governance measures

We maintain strong corporate governance practices, designed to ensure that our Board of Directors effectively exercises its oversight role, enables responsiveness to our shareowners, monitors adherence to our values, and promotes the exercise of responsible corporate citizenship. We continue to believe that transparency is a key enabler of good governance, and over the past year, we have continued to increase transparency across all elements of ESG to meet the expectations of our shareowners, customers, suppliers, employees, and communities.

We also maintains a robust shareowner engagement program that features year-round opportunities for its Board and senior management including our independent directors. Company Secretary acts as a bridge to dialogue with key stakeholders and address their grievances. Based on this dialogues, we have implemented actions over the last several years to increase shareowner rights, enhance the Board's structure and increase transparency in the functionality of the Board.





## Notice

**Notice is hereby given that the Twentieth Annual General Meeting of GALLANTT ISPAT LIMITED (CIN: L27109UP2005PLC195660) will be held on Monday, September 30, 2024 at 3:00 P.M. through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), to transact the following businesses:**

### ORDINARY BUSINESSES:

1. To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, 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. Nitin Mahavir Prasad Kandoi (DIN: 01979952), who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To declare a final dividend @ 10% i.e. Re. 1.00 on the equity shares of the Company for the financial year ended March 31, 2024.

### SPECIAL BUSINESS:

4. **To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2025 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 of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014, M/s. U. Tiwari & Associates, Cost Accountants having its Office at # G-2503, The Jewel of Noida, ASNAC Plot No. 14, Sector 75 Noida, ECO City Near Sector 50 Metro Station-NOIDA UP PIN-201301, NOIDA (Gautam Buddha Nagar)- DELHI NCR be and are hereby appointed as Cost Auditors of the Company to conduct audit of cost accounting records maintained by the Company for Steel and other Plant of the Company for the financial year ending on 31<sup>st</sup> March, 2025 at a remuneration of ₹ 1,00,000 (Rupees One Lakh only) plus Service Tax and out-of-pocket expenses.”

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

**Place:** Gorakhpur  
**Date:** May 02, 2024

**Gallantt Ispat Limited**

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

**Notes:**

1. Explanatory Statement pursuant to Section 102 of the Act and Rules framed thereunder, in respect of the Special Business under Item No. 4 is annexed hereto.
2. Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 05, 2020, 10/2022, 11/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and other applicable Circulars (collectively referred to as "MCA Circulars") and SEBI has vide its Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/ CIR/2023/001 dated January 05, 2023 read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively referred to as "SEBI Circulars") and other applicable circulars permitted holding of the Annual General Meeting ("Meeting/AGM") through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), without the physical presence of the Members, Directors, Auditors, Debenture Trustee or other eligible persons at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act, 2013"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and aforesaid MCA and SEBI Circulars, the AGM of the Company will be conducted through VC/OAVM. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
3. Keeping the convenience of the Members positioned in different time zones, the Meeting has been scheduled at 3:00 P.M. IST.
4. Pursuant to the provisions of Section 105 of the Companies Act 2013, a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of him/ her and the proxy need not be a Member of the Company. Since the 20<sup>th</sup> AGM is being held pursuant to the MCA Circulars, through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, in line with the MCA Circulars, the facility for appointment of proxies by the Members will not be available for the 20<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice.

However, in pursuance of Section 113 of the Companies Act, 2013 and Rules framed thereunder, the corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting or for the participation and e-Voting during the AGM, through VC or OAVM. Institutional Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Power of Attorney / appropriate Authorization Letter together with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at [af2011@rediffmail.com](mailto:af2011@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

5. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the notice.
6. In case of Joint-holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

**7. Dispatch of Annual Report through E-mail**

In compliance with the aforesaid MCA Circulars and SEBI Circulars, electronic copy of the Annual Report for the financial year 2023-24 and notice of the 20<sup>th</sup> AGM of the Company, inter alia, indicating the process and manner of e-voting will be sent only through electronic mode to all the Members whose email IDs are registered with the Company's Registrar and Share Transfer Agent/Depository Participant(s) for communication purposes, as the requirement of sending the hard copies of Annual Report and notice of AGM has been dispensed with. Members may note that the notice and Annual Report will also be available on the Company's website [www.gallantt.com](http://www.gallantt.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of the e-Voting service provider, National Securities Depository Limited (NSDL), viz., [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

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. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements)



Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue of voting on the date of the AGM will be provided by NSDL.

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

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

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

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

11. As per Rule 5 of IEPF Rules, information containing the names, DP-Id Client-Id/Folio number and the last known addresses of the persons entitled to receive the sums lying in the account referred to in Section 125 (2) of the Act, nature of the amount, the amount to which each person is entitled, due date for transfer to IEPF, etc. is provided by the Company on its website [www.gallantt.com](http://www.gallantt.com) and on the website of the IEPF Authority. The concerned members are requested to verify the details of their unclaimed dividend, if any, from the said websites and lodge their claim with the Company's RTA, before the unclaimed dividends are transferred to the IEPF.
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their DPs in case shares are held in electronic form or to Company's RTA i.e. Niche Technologies Private Limited (Niche) in case shares are held in physical form.
13. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed Form can be obtained from the Company's RTA. Members are requested to submit the said details to their DPs in case the shares are held in electronic form and to Niche in case the shares are held in physical form.
14. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's RTA i.e. Niche for consolidation into single folio.
15. Securities and Exchange Board of India ("SEBI") has mandated that, no share can be transferred, transmitted and transposed in physical mode. Hence, the Company has stopped accepting any fresh lodgement of transfer, transmission and transposition



of shares in physical form. In view of this, Members holding shares in physical form are requested to get their shares dematerialized at the earliest. Members can contact the Company or the Company's RTA i.e. Niche for assistance in this regard.

16. The SEBI has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA i.e. Niche.
17. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests the Members who have not registered their e-mail addresses so far, to register their email addresses with their DPs in case shares are held by them in electronic form and with the Company's RTA i.e. Niche in case shares are held by them in physical form for receiving all communication including annual report, notices, circulars etc. from the Company electronically. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
18. The final dividend for the Financial Year ended March 31, 2024 as recommended by the Board of Directors at its meeting held on May 02, 2024 shall be credited/dispatched after the AGM only to those members whose name shall appear on the Register of Members of the Company at the close of working hours on September 23, 2024 ("Record Date"). In respect of shares held in electronic form, the final dividend will be paid to members whose names are furnished by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") as beneficial owner as on that date.
19. In accordance with the provision of Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after April 01, 2020, shall be taxable at the hands of shareholders. The Company is required to deduct TDS from dividend paid to the shareholders at the applicable tax rates, if approved at the Annual General Meeting (AGM) of the Company. The rate of TDS would depend upon the category and residential status of the members.
20. SEBI vide its Circular No. SEBI/HO/MIRSD/ DOP1/CIR/P/2018/73 dated April 20, 2018 has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The Company and its Registrar and Share Transfer Agent are required to seek relevant bank details of members from depositories/ investors for making payment of dividends in electronic mode. Further, pursuant to MCA General Circular No. 20/2020 dated May 05, 2020, companies are directed to credit the dividend of the members directly to the bank accounts of the members using Electronic Clearing Service. 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 their Depository Participants (DPs) in case shares are held in electronic form or with the Registrar and Share Transfer Agent of the Company (R&T Agent) in case the shares are held in physical form. In case of non-availability or non-updation of bank account details of the shareholders, the Company shall ensure payment of dividend to such member vide dispatch of dividend warrant/ cheque, as the case may be.
21. SEBI vide circular no. SEBI/HO/OIAE/ OIAE\_ IAD- 1/P/CIR/2023/135 dated August 4, 2023 has further clarified that the investor shall first take up his/her/ their grievance with the Market Participant (Listed Companies, specified intermediaries, regulated entities) by lodging a complaint directly with the concerned Market Participant. If the grievance is not redressed satisfactorily, the investor may, escalate the same through the SCORES Portal [https:// scores.gov. in/scores/Welcome.html](https://scores.gov.in/scores/Welcome.html) in accordance with the process laid out. After exhausting the above options for resolution of the grievance, if the investor is still not satisfied with the outcome, he/she/they can initiate dispute resolution through the ODR Portal. The SMART ODR Portal can be accessed at: <https://smartodr.in/login>.
22. **The remote e-voting facility will be available during the following voting period: i.e. Commencement of remote e-voting: From 9.00 a.m. IST of Friday, September 27, 2024. ii. End of remote e-voting: Up to 5.00 p.m. IST of Sunday, September 29, 2024.**
23. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. September 23, 2024 (Monday)** may cast their vote through remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter and the facility will be blocked forthwith.
24. All relevant documents referred to in the Explanatory Statement would be made available for inspection at the registered office of the Company on all working days between 11:00 a.m. to 1:00 p.m. except on Saturdays, Sundays and holidays, up to the date of AGM.

25. The Board of Directors has appointed Mr. Anurag Fatehpuria (M.N. 34471/ COP 12855), Practicing Company Secretary as the "Scrutinizer" for the purpose of scrutinizing the process of remote e-voting and e-voting system at the Meeting in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of the Meeting, count the votes cast at the Meeting and thereafter, unblock the votes cast through remote e-Voting in presence of at least two witnesses not in employment of the Company and submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than 48 hours after the conclusion of the Meeting. Thereafter, the Results of e-Voting shall be declared forthwith by the Chairman or by any other director/ person duly authorised in this regard. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website (www.gallantt.com) 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 at least 3 days on the notice Boards of the Company at its Registered Office of the Company in Gorakhpur, Uttar Pradesh.

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

The remote e-voting period begins on Friday, September 27, 2024 at 9:00 A.M. and ends on Sunday, September 29, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 23, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 23, 2024.

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

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

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

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

#### **Step 1: Access to NSDL e-Voting system**





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

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

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

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="461 1540 1481 1817">Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="461 1838 1481 1930">If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>



Type of Shareholders	Login Method
	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:<a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder/Member" section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience</p> <div data-bbox="500 800 906 1049" style="border: 1px solid #ccc; padding: 5px; text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <p> App Store     Google Play</p> <div style="display: flex; justify-content: space-around;">   </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System My Easi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress and also be able to directly access the systems of all e-voting service providers.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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



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

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

### B). Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click one-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [af2011@rediffmail.com](mailto:af2011@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. September 23, 2023 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the notice and holding shares as of the cut-off date i.e. September 23, 2024 may follow steps mentioned in the notice of the AGM under Step 1: "Access to NSDL e-Voting system" (Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password.





In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [csgml@gallantt.com](mailto: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](mailto:csgml@gallantt.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

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

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

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

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

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

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



5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [csgml@gallantt.com](mailto:csgml@gallantt.com) between Saturday, September 21, 2024 (9.00 a.m. IST) and Friday, September 27, 2024 (5.00 p.m. IST). The same will be replied by the Company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
10. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call 1800 1020 990 / 1800 22 44 30
27. Members are requested to contact the Company's Registrar & Share Transfer Agent, Niche Technologies Private Limited having office at 7<sup>th</sup> Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata, West Bengal - 700017. Tel.: (033) 2280 6616 / 17 / 18 Email id: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com); Website: [www.nichetechpl.com](http://www.nichetechpl.com) for reply to their queries/ redressal of complaints, if any, or contact Mr. Nitesh Kumar, Company Secretary at the Registered Office of the Company (Phone No.: +91-0551 3515500; Email:[csgml@gallantt.com](mailto:csgml@gallantt.com)).
28. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, 2013 read with Rules issued thereunder will be made available electronically for inspection by the Members during the Meeting. All documents referred to in the notice will also be available for electronic inspection from the date of circulation of this notice up to the date of AGM. Also, the notice for this 20<sup>th</sup> AGM along with requisite documents and the Annual Report for the financial year 2023-24 shall also be available on the Company's website [www.gallantt.com](http://www.gallantt.com). Members seeking to inspect such documents can send an email to [csgml@gallantt.com](mailto:csgml@gallantt.com)
29. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the notice of the Meeting and holding shares as of the cut-off date i.e. September 23, 2024, needs to refer the instruction above regarding login ID and password and may contact the Company or R&T Agent for any query or assistance in this regard. Any person who is not a Member as on the cut-off date should treat this notice for information purposes only.
30. A person who is not a member as on the cut-off date, i.e., Monday, September 23, 2024 should treat this notice for information purpose only.
31. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through VC/OAVM but shall not be entitled to cast their vote again or change it subsequently.

For **Gallantt Ispat Limited**

**Nitesh Kumar**

(Company Secretary)

M.N. F7496

**Place:** Gorakhpur

**Date:** May 02, 2024

**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. 4****To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2025.**

The Board of Directors at its meeting held on May 02, 2024 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 March 31, 2025, at a remuneration amounting to ₹ 1,00,000 (Rupees One Lakh only) excluding out of pocket expenses, if any. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor shall be ratified by the shareholders of the Company.

Accordingly, the Board recommends that the consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 4 for ratification by the shareholders at the ensuing Annual General Meeting of the Company.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolution as set out at Item No. 4 of this notice.

For **Gallantt Ispat Limited**

**Nitesh Kumar**

(Company Secretary)

M.N. F7496

**Place:** Gorakhpur

**Date:** May 02, 2024

## DIRECTORS' REPORT

FY 2023-24

### To The Members

Your Directors take pleasure in presenting the 20<sup>th</sup> Annual Report of Gallantt Ispat Limited (the Company) on business and operations of the Company along with the Audited Financial Statements for the financial year ended March 31, 2024.

### 1. CORPORATE OVERVIEW

The Company being incorporated in the year 2005 has come a long way to become one of the leading steel manufacturing companies in India. Factories of the Company are located at Samakhali, Kutch District of Gujarat (hereinafter referred to as "Gujarat Unit") and Sahjanwa, Gorakhpur, Uttar Pradesh (hereinafter referred to as "Gorakhpur Unit"). The Company's registered office is also situated at Gorakhpur Industrial Development Authority (GIDA), Gorakhpur.

### WORKING RESULTS

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
<b>Financial Results</b>				
Revenue from operations	4,22,711.75	4,05,670.32	4,22,711.75	4,05,670.32
Other Operating Income	685.06	327.39	685.06	327.39
Finance Cost	2,820.30	2,722.35	2,820.30	2,722.35
Depreciation (including amortization)	11,552.75	10,025.01	11,552.75	10,025.01
Profit Before Tax	31,131.74	23,988.81	31,131.74	23,988.81
Tax Expenses (including Deferred Tax)	8,597.93	9,897.72	8,597.93	9,897.72
Profit After Tax	22,533.81	14,091.09	22,533.81	14,091.09
Share of Profit from Associate	-	-	1.06	-
<b>Profit for the Period</b>	<b>22,533.81</b>	<b>14,091.09</b>	<b>22,534.87</b>	<b>14,091.09</b>

### 2. FINANCIAL ACCOUNTING AND ADOPTION OF IND AS

The Financial Statements for the FY 2023-24 are prepared under Ind-AS notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "The Act") read with the Companies (Accounts) Rules, 2014 as amended from time to time. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2024. The Notes to the Financial Statements adequately cover the Audited Statements and form an integral part of this Report.

### 3. BUSINESS OPERATION AND PERFORMANCE REVIEW

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

During the FY 2023-24 Revenue from Operations stood at ₹ 4,22,711.75 Lakhs as against ₹ 4,05,670.32 Lakhs during the last FY 2022-23. The Profit before Interest, Depreciation and Taxation stood at ₹ 45,504.79 Lakhs as against ₹ 36,736.17 Lakhs in the previous year registering a growth of 23.87 %. The Net Profit after Tax for the year under review stood at ₹ 22,533.81 Lakhs as against ₹ 14,091.09 Lakhs in the previous year registering a significant growth of 59.92 %. Earnings per Share (EPS) stood at ₹ 9.34 (face value of ₹ 10/- each) for the financial year ended March 31, 2024. During the year Company's performance has been significantly higher as compared to the previous year especially in terms of profitability.

Such significant growth has been result of factors such as setting up of a Pellet Plant having capacity of 7,92,000 MT which helped to reduce cost of raw materials. Also purchase of own railway rakes by the Company for transporting coal to the factory timely and cost effectively has led to reduction in freight cost which in turn has helped to improve the profitability.

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



#### 4. PRODUCTION AT A GLANCE

(₹ in Lakhs)

Items	2023-24		2022-23		% of Change	
	Production	Sales*	Production	Sales*	Production	Sales*
Sponge Iron (M.T.)	7,70,024.590	7,71,715.580	6,89,565.849	6,91,138.706	11.67%	11.66%
M.S. Billets (M.T.)	7,94,654.020	7,91,714.420	6,94,206.471	6,97,377.642	14.47%	13.53%
M.S. Round Bar & Miss Rolled Bar (M.T.)	7,15,332.578	7,10,765.375	6,35,962.546	6,42,317.058	12.48%	10.66%
Iron Ore Pellet (M.T.)	4,59,705.000	4,37,026.215	-	-	100.00%	100.00%
Power Generation (KWH)	7,48,104,488	7,48,104,488	6,52,016,430	6,52,016,430	14.74%	14.74%

\* Sales include captive consumption also.

#### 5. DIVIDEND

Your Directors have recommended final dividend of ₹ 1.00 per equity share i.e. 10 % on equity shares of face value of ₹ 10/- each for the financial year ended on March 31, 2024. The dividend is subject to approval of the shareholders at the ensuing Annual General Meeting ('AGM') and will be paid to those shareholders whose names appear in the Register of Members as on close of September 23, 2024.

With a view to retain some funds and utilize them for ongoing expansion, the Promoter and Promoter Group shareholders except a few Promoter Group Shareholders had come forward and voluntarily waived off off/forgone their right to receive dividend.

The total dividend pay-out will be approximately ₹ 15,21,31,987.00 (Rupees Fifteen Crores Twenty-One Lakhs Thirty-One Thousand Nine Hundred and Eighty-Seven Only).

The dividend was recommended by the Board at its meeting held on May 02, 2024 and the duly signed form for waiving/ forgoing right to receive dividend as received from the Promoter and Promoter Group Shareholders were taken on record.

As per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend paid or distributed by the Company on or after April 01, 2020 has become taxable in the hands of the shareholders. Your Company shall therefore be required to deduct tax at source (TDS) at the time of making payment of the said Dividend after obtaining the approval of shareholders in the forthcoming AGM.

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

#### 6. TRANSFER TO RESERVES

Your Directors have decided to retain the entire amount of profit for the Financial Year 2023-24 in the statement of profit and loss.

#### 7. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

SEBI, vide its circular dated May 10, 2021, made BRSR mandatory for the top 1,000 listed companies (by market capitalization) from Financial Year 2022-23 and your Company falls under the category of top 1,000 listed companies. The Company has adopted the BRSR compulsorily since financial year 2022-23 to provide enhanced disclosures on ESG practices and priorities of the Company.

The Company is glad to present to you the 2<sup>nd</sup> Business Responsibility and Sustainability Report for the Financial Year 2023-24, as stipulated under Regulation 34 of the SEBI LODR Regulations, 2015 which forms part of the Annual Report and is attached as **Annexure – II**.

## 8. MANAGEMENT DISCUSSION & ANALYSIS REPORT

As per SEBI LODR Regulations, 2015, Management Discussion and Analysis Report for the year under review forms part of the Annual Report and is annexed herewith as **Annexure-III**.

## 9. CORPORATE GOVERNANCE REPORT

The Company is committed to maintain the highest standards of corporate governance and set a benchmark in the global steel industry. The Company ensures that it adheres to good corporate practices and implements effective policies at all levels as well as respect the rights of the minority shareholders.

Pursuant to SEBI LODR Regulations, 2015, the Corporate Governance Report along with the Certificate from a Practicing Company Secretary, certifying compliance with conditions of Corporate Governance, forms part of the Annual Report.

## 10. 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 2023-2024.

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

- i) In the preparation of annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- ii) The selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the financial year ended March 31, 2024.
- 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.

## 11. 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.

## 12. DEBENTURES

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

## 13. SHARE CAPITAL

As on March 31 2024, the Authorized Capital of the Company is ₹ 2,41,30,33,000/- (Rupees Two Hundred Forty-One Crores Thirty Lakhs and Thirty-Three Thousand only) and the paid-up capital stands at ₹ 2,41,28,09,450/- (Rupees Two Hundred Forty-One Crores Twenty-Eight Lakhs Nine Thousand Four Hundred and Fifty only) consisting of 24,12,80,945 equity shares of ₹ 10/- (Rupees Ten) each.



As on March 31, 2024 the issued, subscribed and paid-up Share Capital is ₹ 2,41,28,09,450/- (Rupees Two Hundred Forty-One Crore Twenty-Eight Lakhs Nine Thousand Four Hundred and Fifty only) divided into 24,12,80,945 Equity Shares of ₹ 10/- each.

During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2024, 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 2024-25 to each of the Stock Exchanges, where its equity shares are listed.

#### **14. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION AND CHANGE IN BUSINESS**

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since March 31, 2024 till the date of this Report.

However, during April 2023 the Income Tax Department, Ministry of Finance has in exercise of power under Section 132 of the Income Tax Act, 1961 has carried out an Income Tax Search Operation at the Plant Office and Factory Premises of the Company together with other business offices and residential houses of Promoters and Officers of the Company. The assessment proceedings are under process and Board of Directors does not see any major impact.

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 has been working efficiently during the year. Safety measures and processes have been installed and improved upon at the plants and work sites.

Further, it is hereby confirmed that there has been no change in the nature of business of the Company during the financial year ended on March 31, 2024.

#### **15. 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.

#### **16. FINANCIAL STATEMENTS 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 - IV**. The Company has no Subsidiary Company. Gallantt Medicity Developers Private 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 up to 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](http://www.gallantt.com)

#### **17. DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS**

Your Directors confirm that the Company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

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

The information required to be disclosed under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed as **Annexure - V** to this Report.

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

Your Company is constantly endeavouring for brand building of the Company and to generate general awareness and spread the brand image of the Company PAN India. Your Company is scaling its investments every year so as to expand the business. 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.

The Company has set up a pellet plant at Gorakhpur Industrial Development Authority (GIDA), Sahjanwa, Gorakhpur – 273209, Uttar Pradesh having a capacity of 7,92,000 MT. The commercial operation of the pellet plant commenced in the month of July 2023. Pellet Plant being a backward integration has helped to reduce the raw material cost which in turn led to improvement in profitability of the Company to a great extent.

## 20. CREDIT RATING

The Credit Rating Agency M/s. India Rating & Research Private Limited has upgraded the rating to IND A+/Stable for the Company's Fund Based Long Term facilities (long term) and IND A+ for Non-Fund based Short Term facilities vide its rating press release.

## 21. LISTING INFORMATION

The equity shares of the Company are in dematerialized form and is listed with BSE Limited and National Stock Exchange of India Limited. The Listing Fees has been paid to the Stock Exchanges for the financial year 2024-25. The ISIN No. of the Company is INE297H01019.

## 22. AUDITORS & AUDITORS' REPORT

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

The Statutory Auditors had carried out audit of financial statements of the Company for the financial year ended March 31, 2024 pursuant to the provisions of the Act. The reports of Statutory Auditors form part of the Annual Report. The reports are self-explanatory and do not contain any qualifications, reservations or adverse remarks. The Statutory Auditors have issued an unmodified opinion on the Company's Financial Statements for the financial year ended March 31, 2024. Necessary certificate has been obtained from the Auditors as per Section 139(1) of the Companies Act, 2013.

## 23. COST AUDIT

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

The Company has submitted the Cost Audit Report and Cost Compliance Report within the due date to the Central Government for the financial year 2022-23.

Pursuant to the provisions of Section 148 of the Companies Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors at its meeting held on May 29, 2023 and based on the recommendation of the Audit Committee, had appointed M/s. U. Tiwari & Associates, Cost Accountants, as Cost Auditor of the Company for conducting the Cost Audit for the financial year 2023-24 on a remuneration of ₹ 1,00,000/- plus out of pocket expenses. A Certificate from M/s. U. Tiwari & Associates, Cost Accountants, has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder. The remuneration is subject to the ratification of the members in terms of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

Further, M/s. U. Tiwari & Associates, Cost Accountants, have been appointed as Cost Auditors to conduct cost audit of the Company for the Financial Year 2024-25 subject to approval of their remuneration by the shareholders in the ensuing AGM.

## 24. INTERNAL FINANCIAL CONTROLS

Internal Financial Control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, timely prevention and





detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

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

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

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

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

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

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

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

## **25. INSURANCE**

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

## **26. 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 - VI** to this report.

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

## 27. 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-VII**.

## 28. 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, 2024. The Financial Statement have been prepared as per applicable Ind-AS.

## 29. DETAILS OF POLICIES

### (i) Nomination and Remuneration Policy

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

### (ii) Corporate Social Responsibility Policy (CSR)

The Board has, on the recommendation of the CSR Committee, approved the CSR Policy. The Company's CSR Policy is available on the Company's website at [www.gallantt.com](http://www.gallantt.com) and the same is also attached herewith as **Annexure – VIII**.

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 – IX**.

### (iii) Risk Management Policy

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

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

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

### (iv) Whistle Blower Policy – Vigil Mechanism

Your Company has formulated a Vigil Mechanism Policy with a view to provide a mechanism for employees and directors of the Company to approach the Chairman of the Audit Committee to ensure adequate safeguards against victimisation.

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

The details of establishment of the Vigil Mechanism Policy are displayed on the website of the Company at [www.gallantt.com](http://www.gallantt.com)



### **30. 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 year under review.

### **31. 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.

### **32. 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 under review.

### **33. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT**

Mr. Anurag Fatehpuria, Practising Company Secretary, having office address at 4/B/1, Salkia School Road, Raghav River View Apartment, Howrah-711106 has been appointed as Secretarial Auditors of the Company for the financial year ended 31<sup>st</sup> March, 2024. The Secretarial Audit Report received from the Secretarial Auditor is annexed to this report marked as **Annexure-X** and forms part of this report.

### **34. RELATED PARTY TRANSACTIONS**

The details of Related Party Transactions (RPT) during the financial year ending March 31, 2024, being arm's length transactions have been reported in the financial statements and forms part of this report. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the website of the Company [www.gallantt.com](http://www.gallantt.com) under the Investors Corner of Gallantt Ispat Limited.

All arrangements/transactions/contracts entered by the Company during the year under review with related parties were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Act. During the year under review, the Company had not entered into any arrangement/ transaction/ contract with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Thus, disclosure in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. The Company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions.

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

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company viz. [www.gallantt.com](http://www.gallantt.com)

### **35. BOARD COMMITTEES**

Detailed notes on composition of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Committee of Directors have been disclosed under Corporate Governance Report. Further, as per the amended Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations" or "LODR") Company has constituted Risk Management Committee. Details of the same have been disclosed under Corporate Governance Report.

### **36. 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.

For annual performance evaluation of the Board as a whole, it's Committees and individual Directors including the Chairman of the Board, the Company has formulated a questionnaire to assist in evaluation of the performance. Every Director has to

fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself by rating the performance on each question on the scale of 1 to 10, 1 being Unacceptable and 10 being Excellent. On the basis of the response to the questionnaire, a matrix reflecting the ratings was formulated and placed before the Board for formal annual evaluation by the Board of its own performance and that of its Committees and individual Directors.

The questionnaire usually contains aspects such as attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers, etc., which is in compliance with applicable laws, regulations and guidelines.

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.

### 37. 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. All new Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the operations, to familiarise the new Directors with the Company's business operations. The new Directors are given an orientation on the products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board and the major risks and risk management strategy of the Company.

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.

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

The details of programmes for familiarisation for Independent Directors are posted on the website of the Company at [www.gallantt.com](http://www.gallantt.com)

### 38. 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.

### 39. CODE OF CONDUCT

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

Pursuant to Regulation 17(5) of the SEBI LODR Regulations, 2015, Mr. Mayank Agrawal, Chief Executive Officer has confirmed compliance with the Code by all members of the Board and the Senior Management.

The full text of the Code is hosted on the Company's website at [www.gallantt.com](http://www.gallantt.com)

### 40. CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

Your Company has adopted a Code of Conduct for Prevention of Insider Trading which is in line with the policy of the Company to implement and practice the principles of Corporate Governance based on fairness, transparency, integrity, honesty and accountability, consistently being followed by the Company in all its business practices and dealings.

The Company recognizes that strict observance of the Code is a basic pre-requisite for ensuring full confidentiality of all "Unpublished Price Sensitive Information" and to build general investor confidence and stakeholder credibility. Unless otherwise stated, this policy applies to the employees/designated persons/connected persons (including immediate relatives) of all the subsidiaries, joint ventures and associates (whether in or outside of India) of the Company.



All Directors, Designated Persons and Connected Persons who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The full text of the Code is hosted on the Company's website at [www.gallantt.com](http://www.gallantt.com)

#### 41. NUMBER OF MEETINGS OF BOARD AND AUDIT COMMITTEE HELD DURING THE YEAR 2023-2024

Six (6) 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.

#### 42. AUDIT COMMITTEE

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

Names	Designation	Category
Mr. Ashtbhuj Prasad Srivastava	Chairperson	Independent
Mr. Jyotirindra Nath Dey*	Member	Independent
Mr. Nitin Mahavir Prasad Kandoi	Member	Executive
Mr. Pankaj Khanna#	Member	Independent

\* Mr. Jyotirindra Nath Dey has retired w.e.f. 31.03.2024 due to completion of his tenure

# Mr. Pankaj Khanna has been inducted as a Member to the Audit Committee w.e.f. 31.03.2024

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

#### 43. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

Names	Designation	Category
Mr. Udit Agarwal	Chairperson	Independent
Mrs. Nishi Agrawal	Member	Independent
Mr. Jyotirindra Nath Dey*	Member	Independent
Mr. Ashtbhuj Prasad Srivastava#	Member	Independent

\* Mr. Jyotirindra Nath Dey has retired w.e.f. 31.03.2024 due to completion of his tenure

# Mr. Ashtbhuj Prasad Srivastava has been inducted as a Member to the Stakeholders Relationship Committee w.e.f. 31.03.2024

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

#### 44. 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
Mrs. Smita Modi#	Chairperson	Independent
Mr. Udit Agarwal	Member	Independent
Mrs. Nishi Agrawal	Member	Independent

\* Mr. Jyotirindra Nath Dey has retired w.e.f. 31.03.2024 due to completion of his tenure

# Mrs. Smita Modi has been inducted as a Chairperson to the Nomination and Remuneration Committee w.e.f. 31.03.2024

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

#### 45. 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. Udit Agarwal#	Chairperson	Independent
Mr. Chandra Prakash Agrawal	Member	Executive
Mr. Dinesh R. Agarwal	Member	Executive

\* Mr. Jyotirindra Nath Dey has retired w.e.f. 31.03.2024 due to completion of his tenure

# Mr. Udit Agarwal has been inducted as a Chairperson to the Corporate Social Responsibility Committee w.e.f. 31.03.2024

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

#### 46. RISK MANAGEMENT COMMITTEE

In compliance with the requirements of Regulation 21 of the SEBI LODR Regulations, 2015 and Regulation 134(3)(n) of the Companies Act, 2013, Board of Directors of the Company has constituted the Risk Management Committee with the following Directors:

Names	Designation	Category
Mr. Jyotirindra Nath Dey*	Chairperson	Independent
Mr. Pankaj Khanna#	Chairperson	Independent
Mr. Nitin Mahavir Prasad Kandoi	Member	Executive
Mrs. Nishi Agrawal	Member	Independent

\* Mr. Jyotirindra Nath Dey has retired w.e.f. 31.03.2024 due to completion of his tenure

# Mr. Pankaj Khanna has been inducted as a Chairperson to the Risk Management Committee w.e.f. 31.03.2024

#### 47. COMMITTEE OF DIRECTORS

The Board of Directors has constituted a Committee of Directors with nomenclature of "Committee of Directors". The Committee of Directors has the following composition of members as on the date of this report and is constituted of following Directors:

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

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

As on March 31, 2024 the Company did not have any subsidiary or joint ventures. However, during the financial year Company has acquired the equity shares of Gallantt Medicity Developers Private Limited, a Special Purposes Vehicle, thereby making it an Associate.

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



#### 49. KEY MANAGERIAL PERSONNEL

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

Sr. No.	Names	Designation
1.	Mr. Chandra Prakash Agrawal	Chairman and Managing Director
2.	Mr. Dinesh R. Agarwal	Whole-time Director
3.	Mr. Nitin Mahavir Prasad Kandoi	Whole-time Director
4.	Mr. Prashant Jalan	Whole-time Director
5.	Mr. Prem Prakash Agrawal*	Whole-time Director
5.	Mr. Sandip Kumar Agarwal	Chief Financial Officer
6.	Mr. Mayank Agrawal	Chief Executive Officer
7.	Mr. Nitesh Kumar	Company Secretary

\* Mr. Prem Prakash Agrawal has been appointed as the Whole-time Director of the Company w.e.f. 02.11.2023

#### 50. EXTRACT OF ANNUAL RETURN

As required pursuant sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the Annual Return in Form MGT-9 as at March 31, 2024 is annexed herewith as **Annexure- XI**.

#### 51. DETAILS ON BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### (a) Composition:

As at 31<sup>st</sup> March, 2024 your Board comprises of eleven Directors of which six are Independent. Mr. Chandra Prakash Agrawal (DIN: 01814318), Mr. Dinesh R. Agarwal (DIN: 01017125), Mr. Prem Prakash Agrawal (DIN: 01397585), Mr. Nitin Mahavir Prasad Kandoi (DIN: 01979952) and Mr. Prashant Jalan (DIN: 06619739) are Executive Directors of the Company. Mr. Jyotirindra Nath Dey (DIN: 00180925), Mr. Ashtbhuja Prasad Srivastava (DIN: 08434115), Mrs. Nishi Agrawal (DIN: 08441260), Mr. Udit Agarwal (DIN: 07036864), Mrs. Smita Modi (DIN: 01141396) and Mr. Pankaj Khanna (DIN: 10377030) are Independent Directors of the Company. Mr. Mayank Agrawal is working in the capacity of Chief Executive Officer of the Company. Mr. Sandip Kumar Agarwal is Chief Financial Officer and is inter alia looking after the core finance function of the Company. Mr. Nitesh Kumar appointed as Company Secretary and Compliance Officer looks after the corporate compliances as well as investor relations.

##### (b) Changes during the year:

Mrs. Smita Modi (DIN: 01141396) and Mr. Pankaj Khanna (DIN: 10377030) were initially appointed as Additional Directors (Category – Independent) of the Company on November 02, 2023 and thereafter shareholders of the Company at the Extra-Ordinary General Meeting held on December 20, 2023 has approved their appointment as Independent Directors.

Mr. Jyotirindra Nath Dey (DIN: 00180925), Independent Director of the Company completed his two consecutive terms of five years on March 31, 2024 and consequently ceased to be a Director of the Company on the close of the working hours of March 31, 2024.

Mr. Prem Prakash Agrawal (DIN: 01397585) was appointed as an Additional Whole-time Director of the Company effective from November 02, 2023 for a period of five years and his appointment was approved by the shareholders of the Company at the Extra-Ordinary General Meeting held on December 20, 2023.

Approval of the shareholders at the Extra-Ordinary General Meeting held on December 20, 2023 were also sought to re-appoint Mr. Prashant Jalan (DIN: 06619739) as a Whole-time Director for a period of three (3) years and Mr. Ashtbhuja Prasad Srivastava (DIN: 08434115) as Independent Director for second consecutive term of five (5) years.

##### (c) Retirement by Rotation:

In terms of Section 152 of the Companies Act, 2013, Mr. Nitin Mahavir Prasad Kandoi (DIN: 01979952), who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.



**(d) Declaration by Independent Directors**

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

**(e) Policy on Directors' appointment and remuneration and other details:**

The Policy on Directors' appointment and remuneration, including the criteria for determining the qualifications, positive attributes and independence of Directors forms a part of the Corporate Governance Section of the Annual Report. The Nomination and Remuneration Policy is placed on the website of the Company at [www.gallantt.com](http://www.gallantt.com) under Investors Corner of Gallantt Ispat Limited.

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

Independent Directors are appointed for five consecutive years and are not liable to retire by rotation in terms of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014.

None of the Directors of your Company is disqualified under the provisions of Section 164(2)(a) & (b) of the Companies Act, 2013 and a certificate dated May 02, 2024 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.

**52. 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. The Audit Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Some of the risks that the Company is exposed to are:

Key Risk	Impact to Gallantt Ispat Limited	Mitigation Plan
<b>Commodity Price Risk</b>	Risk of price fluctuation on basic raw materials like Iron Ore, Coal, Chemicals, Scraps as well as finished goods used in the process of manufacturing.	The Company commands excellent business relationship with the business associates. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways. Also, by focusing on new value added products helps in lowering the impact of price fluctuation in finished goods.
<b>Uncertain global economic environment – slow growth in global economy</b>	Impact on raw materials which are imported.	We have internal procedure to mitigate the global adverse impact.
<b>Interest Rate Risk</b>	Any increase in interest rate can affect the finance cost.	Any increase in interest rate can affect the finance cost. Dependence on debt is very minimum and we have surplus funds cushion to settle the entire debt in case the need arises. Further, the Company has repaid the Term Loan in full.





Key Risk	Impact to Gallantt Ispat Limited	Mitigation Plan
<b>Foreign Exchange Risk</b>	Your Company does not have export sales. However, Company imports raw materials from countries outside India. Any volatility in the currency market can impact the overall profitability.	The Company commands excellent business relationship with the sellers and suppliers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways.
<b>Human Resources Risk</b>	Your Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and non-availability of the required talent resource can affect the overall performance of the Company.	By continuously benchmarking the best HR practices across the industry and carrying out necessary improvements to attract and retain the best talent. Also, recruitment is across almost all States of India which helps to mitigate this risk and we do not anticipate any major issue for the coming five years.
<b>Competition Risk</b>	Your Company is always exposed to competition risk from Steel and Agro Manufacturers across the region. The increase in competition can create pressure on margins, market share etc.	By giving continuous efforts to enhance the brand value of the Company, quality, cost, timely delivery and customer service.
<b>Compliance Risk – Increasing Regulatory Requirements</b>	Any default can attract penal provisions	By identifying risks and mitigating the financial, legal, and operational impacts pertaining to non-compliance and regulatory misalignments. Regularly monitoring and reviewing the changes in regulatory framework. By monitoring of compliance through legal compliance management tools and regular internal audit and secretarial audit.
<b>Industrial Safety, Employee Health and Safety Risk</b>	The Steel Industry is labour intensive and are exposed to accidents, health and injury risk due to machinery breakdown, human negligence etc.	By development and implementation of critical safety standards across the various departments of the factory, establishing training need identification at each level of employee. Conduct regular inspections of all operations, equipment, work areas and facilities. Have workers participate on the inspection team and talk to them about hazards that they see or report.
<b>Cyber Security Risk</b>	Cybersecurity risk deals with the potential for business issues and financial losses due to cyber attack that affects operations or a security breach that results in the theft of Company data. It's closely related to technology risk, but listing it as a standalone type of risk recognizes the significant costs and business damage that cybersecurity incidents can cause. With the growing instances of cyber-attacks, data security has become a challenge for the Company.	Confidential information has been enhanced by implementing best-in-class firewalls. The Company is aware about the current elevated levels of cybersecurity risks across the globe. All critical IT servers are protected with best-in-class firewalls which are monitored and updated regularly. All access to critical IT servers, including SAP, ERP, for those working remotely, are allowed through security authentication tunnel. Necessary update patches and security policies are pushed over the internet to all computers of the Company on a daily basis, even if the user is at home or away from office. Deviations and alerts are monitored closely and corrective/preventive actions are implemented as per need. The Risk Management Committee looks into the monitoring and reviewing of the risk management plan and such other functions, as it may deem fit and such function specifically covers cyber security.

### 53. GREEN INITIATIVES

As a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to shareholders at their e-mail addresses previously registered with the DPs and RTAs. To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically. Pursuant to the MCA Circulars and SEBI Circulars, notice of the 20<sup>th</sup> AGM and the Annual Report of the Company for the financial year ended March 31, 2024 including therein the Audited Financial Statements for the year 2023-2024, the aforementioned documents are being sent only by email to the Members.

### 54. PERSONNEL, INDUSTRIAL RELATIONS AND MARKETING

Our employees are our greatest asset and we are committed to attract, retain and recognize talent. 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. The Company constantly facilitates and encourages its employees at all levels to enhance their knowledge and skills and continuously seeks to inculcate within its employees, strong sense of business ethics and social responsibility. Industrial relations in the Company have remained amicable throughout the year.

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

Following amount of Unpaid Dividend has not been claimed and paid till March 31, 2024:

Nature of Money	Relevant Financial Year	Bank Account Details	Amount Lying (In ₹)
Final Dividend for 2018	2017-18	IDBI Bank Account No. 1526103000000578	73,876.75
Final Dividend for 2019	2018-19	IDBI Bank Account No. 1526103000000897	50,457.00

Members who have not so far encashed their Dividend Warrants in relation to final dividends declared by the company for the financial year ended March 31, 2018 and March 31, 2019 are requested to approach immediately the Registrar and Share Transfer Agent or the Company for revalidation of unclaimed Dividend Warrants. The details of unclaimed dividend are available on the Company's corporate website [www.gallantt.com](http://www.gallantt.com) and also uploaded on the website of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in)

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

Following amount of Unpaid Dividend of erstwhile Gallantt Ispat Limited which has not been claimed and paid till March 31, 2024 is as follows –

Nature of Money	Relevant Financial Year	Bank Account Details	Amount Lying (In ₹)
Final Dividend for 2017	2016-17	IDBI Bank Account No. 1526103000000347	12,544.00
Final Dividend for 2018	2017-18	IDBI Bank Account No. 1526103000000569	20,841.50
Interim Dividend for 2018- 19	2018-19	IDBI Bank Account No. 1526103000000666	23,638.25



## 56. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

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

Unclaimed Dividend amount aggregating to ₹ 1,969/- (Rupees One Thousand Nine Hundred and Sixty- Nine) pertaining to Interim Dividend declared by the Company during the financial year 2015-16 lying with the Company for a period of seven years were transferred during the financial year 2023-24, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

### b) Transfer of shares to IEPF:

As required under Section 124 of the Companies Act, 2013, Company has transferred 20 equity shares in respect of which dividend has not been claimed by the members for seven consecutive years or more to IEPF during the financial year 2023-24. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

## 57. KEY FINANCIAL RATIOS

Key Financial Ratios for the financial year ended March 31, 2024, are provided in the Management Discussion and Analysis Report given in **Annexure – III**, which is annexed hereto and forms part of the Directors' Report.

## 58. AWARD AND RECOGNITIONS

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

During previous years:

- **Udyami Samman 2011:** Awarded by Zee Media House and was presented by Shri Prakash Jaiswal, Hon'ble Coal Minister, Government of India.
- **Udyami Samman 2013:** Awarded by Sahara Samay Media House and was presented by Shri Akhilesh Yadav, Hon'ble Chief Minister of Uttar Pradesh.
- Promoter of Gallantt Group Mr. Chandra Prakash Agrawal & family has been listed on India's **Super Rich List at 188<sup>th</sup> position in 2014 by the Business World Magazine.**
- **Gems of Purvanchal:** Jagran Coffee Table Book has given a place to our promoter Shri. C.P. Agrawal by stating "**MAKING A MARK WITH BUSINESS IN STEEL**"
- **Shri Yogi Adityanath Maharaj Ji, Hon'ble Chief Minister of Uttar Pradesh,** honoured the company for '**Entrepreneur of the region' during Gorakhpur Mahotsav 2018.**
- **The top challengers Award 2018:** awarded by the Construction World Magazine, a world-famous magazine.
- **The Gallantt Men:** Steel 360, a renowned magazine of steel industry felicitated the group and its promoters in its cover story May, 2018.
- **Ranked at 6<sup>th</sup> position among the top 10 mid-size rebar producers in India by Steel 360 magazine in August, 2018 edition.**
- Listed "**200 BEST UNDER A BILLION COMPANIES**" in Forbes Asia Magazine, July/August 2019 edition.
- Our Chairman and Managing Director, Shri Chandra Prakash Agrawal ji was felicitated with memento for his significant and imperishable contributions to the Industrial development in the State, by **Shri Yogi Adityanath Maharaj ji, Hon'ble Chief Minister of Uttar Pradesh,** on the eve of U.P. Diwas Mahotsav, in January, 2020.
- Industry outlook Magazine recognised Gallantt under "**TOP 10 TMT IRON & STEEL MANUFACTURES 2021**".

During the year:

- North India Best Employer Brand: Awarded by Employer Branding Institute.
- Gallantt Group recognised as the highest tax payers for financial year 2023-24 by the State Tax Department, Gorakhpur, Uttar Pradesh

- Chairman & Managing Director of the Company - Shri Chandra Prakash Agrawal has been awarded with the “Bhamashah Award” and Certificate of Appreciation on the eve of “Vyapari Kalyan Diwas” by the State Tax Department, Gorakhpur, Uttar Pradesh

### 59. TRANSFER OF SHARES COMPULSORILY IN DEMAT MODE

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

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

<p><b>GALLANTT ISPAT LIMITED</b></p> <p><b>Regd Office Address:</b> Gorakhpur Development Industrial Authority (GIDA) Sahjanwa, Gorakhpur, Uttar Pradesh – 272309</p> <p><b>Tel:</b> 0551-351550</p> <p><b>Email-Id:</b> csgml@gallantt.com</p> <p><b>Website:</b> www.gallantt.com</p>	<p><b>Registrar &amp; Share Transfer Agent</b> Niche Technologies Private Limited</p> <p>7<sup>th</sup> Floor, Room, No. 7A &amp; 7B, 3A, Auckland Rd, Elgin, Kolkata, West Bengal – 700017.</p> <p><b>Tel.:</b> (033) 2280 6616 / 17 / 18</p> <p><b>Email id:</b> nichetechpl@nichetechpl.com</p> <p><b>Website:</b> www.nichetechpl.com</p>
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### 60. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE FINANCIAL YEAR

During the year under review, the Company has not made any application before the National Company Law Tribunal under Insolvency and Bankruptcy Code, 2016 for recovery of outstanding loans against customer and there is no pending proceeding against the Company under Insolvency and Bankruptcy Code, 2016.

### 61. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF DURING THE FINANCIAL YEAR

It is not applicable to the Company, during the financial year.

### 62. GENERAL

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

### 63. ENVIRONMENT, HEALTH AND SAFETY

Your 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.

Your 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, creche and child care facilities, transport facilities to employees at subsidized rate or at no charge.

Your Company is committed to provide safe and healthy working environment for the prevention of work related injuries and ill-health. Company strives to be a leader in safety excellence in the global power and energy business. The Occupational Health and Safety Policy is available on the Company's corporate website [www.gallantt.com](http://www.gallantt.com)



## 64. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

### Procedure for Nomination and Appointment of Directors:

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

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

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

## 65. OTHER DISCLOSURES

- The Managing Director of the Company has not received any remuneration or commission from any of the subsidiary companies: There is no subsidiary of the Company.
- None of the Auditors of the Company have reported any fraud as specified under the second provision of Section 143 (12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment (s) thereof for the time being in force);
- The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors; and
- In the preparation of financial statements, no treatment different from that prescribed in an Accounting Standard has been followed.
- The Company serviced all the debts & financial commitments as and when they became due and no settlements were entered into with the bankers.

## 66. ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the co-operation and assistance received from the Central Government, State Governments, all other Government agencies and Ministry of Steel and encouragement they have extended to the Company. Your Directors also take this opportunity to thank Ministry of Corporate Affairs, SEBI, BSE Limited, National Stock Exchange of India Limited, Depositories, Regulators, Financial Institutions and Banks, Credit Rating Agencies, Stakeholders, Suppliers, Contractors, Vendors and business associates for their continuous support and co-operation. The Company also looks forward to their continued support in the future. The Directors also appreciate and value the contribution made by every employee of the Gallantt family.

On behalf of the Board

**Chandra Prakash Agrawal**

DIN: 01814318

Chairman & MD

Place: Gorakhpur  
Date: May 02, 2024

## Annexure - I

# DIVIDEND DISTRIBUTION POLICY

## STATUTORY MANDATE

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

## BACKGROUND

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

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

The prevailing Governmental and geopolitical environment directly impacts profit in the steel industry. Infrastructural development, both domestic and foreign, depends on factors that are beyond the control of the Company.

## POLICY

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

## DIVIDEND

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

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

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

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

Given that profits can be volatile, the Board will endeavour to achieve stability, to the extent feasible, in the quantum of Dividend paid to shareholders.

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

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

- 1) Current year's profit –
  - a) after providing for depreciation in accordance with Sub-section (2) of Section 123 of the Companies Act, 2013 ("Act") and
  - b) after transfer of such percentage of its profits for that Financial Year to reserves as may be required under the law and as the Board of Directors may deem fit; OR
- 2) Carried Forward Balance in the Profit & Loss Account; OR
- 3) Free Reserve as may be permitted under law; OR
- 4) A combination of (1), (2) and (3) above.



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

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

### **REVISION IN THE POLICY**

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

### **GENERAL**

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

Annexure - II

**BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

**SECTION A: GENERAL DISCLOSURES**

I. Details of the Listed Entity			
1	Corporate Identity Number (CIN) of the Listed Entity	L27109UP2005PLC195660	
2	Name of the Listed Entity	GALLANTT ISPAT LIMITED	
3	Date of Incorporation	07-02-2005	
4	Registered office address	Gorakhpur Industrial Development Authority (GIDA), Sahjanwa, Gorakhpur - 273209, Uttar Pradesh	
5	Corporate address	Gorakhpur Industrial Development Authority (GIDA), Sahjanwa, Gorakhpur - 273209, Uttar Pradesh	
6	E-mail	csgml@gallantt.com	
7	Telephone	0551 3515500	
8	Website	www.gallantt.com	
9	Financial year for which reporting is being done	Start date	End date
	Current Financial Year	01-04-2023	31-03-2024
	Previous Financial Year	01-04-2022	31-03-2023
	Prior to Previous Financial year	01-04-2021	31-03-2022
10	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange of India Limited	
11	Paid-up Capital (In Rs)	24,128.09 Lakhs	
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report		
	Name	Nitesh Kumar	
	Contact	0551 3515500	
	E mail	csgml@gallantt.com	
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis	
14	Whether the Company has undertaken reasonable assurance of the BRSR Core?	No	
15	Name of Assurance Provider	Not Applicable	
16	Type of assurance obtained	Not Applicable	

II. Products/services			
17 Details of business activities (accounting for 90% of the turnover)			
Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Manufacturing	Metal and Metal Products	100.00%
2	Generation/Manufacturing	Power Generation	-*

\*Power generated captive consumed





<b>18 Products/Services sold by the entity (accounting for 90% of the entity's Turnover)</b>			
	<b>Products/Services</b>	<b>NIC Code</b>	<b>% of Total Turnover Contributed</b>
1	TMT Bars	2410	80.53%
2	MIS Roll Bars	2410	1.00%
3	M.S. Billets	2410	6.03%
4	Sponge Iron	2410	6.00%
5	Others	24109	6.44%

### III. Operations

<b>19 Number of locations where plants and/or operations/offices of the entity are situated</b>				
	<b>Location</b>	<b>Number of plants</b>	<b>Number of offices</b>	<b>Total</b>
	National	2*	4	6
	International	0	0	0

\*The plants are located in Samakhyali, Kutch District of Gujarat and in GIDA, Sahjanwa, Gorakhpur, Uttar Pradesh

<b>20 Markets served by the entity</b>		
<b>a. Number of locations</b>		
	<b>Locations</b>	<b>Number</b>
	National (No. of States and Union Territories)	5
	International (No. of Countries)	0

**b. What is the contribution of exports as a percentage of the total turnover of the entity? Nil**

#### **c. Brief on Types of Customers**

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

### IV. Employees

#### **21 Details as at the end of Financial Year**

<b>A Employees and workers (including differently abled)</b>						
<b>Sr. No</b>	<b>Particulars</b>	<b>Total (A)</b>	<b>Male</b>		<b>Female</b>	
			<b>No. (B)</b>	<b>% (B / A)</b>	<b>No. (C)</b>	<b>% (C / A)</b>
EMPLOYEES						
1	Permanent (D)	417	410	98.32%	7	1.68%
2	Other than permanent (E)	-	-	-	-	-
3	Total Employees (D + E)	417	410	98.32%	7	1.68%
WORKERS						
4	Permanent (F)	2,717	2,684	98.79%	33	1.21%
5	Other than permanent (G)	1,801	1,797	99.78%	4	0.22%
6	Total workers (F + G)	4,518	4,481	99.18%	37	0.82%

<b>B. Differently abled Employees and workers:</b>						
Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1	Permanent (D)	-	-	-	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	Total differently abled employees (D + E)	-	-	-	-	-
<b>DIFFERENTLY ABLED WORKERS</b>						
4	Permanent (F)	13	13	100.00%	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	Total differently abled workers (F + G)	13	13	100.00%	-	-

<b>22 Participation/Inclusion/Representation of women</b>			
	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	2	18.18
Key Management Personnel	8	0	0.00

<b>23 Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)</b>									
	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5.34%	10.00%	15.34%	7.51%	5.00%	12.51%	6.95%	5.00%	11.95%
Permanent Workers	3.23%	-	3.23%	6.90%	-	6.90%	6.35%	-	6.35%

<b>V. Holding, Subsidiary and Associate Companies (including joint ventures)</b>				
<b>24 (a) Names of holding / subsidiary / associate companies / joint ventures</b>				
Sr. No.	Names of holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of Shares Held by Listed Entity	Does the Entity Indicated at Column A, Participate in the Business Responsibility Initiatives of the Listed Entity? (Yes/No)
1.	Gallantt Medicity Developers Private Limited	Associate	26%	No

<b>VI. CSR Details</b>		<b>Amount (Rs. in Lakhs)</b>
<b>25</b>	i. Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
	ii. Turnover	4,22,711.75
	iii. Net worth	2,45,072.68


**VII. Transparency and Disclosures Compliances**
**26 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC).**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)*	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, Gallantt Ispat Limited has a Grievance redressal mechanism in place for all of its stakeholders. The policy can be accessed through below web link: <a href="https://gallantt.com/wp-content/uploads/bsk-pdfmanager/2023/07/Grievance-Redressal-Policy_30112020.pdf">https://gallantt.com/wp-content/uploads/bsk-pdfmanager/2023/07/Grievance-Redressal-Policy_30112020.pdf</a>	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)		Nil	Nil	-	Nil	Nil	-
Shareholders		9	1	Most of the complaints are related to general enquiry from shareholders regarding claim for the unpaid and unclaimed dividend money and request for dematerialisation of physical shares.	65	1	Most of the complaints are related to general enquiry about allotment of equity shares and non-receipt of unclaimed and unpaid dividend money lying in the unpaid dividend account of the Company.
Employees and workers		Nil	Nil	-	Nil	Nil	-
Customers		Nil	Nil	-	Nil	Nil	-
Value Chain Partners		Nil	Nil	-	Nil	Nil	-

**27. Overview of the entity’s material responsible business conduct issues**

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

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



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

### SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

**The National Guidelines for Responsible Business Conduct (NGRBC) as brought out by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:**

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

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(a)	Has the policy been approved by the Board? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(c)	Web Link of the Policies, if available	www.gallantt.com								
2.	Whether the entity has translated the policy into procedures. (Yes / No/ NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Company has adopted various standards specified by the International Organization for Standardization (ISO). These are: a. ISO 9001: 2015 for Quality management system. b. ISO 14001: 2015 for Environment management system. c. ISO 45001: 2018 Health and Safety management system.								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Company has undertaken materiality assessment exercise and is in a process of setting specific commitments and targets against the identified material issues.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Company has undertaken materiality assessment exercise and is in a process of setting specific commitments and targets against the identified material issues.								
<b>Governance, leadership and oversight</b>										
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	We are committed to align our operations with the business responsibility principles. The Company is taking feedback from all stakeholders, employees and workers for the business to grow sustainably and equitably. We prioritize the conservation of natural resources and improving operational efficiencies to minimize our environmental footprint. We aim to build resilience in our business and among our stakeholders, and we monitor our activities and their environmental and social impacts to ensure that we create value for all stakeholders. The social component addresses the need to invest in employees, vendors, customers and community engagement, a framework of relationships that protects the company from unexpected supply or demand or production shocks.								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Nitesh Kumar, Company Secretary and Compliance Officer of the Company shall act as Business Responsibility Head (BR Head) and shall be responsible for implementing the Business Responsibility initiatives. Mr. Chandra Prakash Agrawal, Chairman and Managing Director of the Company shall be responsible for overseeing the implementation of this Policy								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No/ NA).	Yes. Mr. Chandra Prakash Agrawal (DIN: 01814318), Chairman and Managing Director of the Company is responsible for decision making on sustainability related issues.								
10.	Details of Review of NGRBCs by the Company									



Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee					Frequency (Annually/Half-yearly/Quarterly/Any other - Please specify)				
	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action	Director	Director	Director	Director	Director	Annually	Annually	Annually	Annually	
Description of other committee for performance against above policies and follow up action										
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Director	Director	Director	Director	Director	Quarterly	Quarterly	Quarterly	Quarterly	
Description of other committee for compliance with statutory requirements of relevance to the principles and rectification										
11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No	No	No	No	No	No	No	No	No	
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:	Not Applicable									

### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

##### Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	<ol style="list-style-type: none"> <li>1. Training on integrity, ethical, transparent and accountable practices</li> <li>2. Programmes on recent Statutory updates applicable to Company such as SEBI (Listing Obligations and Disclosure Requirements) Regulations, Companies Act, 2013 - Ministry of Corporate Affairs</li> </ol>	100%
Key Managerial Personnel	2	<ol style="list-style-type: none"> <li>1. Training on integrity, ethical, transparent and accountable practices</li> <li>2. Programmes on recent Statutory updates applicable to Company such as SEBI (Listing Obligations and Disclosure Requirements) Regulations, Companies Act, 2013 - Ministry of Corporate Affairs</li> </ol>	100%

Employees other than BOD and KMPs	7	<p>Trainings are imparted through online and classroom modes, as well as on the job as per requirement. They include:</p> <ol style="list-style-type: none"> <li>1. Code of conduct</li> <li>2. POSH</li> <li>3. Process orientation trainings</li> <li>4. Soft skills development trainings</li> <li>5. Health &amp; Safety</li> <li>6. Skill up gradation Training Programmes</li> </ol>	75.09%
Workers	15	<ol style="list-style-type: none"> <li>1. Quality Policy &amp; Objective</li> <li>2. IMS Awareness</li> <li>3. Fire Fighting &amp; Safety</li> <li>4. Preventive Maintenance</li> <li>5. House Keeping/5S</li> <li>6. HIRA Awareness</li> <li>7. Health &amp; Safety</li> <li>8. General Awareness on Emergency Situation</li> <li>9. On Job Training</li> <li>10. Awareness of PPE's</li> <li>11. Aspects &amp; Impacts</li> <li>12. Training on ISO</li> </ol>	79.09%

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of the Regulatory/ Enforcement Agencies/ Judicial Institutions	Amount (In INR)	Brief of the Case	Has an Appeal been preferred (Yes/No)
Nil					

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

Case Details	Name of the Regulatory/Enforcement Agencies/judicial Institutions
Not Applicable	

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

Yes, our business code of conduct covers anti-corruption or anti-bribery related requirements. The Company has a Vigil Mechanism framed under Section 177 of Companies Act, 2013, to deal with any instances of corruption or bribery. Strong processes exist for monitoring and taking disciplinary actions if there are any violations of this policy. The relevant policy is available at [www.gallantt.com](http://www.gallantt.com)





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

Segment	FY (2023-24)	FY (2022-23)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

Segment	FY (2023-24)		FY (2022-23)	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

Not Applicable

**8. Number of days of accounts payables**

	FY (2023-24)	FY (2022-23)
i) Accounts payable x 365 days	20,98,563.85	23,46,923.23
ii) Cost of goods/services procured	3,20,784.63	3,40,053.56
iii) Number of days of accounts payables	7	7

**9. Open-ness of business - Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format**

Parameter	Metrics	FY (2023-24)	FY (2022-23)
Concentration of Purchase	a. (i) Purchases from trading houses	1,54,840.45	1,92,882.35
	(ii) Total purchases	3,20,784.63	3,40,053.56
	iii) Purchases from trading houses as % of total purchases	48.27%	56.72%
	b. Number of trading houses where purchases are made	224	239
	c. i) Purchases from top 10 trading houses	59,307.26	71,996.05
	ii) Total purchases from trading houses	1,54,840.45	1,92,882.35
	iii) Purchases from top 10 trading houses as % of total purchases from trading houses	38.30%	37.33%
Concentration of Sales	a. i) Sales to dealer / distributors	3,34,769.74	2,64,759.02
	ii) Total Sales	4,22,711.75	4,05,670.32
	iii) Sales to dealer / distributors as % of total sales	79.20%	65.26%
	b. Number of dealers / distributors to whom sales are made	59	52
	c. i) Sales to top 10 dealers / distributors as % of total distributors	2,13,366.09	1,65,267.11
	ii) Total Sales to dealer / distributors	3,34,769.74	2,64,759.02
	iii) Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	63.74%	62.42%

Parameter	Metrics	FY (2023-24)	FY (2022-23)
Share of RPTs in	a. i) Purchases (Purchases with related parties)	114.20	191.74
	ii) Total Purchases	3,20,784.63	3,40,053.56
	iii) Purchases (Purchases with related parties as % of Total Purchases)	0.04%	0.06%
	b. i) Sales (Sales to related parties)	117.91	405.34
	ii) Total Sales	4,22,711.75	4,05,670.32
	c. i) Loans & advances given to related parties	424.32	402.51
	ii) Total loans & advances	424.32	402.51
	iii) Loans & Advances given to related parties as % of Total Loans & advances	100%	100%
	d. i) Investments in related parties	780.13	0.00
	ii) Total Investments made	888.40	161.86
	iii) Investments in related parties as % of Total Investments made	87.81%	0.00%

### Leadership Indicators

#### 1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year

Sr. No.	Total number of awareness programmes held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
1.	3	Product awareness and marketing strategies	54.50%

#### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board?

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

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

#### Essential Indicators

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

Segment	FY (2023-24)	FY (2022-23)	Details of improvements in environmental and social impacts
R&D	0.53%	1.08%	<p>Company has 129 MW Power Plant.</p> <p>Out of 129 MW 36% capacity has been installed through WHRB. (Waste Heat Recycle Boiler)</p> <p>We have 1 AFBC (Atmospheric Fudite Bet Consumption) Boiler. The coal fired boiler has been modified by the Company.</p> <p>Further, Rice Husk is consumed through AFBC boiler.</p> <p>All together reduce the emission and pollutants.</p> <p>We have zero water discharge or recycling of water discharge and ultimate uses in other activities.</p>
Capex	0.13%	1.45%	<p>Capital Expenditure and Research &amp; Development is an ongoing process. The Capex ensures longevity in the R&amp;D process.</p> <p>All together ensure reduction in pollutants and hazards.</p>



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

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

b. If yes, what percentage of inputs were sourced sustainably?

At present, 47.50 % of inputs sources are sourced sustainably.

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

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

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

Not Applicable

### Leadership Indicators

#### 1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?

Gallantt Ispat Limited has not conducted Life Cycle Perspective / Assessments (LCA) for any of its products or services during the financial year 2023-24.

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

Not Applicable

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

Indicate input material	Recycled or re-used input material to total material	
	FY (2023-24)	FY (2022-23)
MS Scrap / Dolachar etc	19.54%	25.10%

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

Material	FY (2023-24)			FY (2022-23)		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E waste	-	-	0.79	-	-	-
Hazardous waste	-	-	3.00	-	-	1,42,286.79
Other waste	-	-	1,36,454.84	-	-	2,04,981.34

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

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

**Essential Indicators**

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Employees</b>											
Male	410	-	-	410	100.00%	-	-	-	-	410	100.00%
Female	7	-	-	7	100.00%	-	-	-	-	7	100.00%
Total	417	-	-	417	100.00%	-	-	-	-	417	100.00%
<b>Other than Permanent Employees</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

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

Category	% of Workers Covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	2684	-	-	2,684	100.00%	-	-	-	-	2,684	100.00%
Female	33	-	-	33	100.00%	-	-	-	-	33	100.00%
Total	2717	-	-	2,717	100.00%	-	-	-	-	2,717	100.00%
<b>Other than Permanent Workers</b>											
Male	1797	-	-	1,797	100.00%	-	-	-	-	1,797	100.00%
Female	4	-	-	4	100.00%	-	-	-	-	4	100.00%
Total	1801	-	-	1,801	100.00%	-	-	-	-	1,801	100.00%

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

	FY (2023-24)	FY (2022-23)
i) Cost incurred on well-being measures (well-being measures means well-being of employees and workers (including male, female, permanent and other than permanent employees and workers))	318.28 Lakhs	258.32 Lakhs
ii) Total revenue of the Company	4,22,711.75 Lakhs	4,05,670.32 Lakhs
iii) Cost incurred on wellbeing measures as a % of total revenue of the Company	0.08%	0.06%



## 2. Details of Retirement Benefits

Benefits	FY (2023-24)			FY (2022-23)		
	No. of Employees Covered as a % of total Employees	No. of Workers Covered as a % of total Workers	Deducted and Deposited with the Authority (Y/N/N.A.)	No. of Employees Covered as a % of total Employees	No. of Workers Covered as a % of total Workers	Deducted and Deposited with the Authority (Y/N/N.A.)
PF	50.19%	66.58%	Y	49.44%	86.26%	Y
Gratuity	100.00%	100.00%	Y	100.00%	100.00%	Y
ESI	39.69%	72.00%	Y	38.88%	39.00%	Y

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

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

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

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

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave

Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
Total	NA	NA	NA	NA

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?

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

Other than Permanent Employees	Workers engaged on contractual basis can report their grievances to their respective contractor representative or the Plant Head. The contractor is expected to take the required action to address the worker grievances, and if required, can raise the grievance to HR and respective functional heads.
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**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:** None of our employees are members to any recognized association or trade unions.

**8. Details of training given to employees and workers:**

Category	FY (2023-24)					FY (2022-23)				
	Total (A)	On Health and Safety Measure		On Skill Upgradation		Total (D)	On Health and Safety Measure		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	410	410	100%	410	100%	2,180	1,995	91.51%	1,876	86.06%
Female	7	7	100%	7	100%	24	21	87.50%	18	75.00%
Total	417	417	100%	410	100%	2,204	2,016	91.47%	1,894	85.93%
<b>Workers</b>										
Male	4,481	4481	100%	4,481	100%	618	581	94.01%	546	88.35%
Female	37	37	100%	37	100%	12	10	83.33%	9	75.00%
Total	4,518	4518	100%	4,518	100%	630	591	93.81%	555	58.10%

**9. Details of performance and career development reviews of employees and worker:**

Category	FY (2023-24)			FY (2022-23)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	410	323	78.78%	2,180	1,527	70.05%
Female	7	6	85.71%	24	17	70.83%
Total	417	329	78.90%	2,204	1,544	70.05%
<b>Workers</b>						
Male	4,481	4,095	91.39%	618	432	69.90%
Female	37	29	78.38%	12	8	66.67%
Total	4,518	4,124	91.28%	630	440	69.84%

**10. Health and safety management system:**

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

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

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

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



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

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

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

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

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

Safety Incident/Number	Category*	FY (2023-24)	FY (2022-23)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	1.33
	Workers	0	1.21
Total Recordable Work-Related Injuries	Employees	0	11
	Workers	1	10
No of Fatalities	Employees	0	0
	Workers	1	2
High Consequence Work-Related Injury or Ill-Health (Excluding Fatalities)	Employees	0	0
	Workers	0	0

\*Including in the contract workforce

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

Following measures are undertaken by the company during the reporting year

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

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

Category	FY (2023-24)			FY (2022-23)		
	Filed During the Year	Pending Resolution at the end of Year	Remarks	Filed During the Year	Pending Resolution at the end of Year	Remarks
Working Conditions	10	0	Nil	5	2	Nil
Health & Safety	4	0	Nil	3	1	Nil

**14. Assessments for the year:**

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

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

The management regularly conducts, reviews and updates the safety and health protocol, ensuring its alignment with the most current industry standards and regulations as an ongoing practice.

In-house medical clinic has been set up by the Company. Modern equipped ambulance has been in place in 24x7 in case of any emergency for the workers and employees of the factories. Fire tender and fire extinguisher are also in place. On a regular basis training and mock drills are organised by the concerned team for the learning and awareness of the employees and workers.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of**

(A) Employees (Y/N) - Yes

(B) Workers (Y/N) - Yes

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners** – Internal Auditors and external agency have been assigned the task to verify and check the same issue on a monthly basis and reports are given to the concerned department regularly.

**3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY (2023-24)	FY (2022-23)	FY (2023-24)	FY (2022-23)
Employees	0	0	0	0
Workers	2	2	0	0

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

**5. Details on assessment of value chain partners:**

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

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





### PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

#### Essential Indicators

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

Gallantt Ispat Limited's stakeholder groups are those which are directly or indirectly impacted by it or can impact our value creation in the short, medium, or long term. Our relations with them are based on mutual trust and understanding their priorities in creating shared value. Gallantt Ispat Limited has identified internal stakeholders like employees, workers and Board of Directors, as well as external stakeholders that impact our business, like investors, suppliers, and communities. The Company has also engaged with these stakeholders through different channels for conducting the materiality assessment in FY 2024.

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

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually /Half Yearly/ Quarterly/ Others – Please Specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Letters, Intranet, Communication Meeting, Training programs, annual health check-ups, canteen services, Residential Colony for employees and labourers at manufacturing facilities	Regularly	To promote open communication, gather feedback, address concerns, learning and growth, remuneration and benefits, equal opportunities, promotion of occupational, health and safety practices
Investors & Stakeholders	No	Quarterly Results, Annual Reports, Earnings Call, Analyst Meet, Press Releases, Annual General Meetings	Quarterly/ Half Yearly/ Annually	Transparency, Governance, Credit rating, Earnings Per Share (EPS), Communication with investors, Press Release, Exponential growth, Complaints and grievances
Customer & Vendors	No	Letters, e-mails, website of the Company, regular Business Meetings, Customer Satisfaction Survey, Exhibitions, seminars,	Regularly	To inform customers about new products, services, promotions, and updates. To gather feedback on customer satisfaction, needs, and preferences. To build relationships. Marketing activities and online engagement through the website
Bankers and other financial institutions	No	Credit Rating, Funding, Governance etc.	Regularly	Credit Rating, Governance
Society	Yes	Through CSR Programmes	Regularly	Improved employment opportunities, better Products, Enhanced Income, Enhanced-Standard of Living

**Leadership Indicators**

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

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

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

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

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

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

**PRINCIPLE 5: Businesses should respect and promote human rights**

**Essential Indicators**

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

Category	2023-24			2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B / A)	Total (C)	No. of employees/workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	417	417	100%	2,204	1,544	70.05%
Other than Permanent	-	-	-	-	-	-
Total Employees	417	417	100%	2,204	1,544	70.05%
<b>Workers</b>						
Permanent	2,717	2,717	100%	630	571	90.63%
Other than Permanent	1,801	1,801	100%	-	-	-
Total Employees	4,518	4,518	100%	630	571	90.63%

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

Category	2023-24					2022-23				
	Total (A)	Equal to Minimum Wage (B)	% (B/A)	More than Minimum Wage (C)	% (C/A)	Total (D)	Equal to Minimum Wage (E)	% (E/D)	More than Minimum Wage (F)	% (F/D)
<b>Employees</b>										
Permanent										
Male	410	-	-	410	100.00%	2,180	-	-	2,180	100.00%
Female	7	-	-	7	100.00%	24	-	-	24	100.00%
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Workers</b>										
Permanent										
Male	2,684	-	-	2,684	100.00%	618	-	-	618	100.00%
Female	33	-	-	33	100.00%	12	-	-	12	100.00%
Other than Permanent										
Male	1,797	-	-	1,797	100.00%	-	-	-	-	-
Female	4	-	-	4	100.00%	-	-	-	-	-

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

a. Median remuneration / wages:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)*	5	Rs. 225.74 Lakhs per annum	-	-
Key Managerial Personnel**	3	Rs. 97.00 Lakhs per annum	-	-
Employees other than BOD and KMP	402	Rs. 3212.82 Lakhs per annum	7	Rs. 55.14 Lakhs per annum
Workers	4,481	Rs. 6,434.16 Lakhs per annum	37	Rs. 78.25 Lakhs per annum

\*excludes sitting fees paid to the Independent Directors

\*\*except Managing and Whole-time Directors

### b. Gross wages paid to females:

	FY (2023-24)	FY (2022-23)
Gross wages paid to females	133.38	126.00
Total wages	10,103.11	82,81.98
Gross wages paid to females (Gross wages paid to females as % of total wages)	1.32%	1.52%

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

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

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

All the staff member and workers have a secure and 24x7 access to raise grievances Employees and workers are encouraged to report any concerns they may have regarding human rights violations, discrimination, harassment, or any other related issues. The Company provides multiple channels through which employees can raise their concerns, including confidential reporting mechanisms such as whistle blower system, complaint boxes. Trainings are given on different levels to female employees & workers on Prevention of Sexual Harassment.

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

Section	FY (2023-24)			FY (2022-23)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	NA	NA	Nil	NA	NA
Discrimination at workplace	Nil	NA	NA	Nil	NA	NA
Child Labour	Nil	NA	NA	Nil	NA	NA
Forced Labour/Involuntary Labour	Nil	NA	NA	Nil	NA	NA
Wages	Nil	NA	NA	Nil	NA	NA
Other human rights related issues	Nil	NA	NA	Nil	NA	NA

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	FY (2023-24)	FY (2022-23)
i) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
ii) Female employees / workers	Nil	Nil
iii) Complaints on POSH as a % of female employees / workers	Nil	Nil
iv) Complaints on POSH upheld	Nil	Nil

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

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

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

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

**10. Assessments for the year:**

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



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

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

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints** - Not Applicable

**2. Details of the scope and coverage of any Human rights due-diligence conducted** - No

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?** Yes

**4. Details on assessment of value chain partners:**

Section	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	0%
Discrimination at workplace	0%
Child labour	0%
Forced/involuntary labour	0%
Wages	0%

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above** – Not Applicable

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators**

**1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:**

Whether total energy consumption and energy intensity is applicable to the company?			
Whether total energy consumption and energy intensity is applicable to the Company?	FY 2023-24	FY 2022-23	
Revenue from operations	4,22,711.75	4,05,670.32	

Parameter	Units	FY 2023-24	FY 2022-23
From renewable sources			
Total electricity consumption (A)	Joule (J)	11,78,725.22	12,24,679.24
Total fuel consumption (B)	Joule (J)	-	-
Energy consumption through other sources (C)	Joule (J)	-	-
Total energy consumed from renewable sources (A+B+C)	Joule (J)	11,78,725.22	12,24,679.24
From non-renewable sources			
Total electricity consumption (D)	Joule (J)	16,45,855.07	12,71,970.76
Total fuel consumption (E)	Joule (J)	56,80,395.83	45,61,532.81
Energy consumption through other sources (F)	Joule (J)	-	-
Total energy consumed from non-renewable sources (D+E+F)	Joule (J)	73,26,250.90	58,33,503.57
Total energy consumed (A+B+C+D+E+F)	Joule (J)	85,04,976.13	70,58,172.81
Energy Intensity per lakh rupee of turnover (Total energy consumed / Revenue from operations)	Joule (J)/Rs.	20.12	17.40

Parameter	Units	FY 2023-24	FY 2022-23
Energy intensity per lakh rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	Joule (J)/Rs.	0.24	0.21
Energy intensity in terms of physical output	Joule (J)	10.70	10.17
Energy intensity (optional) – the relevant metric may be selected by the entity		-	-

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

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

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

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

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	8,69,239	7,95,037
(ii) Groundwater	6,61,901	7,69,047
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	15,31,140	15,64,084
Total volume of water consumption (in kilolitres)	15,31,140	15,64,084
Water intensity per lakh rupee of turnover (Total water consumption / Revenue from operations)	3.62	3.86
Water intensity per lakh rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.04	0.05
Water intensity in terms of physical output	1.93	2.25
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

If yes, name of the external agency.

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

**4. Provide the following details related to water discharged:**

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	NIL	NIL
No treatment	NIL	NIL
With treatment – please specify level of treatment	NIL	NIL
(ii) To Groundwater	NIL	NIL
No treatment	NIL	NIL



Parameter	FY 2023-24	FY 2022-23
With treatment – please specify level of treatment	NIL	NIL
(iii) To Seawater	NIL	NIL
No treatment	NIL	NIL
With treatment – please specify level of treatment	NIL	NIL
(iv) Sent to third-parties	NIL	NIL
No treatment	NIL	NIL
With treatment – please specify level of treatment	NIL	NIL
Total water discharged (in kilolitres)	NIL	NIL

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

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

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

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Whether air emissions (other than GHG emissions) by the entity is applicable to the company?			
Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Mg/nm <sup>3</sup>	37.05	79.19
Sox	Mg/nm <sup>3</sup>	66.90	69.19
Particulate matter (PM)	Mg/nm <sup>3</sup>	25.12	22.25
Persistent organic pollutants (POP)	Mg/nm <sup>3</sup>	-	-
Volatile organic compounds (VOC)	Mg/nm <sup>3</sup>	-	-
Hazardous air pollutants (HAP)	Mg/nm <sup>3</sup>	-	-

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

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

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	18,87,372	16,66,212
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	4,62,139	0.00
Total Scope 1 and Scope 2 emission intensity per lakh rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		5.56	4.11
Total Scope 1 and Scope 2 emission intensity per lakh rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.07	0.05

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 and Scope 2 emission intensity in terms of physical output		2.96	2.10
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency.

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

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

- We have also switched to LED lighting, which reduces fuel consumption and CO2 emissions compared to conventional lights.
- We have installed variable frequency drives for better energy savings.
- We have also replaced old bulbs with energy-efficient LED bulbs and we have installed LED bulbs in shop floors for energy reduction.
- We adopt best available technologies to control emissions and improve the environment, focus on energy management to improve process efficiency, improve raw material quality, and explore alternative fuel sources

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

Parameter (in Kilo tonnes)	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	1	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	3	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1,39,474	1,43,306
Total (A+B + C + D + E + F + G + H)	1,39,478	1,43,306
Waste intensity per lakh rupee of turnover (Total waste generated / Revenue from operations)	0.33	0.35
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.004	0.004
Waste intensity in terms of physical output	0.18	0.21
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		





Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

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

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

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

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

Not applicable as none of Company's operations are in/around ecologically sensitive areas.

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

Name and Brief Details of Project	EIA Notification No.	Date	Whether Conducted by Independent External Agency (Yes/No)	Results Communicated in Public Domain (Yes/No)	Relevant Web-Link
Not Applicable					

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N/NA). If no, then details of all such non-compliances to be provided in the following format.**

Yes, the Company is compliance with all applicable environmental laws/ regulations/ guidelines in India.

**Leadership Indicators**

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

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

Sr. No.	Particulars	
i.	Name of the area	Kutch region of Gujarat
ii.	Nature of operations	Manufacturing of Steel and Power

iii. Water withdrawal, consumption and discharge in the following format

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (In Kilolitres)		
(i) To Surface water	8,69,239	7,95,037

(ii) To Groundwater	-	-
(iii) Third Party Water	-	-
(iv) Sea water/desalinated Water	-	-
(v) Others	-	-
Total Volume of Water withdrawal	8,69,239	7,95,037
Total Volume of Water Consumption (In Kilolitres)	8,69,239	7,95,037
Water Intensity per rupee of turnover (water consumed/turnover) (In Kilolitre/Lakhs INR)	2.06	1.96
Water Intensity (Optional) – The relevant metric may be selected by the entity		
Water Discharge by destination and level of treatment (In kilolitres)		
(i) Into Surface water	-	-
No treatment		
With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
No treatment	-	-
<b>Parameter</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>
With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(v) Others	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

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

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

Whether total Scope 3 emissions & its intensity is applicable to the Company?

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)		10,80,741.24	-
Total Scope 3 emissions per lakh rupee of turnover		2.56	-
Total Scope 3 emission intensity (Optional) - the relevant metric may be selected by the entity			

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

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

Not Applicable

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

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
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Please refer the details given in the Conservation of energy, technology absorption & foreign exchange earnings & outgo report

**5. Does the entity have a business continuity and disaster management plan? Details of entity at which business continuity and disaster management plan is placed or weblink.**

The Company has an emergency mitigation plan in application. The department heads review the plan annually to spot potential new hazards and develop measures for mitigation and reaction. The Company has protocols, SOPs and mock drill exercises in place for managing disasters. Every mock drill is examined by an experienced council. The appropriate department implements the recommendation.

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

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts - Nil**

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

#### Essential Indicators

**1. a. Number of affiliations with trade and industry chambers/ associations - Gallantt Ispat Limited is affiliated with 5 trade and industry chambers/ associations.**

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to**

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

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

Sr. No.	Name of authority	Brief of the case	Corrective action taken
Not Applicable			

#### Leadership Indicators

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

Sr. No.	Public Policy Advocated	Method Resorted for such Advocacy	Whether Information Available in Public Domain? (Yes/No)	Frequency of Review by Board (Annually/Half-yearly/Quarterly/Others-please specify)	Web-Link, If Available
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Not Applicable

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Sr. No.	Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency	Results communicated in public domain	Relevant Web link
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The Company is assessing its applicability for conducting SIA on its CSR projects.

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

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
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Not Applicable

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

Concerned stakeholders can reach out to the Company's management by writing or meeting with administrative officer of the company. Additionally, communities have the opportunity to share feedback on CSR programs. The management takes immediate steps to address such grievances.

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

Category of waste	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	-	-
Sourced directly from within the district and neighbouring districts	9.65%	9.75%

**5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:**

Location	FY 2023-24	FY 2022-23
1. Rural	54.45%	54.99%
2. Semi-urban	43.05%	42.85%
3. Urban	2.50%	2.16%
4. Metropolitan	Nil	Nil

**Leadership Indicators**

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

Sr. No.	Details of negative social impact identified	Corrective action taken
1.	Pollution caused by PM and oxides of sulphur and nitrogen in the Primary Steel Making/Forming.	Introduction of pollution control equipments such as electrostatic precipitators, baghouses, pulse jet filters and industrial scrubbers.



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

Sr. No.	State	Aspirational District	Amount spent (In INR)
Not Applicable			

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

**(b) From which marginalized /vulnerable groups do you procure?** Not Applicable

**(c) What percentage of total procurement (by value) does it constitute?** Not Applicable

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

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

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

Sr. No.	Name of authority	Brief of the Case	Corrective action taken
1.	Trade Mark Registry	Trademark dispute	Investigated the dispute, discussed and identified corrective actions, designed corrective action plan, submitted the corrective action report and reviewed the entire process.

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

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Not Applicable			

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

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

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

<b>2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about</b>	As a percentage to total turnover
Environmental and social parameters relevant to the product	Since we provide services in a B2B market such information on products is provided by the aggregators/final product manufacturers.
Safe and responsible usage	
Recycling and/or safe disposal	

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

Number of consumer complaints in respect of the following	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received During the Year	Pending Resolution at end of year		Received During the Year	Pending Resolution at end of year	
			Not Applicable			Not Applicable
Data privacy	-	-		-	-	
Advertising	-	-		-	-	
Cyber-security	-	-		-	-	
Delivery of essential services	-	-		-	-	
Restrictive Trade Practices	-	-		-	-	
Unfair Trade Practices	-	-		-	-	
Other	-	-		-	-	

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

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy.**

The Company has an internally available policy on cyber security.

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

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



### 7. Provide the following information relating to data breaches:

a) Number of instances of data breaches along-with impact	Nil
b) Percentage of data breaches involving personally identifiable information of customers	Nil
c) Impact, if any, of the data breaches	Not Applicable

### Leadership Indicators

1.	Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).	Details of all our products and services is available on our website <a href="http://www.gallantt.com">www.gallantt.com</a>
2.	Steps taken to inform and educate consumers about safe and responsible usage of products and/or services	Conducted customer awareness programme, door to door awareness about the usage of the product and services, advertisement. This is done one to one with customers.
3.	Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services	The Company's operations and products/services do not qualify under essential services - hence this is not applicable for the Company.
4.	Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.	Yes, all products manufactured by us are compliant with the mandatory codes, specifications, industry regulations, and statutory safety norms of the country. Additionally, we label our products with all necessary product information and detailed specifications in the information manuals and documents.
5.	Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)	The Company prioritises diligent evaluation of customer feedback to gain valuable insights and make prompt improvements in the value chain to ensure customer by monitoring customer reviews collected from online and offline modes for proactive assessment of feedbacks.

Annexure - III

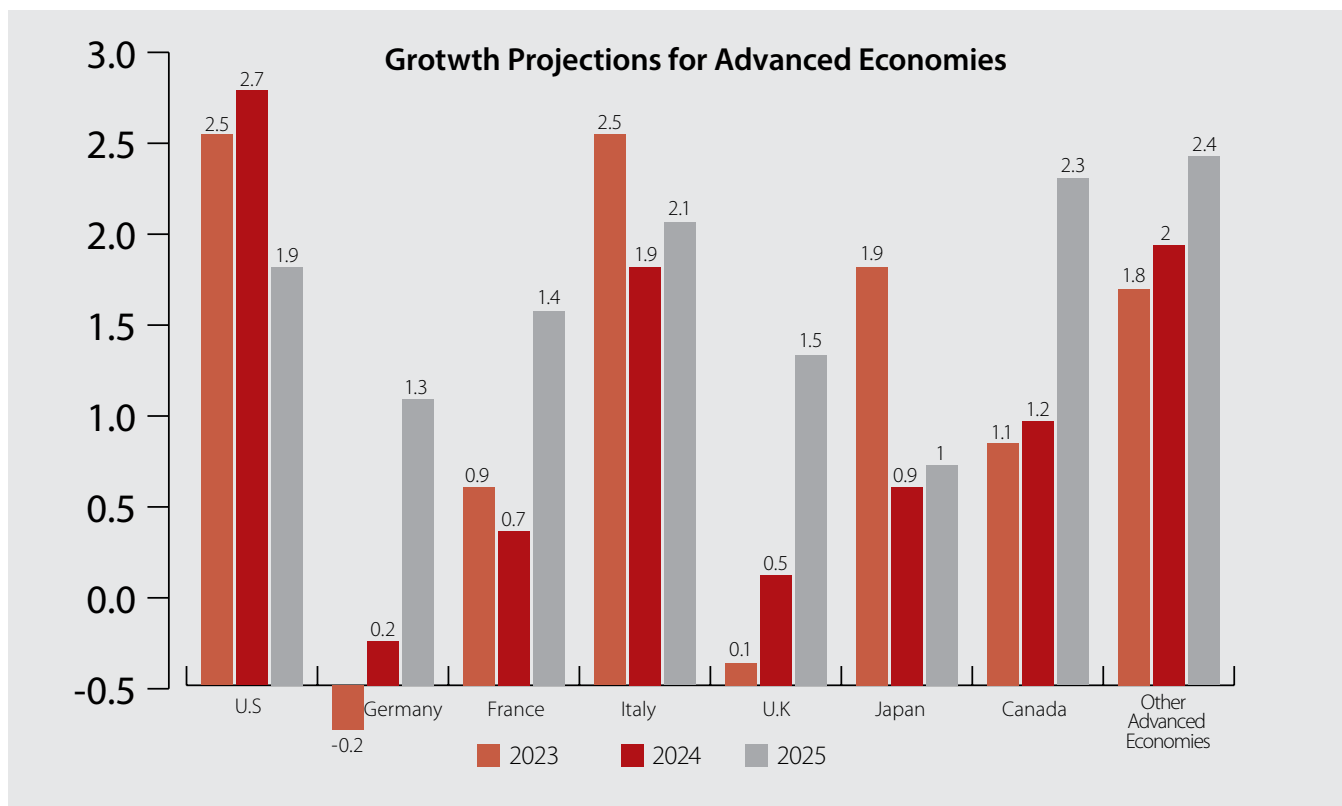
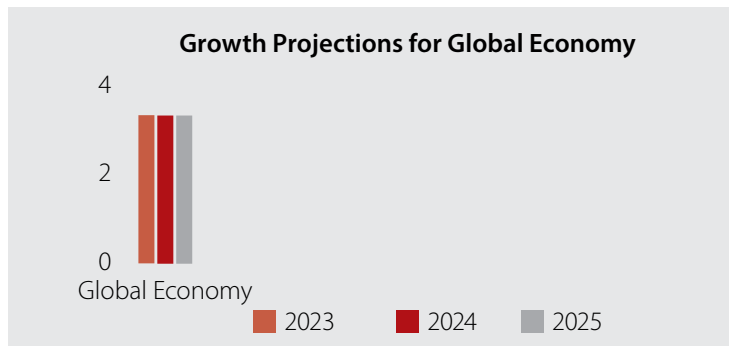
## Management Discussion and Analysis Report

### ECONOMY OVERVIEW AND DEVELOPMENT

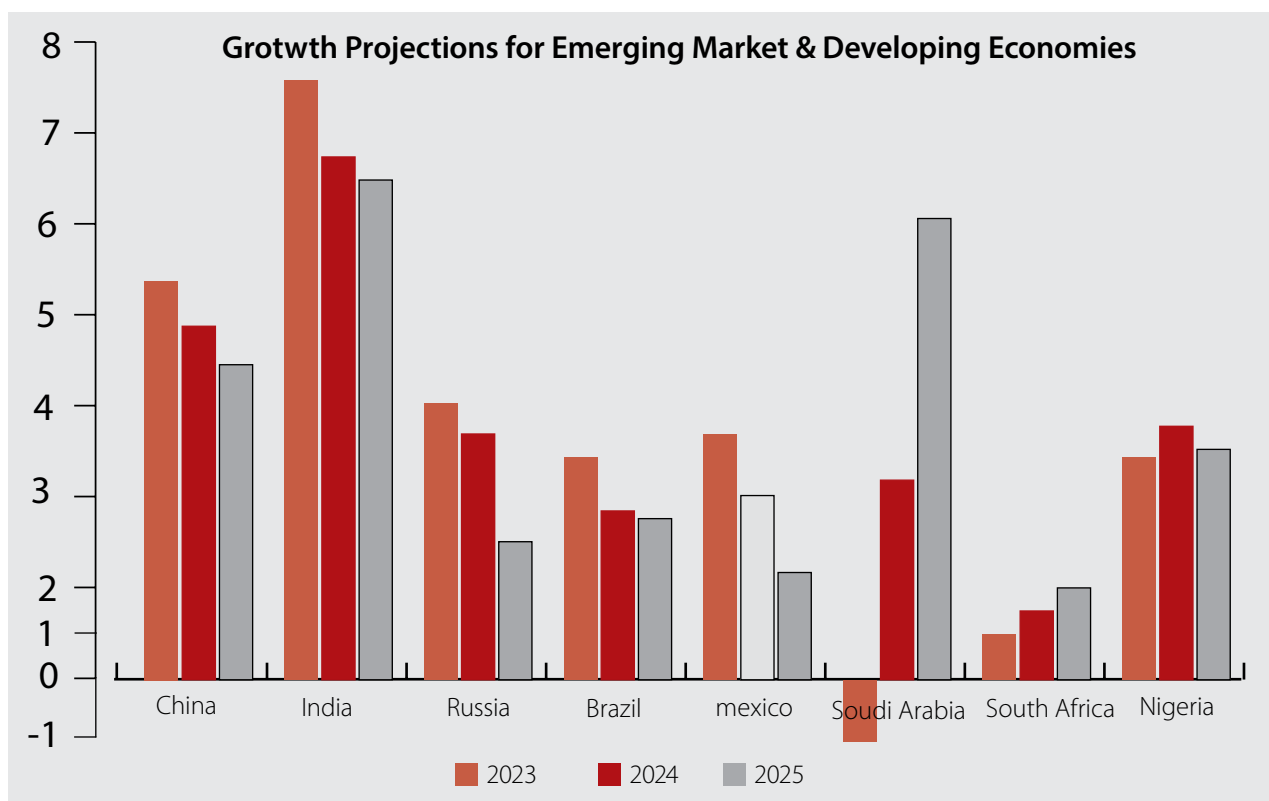
The global economy has exhibited strong resilience in 2023 – 2024 despite facing multiple headwinds such as the Russian-Ukraine conflict leading to a worldwide surge in inflation, rising geopolitical uncertainties in the Middle-East, forced monetary tightening resulting into increased policy rates and interest rates for new loans and the Red Sea crisis leading to delays and heightened expenses for shipping lines.

Global economic growth declined to an estimated 3.2 % in 2023 as compared to 3.5 % in 2022. According to the projections of International Monetary Fund (IMF), there will be slight acceleration for advanced economies wherein growth is expected to rise from 1.6 % in 2023 to 1.7 % in 2024 and 1.8 % in 2025 but for the emerging market and developing economies a modest slowdown is expected from 4.3 % in 2023 to 4.2 % in both 2024 and 2025. The forecast for global growth in next five years is expected to be at 3.1 % which shall be at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 % in 2023 to 5.9 % in 2024 and further 4.5 % in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies.

The real and estimated growth projections are depicted below:







(Source – IMF, World Economic Outlook)

Positive factors such as ongoing disinflationary trends and strong economic performance in the United States and several major emerging markets and developing economies indicate signs of stable growth and a reduced likelihood of a severe economic downfall. A significant share of global growth in 2023-24 is expected to come from Asian countries such as India which remained a bright spot, globally and among advanced economies. India's economy has been buoyed by strong domestic demand, with a surge in investment and robust services activity. It is projected to grow at an average of 6.7 % per fiscal year from 2024 through 2026—making South Asia the world's fastest-growing region. Indonesia also is expected to benefit from a growing middle class and generally prudent economic policies, expanding by an average of 5.1 % over the next two years. However, China has shown weaker than expected recovery during the financial year 2023-24.

According to reports of the World Bank Group despite an improvement in near-term prospects, the global outlook remains subdued by historical standards. Downside risks predominate, including geopolitical tensions, trade fragmentation, higher-for-longer interest rates, and climate-related disasters. Global cooperation is needed to safeguard trade, support green and digital transitions, deliver debt relief and improve food security. Comprehensive fiscal reforms are essential to address ongoing fiscal challenges in small states, including those arising from heightened exposure to external shocks. More than four years after the upheavals of the COVID-19 pandemic and subsequent global shocks, it's clear the world and developing economies, in particular are yet to rediscover a reliable path to prosperity.

In spite of the above factors the U.S. economy, in particular, has shown impressive resilience. Growth has remained buoyant in the teeth of the fiercest monetary policy tightening in four decades. U.S. dynamism, in fact, is one reason the global economy enjoys some upside potential over the next two years.

Countries can enhance long-term growth by enacting policies that build human capital, boost productivity, improve the efficiency of public spending, and encourage more women to enter the labour force. To meet development goals and bolster long-term growth, structural policies are needed to raise productivity growth, improve the efficiency of public investment, build human capital, and close gender gaps in the labour market.

According to the United Nations' Report the year 2023 has also experienced extreme weather conditions, including the hottest summer on record since 1880 leading to devastating wildfires, floods, and droughts worldwide. These events have direct economic

impacts, such as damage to infrastructure, agriculture, and livelihoods. Studies have predicted substantial losses to the global economy due to climate change. For instance, some estimates suggest a potential reduction of about 10% in global GDP by 2100, considering events like the collapse of the Greenland ice shelf. Other models indicate that without mitigation of global warming, average global incomes could be 23% lower by 2100.

On the upside, global disinflation could proceed at a faster pace than currently envisioned, aided by stronger productivity growth. This could be driven by the rapid adoption of new technologies, enabling advanced economies to extend recent gains and Emerging Markets and Developed Economies (EMDEs) to recoup post-pandemic productivity losses.

### INDIAN ECONOMY

Based on the Economic Survey Report of 2023-24, Indian economy has broadly caught up with pre-COVID growth trends, averting any permanent scarring, and is likely to grow by 6.5% to 7% this year with prospects of clocking 7%-plus growth in coming years. Despite the sluggish global economy, Indian economy is on a strong wicket and stable footing, demonstrating resilience in the face of geopolitical challenges. The Indian economy has consolidated its post-Covid recovery with policymakers – fiscal and monetary and thereby ensuring economic and financial stability. For the recovery to be sustained, there has to be heavy lifting on the domestic front because the environment has become extraordinarily difficult to reach agreements on key global issues such as trade, investment and climate. The Economic Survey 2023-24 reports that inflationary pressures in India have been effectively managed through administrative and monetary policies, reducing retail inflation from 6.7 % in FY 2022-23 to 5.4 % in FY 2023-24. Core inflation for goods and services has reached multi-year lows. Core inflation is measured by excluding food and energy items from CPI headline inflation.

Food inflation in India has increased from 6.6 % in FY23 to 7.5 % in FY24. The Economic Survey report notes that this increase is due to extreme weather conditions and crop damage. The Reserve Bank of India (RBI) and the IMF expect further decrease in inflation, if the country experiences a normal monsoon and there are no external shocks. The Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) launched during the Covid-19 outbreak to provide free food grains to about 81.4 crore beneficiaries (Antyodaya Anna Yojana households and Priority Households beneficiaries) under the PMGKAY have been extended for five years starting from January 1, 2024.





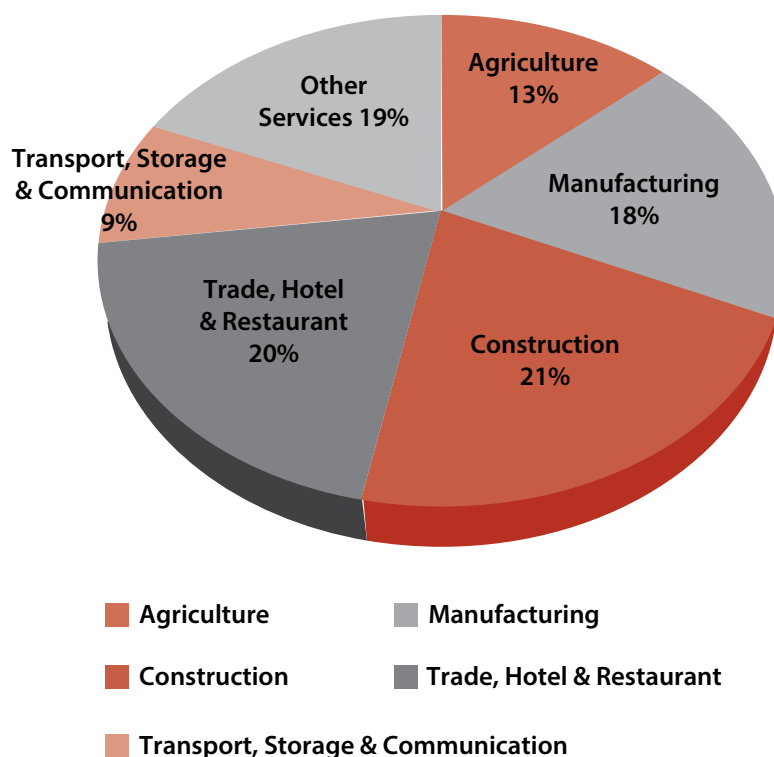
Real GDP growth climbed to 8.4% YoY in third quarter of the current fiscal year which was aided by a strong rise in private investment spending, which grew by 10.6% YoY. Investment growth remained above 8% YoY in the last four quarters, which indicates that India is on the cusp of a strong boost to the private capital expenditure cycle.

The biggest drag on GDP growth in the third quarter was government consumption, which contracted by 3.2% YoY, compared with growth of 13.8% YoY in the second quarter of the year. While growth in exports slowed in the third quarter (3.4% YoY), a faster decline in imports (8.3% YoY) due to falling crude oil prices helped net exports improve overall.

RBI's data on India's Balance of Payments shows us that the investment interest of external investors, measured in terms of dollar inflows of new capital, was USD 45.8 billion in FY 2024 compared to USD 47.6 billion in FY 2023. This slight decline is in line with global trends. Reinvestment of earnings remained the same. Repatriation of investment was USD 29.3 billion in FY 2023 and USD 44.5 billion in FY 2024. Many private equity investors took advantage of buoyant equity markets in India and exited profitably. It is a sign of a healthy market environment that offers profitable exits to investors, which will bring newer investments in the years to come. That said, the environment for foreign direct investment to grow in the coming years is not highly favourable for many reasons.

Regarding economic performance of the Country the Survey highlighted that India's real GDP in FY 2024 was 20% higher than that in FY 2020 which is a notable achievement among major economies and suggested strong potential for continued robust growth in FY 2024-25 and beyond. The Survey expressed optimism for FY 2024-25, anticipating broad-based and inclusive growth for the Country's economy. It claims that by FY 2025 India's economic growth will see reductions in unemployment and multidimensional poverty, and increased labour force participation.

The Survey estimates India's workforce at nearly 565 million, with over 45.8% engaged in agriculture, 11.4% in manufacturing, 13% in construction, 12.1% in trade, hotel and restaurant business, 5.4% in transport, storage and communication and 11.4% in other services. The services sector remains a major job creator, while the construction sector's importance has increased due to government infrastructure initiatives. Employment in the domestic manufacturing sector, previously stagnant due to bad loans, has shown signs of recovery from FY 2021-22. Labour market indicators in India have improved over the past six years, with the unemployment rate dropping to 3.2% in FY 2022-23. Increasing youth and female workforce participation offers opportunities to leverage demographic and gender dividends. Net payroll additions under the Employees' Provident Fund Organization (EPFO) have more than doubled in the past five years, indicating healthy growth in formal employment.





The Survey emphasizes that the Indian economy needs to create 7.85 million non-farm jobs annually until 2030. While skilling initiatives have made progress, only 4.4% of the young workforce is formally skilled, indicating room for improvement. Regulatory reforms, such as state-level laws on land use and women's employment, are identified as opportunities for job creation. To meet the employment demands of a growing population, the Survey states the need to generate 7.85 million non-farm jobs annually.

Further, the use of artificial intelligence (AI) has proved to be the biggest future work disruptor, presenting both risks and opportunities for India's young population. It notes that the BPO (business process outsourcing) sector faces a significant decline in employment due to GenAI chatbots.

In the industrial sector, manufacturing gross value added (GVA) shrugged off a disappointing FY 2023 and grew by 9.9% in FY 2024. Manufacturing activities benefitted from reduced input prices while catering to stable domestic demand. The input price advantage was reflected in the subdued growth in the Wholesale Price Index (WPI) inflation, which led to a deflator of (-)1.7% for the manufacturing sector during FY24. Manufacturers also passed on the reduction in input prices to consumers, reflected in the sustained decline in the core consumer price inflation. Construction activities displayed increased momentum and registered a growth of 9.9% in FY 2024 due to the infrastructure buildout and buoyant commercial and residential real estate demand. The growth in gross tax revenue (GTR) was estimated to be 13.4% in FY 2024, translating into tax revenue buoyancy of 1.4%. The growth was led by a 15.8% increase in direct taxes and a 10.6% increase in indirect taxes over FY 2023. 55% of GTR accrued from direct taxes and the remaining 45% from indirect taxes. The increase in indirect taxes in FY 2024 was mainly driven by a 12.7% growth in GST collection. The increase in GST collection and E-way bill generation reflects increased compliance over time.

Both Goods and Services Tax (GST) collections and the issuance of e-way bills, reflecting wholesale and retail trade, demonstrated double-digit growth in FY 2024. Financial and professional services have been a major driver of growth post the pandemic. Contact-intensive services prominently trade, transport, real estate and their ancillary services that were impacted the most during the pandemic have emerged much stronger in the post-pandemic period, embedding greater technology and digital content in them and transforming the nature of the service delivery in India.

The Survey also highlights the need for India to diversify its energy sources, as the Country's energy demand is expected to increase by 2 to 2.5 times by 2047 to sustain its economic growth and development goals.

The Survey cautions against shifting India's high import dependency from petroleum to solar panels and critical minerals, which have complex supply chains and are currently subject to geopolitical issues. It suggests that while renewable energy should be expanded as much as possible, clean coal technologies should also be adopted in the short to medium term.

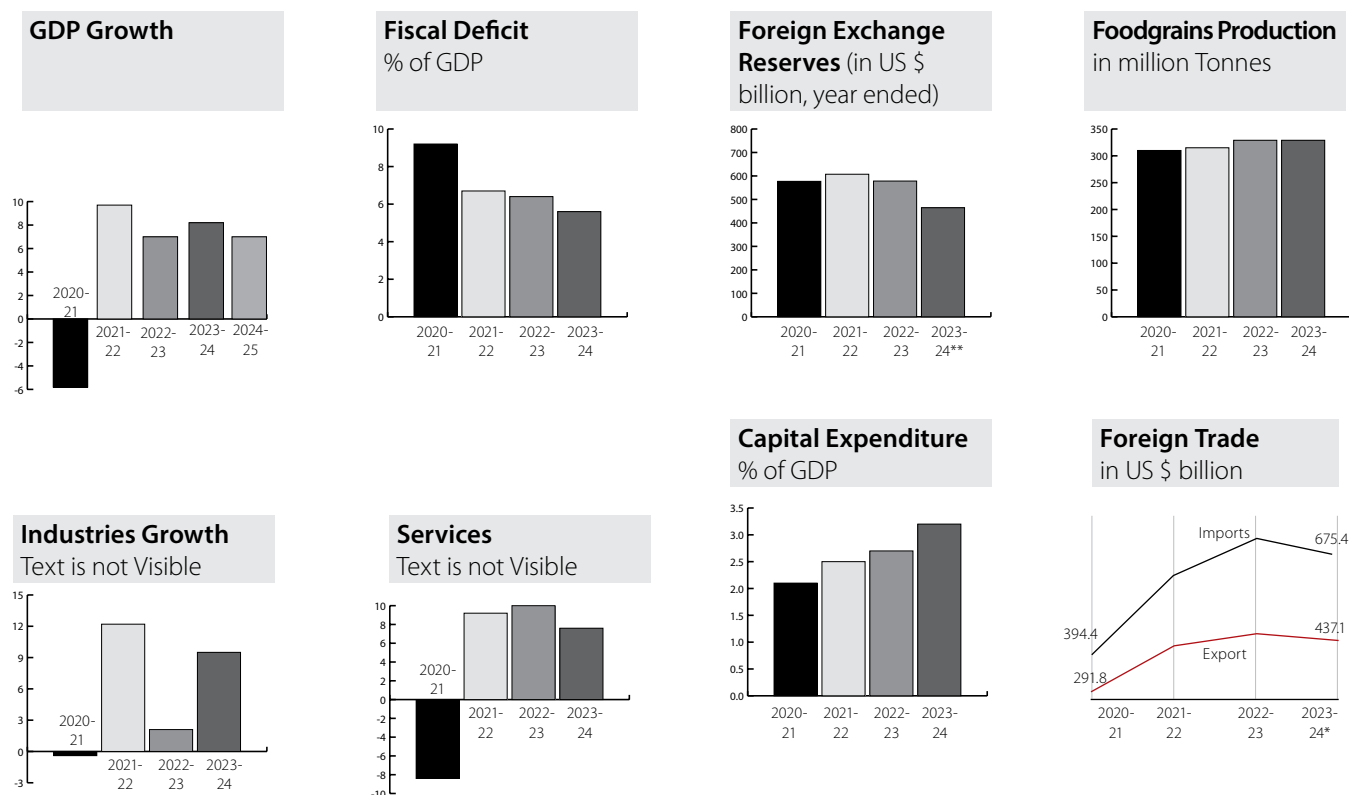
India has achieved remarkable progress in industrial R&D, shown by its rise on the Global Innovation Index (GII) to rank 40<sup>th</sup> in 2023 and a jump in patent filings. Patents granted increased from 5,978 in 2014-15 to 103,057 in 2023-24, and registered designs rising from 7,147 to 30,672.

The Survey, however cautions that any escalation of geopolitical conflicts in 2024 may lead to supply dislocations, higher commodity prices, reviving inflationary pressures and stalling monetary policy easing with potential repercussions for capital flows. This can also influence RBI's monetary policy stance. The global trade outlook for 2024 remains positive, with merchandise trade expected to pick up after registering a contraction in volumes in 2023.

India is expected to become the third largest economy in the world from its current position of fifth largest economy, with a GDP of USD 5 trillion by 2027.



## Indian Economy : A snapshot



(Source : Press Information Bureau, Ministry of Finance)

India's economic resilience can be seen in the domestic stimulus to growth seamlessly replacing the external stimuli. The growth of exports may have moderated in the second half of FY 2023. However, their surge in FY 2022 and the first half of FY 2023 induced a shift in the gears of the production processes from mild acceleration to cruise mode.

Manufacturing and investment activities consequently gained traction. By the time the growth of exports moderated, the rebound in domestic consumption had sufficiently matured to take forward the growth of India's economy. Private Consumption as a percentage of GDP stood at 58.4% in Q2 of FY 2023, the highest among the second quarters of all the years since 2013-14, supported by a rebound in contact-intensive services such as trade, hotel and transport, which registered sequential growth of 16% in real terms in Q2 of FY 2023 compared to the previous quarter.

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

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

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

The Global commodity prices may have eased but are still higher compared to pre-conflict levels and they have further widened the CAD, already enlarged by India's growth momentum. For FY 2023, India has sufficient forex reserves to finance the CAD and intervene in the forex market to manage volatility in the Indian rupee.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

### Global Steel Industry

The steel sector plays a pivotal role in producing essential materials for automobiles, appliances, and infrastructure. Notwithstanding the challenges posed by economic fluctuations, technological innovations, and environmental concerns, the steel industry stands poised for a resurgence. Since last few years, the industry is facing challenges due to global economic fluctuations, technological changes and environmental concerns. However, in 2024, the steel industry is expected to see positive trends as demand for steel products continues to rise. This increase in demand is driven by the growth of infrastructure projects, the automotive sector, and manufacturing activities worldwide.

The World Steel Association expects steel demand to grow by 1.7% in 2024 compared to 2023, to 1.79 billion tons. The association expects India to be the main driver of demand growth as Chinese demand continues to decline.

After two years of decline and severe post-pandemic market volatility, there are signs that global steel demand is likely to stabilise but growth is expected to remain weak over the next two years, even as the global economy demonstrates remarkable resilience to several headwinds like Russia’s invasion of Ukraine, escalating geopolitical uncertainties, high inflation and consequent monetary tightening.

European Union (EU) and United Kingdom (UK) are deemed to be facing the biggest challenges with geopolitical shifts, high inflation monetary tightening and partial withdrawal of fiscal support and high energy and commodity prices.

The developed world is also expected to show a strengthening recovery with 1.3% in 2024 and 2.7% in 2025, as it is expected to see steel demand finally show a meaningful uptick in the EU in 2025 and continued resilience in the US, Japan, and Korea. Emerging regions like Middle East and North Africa (‘MENA’) and Association of Southeast Asian Nation (‘ASEAN’) are expected to show accelerating growth in their steel demand over 2024-2025 after a significant slowdown over 2022-2023. Political instability and erosion of competitiveness may lead to a lower trend steel demand growth.

India, which is the second largest producer of crude steel in the world, recorded a growth rate of 3.9 per cent in April 2024 as compared to April 2023.

Global demand in 2025 is expected to rise by 1.2% to 1.815 billion tons. Apparent steel use in China, the world’s top producer and consumer of the metal, fell by 3.3% in 2023 and is expected to be steady in 2024 as a decline in real estate investment is offset by growth from infrastructure investment and manufacturing sectors. China’s steel demand is expected to decline by 1% in 2025, remaining significantly lower than its 2020 peak.

India, however remained in a bright spot in the global steel industry in 2023. Having managed inflation well, the Indian economy is on a healthy growth track, with a rising share of investment in GDP thanks to strong government spending on infrastructure. Indian demand is expected to grow by 8% over 2024 and 2025.

### Top 10 steel-producing countries

Rank	Country	2023 (MT)	%Y-o-Y Change
1	China	1019.10	0.0
2	India	140.20	11.8
3	Japan	87.00	(2.5)
4	U.S.	80.70	0.2
5	Russia(e)	75.80	5.6
6	South Korea	66.70	1.3
7	Germany	35.40	(3.9)
8	Turkey	33.70	(4)
9	Brazil	31.90	(6.5)
10	Iran	31.10	1.8

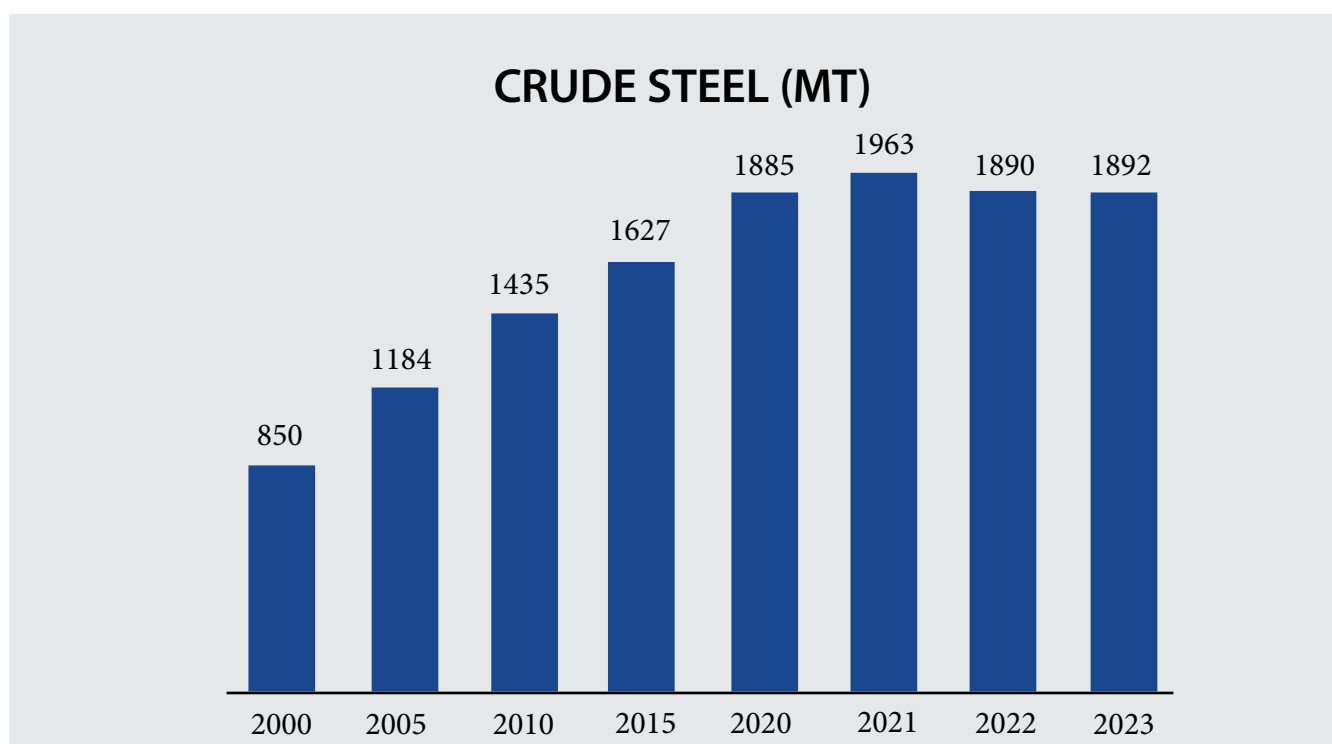
(e) estimated

(Source: World Steel Association)

According to the World Steel Association, global crude steel production remained flat in 2023 with an output of 1,888.2 million tonnes (MT) as against 1,888.7 MT in 2022. Steel producers had reduced output in response to weak demand and volatile raw material costs and steel prices. Residential construction downturn driven by high interest rates and high construction costs have dragged down steel demand across most major steel using regions.

In 2023 there has been sharp drops in housing activity in the US, China, Japan and the EU and weakness in housing activity is expected to stretch well into 2024 in most major markets on the lagged impact of monetary tightening. A meaningful recovery in residential construction is expected to begin only from 2025 onwards.

### Crude steel production from 2000 till 2023 -



The steel raw materials market in FY2023-24 exhibited ongoing volatility, notably within coal markets due to intermittent weather disruptions in Eastern Australia and unforeseen interruptions in logistics and production. Prices of raw material like iron ore and coking coal, which are on the rise over the last few months, will play a major role in steel price movements.

In 2024, the steel industry is expected to experience continued growth, driven by global infrastructure development and increasing demand for steel in construction and manufacturing.

According to industry experts, the following predictions and forecasts are anticipated for the steel industry:

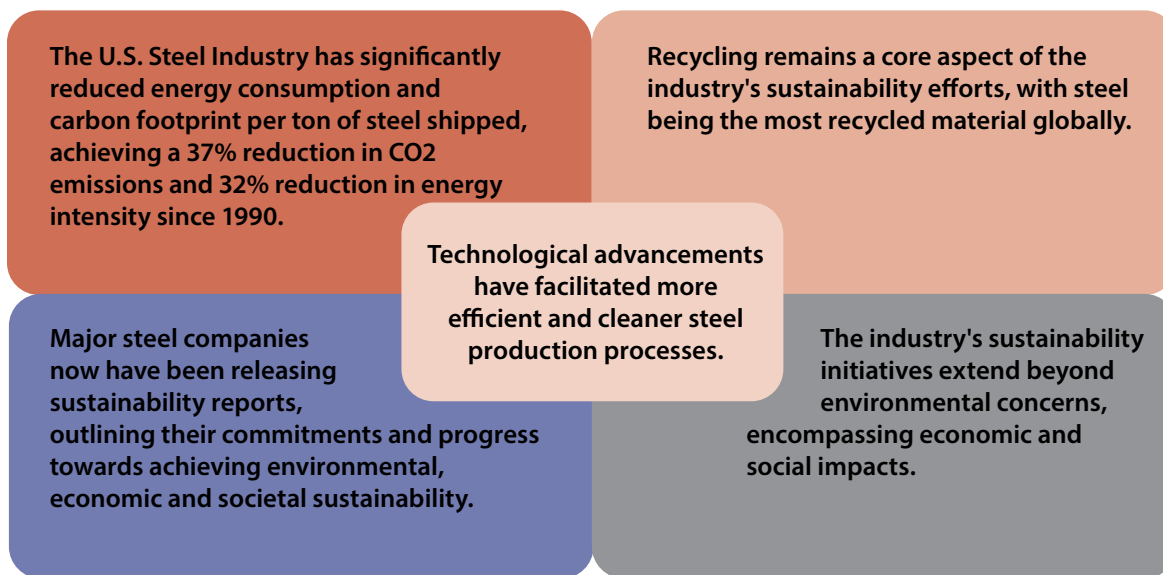
- Strong demand for steel in developing countries, particularly in Asia and Africa, as these regions invest in new infrastructure projects.
- Rising adoption of advanced technologies, such as automation and digitalization, to improve production efficiency and reduce costs.
- Increased focus on sustainable steel production methods to meet environmental regulations and consumer demand for eco-friendly products.
- Fluctuating steel prices influenced by factors such as raw material costs, trade policies and geopolitical events. Consequently, steel producers will need to stay agile in their pricing strategies.

- Growing investment in research and development to create innovative steel products and applications, including high-strength steel for lightweight and durable materials in automobile and aerospace industries.

Moving into 2024 the steel industry has been experiencing several trends, some of which are -

- 1. Sustainable practices:** Steel companies are increasingly focusing on sustainability, including reducing carbon emissions and implementing eco-friendly production methods.
- 2. Technological advancements:** Automation and digitalization are transforming steel manufacturing, leading to improved efficiency and quality.
- 3. Global market shifts:** Changes in global trade dynamics, including tariffs and trade agreements, are impacting the steel industry.
- 4. Demand fluctuations:** The demand for steel is influenced by various sectors such as construction, automotive, and infrastructure, which can fluctuate based on economic conditions.

Nowadays, steel companies are focusing on reducing their environmental impact by implementing energy-efficient technologies and adopting sustainable practices. These include the use of recycled materials in steel production, implementing carbon capture and storage techniques and finding alternative sources of energy to power their operations. These initiatives are not only beneficial for the environment but also for the long-term viability of the industry.



It can be believed that a faster than expected disinflation accompanied by further monetary policy easing could provide a significant boost to steel using sectors, particularly housing construction. Also an acceleration in global decarbonisation efforts or in efforts to strengthen public infrastructure against rising climate change risks are significant positive risks that can support global steel demand going forward.

**Indian Steel Industry**

India's steel demand is expected to touch 190 million tonnes by 2030. The demand will be largely fuelled by the construction and infrastructure sectors, which contribute 60-65% to the sales. Healthy economic growth and focus of the central government on infrastructure projects adds to the buoyant outlook for the steel sector in the country.

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

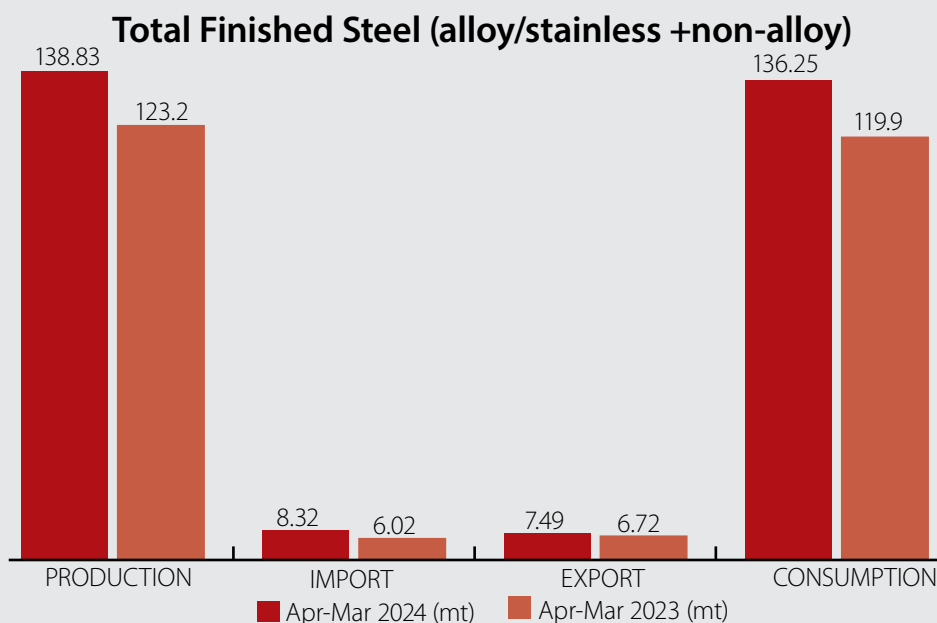
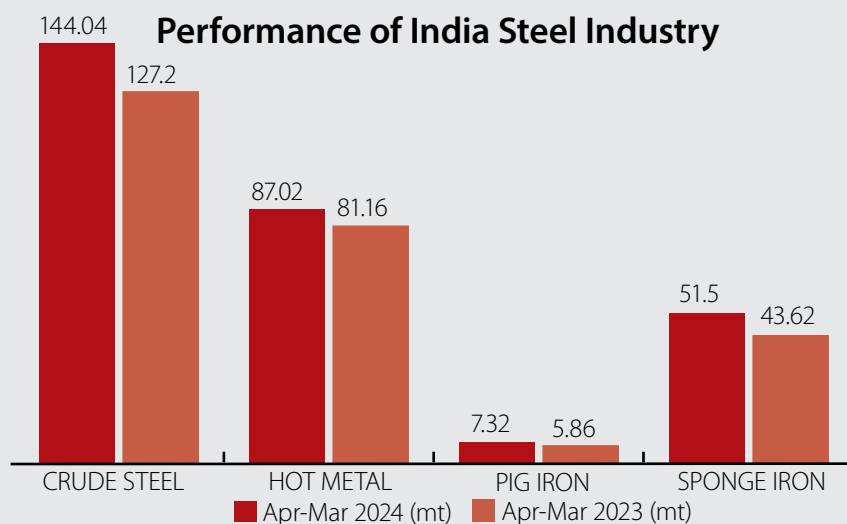




The steel sector has benefited from India’s strong economic growth and industries such as automotive and consumer durables are expected to fuel steel consumption.

India’s steel demand is projected to grow between 5-7% over the next 2 years driven by faster economic and population growth, increased industrialization and urbanization and supportive government policies. In contrast, China’s steel demand is expected to decline slightly due to a sluggish property market and broader economic challenges. This rapid economic expansion, combined with government initiatives such as increased infrastructure spending and incentives for domestic manufacturing, will bolster India’s steel demand.

The domestic steel market has been robust this fiscal year and as per the World Steel Association outlook, production in India will hit around 136 million tonnes in 2024 driven by higher infrastructure spends and impetus from the Government in an election year.



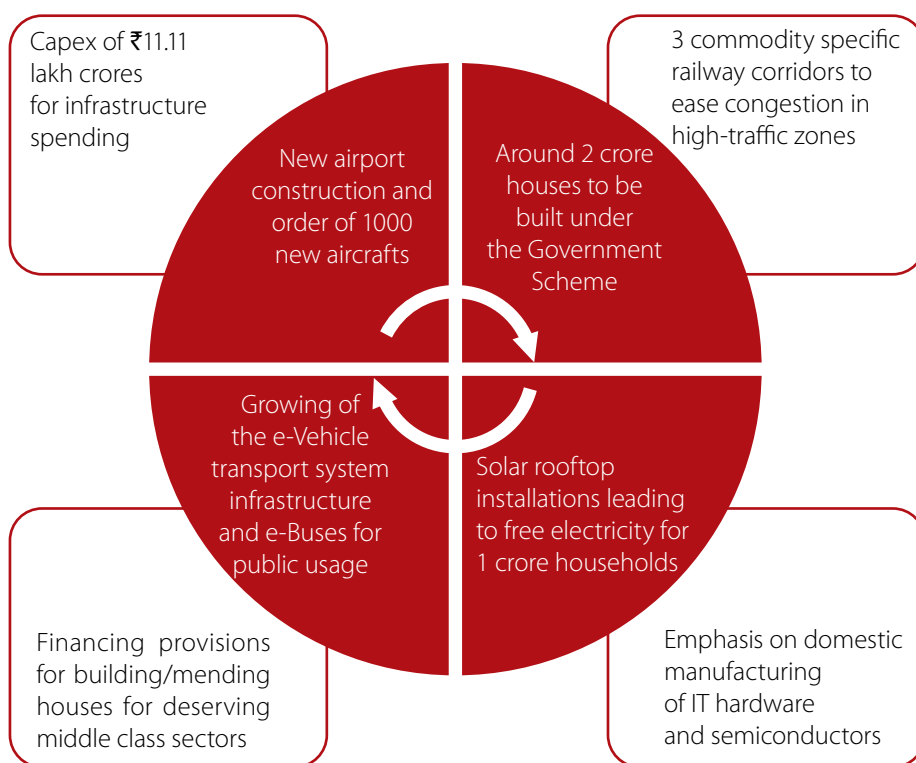


The Indian steel sector got a major boost with the Government including specialty steel under the Production Linked Incentive (PLI) Scheme with an outlay of ₹ 6,322 Crores. Various PLI schemes have revived the manufacturing sector post pandemic. They are helping in building up critical value chains and industrial clusters, besides expanding the Country’s export basket. The Ministry of Steel has also embarked on several initiatives aimed at decarbonising the steel sector in line with India’s commitment to achieving net-zero emissions, as outlined in COP-26.

Further, the Government’s plan to build additional two crore houses under the PM Awas Yojana bodes well for the public housing sector outlook. Further, low inflation expectations for FY 2024-25 at 4.5% versus the FY 2023-24 average of 5.4%, could prompt the country’s central bank to pivot to policy easing, which could further boost demand. With the Central Government staying on course to its fiscal consolidation path, with fiscal deficit estimated at 5.1% for FY 2024-25 versus 5.6% in FY 2023-24, it provides further headroom for the Government to spend on physical and social infrastructure.

According to the NITI Aayog, India has the potential to become the world’s production centre for green steel and pave the way for its worldwide adoption. The Indian steel industry is leveraging the power of Machine Learning (ML), Artificial Intelligence (AI), and smart manufacturing to improve efficiency and strengthen sustainability.

**Union Budget 2024-25: Highlights of the impact on steel sector**



**Iron Ore Market in India**

Iron Ore is used as the basic raw material for manufacture of iron and steel. India being the fourth largest producer of iron ore has reached a record output level of around 277 million tonnes in FY 2023-24 with a growth of around 7.4% as compared to previous year. The majority (more than 85%) of iron ore reserves consist of medium-to-high-grade ore and are directly used in blast furnaces and direct reduced iron (DRI) plants.

India’s iron ore exports stood at 47.8 million tonnes for FY 2024 which is the highest in three years and the second highest in six years. China accounts for approximately 90% of the purchase of iron ore from India.

India mainly exports low-grade fines, with pellets accounting for about 24% of total shipments (or 11.32 MT). Iron ore demand in FY 2023 was 21.28 million tonnes, while in FY 2022 it was 26.40 million tonnes. Over the last six years highest iron ore exports were reported in FY 2021 which was at 60.15 million tonnes.



As per BigMint's projections, iron ore production is expected to increase to 305 - 310 million tonnes in FY 2025 from around 277 million tonnes in FY 2024. The projected growth rate of iron ore production is likely to be in the range of 9-11% y-o-y.

The government has implemented various initiatives to boost the production and availability of iron ore including maximising capacity utilisation of government-owned mining companies and issuing leases for a minimum duration of 50 years.

In 2022, a total number of 33 iron ore blocks were auctioned which was the highest number of mineral blocks auctioned in that year. In 2023, 24 iron ore blocks have been auctioned. The average premium for iron ore blocks experienced growth from 98.41% in 2022 to 140.1% in 2023. Furthermore, the Ministry of Mines issued guidelines to minerals-rich State Governments in October 2023 for the prevention of misclassification of different grades of iron ore and other minerals. As of March 2024, average prices of iron ore were ₹ 5,493 per tonne for iron ore fines with 60-62% Fe, Lumps.

India's iron ore beneficiation capacity is likely to increase from the current installed capacity of around 136 million tonnes to 143 million tonnes in FY 2024-25 and 170 million tonnes by FY 2029-30. The Ministry of Mines is strongly emphasising iron ore beneficiation. On 31<sup>st</sup> August 2022, the Ministry set up a committee to recommend a beneficiation policy to ensure better utilisation of low and lean-grade iron ore resources.

### Coal Market in India

India has reported its highest coal production in the past five years, reaching 997.83 million tonnes in 2023-2024 which was up 11.71% as compared to the previous year. According to the Ministry of Coal, coal imports in 2023-2024 has reached 261 million tonnes which is up by 9.82% and the highest in five years.

Coal India Limited (CIL) and its subsidiaries accounted for 703.20 million tonnes during 2022-23 as compared to a production of 622.63 million tonnes in 2021-22 showing a positive growth of 12.94%. Coal production of CIL during 2023-24 was 773.64 million tonnes with a positive growth of 10.02%.

### The historical price chart for coal during the FY 2023-24 is provided below:-

Month	Price per kg	% change
April 2023	233.10	9.10
May 2023	241.25	3.50
June 2023	231.00	(4.25)
July 2023	229.25	(0.76)
August 2023	230.05	0.35
September 2023	291.55	26.73
October 2023	314.25	6.45
November 2023	342.15	8.88
December 2023	376.00	9.89
January 2024	406.05	7.99
February 2024	436.70	7.55
March 2024	431.10	(0.60)

As per the present Import policy, coal can be freely imported (under Open General Licence) by the consumers themselves considering their needs based on their commercial consideration.

Coking Coal is being imported by Steel sector mainly to bridge the gap between the requirement and indigenous availability and to improve the quality. Other sectors like Power sector, cement etc. and coal traders are importing non-coking coal.

### Details of import of coal and products i.e. coke during the last four years including the current year is as follows:

(million tonnes)

Particulars	2020-21	2021-22	2022-23	2023-24	2024-25*
Coking Coal	51.20	57.16	56.05	58.12	10.457
Non-Coking Coal	164.05	151.77	181.62	202.88	36.861
<b>Total Coal Import</b>	<b>215.25</b>	<b>208.93</b>	<b>237.67</b>	<b>261.00</b>	<b>47.318</b>
Coke	2.46	2.48	3.63	3.96	0.716

\*Import upto April-May, 2024

(Source:-DGCI&S)



The optimism over future of coal in India's energy mix is largely built on a shift in the thinking of the present Government of Prime Minister Shri Narendra Modi to prioritise energy security and domestic resources over reducing carbon emissions to mitigate climate change. This means that India has massive reserves of coal, which it can mine relatively cheaply, and if it continues to invest in infrastructure, it can move the coal from where it is produced to where it will be burnt in power plants and factories. The more the nation uses coal for its domestic energy, the less it has to pay for expensive imports in the form of crude oil and liquefied natural gas.

India's industrial users of coal, such as cement and ceramics, are also being encouraged to look at using gas produced from coal to power their plants, rather than imported coking coal, met coke and LNG.

Another factor worth mentioning about the bullish view of India's coal sector is that they believe in the strong growth scenario even though the South Asian nation is ramping up the deployment of renewable energies such as wind, solar, battery storage and pumped hydropower.

India is likely to exceed its target for 500 gigawatts (GW) of renewable energy capacity by 2030, but the demand for electricity is likely to outpace the capacity additions. This implies that India will continue to increase its fossil fuel generation, and lion's share of this will be coal, with 85 GW of new plants already under construction and likely to start operation by 2030, which would boost coal-fired capacity by just over one-third from the current 237 GW. Steelmakers are also poised to increase demand for coal which is the key raw material used to turn iron ore into crude steel.

## OUTLOOK

India's domestic steel demand is expected to remain robust for the next 10 years, driven by infrastructure investments. Irrespective of the outcome of the ongoing high-stakes in Lok Sabha election, spending on infrastructure - which accounts for 25-30% of steel demand - is expected to go up by 11% y-o-y in the fiscal year 2024-2025.

This means India is expected to continue boosting spending on infrastructure, manufacturing and construction in the coming years. All factors point to improved demand for steel, iron ore, coking coal and scrap. India also aims to secure critical mineral resources like lithium in its broader clean energy plans.

The Blast Furnace-Basic Oxygen Furnace (BF-BOF) Technology will dominate the Indian Steel market in the coming years. It is a two-stage process: Ironmaking - Iron ore, coke and limestone are charged into a blast furnace. The iron ore is smelted to produce molten pig iron.

Second, it is Steelmaking - Molten pig iron is charged into a basic oxygen furnace (BOF). Coal is used as the primary carbon-bearing material for steelmaking. It generates high temperatures necessary to smelt the iron ore and convert it into liquid iron. This liquid iron enters the converter, where oxygen is blown through the molten iron to remove carbon and other impurities. The resulting steel is cast into ingots or slabs and processed into long products like bars, wire or flat steel strips in several rolling operations. To enhance the characteristics and functions of steel, tempering or coating applications are also done when required.

Blast furnaces can produce up to 10,000 tons of molten pig iron daily. Then, BOFs can produce up to 300 tons of steel per heat. A basic oxygen furnace (BOF) is the most preferred process route for the production of crude steel in India. It accounts for over 90% of the country's steel output. At the end of 2022, BOF technology accounted for 46% of the production.

In India, 68% of steel is made through the Blast Furnace route in which coking coal is the primary reductant. At the same time, Pulverised Coal Injection (PCI) or Natural Gas can be used as an auxiliary reductant. Green Hydrogen to replace PCI in the BF-BOF route is under development.

According to the Ministry of Steel of India, BOF was the most preferred process route to produce crude steel in India at the end of 2022, with around 57.43 million tons (46% of total crude steel) produced, which was 8.35% higher than in 2021.

Most BOF plant installations will occur in India in the forecast period. Therefore, considering the growth trends of blast furnace-basic oxygen furnace (BF-BOF) technology in India, the BF-BOF technology is likely to dominate the market. Therefore, it is expected to enhance the demand for steel in the future.

The Indian steel market is projected to experience significant growth in the next decade. This growth is anticipated due to the modernization of older plants, the development of new production strategies and factors such as expanding population, urbanization, increased spending on construction and infrastructure projects and increased steel demand. The market can be segmented based on type, production method and region. The construction sector, a major consumer of steel, values the material for its durability and strength. Government initiatives such as housing for all and infrastructural development of towns will drive the growth in the steel market share in India.



We, at Gallantt Ispat, have the following production data of the Fiscal 2023-24:

(Metric Tonnes)

Products	2023-24	
	Production	Sales*
Sponge Iron (M.T.)	7,70,024.590	7,71,715.580
M.S. Billets (M.T.)	7,94,654.020	7,91,714.420
M.S. Round Bar & Miss Rolled Bar (M.T.)	7,15,332.578	7,10,765.375
Iron Ore Pellet (M.T.)	4,59,705.000	4,37,026.215
Power Generation (KWH)	7,48,104,488	7,48,104,488

\*Sales include captive consumption also

(Metric Tonnes)

Category	FY 2023-24		FY 2022-23	
	QTY (MT/Unit)	₹ In Lakhs	QTY (MT/Unit)	₹ In Lakhs
Steel (MT)	8,47,771.735	3,96,246.54	7,61,568.230	3,97,786.72

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

## OPPORTUNITIES AND THREATS

### Opportunities

As the country transitions into an economic powerhouse, steel demand is anticipated to grow at a steady pace during the period 2024-2028. The construction sector, contributes to around 38% of India's steel demand while infrastructure accounts for 29% of India's steel demand with roads, highways, and metros making up 50-60% of this demand.

The future of Leading Steel Manufacturing Companies in India is closely tied to technological advancements. Industry 4.0 technologies such as artificial intelligence, robotics, and automation are revolutionizing the manufacturing process, leading to increased efficiency, reduced costs and improved quality control. The companies in India are investing in state-of-the-art technologies to stay ahead of the curve and maintain their competitive edge.

The Indian steel industry contributes approximately 2% to the country's GDP and employs over 2 million people directly and indirectly. With a growing emphasis on infrastructure development, India's steel consumption is expected to witness robust growth in the coming years. The government's initiatives such as the National Steel Policy and 'Make in India' campaign aim to enhance the competitiveness of the Indian steel sector and achieve self-sufficiency in steel production.

### Threats and Risks

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

Apart from these concerns, the inspection and maintenance of machinery and structures within the industry present ongoing difficulties. These vital components are susceptible to corrosion, wear and tear, and structural integrity issues, often situated in hard-to-reach locations. Moreover, the absence of precise management tools severely limits the ability to predict failures within operations, resulting in unplanned shutdowns and an overreliance on corrective maintenance methods. This approach not only disrupts production but also incurs unnecessary costs and prevents optimal resource allocation.

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

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

The availability of raw material at right price remains a concern for the steel sector. Despite having enormous deposits of high-grade iron ore, India has a limited supply of metallurgical coal, particularly high-grade coking coal that is used to smelt iron. Metallurgical coal imports are a common need for steel factories. Due to the rising cost of locally manufactured steel and a decrease in demand. Many steel plants are forced to import metallurgical coal. For example, steel plant at Gujarat has to import coal from South Africa. Serious thought is now being given to replace imported coal by natural gas from Krishna-Godavari basin.

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

The steel industry in India faces stiff competition from other global players like China, Japan, and South Korea. These countries have a competitive advantage due to the availability of low-cost raw materials, skilled labours, advanced technology, and economies of scale. To remain competitive the Indian steel industry needs to invest in research and development, adopt new technologies, train and educate labourers and improve its efficiency.

Further, the steel industry is a significant contributor to greenhouse gas emissions, which has led to increased environmental regulations. The industry needs to comply with these regulations, which can increase the cost of production. The steel industry in India has to invest in clean energy solutions and adopt sustainable practices to reduce its carbon footprint.

## SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Company has only one segment that is Steel & Power. But, for the purpose of better understanding of Company's operation we are giving hereunder major product-wise Turnover and Sales:

Category	2023-24		2022-23		% of change	
	Production	Sales*	Production	Sales*	Production	Sales*
Sponge Iron (M.T.)	7,70,024.590	7,71,715.580	6,89,565.849	6,91,138.706	11.67%	11.66%
M.S. Billets (M.T.)	7,94,654.020	7,91,714.420	6,94,206.471	6,97,377.642	14.47%	13.53%
M.S. Round Bar & Miss Rolled Bar (M.T.)	7,15,332.578	7,10,765.375	6,35,962.546	6,42,317.058	12.48%	10.66%
Iron Ore Pellet (M.T.)	4,59,705.000	4,37,026.215	-	-	-	-
Power Generation (KWH)	7,48,104,488	7,48,104,488	6,52,016,430	6,52,016,430	14.74%	14.74%

\*Sales include captive consumption also.

## RISKS AND CONCERNS

Steel industry is a capital-intensive sector requiring an investment around ₹ 6,000 to ₹ 8,000 Crores to set up 1 ton of Steel production capacity through greenfield route.

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

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

Moreover, steel demand is cyclical. So, during a downturn, the return on investments gets eroded. From 2004–2011, steel demand increased at a fast pace. This prompted most steel makers to expand their existing capacities. However, the Indian steel industry faced a severe downturn during 2014 to 2016. This eventually resulted in many steel makers facing bankruptcy proceedings in 2018. The industry, in fact, is yet to resolve all the bankruptcy cases



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

Unlike China, Japan and Korea most of the steel plants in India are in the inlands, often in remote areas with severe logistics challenge. Steel transportation till now has been heavily reliant on railways as it meets more than 80% of the Steel industry's transportation needs and high cost is resulting from the compulsion of Indian railways to subsidize passenger carrying cost of freight earnings. The capacity of Indian railways is constrained with a lot of delays and issues in rake availability and rake placements, creating bottleneck points in the entire supply chain. Transportation through roadways for bulk materials is economically unviable. Moreover, ports suffer from low productivity, slow unloading, delayed stevedoring and other myriad issues. Lack of appropriate digitalization of the supply chain nodes, like document processing and clearances at ports, tracking and tracing of goods etc., result in inefficiency and bottlenecks.

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

The Government has reversed the export duty on iron ore with grades less than 58% to zero and export duty on iron ore with grades more than 58% has been reduced to 30%. Due to vagaries of weather and conflict between Russia-Ukraine, there has been huge fluctuations in coking coal as well as steel supply. Although the Government has lowered corporate tax rates, there are certain non-creditable taxes, duties and cesses, specifically paid by the steel sector which reduce the competitiveness of Indian steel products in the global market.

Increasingly, environmental concerns are taking centre stage and the Indian steel industry is not immune to this trend. The steel industry is energy-intensive and is the second biggest consumer of energy globally. This leads to a higher carbon footprint and also affects the immediate environment. Using energy-efficient methods to produce steel will not only reduce production costs but also improve competitiveness. This can be achieved through highly developed energy management systems and usage of the latest technologies in steel production.

The other potential challenge that the Indian steel industry will soon start facing in a significant way is digital disruption. However, this also represents an opportunity in terms of staying globally competitive. The entire steel industry needs an upgrade to achieve its true potential moving forward. Continuous geopolitical wars between the world's major economies and the steel vs aluminium debate in auto manufacturing are some of the many well-known risks that the steel industry needs to develop strategies for. Likewise, unexpected threats, the surprises that arise through digital technologies and changing customer expectations must also be taken into consideration.

These new and possibly more disruptive improvements can challenge the traditional steel Company's business models. Digital disruption will enable the steel industry to prepare itself for unexpected challenges and become more competitive.

Furthermore, the mining and steel industry in India is subject to stringent labour laws and health and safety regulations. Any safety lapses would result in damage or destruction of property, assets and human capital.

All these concerns as well as Government policies and their impact on raw materials availability are being tracked regularly.

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

- Shortage of Labour

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

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The Audit Committee reviews all the reports as prescribed under the regulations and compliance systems and suggests better internal control systems, policies and procedures as and when required. It also reviews Company's financial reporting processes, disclosure of financial information, related party transactions, etc. Furthermore, the statutory auditors provide assurance regarding the adequacy of the internal control systems of the Company.

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

During the FY 2023-24 Revenue from Operations stood at ₹ 4,22,711.75 Lakhs as against ₹ 4,05,670.32 Lakhs during the last FY 2022-23. The Profit before Interest, Depreciation and Taxation stood at ₹ 45,504.79 Lakhs as against ₹ 36,736.17 Lakhs in the previous year registering a growth of 23.87 %. The Net Profit after Tax for the year under review stood at ₹ 22,533.81 Lakhs as against ₹ 14,091.09 Lakhs in the previous year registering a steady growth of 59.92 %. Earnings per Share (EPS) stood at ₹ 9.34 (face value of ₹ 10/- each) for the financial year ended March 31, 2024. During the year Company's performance has been significantly higher as compared to the previous year especially in terms of profitability.

Such significant growth has been result of factors such as setting up of a Pellet Plant having capacity of 7,92,000 MT which helped to reduce cost of raw materials. Also purchase of own railway rakes by the Company for transporting coal to the factory timely and cost effectively has led to reduction in freight cost which in turn has helped to improve the profitability.

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

We, at Gallantt Ispat, believe that to ensure skill development and to be able to face major challenges, we need teams who deliver and who are motivated. Our human capital is our greatest tool for shaping the future of the Company and is also critical for our smooth functioning. Discovering talented people and retaining them is the key aim of our HR policy. Our people are our greatest strength as a Company and the bedrock of our organization. Human Resource is a continuous and ever evolving function at our Company. The Company believes that human resources enable the Company to consistently meet customer requirements and deliver exceptional performance for all stakeholders. The Company continues to maintain its record on cordial industrial relations. The Company continues to invest in people through various initiatives such as regularly conducting training programmes to enhance the skills, knowledge, and productivity of employees and keep them updated about the latest techniques. Company also places high importance on the safety of its employees and ensures adherence to safe work practices. As on March 31, 2024, the employee strength of the Company was 3,134. The Company has maintained harmonious industrial relations in all units of the Company during the financial year 2023-24.

### SIGNIFICANT CHANGES IN FINANCIAL RATIOS

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

Sr. No.	Financial Ratio	2023-24	2022-23	% Age Variance	Remarks for variation more than 25%
(a)	Current Ratio	2.33	1.85	26.30	This ratio has increased due to efficiently utilisation of working capital
(b)	Debt Equity Ratio	0.279	0.325	(14.10)	Not Applicable





Sr. No.	Financial Ratio	2023-24	2022-23	% Age Variance	Remarks for variation more than 25%
(c)	Debt Service Coverage Ratio	13.09	9.86	32.71	This ratio has increased due to increase in net profit during the year
(d)	Return on Equity Ratio	9.64	6.54	47.34	This ratio has increased due to increase in net profit during the year
(e)	Inventory Turnover Ratio	52.11	49.37	5.54	Not Applicable
(f)	Trade Receivables Turnover Ratio	33.66	27.11	24.18	Not Applicable
(g)	Trade Payables Turnover Ratio	16.41	19.28	(14.90)	Not Applicable
(h)	Net Capital Turnover Ratio	6.68	8.75	(23.68)	Not Applicable
(i)	Net Profit Ratio	5.43	3.53	53.83	This ratio has increased due to increase in net profit during the year
(j)	Return on Capital employed	12.72	11.08	14.78	Not Applicable
(k)	Return on Investment	-	-	-	Not Applicable

### CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" and based on certain assumptions/expectations and current scenario and the input available. Actual results might differ substantially or materially to those expressed or implied. Important developments including global or domestic trends, political and economic environment in India or Overseas might affect the Company's operations.

On behalf of the Board

**Chandra Prakash Agrawal**

DIN: 01814318

Chairman & MD

Place: Gorakhpur  
Date: May 02, 2024



Annexure - IV

**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/ Loss before Taxation	Provision for Taxation	Profit/ Loss 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 Associates/Joint Venture	Gallantt Medicity Devlopers Private Limited
1. Latest audited Balance Sheet Date	31.03.2024
2. Shares of Associate held by the Company on 31.03.2024	
• Number of Shares	7,81,300
• Amount of Investment in Associate	780.13 Lakhs
• Extend of Holding %	26%
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. Net worth attributable to Shareholding as per latest audited Balance Sheet	Consolidated
6. Profit / Loss for the year	
• Considered in Consolidation	1.06 Lakhs
• Not Considered in Consolidation	-

Additional Disclosure	Name of Associates/Joint Ventures
1. Associates and Joint Ventures yet to commence operation	Nil
2. Associates and Joint Ventures liquidated or sold during the year	Nil

As per our report of even date

**For MAROTI & ASSOCIATES**

**Chartered Accountants**

Firm Registration No. 322770E

**Chandra Prakash Agrawal**

DIN: 01814318

*Chairman & Managing Director*

**Dinesh R. Agarwal**

DIN: 01017125

*Whole time Director*

**CA Komal Jain**

*Partner*

Membership No: 303583

UDIN: 24303583BKFP9875

Place: New Delhi

Date: May 02, 2024

**Mayank Agrawal**

*Chief Executive Officer*

**Sandip Kumar Agarwal**

*Chief Financial Officer*

**Nitesh Kumar**

*Company Secretary*

Annexure - V

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

**A. CONSERVATION OF ENERGY**

**(a) Steps taken for conservation of energy:**

Your Company is continually taking necessary steps to absorb and adopt the latest technologies. These initiatives enable the facilities to become more efficient and productive as the company expands, thereby helps in energy conservation.

Company ensures that all machineries and equipments are continuously serviced, updated and overhauled in order to maintain them in good condition which in turn results in lesser energy consumption.

Energy Conservation continues to receive increased emphasis at all the units of the Company. Your Company’s technical team monitors closely and vigorously various plants and equipment and suggests adoption of new and latest technology etc. and discuss to identify areas of improvement. Few measures taken by the Company are as follows –

**General & Utility:**

- Replacement of Existing 100 Nos (150 Watt) HPSV lights with 50 Nos (100 Watt) LED Lights in Utility Area
- Timer Switch Provided in all Tower Light for Light Switching ON Off Automatically

**Sponge Iron Division:**

- Replacement of Existing 100 Nos (50 Watt) HPSV lights with 50 Nos (36 Watt) LED Lights in SID
- 2 X 90 KW Inverter Provided for Bag Filter System
- Level Sensor Provided for Bag Filter & ESP Hopper

**Rolling Mill Division:**

- Replacement of Existing 20 Nos (400 Watt) HPSV lights with 10 Nos (250 Watt) LED Lights in RM
- 3 X 110 KW Inverter Provided for TMT Pump System
- APFC Panel Install for Power Factor Improvement.

**Steel Melting Shop Division:**

- Replacement of Existing 100 Nos (250 Watt) HPSV lights with 50 Nos (100 Watt) LED Lights in SMS
- 4 X 315 KW Inverter Provided for FES
- Replacement of Diesel Furnace pre-heater with Electrical Furnace Pre-heater.

**THE IMPACT OF ABOVE MEASURES:-**

**General & Utility:**

- HPSV lights with LED Lights Saved Electricity **36,500 KWH** Per Year.

Lighting System	Qty	Watt	Running Hours	Power Consumption (Unit/Day)	Power Consumption (Unit/Yearly)	Saving (KWH)
HPSV Lights (Before)	100	150	10	150	54,750	36,500
LED lights (After)	50	100	10	50	18,250	



- With auto switch System LED Lights Saved Electricity **4670 KWH** Per Year.

Lighting System	Qty	Watt	Running Hours	Power Consumption (Unit/Day)	Power Consumption (Unit/Yearly)	Saving (KWH)
Without Timer (Before)	16	400	12	76.8	28,032	4,670
With Timer(After) 4 Nos	16	400	10	64	23,360	

### Sponge Iron Division:

- HPSV lights with LED Lights Saved Electricity **11680 KWH** Per Year.

Lighting System	Qty	Watt	Running Hours	Power Consumption (Unit/Day)	Power Consumption (Unit/Yearly)	Saving (KWH)
HPSV Lights (Before)	100	50	10	50	18,250	11,680
LED lights (After)	50	36	10	18	6,570	

- VFD Provided for Bag Filter System Saved Electricity **4,73,040 KWH** Per Year.

Operation	Qty	Power	Running Hours	Consumption/ Day	Consumption (yearly)	Saving (KWH)
S/D Starter (90% Load)	2	90	24	3888	14,19,120	4,73,040
Via VFD (60% load)	2	90	24	2592	9,46,080	

Level Sensor Provided for Bag Filter Hopper Saved Electricity **1,64,250 KWH** Per Year

Operation	Qty	Power	Running Hours	Consumption/ Day	Consumption (yearly)	Saving (KWH)
Without Level Sensor in Hopper Ash Handling System	10	15	9	1350	4,92,750	1,64,250
Without Level Sensor in Hopper Ash Handling System	10	15	6	900	3,28,500	

### Rolling Mill Division:

- HPSV lights with LED Lights Saved Electricity **20,075 KWH** Per Year.

Operation	Qty	Watt	Running Hours	Power Consumption (Unit/Day)	Power Consumption (Unit/Yearly)	Saving (KWH)
HPSV Lights (Before)	20	400	10	80	29,200	20,075
LED lights (After)	10	250	10	25	9,125	

- VFD Provided for TMT Pump System Saved Electricity **946080 KWH** Per Year.

Operation	Qty	Power	Running Hours	Power Consumption (Unit/Day)	Power Consumption (Unit/Yearly)	Saving (KWH)
S/D Starter (90% Load)	3	120	24	7,776	28,38,240	9,46,080
Via VFD (60% load)	3	120	24	5,184	18,92,160	

**Steel Melting Shop Division:**

- HPSV lights with LED Lights Saved Electricity **73,000 KWH** Per Year.

Lighting System	Qty	Watt	Running Hours	Power Consumption (Unit/Day)	Power Consumption (Unit/Yearly)	Saving (KWH)
HPSV Lights (Before)	100	250	10	250	91,250	73,000
LED lights (After)	50	100	10	50	18,250	

- Drive Install for Pollution System Saved Electricity **3,03,534 KWH** Per Year.

Operation	Qty	Power	Running Hours	Consumption/Day	Consumption (yearly)	Saving (KWH)
4 x 315 Kw Drive Install for Pollution System (Saving 25% Energy)	4	315	11 Hours (Load 60%)	8,316	30,35,340	3,03,534

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

The Company has been generating power by recovering and utilizing waste heat generated in sponge iron division and is also setting up Solar Power Plant to meet its additional power requirement.

<b>(iii) CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS</b>	<b>₹ In Lakhs</b>
<b>General &amp; Utility:</b>	
1. Replacement of HPSV lights with LED Lights in	1.5
2. Timer Switch Provided in all Tower Light for Light Switching	0.2
<b>Sponge Iron Division:</b>	
1. Inverter Provided for Bag Filter System	18.0
2. Replacement of HPSV lights with LED Lights in SID	1.1
3. Level Sensor Provided for Bag Filter & ESP Hopper	0.4
<b>Rolling Mill Division:</b>	
1. VFD Provided for TMT Pump System	18.0
2. Replacement of HPSV lights with LED Lights in RM	3.2
3. APFC Panel Install for Power Factor Improvement	11.3
<b>Steel Melting Shop Division:</b>	
1. Replacement of HPSV lights with LED Lights in SMS	1.6
2. Drive Install for FES (Pollution System)	52.0
3. Installation of electrical pre heater	26.00
<b>TOTAL INVESTMENTS</b>	<b>133.3</b>



<b>(iii) CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS</b>	<b>₹ In Lakhs</b>
<b>SAVINGS:</b>	
Sponge Iron Division:	
Reduction in specific Electrical Energy by Enhancing Production with Better Operation, Process Control	45.4
<b>General &amp; Utility:</b>	
Reduction in specific Electrical Energy by Enhancing Production with Better Operation, Process Control	2.6
<b>Rolling Mill Division:</b>	
Reduction in specific Electrical Energy by Enhancing Production with Better Operation, Process Control	67.0
<b>Steel Melting Shop Division:</b>	
Reduction in specific Electrical Energy by Enhancing Production with Better Operation, Process Control	26.3
Reduction in energy consumption due to replacement of diesel pre-heater by electric pre-heater.	65.98
<b>TOTAL SAVINGS</b>	<b>207.18</b>
<b>(B) TECHNOLOGY ABSORPTION -</b>	<b>₹ In Lakhs</b>
(i) the efforts made towards technology absorption;	None
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	Nil
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year) -	None
(a) the details of technology imported;	N.A.
(b) the year of import;	N.A.
(c) whether the technology been fully absorbed;	N.A.
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.
(iv) the expenditure incurred on Research and Development.	None
<b>(C) FOREIGN EXCHANGE EARNINGS AND OUTGO</b>	<b>₹ In Lakhs</b>
The Foreign Exchange earned in terms of actual inflows during the year	NIL
Foreign Exchange outgo during the year in terms of actual outflows	<b>76,061.00</b>

Annexure - VI

## MANAGERIAL REMUNERATION

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

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

Name	Designation	Ratio to median remuneration of employee
Mr. Chandra Prakash Agrawal	Chairman & Managing Director	26.24:1
Mr. Dinesh R. Agarwal	Whole-time Director	26.24:1
Mr. Nitin Mahavir Prasad Kandoi	Whole-time Director	26.24:1
Mr. Prem Prakash Agrawal (Appointed on 02.11.2023)	Whole-time Director	10.41:1
Mr. Prashant Jalan	Director (Plant-Operation)	4.89:1
Mr. Ashtbhuj Prasad Srivastava	Independent Director	N.A. *
Mr. Jyotirindra Nath Dey	Independent Director	N.A. *
Mrs. Nishi Agrawal	Independent Director	N.A. *
Mr. Udit Agarwal	Independent Director	N.A. *
Mr. Smita Modi (Appointed 02.11.2023)	Independent Director	N.A. *
Mr. Pankaj Khanna (Appointed 02.11.2023)	Independent Director	N.A. *

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

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

Name	Designation	% Increase
Mr. Chandra Prakash Agrawal	Chairman & Managing Director	4.65%
Mr. Dinesh R. Agarwal	Whole-time Director	16.24%
Mr. Nitin Mahavir Prasad Kandoi	Whole-time Director	12.50%
Mr. Prashant Jalan	Director (Plant-Operation)	5.96%
Mr. Prem Prakash Agrawal (Appointed 02.11.2023)	Whole-time Director	N.A.
Mr. Ashtbhuj Prasad Srivastava	Independent Director	N.A. *
Mr. Jyotirindra Nath Dey	Independent Director	N.A. *
Mrs. Nishi Agrawal	Independent Director	N.A. *
Mr. Udit Agarwal	Independent Director	N.A. *
Mr. Smita Modi (Appointed 02.11.2023)	Independent Director	N.A. *
Mr. Pankaj Khanna (Appointed 02.11.2023)	Independent Director	N.A. *
Mr. Mayank Agrawal	Chief Executive Officer	33.33%
Mr. Sandip Kumar Agarwal	Chief Financial Officer	8.08%
Mr. Nitesh Kumar	Company Secretary	9.52%

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





- (c) **percentage increase in the median remuneration of employees in the financial year:** 6.13%
- (d) **number of permanent employees on the rolls of company;** 3,134
- (e) **Explanation on the relationship between average increase in remuneration and company performance:**

The profit before tax for the financial year ended March 31, 2024 increased by 29.78% and the profit after tax for the financial year ended March 31, 2024 increased by 59.92% whereas the increase in median remuneration is 6.13%. The average increase in median remuneration is in line with the performance of the company.

- (f) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;**

the total remuneration of KMP increased 21.11%, whereas the profit before tax increased by 29.78% and the profit after tax decreased by 59.92%.

- (g) **Average percentile increased already made in the salaries of employees other than the managerial personnel in the last- financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** (2.85%) (Non-ManAGERIAL Personnel) and 5.70% (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	4.65%	The profit before tax for the financial year ended March 31, 2024 increased by 29.78% and the profit after tax for the financial year ended March 31, 2024 increased by 59.92%.
Mr. Dinesh R. Agarwal	Whole-time Director	16.24%	
Mr. Nitin Mahavir Prasad Kandoi	Whole-time Director	12.50%	
Mr. Prashant Jalan	Director (Plant-Operation)	5.96%	
Mr. Prem Prakash Agrawal (Appointed 02.11.2023)	Whole-time Director	N.A.	
Mr. Mayank Agrawal	Chief Executive Officer	33.33%	
Mr. Sandip Kumar Agarwal	Chief Financial Officer	8.08%	
Mr. Nitesh Kumar	Company Secretary	9.52%	

- (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.

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



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

Sr. No.	Employee Name	Father Name	Date of Birth	Age	Educational Qualification	Date of Joining	Salary	Last Employment	Designation	Department	Relation with Directors	Experience
1	Anmol Anand	Ramlal Anand	12/03/1959	64	Bachelor of Engineering	01/04/2014	59,65,068	Greensol Power System Pvt Ltd	President	Power Plant	No	42
2	Nitesh Kumar*	Arjun Ram	04/07/1978	46	Company Secretary, Institute of Company Secretaries of India	10/08/2022	43,70,154	Erstwhile Gallantt Ispat Limited	Company Secretary & Compliance Officer	Compliance and Legal Department	No	21
3	Parathsaradhi Sekhar Rao Dulla	Sekhar Rao Dulla	12/03/1982	41	B. Tech, Metallurgy	01/01/2016	30,97,697	Baba Akila Sai Jyoti Industries Pvt Ltd	General Manager Process	Sponge Plant	No	18
4	Vijay Kumar Singhal	Hari Om Singhal	26/10/1974	49	Diploma Mechanical	24/02/2022	29,74,856	Super Smelters Limited	Senior GM	Pellets Plant	No	29
5	Ashwini Kumar Mishra	Kulamani Mishra	13/06/1971	53	B. Tech & B.O.E.	01/11/2022	29,63,450	Electrotherm India Limited, Samakhlyali	Vice President	Power Plant	No	25
6	Sandip Kumar Agarwal	Om Prakash Agarwal	13/03/1973	50	CA (Inter)	01/08/2006	29,29,708	Govind Mills Ltd.	CFO	Finance and Administration	No	28
7	Mayank Agrawal*	Chandra Prakash Agrawal	20/07/1984	40	MBA	10/08/2022	24,00,000	Erstwhile Gallantt Ispat Limited	CEO	Plant Operations and administration	Yes. Son of Chairman & MD Mr. Chandra Prakash Agrawal	10
8	Prashant Bhardwaj	Subhash Chandra Sharma	15/09/1978	45	PGDBM	01/06/2006	28,11,167	Kamdhenu Ispat Limited	Vice President (Sales)	Sales	No	22
9	N Surandra Mohan Reddy	Ram Reddy	01/05/1981	43	Diploma in Metallurgy	11/07/2022	27,08,998	Anand Group Ltd. Hyderabad	Assistant General Manager	Sponge Plant	No	21
10	Demdu Gunupudi	Sriramlu Gunapudi	28/08/1976	47	Diploma Mechanical	13/07/2019	23,93,823	Steel Energy India Ltd	General Manager	Sponge Plant	No	25

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

# Mr. Mayank Agrawal was already serving as the Chief Executive Officer of erstwhile Gallantt Ispat Limited, since 2016, which has now amalgamated with the Company.



## Annexure - VII

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

(₹ in Lakhs)

Sr. No.	Borrower	Loans	Rate of Interest (%)	Purpose for which the loan is proposed to be utilized by the recipient	Investments	Guarantee
1	GL Steel & Power Limited	183.01	9.00	Principal Business	NIL	NIL
2	Ganesh Laxmi Processors Private Limited	241.30	9.00	Principal Business	NIL	NIL



## Annexure - VIII

# CORPORATE SOCIAL RESPONSIBILITY POLICY

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

## INTRODUCTION

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

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

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

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

## VISION

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

## MISSION

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

## CORPORATE SOCIAL RESPONSIBILITY PHILOSOPHY

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

## OBJECTIVES OF THE POLICY

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

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

## DEFINITIONS

"Act" means the Companies Act, 2013;

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

"Ministry" means the Ministry of Corporate Affairs;



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

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

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

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

### **LIST OF CSR PROJECTS/PROGRAMS/ACTIVITIES**

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

The activities involve the following:

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- Contribution to the Prime Ministers’ National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institution which are approved by the Central Government;
- Rural development projects.

Any other activities in relation of the above and all other activities which forms part of CSR as per Schedule VII of the Act as amended from time to time.

### **AREA OF ACTIVITY**

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



## THE PROCESS TO MONITOR SUCH PROJECTS OR PROGRAMS

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

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

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

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

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

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

## PLANNING AND IMPLEMENTATION

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

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

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

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

In case of Ongoing Project if any, the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, required for smooth implementation of the project within the overall permissible time period. ("Ongoing Project" is defined to mean a multi-year CSR project having timelines not exceeding 3 years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond 1 year by the Board based on reasonable justification).

## CSR EXPENDITURE

1. The Company would spend not less than 2% of the average Net Profits of the Company made during the three immediately preceding financial years. The surplus arising out of the CSR activity will not be part of business profits of the Company. The corpus would thus include 2% of average net profits, as aforesaid, any income arising there from and surplus arising out of CSR activities.



2. The Company may build CSR capacities of its personnel and/or those of its implementing agencies through Institutions with established track records of at least three financial years but such expenditure shall not exceed five percent of total CSR expenditure of the Company in one financial year.
3. Based on its consultative process of needs assessment as well as other criteria for identifying social initiatives, necessary budget allocation exercise shall be carried out at the start of relevant accounting year. The budget shall include details of activities/projects planned to be covered during the year. However, administrative overheads shall not exceed such limits as prescribed under the Act.
4. In any financial year, if the budgeted amount is not spent, Board shall, in its report made under Section 134 (3) (o) of the Act, specify the reasons for not spending the amount.
5. The Company shall deal with the unspent amount, if any, in the following manner:
  - a) Where the unspent amount is related to an Ongoing Project, such unspent amount shall be transferred to the CSR Unspent Account within a period of 30 days from the end of the financial year and the same shall be spent in the manner as prescribed in Section 135(6) of the Act and the Rules; and
  - b) Where the unspent amount is not related to an Ongoing Project, such unspent amount shall be transferred to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year or such other time period as permissible under the Applicable Law.
6. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
7. If the Company spends an amount in excess of the minimum allocation of CSR, such excess amount may be set off against the minimum allocation of CSR of three immediately succeeding financial years subject to the conditions that –
  - a) The excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of Rule 7(2) of the Rules.
  - b) The Board of the Company shall pass a resolution to that effect.
8. The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by –
  - a) A Company established under Section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number; or
  - b) Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
  - c) A public authority.
9. The CSR Committee would be authorized for sanctioning the amount for any specific activity/ initiative within the overall approved ceiling limit and/or to delegate authority from time to time to the Authorised Person to allocate amount for any such specific activity within the approved ceiling limit.

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

1. The Management shall place before the CSR Committee as well as before the Board, the Annual Action Plan preferably at the beginning of the Financial Year or such time as may be practically possible, which may be amended from time to time as recommended by the CSR Committee and approved by the Board.
2. Annual action plan shall include the following:
  - a) the list of CSR projects or programmes that are approved to be undertaken in the areas or subjects specified in Schedule VII of the Act;
  - b) the manner of execution of such projects or programmes as specified in Rule 4(1) of the Rules;
  - c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - d) monitoring and reporting mechanism for the projects or programmes; and



- e) details of need and impact assessment, if any, for the projects undertaken by the Company;
3. The Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

### **IMPACT ASSESSMENT**

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

### **REVIEW AND REPORTING**

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

The Company will report in the prescribed format, the details of CSR initiatives and activities of the Company in the Director's Report and on the website of the Company, as required under the Regulations.

### **AMENDMENTS TO THE POLICY**

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





## Annexure - IX

## ANNUAL REPORT ON CSR ACTIVITIES

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

### 1. Brief outline on CSR Policy of the Company:

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

- 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;

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

### 2. Composition of CSR Committee:

Sr. No.	Name of Directors	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attending during the year
1.	Mr. Jyotirindra Nath Dey*	Chairman	2	2
2.	Mr. Chandra Prakash Agrawal	Member	2	2
3.	Mr. Dinesh R. Agarwal	Member	2	2

\* Mr. Jyotirindra Nath Dey has retired w.e.f. 31.03.2024 due to completion of his tenure

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	<a href="http://gallantt.com/investors%20corner">http://gallantt.com/investors corner</a>
4.	Provide the executive summary along with web-link of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	NIL

Sr. No.	Financial Year	Amount available for set-off from preceding financial year	Amount required to be set-off for the financial year, if any
		NIL	
6.	Average net profit of the company as per section 135(5)		₹ 21,889.47 Lakhs
7.	(a) Two percent of average net profit of the company as per section 135(5)		₹ 437.79 Lakhs
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.		₹ 34.96 Lakhs
	(c) Amount required to be set off for the financial year, if any		-
	(d) Total CSR obligation for the financial year (7a+7b-7c).		₹ 437.79 Lakhs

**8. (a) CSR amount spent or unspent for the financial year:**

Total amount spent for the financial year	Amount unspent				
	Total amount transferred to unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 427.54 Lakhs	-	-	-	-	-

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

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

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/No)	Location of the project		Amount spent for the Project (Amount in Lakhs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation Through Implementing agency	
				State	District			Name	CSR Regn No.
1.	Health Care	Health and Medical	Yes	Gujarat	Kutch	0.37	Yes	N.A.	N.A.
2.	Health Care	Health and Medical	Yes	Gujarat	Kutch	0.51	No. Paid to Lions Club of Gandhidham for Health care	N.A.	N.A.
3.	Health Care	Health and Medical	Yes	Gujarat	Kutch	2.00	No. Paid to Marwadi Yuva Munch for Artificial transplant camp	N.A.	N.A.
4.	Health Care	Health and Medical	Yes	Gujarat	Kutch	0.08	Yes	N.A.	N.A.
5.	Promoting Social Welfare	Promoting Social Welfare	Yes	Uttar Pradesh	Gorakhpur	400.00	No. Through Trust of the Company, Gallantt Foundation	Gallantt Foundation	CSR 00067161
6.	Annapurna Rasoi – A mission of food for all	Promoting Social Welfare	Yes	Uttar Pradesh	Gorakhpur	24.58	Direct. Company has set up a Community Kitchen named Annapurna Rasoi which feeds approximately 1,000 people daily in Gorakhpur.	N.A.	N.A.

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: N.A.

(f) Total amount spent for the Financial Year : ₹ 427.54 Lakhs

**(g) Excess amount for set off, if any**

(₹ in Lakhs)

Sr. No.	Particulars	Purpose for which the loan is proposed to be utilized by the recipient
(i)	Two percent of average net profit of the company as per section 135(5)	437.79
(ii)	Total amount spent for the Financial Year	427.54
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous	34.96
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	24.71

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

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

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

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

For CSR Committee,  
**GALLANTT ISPAT LIMITED**

**Udit Agarwal**

(DIN: 07036864)

*Chairman of CSR Committee & Director*

Place: Kolkata

Date: May 02, 2024

Annexure - X

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2024

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

To  
The Members  
**GALLANTT ISPAT LIMITED**  
Gorakhpur Industrial Development Authority (GIDA)  
Sahjanwa, Gorakhpur  
Uttar Pradesh – 273209

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by M/s. Gallantt Ispat Limited (CIN: L27109UP2005PLC195660) (hereinafter called the Company). Secretarial Audit was conducted based on records made available to us, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion/understanding thereon.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us, for the financial year ended on March 31, 2024 according to the applicable provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder and the Companies Act, 1956 and the rules made thereunder as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Applicable provisions of Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI ACT"):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009; – Not Applicable as the Company did not issue any security during the financial year under review.
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014; - Not Applicable as the Company does not have Employee Stock Option Scheme for its employees;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; – Not applicable as the Company has not issued any debt securities during the financial year under review;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued.
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; – Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable as the Company has not done any buyback of its securities during the financial year under review.



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

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

- (a) Mines and Minerals (Development Regulation) Act, 1957 and other Acts/Rules as applicable to Mining activities;
- (b) The Electricity Act, 2003 and rules issued thereunder;
- (c) National Tariff Policy;
- (d) Indian Boilers Act, 1923 and rules issued thereunder;
- (e) Explosives Act, 1884 and rules issued thereunder;
- (f) Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
- (g) Applicable Labour laws and rules issued thereunder;
- (h) Applicable Environment laws and rules issued thereunder;
- (i) Applicable direct & indirect tax laws and rules issued thereunder;
- (j) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

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

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-executive Directors including Independent Directors. The Board has appointed Mr. Prem Prakash Agrawal (DIN: 01397585) as a Whole-time Director, Mrs. Smita Modi (DIN: 01141396) and Mr. Pankaj Khanna (DIN: 10377030) as Non-Executive Independent Directors of the Company.

We further report that Mr. Prashant Jalan (DIN: 06619739) and Mr. Ashtbhuja Prasad Srivastava (DIN: 08434115) were reappointed as Whole-time Director and Independent Director respectively at the Extra-Ordinary General Meeting (EOGM) of the Company held on December 20, 2023.

Mr. Ashtbhuja Prasad Srivastava will attain the age of 75 years during his second consecutive term of 5 (five) years and therefore in accordance with Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has also sought and passed a special resolution at the said EOGM.

We further report that during the year the registered office of the Company was shifted from New Delhi to Gorakhpur, Uttar Pradesh.

We further report that during the year the Income Tax Department in exercise of its power under Section 132 of the Income Tax Act, 1961 has carried out an Income Tax Search Operation at the Plant Office and Factory Premises of the Company together with other business offices and residential houses of Promoters of the Company. Few documents and records of the Company were seized by the Department. The assessment procedure is under process. No material issues have been found that may affect going concern status of the Company.

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

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

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

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

There are no other specific events/actions in pursuance of the above referred laws, rules, regulations guidelines etc., having a major bearing on the Company's Affairs.

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

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

We further report that during the audit period:

We further report that during the audit year the Company held one Extra-Ordinary General Meeting (EOGM) on December 20, 2023.

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*

ACS 34471; CP No. 12855

UDIN: A034471F000288439

Place: Kolkata

Date: May 02, 2024

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



## Annexure A

To  
The Members,  
**GALLANTT ISPAT LIMITED**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, and authorised representatives during the conduct of the audit and also on the review of quarterly compliance report issued by the respective departmental heads/ Company Secretary/Managing Director & CEO, and taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour Laws & Environment Laws.
8. We further report that the compliance by the Company of applicable Financial Laws like Direct & Indirect Tax Laws has not been reviewed in this audit since the same has been subject to review by the statutory financial auditor and other designated professionals.

While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after March 31, 2024 but before issue of the Report.

Place: Kolkata  
Date: May 02, 2024

**Anurag Fatehpuria**  
*Company Secretary*  
ACS 34471; CP No. 12855  
UDIN: A034471F000288439

Annexure - XI

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

as on the financial period ended on 31<sup>st</sup> March 2024  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

<b>Sr. No.</b>	<b>CIN</b>	L27109UP2005PLC195660
<b>1.</b>	<b>Registration Date</b>	07/02/2005
<b>2.</b>	<b>Name of the Company</b>	Gallantt Ispat Limited
<b>3.</b>	<b>Category /Sub-Category of the Company</b>	Public Company limited by Shares/Indian Non-Government Company
<b>4.</b>	<b>Address</b>	Gorakhpur Industrial Development Authority "GIDA" Sahjanwa, Gorakhpur - 273209 Uttar Pradesh Telefax: 0551 3515500
<b>5.</b>	<b>Whether listed Company</b>	Yes
<b>6.</b>	<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	<b>Niche Technologies Private Limited</b> 7 <sup>th</sup> Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata – 700017, West Bengal. <b>Tel.:</b> (033) 2280 6616 / 17 / 18 <b>Email id:</b> nichetechpl@nichetechpl.com <b>Website:</b> www.nichetechpl.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

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

\*Inter Segment

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

<b>Sr. No.</b>	<b>Name and address of the Company</b>	<b>CIN/GIN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of Shares</b>	<b>Applicable Section</b>
1.	Gallantt Medicity Devlopers Private Limited	U68100UP2023PTC180211	Associate	26%	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	
<b>A. PROMOTERS</b>									
<b>(1) Indian</b>									
a) Individual / HUF	165891642	0	165891642	68.755	166320810	0	166320810	68.932	0.177
b) Central Government									
c) State Government									
d) Bodies Corporate									
e) Banks / Financial Institutions									
f) Any Other									
<b>Sub-total (A)(1)</b>	<b>165891642</b>	<b>0</b>	<b>165891642</b>	<b>68.755</b>	<b>166320810</b>	<b>0</b>	<b>166320810</b>	<b>68.932</b>	<b>0.177</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corporate									
d) Banks / Financial Institutions									
e) Any Other									
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>165891642</b>	<b>0</b>	<b>165891642</b>	<b>68.755</b>	<b>166320810</b>	<b>0</b>	<b>166320810</b>	<b>68.932</b>	<b>0.177</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0.000	0	0	0	0.000	0.000
b) Banks / Financial Institutions	0	0	0	0.000	0	0	0	0.000	0.000
c) Central Governments	0	0	0	0.000	0	0	0	0.000	0.000
d) State Governments	0	0	0	0.000	0	0	0	0.000	0.000
e) Venture Capital Funds	0	0	0	0.000	0	0	0	0.000	0.000
f) Insurance Companies	0	0	0	0.000	0	0	0	0.000	0.000
g) Foreign Institutional Investors (FII)	0	0	0	0.000	0	0	0	0.000	0.000
h) Foreign Venture Capital Funds	0	0	0	0.000	0	0	0	0.000	0.000
i) Others (Specify)	33534	0	33534	0.014	58731	0	58731	0.024	0.010
<b>Sub-total (B)(1)</b>	<b>33534</b>	<b>0</b>	<b>33534</b>	<b>0.014</b>	<b>58731</b>	<b>0</b>	<b>58731</b>	<b>0.024</b>	<b>0.010</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	47292362	69500	47361862	19.629	45972681	69500	46042181	19.082	(0.547)
ii) Overseas	0	0	0	0.000	0	0	0	0.000	0.000
b) Individuals	0	0	0	0	0	0	0	0	0



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	
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	5702792	109316	5812108	2.409	5699280	109316	5808596	2.407	(0.002)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	22020781	0	22020781	9.127	22887891	0	22887891	9.486	0.359
c) Others Specify									
1. NRI	144780	0	144780	0.060	149519	0	149519	0.062	0.002
2. Overseas Corporate Bodies	0	0	0	0.000	0	0	0	0.000	0.000
3. Foreign Nationals	0	0	0	0.000	0	0	0	0.000	0.000
4. Clearing Members	6551	0	6551	0.003	3510	0	3510	0.001	(0.002)
5. Trusts	0	0	0	0.000	0	0	0	0.000	0.000
6. Foreign Bodies - D.R.	0	0	0	0.000	0	0	0	0.000	0.000
7. IEPF Authority	9687	0	9687	0.004	9707	0	9707	0.004	0.004
8. Unclaimed Shares A/c	0	0	0	0.000	0	0	0	0.000	0.000
<b>Sub-total (B)(2)</b>	<b>75176953</b>	<b>178816</b>	<b>75355769</b>	<b>31.232</b>	<b>74722588</b>	<b>178816</b>	<b>74901404</b>	<b>31.043</b>	<b>(0.189)</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>75210487</b>	<b>178816</b>	<b>75389303</b>	<b>31.245</b>	<b>74781319</b>	<b>178816</b>	<b>74960135</b>	<b>31.068</b>	<b>(0.177)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.000	0	0	0	0.000	0.000
<b>GRAND TOTAL (A+B+C)</b>	<b>241102129</b>	<b>178816</b>	<b>241280945</b>	<b>100.000</b>	<b>241102129</b>	<b>178816</b>	<b>241280945</b>	<b>100.000</b>	<b>0.000</b>

## B. Shareholding of Promoters

Sr. No.	Shareholders 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 share	No of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total share	
1	ANUPAM AGARWAL	8896	0.004	0.000	8896	0.004	0.000	0.000
2	ASHUTOSH AGRAWAL	8604248	3.566	0.000	8604248	3.566	0.000	0.000
3	BRIJ MOHAN JOSHI	2500	0.001	0.000	2500	0.001	0.000	0.000
4	CHANDRA PRAKASH AGRAWAL	70448608	29.198	0.426	70448608	29.198	0.426	0.000
5	DINESH KUMAR AGARWAL	14012196	5.807	1.499	14012196	5.807	1.499	0.000
6	CHANDRA PRAKASH AGRAWAL HUF	4953863	2.053	0.000	5418696	2.246	0.000	0.193
7	KARUNA JINDAL	4046	0.002	98.863	3000	0.001	100.00	(0.001)
8	KUSUM JALAN	19661	0.008	0.000	19661	0.008	0.000	0.000
9	MAANA AV DINESHKUMAR AGARWAL	72804	0.030	0.000	72804	0.030	0.000	0.000



Sr. No.	Shareholders 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 share	No of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total share	
10	MADHU AGRAWAL	15689917	6.503	0.000	15689917	6.503	0.000	0.000
11	MAYANK AGRAWAL	16331915	6.769	0.000	16331915	6.769	0.000	0.000
12	NARAIN PRASAD AJITSARIA	2500	0.001	0.000	2500	0.001	0.000	0.000
13	NIDHI JALAN	24500	0.010	0.000	24500	0.010	0.000	0.000
14	NITIN KANDOI	451571	0.187	0.111	451571	0.187	0.111	0.000
15	OM PRAKASH JALAN	110677	0.046	0.000	110677	0.046	0.000	0.000
16	PALLAVI AGRAWAL	2497500	1.035	0.000	2497500	1.035	0.000	0.000
17	PREM PRAKASH AGRAWAL	7334667	3.040	0.000	7334667	3.040	0.000	0.000
18	PREM PRAKASH AGRAWAL HUF	5575467	2.311	0.000	5575467	2.311	0.000	0.000
19	PRIYA SARAFF	100000	0.041	0.000	100000	0.041	0.000	0.000
20	PRIYANKA DAS	29512	0.012	83.403	4893	0.002	83.403	-0.010
21	PRIYANKA GUPTA	4985000	2.066	0.000	4985000	2.066	0.000	0.000
22	SANTOSH KUMAR AGRAWAL	297535	0.123	0.000	297535	0.123	0.000	0.000
23	SANTOSH KUMAR AGRAWAL HUF	5650943	2.342	0.000	5650943	2.342	0.000	0.000
24	SHRUTI KANDOI	17056	0.007	0.000	17056	0.007	0.000	0.000
25	SHYAMA AGRAWAL	5160670	2.139	0.000	5160670	2.139	0.000	0.000
26	SMRITI AGARWAL	2549775	1.057	0.000	2549775	1.057	0.000	0.000
27	SUBODH KUMAR JALAN	10000	0.004	0.000	0	0.000	0.000	(0.004)
28	SUMESH KUMAR AGARWAL	100000	0.041	0.000	100000	0.041	0.000	0.000
29	UMA AGARWAL	845615	0.350	0.000	845615	0.350	0.000	0.000
	<b>TOTAL</b>	<b>165891642</b>	<b>68.755</b>	<b>0.325</b>	<b>166320810</b>	<b>68.932</b>	<b>0.309</b>	<b>0.177</b>

### C. Change in Promoter's Shareholding

Sr. No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding at the end of the Year	
		No of Share	% of total shares of the company	No of Share	% of total shares of the company
<b>1</b>	<b>ANUPAM AGARWAL</b>				
	a) At the Beginning of the Year	8896	0.004		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			8896	0.004
<b>2</b>	<b>ASHUTOSH AGRAWAL</b>				
	a) At the Beginning of the Year	8604248			
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			8604248	3.566
<b>3</b>	<b>BRIJ MOHAN JOSHI</b>				
	a) At the Beginning of the Year	2500	0.001		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			2500	0.001

Sr. No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding at the end of the Year	
		No of Share	% of total shares of the company	No of Share	% of total shares of the company
<b>4</b>	<b>CHANDRA PRAKASH AGRAWAL</b>				
	a) At the Beginning of the Year	70448608	29.198		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			70448608	29.198
<b>5</b>	<b>CHANDRA PRAKASH AGRAWAL HUF</b>				
	a) At the Beginning of the Year	4953863	2.053		
	b) Changes during the year				
	Date Reason				
	30/06/2023 [Transfer]	75365	0.031	5029228	2.084
	07/07/2023 [Transfer]	389468	0.161	5418696	2.246
	c) At the End of the Year			5418696	2.246
<b>6</b>	<b>DINESH R. AGARWAL</b>				
	a) At the Beginning of the Year	14012196	5.807		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			14012196	5.807
<b>7</b>	<b>KARUNA JINDAL</b>				
	a) At the Beginning of the Year	4046	0.002		
	b) Changes during the year				
	Date Reason				
	16/02/2024 [Transfer]	(6)	(0.000)	4000	0.002
	23/02/2024[Transfer]	(1040)	(0.000)	3000	0.001
	c) At the End of the Year			3000	0.001
<b>8</b>	<b>KUSUM JALAN</b>				
	a) At the Beginning of the Year	19661	0.008		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			19661	0.008
<b>9</b>	<b>MAANA AV DINESHKUMAR AGARWAL</b>				
	a) At the Beginning of the Year	72804	0.030		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			72804	0.030
<b>10</b>	<b>MADHU AGRAWAL</b>				
	a) At the Beginning of the Year	15689917	6.503		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			15689917	6.503
<b>11</b>	<b>MAYANK AGRAWAL</b>				
	a) At the Beginning of the Year	16331915	6.769		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			16331915	6.769



Sr. No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding at the end of the Year	
		No of Share	% of total shares of the company	No of Share	% of total shares of the company
<b>12</b>	<b>NARAIN PRASAD AJITSARIA</b>				
	a) At the Beginning of the Year	2500	0.001		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			2500	0.001
<b>13</b>	<b>NIDHI JALAN</b>				
	a) At the Beginning of the Year	24500	0.010		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			24500	0.010
<b>14</b>	<b>NITIN MAHAVIR PRASAD KANDOI</b>				
	a) At the Beginning of the Year	451571	0.187		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			451571	0.187
<b>15</b>	<b>OM PRAKASH JALAN</b>				
	a) At the Beginning of the Year	110677	0.046		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			110677	0.046
<b>16</b>	<b>PALLAVI AGRAWAL</b>				
	a) At the Beginning of the Year	2497500	1.035		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			2497500	1.035
<b>17</b>	<b>PREM PRAKASH AGRAWAL</b>				
	a) At the Beginning of the Year	7334667	3.040		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			7334667	3.040
<b>18</b>	<b>PREM PRAKASH AGRAWAL HUF</b>				
	a) At the Beginning of the Year	5575467	2.311		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5575467	2.311
<b>19</b>	<b>PRIYA SARAFF</b>				
	a) At the Beginning of the Year	100000	0.041		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			100000	0.041
<b>20</b>	<b>PRIYANKA DAS</b>				
	a) At the Beginning of the Year	29512	0.012		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	Date Reason				
	07/07/2023 [Transfer]	(24614)	(0.010)	4898	0.002
	09/02/2024 [Transfer]	(5)	(0.000)	4893	0.002
	c) At the End of the Year			4893	0.002

Sr. No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding at the end of the Year	
		No of Share	% of total shares of the company	No of Share	% of total shares of the company
<b>21</b>	<b>PRIYANKA GUPTA</b>				
	a) At the Beginning of the Year	4985000	2.066		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			4985000	2.066
<b>22</b>	<b>SANTOSH KUMAR AGRAWAL</b>				
	a) At the Beginning of the Year	297535	0.123		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			297535	0.123
<b>23</b>	<b>SANTOSH KUMAR AGRAWAL HUF</b>				
	a) At the Beginning of the Year	5650943	2.342		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5650943	2.342
<b>24</b>	<b>SHRUTI KANDOI</b>				
	a) At the Beginning of the Year	17056	0.007		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			17056	0.007
<b>25</b>	<b>SHYAMA AGRAWAL</b>				
	a) At the Beginning of the Year	5160670	2.139		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5160670	2.139
<b>26</b>	<b>SMRITI AGARWAL</b>				
	a) At the Beginning of the Year	2549775	1.057		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			2549775	1.057
<b>27</b>	<b>SUBODH KUMAR JALAN</b>				
	a) At the Beginning of the Year	10000	0.0004		
	b) Changes during the year				
	Date Reason				
	02/02/2024 [Transfer]	(10000)	(0.004)	0	0.000
	c) At the End of the Year			0	0.000
<b>28</b>	<b>SUMESH KUMAR AGARWAL</b>				
	a) At the Beginning of the Year	100000	0.041		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			100000	0.041
<b>29</b>	<b>UMA AGARWAL</b>				
	a) At the Beginning of the Year	845615	0.350		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			845615	0.350
	<b>TOTAL</b>	<b>165891642</b>	<b>68.755</b>	<b>166320810</b>	<b>68.932</b>


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

Sr. No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding at the end of the Year	
		No of Share	% of total shares of the company	No of Share	% of total shares of the company
<b>1</b>	<b>ANSH OVERSEAS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	556535	0.231		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			556535	0.231
<b>2</b>	<b>ASHWIN GUPTA</b>				
	a) At the Beginning of the Year	5386028	2.232		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			5386028	2.232
<b>3.</b>	<b>DARSHAN FINANCIAL SERVICES PRIVATE LTD</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date reason				
	13/10/2023 [Transfer]	20701	0.009	20701	0.009
	20/10/2023 [Transfer]	32500	0.013	53201	0.022
	27/10/2023 [Transfer]	50	0.000	53251	0.022
	03/11/2023 [Transfer]	10200	0.004	63451	0.026
	10/11/2023 [Transfer]	(3000)	0.001	60451	0.025
	15/12/2023 [Transfer]	(50000)	(0.021)	10451	0.004
	22/12/2023 [Transfer]	6051	0.003	16502	0.007
	29/12/2023 [Transfer]	478472	0.198	494974	0.205
	19/01/2024 [Transfer]	(83000)	(0.034)	411974	0.171
	26/01/2024 [Transfer]	(57000)	(0.024)	354974	0.147
	22/03/2024 [[Transfer]	(292)	(0.000)	354682	0.147
	c) At the end of the year			354682	0.147
<b>4</b>	<b>JAI LAKSHMI SOLVENTS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	598795	0.736		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			598795	0.248

Sr. No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding at the end of the Year	
		No of Share	% of total shares of the company	No of Share	% of total shares of the company
<b>5</b>	<b>KRISJANG VAIBHAV SHAH</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	29/12/2023 [Transfer]	1376689	0.571	1376689	0.571
	12/01/2024 [Transfer]	(10000)	(0.004)	1366689	0.566
	19/01/2024 [Transfer]	(20000)	(0.008)	1346689	0.558
	02/02/2024 [Transfer]	(21600)	(0.009)	1325089	0.549
	c) At the End of the Year			1325089	0.549
<b>6</b>	<b>MADHU SILICA PVT LTD</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	12/01/2024 [Transfer]	34000	0.014	34000	0.014
	16/02/2024 [Transfer]	102900	0.043	136900	0.057
	23/02/2024 [Transfer]	150014	0.062	286914	0.119
	22/03/2024 [Transfer]	18113	0.008	305027	0.126
	29/03/2024 [Transfer]	52739	0.022	357766	0.148
	c) At the End of the Year			357766	0.148
<b>7</b>	<b>NIHON IMPEX PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	8431821	3.495		
	b) Changes during the year				
	Date Reason				
	31/03/2023 [Transfer]	17882697	7.412	26314518	10.906
	22/12/2023 [Transfer]	(10)	(0.000)	26314508	10.906
	29/12/2023 [Transfer]	(2700000)	1.119	23614508	9.787
	c) At the End of the Year			23614508	9.787
<b>8</b>	<b>SHREE SURABHI FLOUR MILLS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	454065	0.188		
	b) Changes during the year				
	Date Reason				
	30/06/2023 Transfer	(75000)	(0.031)	379065	0.157
	07/07/2023 Transfer	(379065)	(0.157)	0	0.000
	22/12/2023 Transfer	28126	0.012	28126	0.012
	29/12/2023 Transfer	8855	0.004	36981	0.015
	05/01/2024 Transfer	619	0.000	37600	0.016
	c) At the End of the Year			37600	0.016





Sr. No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding at the end of the Year	
		No of Share	% of total shares of the company	No of Share	% of total shares of the company
<b>9</b>	<b>SHWETA GUPTA</b>				
	a) At the Beginning of the Year	9198700	3.812		
	b) Changes during the year	NO CHANGES DURING THE YEAR			
	c) At the End of the Year			9198700	3.812
<b>10</b>	<b>UTKARSH DEALER PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	6245636	2.589		
	b) Changes during the year	NO CHANGES DURING THE YEAR			
	c) At the End of the Year			6245636	2.589
<b>11</b>	<b>VIVEKANANDAN SRINIVASAN</b>				
	a) At the Beginning of the Year	756690	0.314		
	b) Changes during the year				
	Date Reason				
	05/05/2023 [Transfer]	(756690)	(0.314)	0	0
	c) At the End of the Year			0	0
<b>12</b>	<b>WALLSTREET DISTRIBUTOR PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	17882697	7.412		
	b) Changes during the year				
	Date Reason				
	23/02/2024 [Transfer]	(17882697)	(5.829)	0	0
	c) At the End of the Year			0	0
<b>13</b>	<b>WARNER DEALCOM PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	12619582	5.230		
	b) Changes during the year	NO CHANGES DURING THE YEAR			
	c) At the End of the Year			12619582	5.230
	<b>TOTAL</b>	<b>62130549</b>	<b>25.750</b>	<b>60294921</b>	<b>24.99</b>

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

Sr. No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding at the end of the Year	
		No of Share	% of total shares of the company	No of Share	% of total shares of the company
<b>1</b>	<b>CHANDRA PRAKASH AGRAWAL</b>				
	a) At the Beginning of the Year	70448608	29.198		
	b) Changes during the year	NO CHANGES DURING THE YEAR			
	c) At the End of the Year			70448608	29.198
<b>2</b>	<b>DINESH R. AGARWAL</b>				
	a) At the Beginning of the Year	14012196	5.807		
	b) Changes during the year	NO CHANGES DURING THE YEAR			
	c) At the End of the Year			14012196	5.807

Sr. No.	Name	Shareholding at the beginning of the Year		Cumulative Shareholding at the end of the Year	
		No of Share	% of total shares of the company	No of Share	% of total shares of the company
<b>3</b>	<b>NITIN MAHAVIR PRASAD KANDOI</b>				
	a) At the Beginning of the Year	451571	0.187		
	b) Changes during the year	NO CHANGES DURING THE YEAR			
	c) At the End of the Year			451571	0.187
<b>4</b>	<b>MAYANK AGRAWAL</b>				
	a) At the Beginning of the Year	16331915	6.769		
	b) Changes during the year	NO CHANGES DURING THE YEAR			
	c) At the End of the Year			16331915	6.769
<b>5</b>	<b>SANDIP KUMAR AGARWAL</b>				
	a) At the Beginning of the Year	9396	0.012		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			9396	0.004
<b>6</b>	<b>NITESH KUMAR</b>				
	a) At the Beginning of the Year	0	0		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			0	0
	<b>TOTAL</b>	<b>101253686</b>	<b>41.965</b>	<b>101253686</b>	<b>41.965</b>

## V. INDEBTEDNESS

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

(Amount in lakhs)

Particulars	Secured Loan excluding deposit	Unsecured Loan	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal Amount	43,039.39	10,735.07	0.00	53,774.46
(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
<b>Total (1+2+3)</b>	<b>43,039.39</b>	<b>10,735.07</b>	<b>0.00</b>	<b>53,774.46</b>
<b>Change in Indebtedness during the Financial Year</b>				
• Addition	0.00	0.00	0.00	0.00
• Reduction	(7,575.55)	(7.83)	0.00	(7,583.38)
<b>Net Change</b>	<b>(7,575.55)</b>	<b>(7.83)</b>	<b>0.00</b>	<b>(7,583.38)</b>
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	35,463.84	10,727.24	0.00	46,191.08
(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
<b>Total (1+2+3)</b>	<b>35,463.84</b>	<b>10,727.24</b>	<b>0.00</b>	<b>46,191.08</b>



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager					Total Amount (₹ In Lakhs)
		Chandra Prakash Agrawal	Dinesh R. Agarwal	Nitin M. Kandoi	Prem Prakash Agrawal*	Prashant Jalan	
<b>1</b>	<b>Gross Salary</b>						
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	63.00	63.00	63.00	25.00	11.74	225.74
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL	NIL	NIL
<b>2</b>	<b>Commission</b>	NIL	NIL	NIL	NIL	NIL	NIL
<b>3</b>	<b>Others – Remuneration benefits</b>	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total (A)</b>	<b>63.00</b>	<b>63.00</b>	<b>63.00</b>	<b>25.00</b>	<b>11.74</b>	<b>225.74</b>

\* Mr. Prem Prakash Agrawal was appointed as the Whole-time Director of the Company w.e.f. November 02, 2023.

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

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount (₹ In Lakhs)
		J.N. Dey	A.P. Srivastava	Udit Agarwal	Pankaj Khanna*	Smita Modi*	Nishi Agrawal	
1	Fees for attending Board/ Committee Meetings	1.45	0.90	0.95	0.15	0.15	0.75	4.35
2	Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3	Others	NIL	NIL	NIL	NIL	NIL	NIL	NIL

\* Mr. Pankaj Khanna and Mrs. Smita Modi were appointed as Independent Directors of the Company w.e.f. November 02, 2023.

### C. Remuneration to Key Managerial Personnel

Sr. No.	Particulars of Remuneration	Particulars of Remuneration		Total Amount (₹ In Lakhs)
		Gross Salary		
		Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	
	<b>Name of Key Managerial Personnel</b>			
1	Mayank Agrawal	24.00	NIL	24.00
2	Sandip Kumar Agarwal	29.25	NIL	29.25
3	Nitesh Kumar	43.70	NIL	43.70
	<b>Total</b>	<b>96.95</b>	<b>NIL</b>	<b>96.95</b>



**VII. PENALTIES / PUNISHMENT/COMPOUNDING DURING THE FINANCIAL YEAR**

Type	Section of the Companies Act	Brief Description	Details of penalty/ Punishment/ Compounding fees imposed	Details of penalty/ Punishment/	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. Directors</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. Other Officers in Default</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



## Report on Corporate Governance

Corporate Governance is a continuous process of applying the best management practices, ensuring the law is followed the way intended, adhering to ethical standards by the Company for effective management and meeting stakeholder responsibilities. Corporate Governance is a multifaceted concept that sets the stage for a thriving business ecosystem. Your Company believes in attaining the highest standards of Corporate Governance by ensuring transparency in all its actions, operations and to maximise values of its stakeholders.

### 1. CORPORATE GOVERNANCE PHILOSOPHY

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

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

The Company is also in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of the SEBI Listing Regulations, as applicable, with regard to corporate governance.

### 2. BOARD OF DIRECTORS

#### 2.1. Composition

The Company's Board has an optimum combination of Executive and Non-Executive Directors including Woman Directors. The Board is responsible for the management of the affairs of the Company.

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

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

As on March 31, 2024, your Company's Board comprised of 11 Directors (out of which more than 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, 2024 is as follows:

- Executive Directors – 5
- Non-Executive Independent Directors – 6

Name of the Directors		% to the total number of Director
<b>I</b>	<b>Independent Director</b>	
	Mr. Jyotirindra Nath Dey*	
	Mr. Ashtbhuja Prasad Srivastava	
	Mrs. Smita Modi**	55%
	Mr. Pankaj Khanna**	
	Mrs. Nishi Agrawal	
	Mr. Udit Agarwal	

	Name of the Directors	% to the total number of Director
<b>II</b>	<b>Executive Director</b>	
	Mr. Chandra Prakash Agrawal	
	Mr. Dinesh R. Agarwal	
	Mr. Prem Prakash Agarwal#	45%
	Mr. Prashant Jalan	
	Mr. Nitin Mahavir Prasad Kandoi	

\*Mr Jyotirindra Nath Dey has retired from the Board w.e.f. 31.03.2024 due to completion of tenure of two consecutive term of 5 years as an Independent Director of the Company

\*\*Mr. Pankaj Khanna and Mrs. Smita Modi were appointed as Non-Executive Independent Directors w.e.f. 02.11.2023

#Mr. Prem Prakash Agarwal has been appointed as a Whole-time Director w.e.f. 02.11.2023

The composition of the Board reflects the judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company. The Board is balanced comprising of Executive and Non-Executive Directors. The Board has been constituted in such a way that it has understanding and competence to deal with current and emerging business issues. The Board periodically evaluates the need for change in its size and composition to ensure that it remains aligned with statutory and business requirements. None of the Directors on the Board are related to each other.

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

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

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

Name of the Directors	Expertise in specific functional area
Mr. Chandra Prakash Agrawal	Mr. Chandra Prakash Agrawal, Promoter of the Company is a Bachelor of Commerce from Gorakhpur University having multifunctional experience of more than three decades. He was the prime mover of the exponential growth of Gallantt Ispat Limited. He has been deeply involved with the manufacturing process and has progressively added production capacity. He spearheaded the marketing initiatives personally building brand Gallantt that undisputedly commands the market specifically in Uttar Pradesh. His finance, taxation, accounting, investor relations and corporate affairs involvement is phenomenal. The charismatic leadership, personal drive and strategic thinking of Mr. Chandra Prakash Agrawal has rallied our Company to attain market leadership in a very short period of time, in the state of Uttar Pradesh, Bihar, Delhi, Gujarat and Maharashtra. In his term of office spanning over 19 years, Mr. Chandra Prakash Agrawal has contributed extensively towards the growth of the Company and has been actively responsible for the installation, implementation and functioning of units of the project of the Company and attainment of the highest standards of quality. By focussing on key areas such as Finance, ERP implementation, Value Engineering, Process Documentation, Environment Health and Safety measures, he has significantly strengthened the foundation of the Company. The turnover of the Company has increased considerably under his guidance.



Name of the Directors	Expertise in specific functional area
Mr. Dinesh R. Agarwal	<p>He is a Promoter of the Company and has an overall experience of 32 years. Over the period he has understood the business techniques in the field of Production, Purchase and Marketing etc.</p> <p>Mr. Dinesh R. Agarwal contributed extensively towards the growth of the Company and has been actively responsible together with other officers for the installation, implementation and functioning of units of the project of the Company and attainment of the highest standards of quality.</p> <p>His area of job is diversified and looking after factory operations of the Company</p>
Mr. Nitin Mahavir Prasad Kandoi	<p>Mr. Nitin Mahavir Prasad Kandoi is Promoter of the Company. He is having an experience of over 25 years in the steel industry. He is a Commerce Graduate from Mumbai University.</p> <p>He is involved in setting up of the operations of our Company and has been instrumental in the implementation of technological advances made in the manufacturing processes of our Company. During this period and under his Directorship, the Company has completed and achieved various targets and plans and the Company achieved higher levels of growth. His expertise in the steel and power businesses has been instrumental in contributing to the growth of the Company. Mr. Kandoi supervises the operation and functioning of steel and power plants.</p>
Mr. Prem Prakash Agrawal	<p>Mr. Prem Prakash Agarwal, Promoter of the Company is a Bachelor of Commerce from Gorakhpur University. He is the brother of Mr. Chandra Prakash Agrawal, Chairman and Managing Director of the Company. He is having an aggregate experience of more than thirty years in the manufacturing of Wheat Flour Products and more than twenty-two years in the steel industry.</p> <p>Over the period he has understood the business techniques in the field of Production, Marketing, Accounts and Finance etc.</p> <p>He supervises the functioning of various departments in the organization such as Sales &amp; Marketing, Estimation, Customer Relationship Management, Cost Audit, Human Resources, Purchase, Corporate Communications &amp; IT, day to day administration, finance and accounts.</p>
Mr. Prashant Jalan	<p>Mr. Prashant Jalan is a Bachelor of Commerce from Lucknow University. Mr. Jalan has an overall experience of over 28 years including 15 years in steel industry. He has completed a one year Diploma in Material &amp; Supply Chain Management from IMT, Ghaziabad in the year 2012.</p> <p>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.</p>
Mr. Jyotirindra Nath Dey*	<p>Mr. Jyotirindra Nath Dey is an Independent Director of the Company. He is an Electrical Engineer having experience of over 49 years in industry, management and engineering, development of technology, banking and commerce. He is a member of various professional bodies viz. association of Consulting Engineer (I), Indian Society of Lighting Engineering, Arbitration and many more.</p>
Mr. Ashtbhuja Prasad Srivastava	<p>Mr. Ashtbhuja Prasad Srivastava, Independent Director of the Company 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 39 years in the field of finance, accounts, taxation and audit.</p> <p>He has the expertise to formulate effective strategies, innovative tax planning and effectively manage compliance of taxation law</p>

Name of the Directors	Expertise in specific functional area
Mrs. Nishi Agrawal	Mrs. Nishi Agrawal, an Independent Director of the Company is aged about 38 years has more than 10 years of rich and varied expertise in the upliftment of education and social and environmental activities. At present she is associated with Bharat Vikas Parishad which is a unique social organisation engaged in various social activities and projects. Mrs. Agrawal has vast experience in natural science and naturopathy. Her continuing guidance will be very valuable to the Company and will undoubtedly prove to be an advantage to our organization.
Mr. Udit Agarwal	Mr. Udit Agarwal aged about 37 years is an Independent Director of the Company. He is a qualified Company Secretary and LLB with over 10 years of work experience in finance, accounts and law. He possesses vast experience in the field of finance, accounts and corporate law matters.
Mr. Pankaj Khanna	Mr. Pankaj Khanna aged about 36 years is an Independent Director of the Company. He is a qualified Company Secretary from the Institute of Company Secretaries of India. He has more than 10 years of rich and varied expertise in the field of finance, accounts and corporate law matters.
Mrs. Smita Modi	Mrs. Smita Modi, Independent Director of the Company is aged about 68 years. She has completed her graduation and post-graduation in Obstetrics and Gynaecology from BRD Medical College, Gorakhpur. She is successfully running a Nursing Home along with working actively in Arogya Mandir, a naturopathy centre run by her husband Dr. Vimal Kumar Modi (M.D. Radiology). Arogya Mandir was established by famous naturopath and freedom fighter late Vithaldas Modi in 1940. Her father was an emeritus professor and mother was a post graduate in Sanskrit. Her association with the Company will undoubtedly prove to be an advantage to our organization.

\* Mr. Jyotirindra Nath Dey has retired from the Company on the close of working hours on 31.03.2024 due to completion of his tenure of two consecutive terms of 5 years as Independent Director.

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

## 2.3. Meetings and Attendance

During the financial year 2023-24, Six (6) Board Meetings were held. The maximum time gap between any two board meetings was less than 120 days.

Sr. No.	Board Meeting Dates
1.	29.05.2023
2.	11.08.2023
3.	11.09.2023
4.	02.11.2023
5.	16.01.2024
6.	30.03.2024

## 2.4. Changes during the Year

Mr. Jyotirindra Nath Dey (DIN: 00180925) who has completed his two consecutive term of 5 years as an Independent Director of the Company has retired from the Board on the close of working hours on March 31, 2024. Further, Mr. Pankaj Khanna (DIN: 10377030) and Mrs Smita Modi (DIN: 01141396) have been appointed as Non-Executive Independent Directors with effect from November 02, 2023 and Mr. Prem Prakash Agrawal (DIN: 01397585) has been appointed as Whole-time Director with effect from November 02, 2023.





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

In terms Section 152 of the Companies Act, 2013, Mr. Nitin Mahavir Prasad Kandoi (DIN: 01979952), 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 Board's 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 except Mr. Chandra Prakash Agrawal and Mr. Prem Prakash Agrawal are related to each other. Mr. Chandra Prakash Agrawal is the brother of Mr. Prem Prakash Agrawal. 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 20<sup>th</sup> 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, 2024 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 (30.09.2023) Attended	No of Board Meetings Attended out of 6 Meetings held during the Year	No of other Directorship in public companies as on 31.03.2024	No of other Board Committees (in which he is a member or Chairperson other than Gallantt Ispat)	
					Chairman	Member
Mr. Chandra Prakash Agrawal, Chairman & Managing Director (DIN: 01814318)	Executive/ Promoter	Yes	4	Nil	Nil	Nil
Mr. Dinesh R. Agarwal, Whole-time Director (DIN: 01017125)	Executive/ Promoter	Yes	6	1	Nil	Nil
Mr. Prem Prakash Agrawal* Whole-time Director (DIN: 01397585)	Executive/ Promoter	NA	2	Nil	Nil	Nil
Mr. Nitin Mahavir Prasad Kandoi Whole-time Director (DIN: 01979952)	Executive/ Promoter	Yes	5	Nil	Nil	Nil
Mr. Prashant Jalan Whole-time Director (DIN: 06619739)	Non-Executive/ Independent	Yes	6	Nil	Nil	Nil
Mr. Ashtbhujia Prasad Srivastava Director (DIN: 08434115)	Non-Executive/ Independent	Yes	6	Nil	Nil	Nil
Mr. Jyotirindra Nath Dey** Director (DIN: 00180925)	Non-Executive/ Independent	Yes	6	Nil	Nil	Nil
Mrs. Nishi Agrawal Director (DIN: 08441260)	Non-Executive/ Independent	Yes	4	Nil	Nil	Nil

Name Designation of the Directors	Category/ Position	Last Annual General Meeting (30.09.2023) Attended	No of Board Meetings Attended out of 6 Meetings held during the Year	No of other Directorship in public companies as on 31.03.2024	No of other Board Committees (in which he is a member or Chairperson other than Gallantt Ispat)	
					Chairman	Member
Mr. Udit Agarwal Director (DIN: 07036864)	Non-Executive/ Independent	Yes	6	Nil	Nil	Nil
Mr. Pankaj Khanna# Director (DIN: 10377030)	Non-Executive/ Independent	NA	1	Nil	Nil	Nil
Mrs. Smita Modi# Director (DIN: 01141396)	Non-Executive/ Independent	NA	1	Nil	Nil	Nil

\*Mr Prem Prakash Agarwal has been appointed as a Whole-time Director w.e.f. 02.11.2023

\*\*Mr Jyotirindra Nath Dey has retired from the Board w.e.f. 31.03.2024 due to completion of his tenure of two consecutive term of 5 years as an Independent Director of the Company

#Mr. Pankaj Khanna and Mrs. Smita Modi were appointed as Non-Executive Independent Directors w.e.f. 02.11.2023

**Notes:**

- Directorships held by Directors in the aforementioned Table do not include Private Limited Companies, Foreign Companies, Section 8 Companies, Alternate Directorships and One Person Companies. All the Public Limited Companies, whether listed or not, have been considered in the aforementioned Table.
- Mrs. Nishi Agrawal, Mr. Ashtbhuja Prasad Srivastava, Mr. Udit Agarwal, Mr. Jyotirindra Nath Dey, Mr. Pankaj Khanna and Mrs. Smita Modi 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 Stakeholder’s Relationship Committee of all Public Limited Companies have been considered.
- The details of Director seeking re-appointment at the ensuing Annual General Meeting have been furnished in the Notice convening the Meeting of the shareholders.
- None of the Directors have any inter se relationship.

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

Sr. No.	Name of the Directors	Name of other listed entities in which the concerned Director is a Director	Category of Directorship
1.	Mr. Chandra Prakash Agrawal Chairman & Managing Director (DIN: 01814318)	None	Executive Director
2.	Mr. Dinesh R. Agarwal, Whole-time Director (DIN: 01017125)	None	Executive Director
3.	Mr. Prashant Jalan Director (Plant Operation) (DIN: 06619739)	None	Executive Director



Sr. No.	Name of the Directors	Name of other listed entities in which the concerned Director is a Director	Category of Directorship
4.	Mr. Nitin Mahavir Prasad Kandoi Whole-time Director (DIN:01979952)	None	Executive Director
5.	Mr. Prem Prakash Agarwal * Whole-time Director (DIN: 01397585)	None	Executive Director
6.	Mr. Jyotirindra Nath Dey** Director (DIN: 00180925)	None	Non-Executive Independent Director
7.	Mr. Ashtbhuj Prasad Srivastava Director (DIN: 08434115)	None	Non-Executive Independent Director
8.	Mrs. Nishi Agrawal Director (DIN: 08441260)	None	Non-Executive Independent Director
9.	Mr. Udit Agarwal Director (DIN: 07036864)	None	Non-Executive Independent Director
10.	Mr. Pankaj Khanna# Director (DIN: 10377030)	None	Non-Executive Independent Director
11.	Mrs. Smita Modi # Director (DIN: 01141396)	None	Non-Executive Independent Director

\*Mr Prem Prakash Agarwal has been appointed as a Whole-time Director w.e.f. 02.11.2023

\*\*Mr Jyotirindra Nath Dey has retired from the Board w.e.f. 31.03.2024 due to completion of tenure of two consecutive term of 5 years as an Independent Director of the Company

#Mr. Pankaj Khanna and Mrs. Smita Modi were appointed as Non-Executive Independent Directors w.e.f 02.11.2023

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

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

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

## 2.8. Information supplied to the Board

The agenda is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda to enable the Board members to take informed decisions. During the financial year 2023-24, 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 fulfils the key functions as prescribed under the Listing Regulations.

During the financial year 2023-24, as per the requirement of Schedule IV of the Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations, 1 (One) separate meeting of Independent Directors was held on March 29, 2024 whereby, all the Independent Directors were present without the presence of the Non-Independent Directors and the members of the management of the Company.

### 2.10. Shareholding of Directors Including Non-Executive Directors

The details of shares held by the Directors of the Company in their individual names as on March 31, 2024 are furnished below:

Sr. No.	Name of the Directors	No of Shares held
1.	Mr. Chandra Prakash Agrawal	7,04,48,608
2.	Mr. Dinesh R. Agarwal	1,40,12,196
3.	Mr. Prashant Jalan	NIL
4.	Mr. Nitin Mahavir Prasad Kandoi	4,51,571
5.	Mr. Jyotirindra Nath Dey*	NIL
6.	Mr. Ashtbhuja Prasad Srivastava	NIL
7.	Mrs. Nishi Agrawal	NIL
8.	Mr. Udit Agarwal	NIL
9.	Mr. Prem Prakash Agarwal**	73,34,667
10.	Mr. Pankaj Khanna#	NIL
11.	Mrs. Smita Modi#	NIL

\*Mr Jyotirindra Nath Dey has retired from the Board w.e.f. 31.03.2024 due to completion of tenure of two consecutive term of 5 years as an Independent Director of the Company

\*\*Mr Prem Prakash Agarwal has been appointed as a Whole-time Director w.e.f. 02.11.2023

#Mr. Pankaj Khanna and Mrs. Smita Modi were appointed as Non-Executive Independent Directors w.e.f. 02.11.2023

None of the Independent Director held any shares in the Company during the year ended March 31, 2024.

### 2.11. Induction and Familiarization Program for Directors

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



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

The details of familiarisation programme have been posted in the website of the Company [www.gallantt.com](http://www.gallantt.com)

## 2.12. Independent Directors

Your Company appointed Independent Directors having expertise/experience in their respective field/profession. None of the Independent Directors are Promoters or are related to Promoters. They do not have pecuniary relationship with the Company and further do not hold 2% or more of the total voting power of the Company.

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

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

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations, 2015, the Independent Directors of the Company viz., Mr. Ashtbhuja Prasad Srivastava, Mr. Jyotirindra Nath Dey, Mr. Udit Agarwal, Mrs. Nishi Agrawal, Mrs. Smita Modi and Mr. Pankaj Khanna 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.

As per the Green Initiative protocols to reduce paper consumption and to leverage technology, your Company conducts all its Board/ Committee meetings electronically and agenda for such meetings are sent through e-mails to all board members.

The Board has an effective post meeting follow up procedure. Items arising out of previous Board Meeting and their follow up action report are placed at the immediately succeeding meeting for information of the Board.

## 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 corporate governance practices.
- The ability to contribute by introducing international best practices to address business challenges and risks.
- Active participation in long-term strategic planning.

- Commitment to the fulfilment of a Director's obligations and fiduciary responsibilities; these include participation in Board and Committee meetings.
- performance of the Directors
- fulfilment of the independence criteria as specified in these regulations and their independence from the management.

The criteria for the performance evaluation included the following:

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

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

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

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

The Executive Directors are evaluated on various aspects, including inter alia overall performance of Management, accomplishment of long-term objectives, efforts made by them towards enhancing brand equity, compliance with regulatory law(s) and to encourage new initiatives and expansions etc.

Non-Executive Directors are also evaluated on the basis of criteria such as attendance and participation in meetings of Board and Committees, contribution to the development of long-term strategy and risk management, updating in the relevant areas such as corporate governance, industry and market scenario etc.

For annual performance evaluation of the Board as a whole, its Committees and individual Directors including the Chairman of the Board, the Company has formulated a questionnaire to assist in evaluation of the performance. Every Director has to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself by rating the performance on each question on the scale of 1 to 10, 1 being Unacceptable and 10 being Excellent. On the basis of the response to the questionnaire, a matrix reflecting the ratings was formulated and placed before the Board for formal annual evaluation by the Board of its own performance and that of its Committees and individual Directors.

The questionnaire usually contains aspects such as attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers, etc., which is in compliance with applicable laws, regulations and guidelines.



### 2.15. Non-executive Director's 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 6 times during the year and the time gap between any two meetings did not exceed 120 days.

### 2.17. Independent Directors confirmation by the Board

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

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

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

### 2.19. Criteria of Selection of Independent Directors

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

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

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

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

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

Sr. No.	Category	Core/ Skills/ Expertise/ competencies identified by the Board of Directors	Available with the Board
1.	Understanding of Business/Industry	Experience and knowledge of Steel, Power, Agro and Real Estate Business.	Yes
2.	Financial	Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources.	Yes
3.	Leadership	Leadership experience for understanding of business nuisance and organizational challenges. Quality of strategic planning, and risk management for long-term growth.	Yes

Sr. No.	Category	Core/ Skills/ Expertise/ competencies identified by the Board of Directors	Available with the Board
4.	Mergers and Acquisitions	A history of leading growth through acquisitions and other business combinations, analyse the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plans.	Yes
5.	Board Service and Governance	Service on a Public Company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.	Yes
6.	Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance Company's reputation.	Yes
7.	Strategy and strategic planning	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.	Yes

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

No Independent Director of the Company has resigned during the financial year 2023-24. However, Mr. Jyotirindra Nath Dey (DIN: 00180925) who has completed his tenure of two consecutive term of 5 years as an Independent Director of the Company has retired from the Board from the closing hours of March 31, 2024.

**2.22. Succession Planning**

We have an effective mechanism for succession planning which focuses on orderly succession of Directors, including Executive Directors and other senior management team and executive officers. The Nomination and Remuneration Committee implements this mechanism in concurrence with the Board.

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

**2.23. Committees of Board of Directors**

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

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

Your Company has six board level committees:

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





### 3. CODE OF CONDUCT

Details of the Code of Conduct for Board members and senior management of the Company is available on the Company's website i.e. [www.gallantt.com](http://www.gallantt.com) Annual declaration signed by the Managing Director of the Company pursuant to Regulation 26(3) read with Schedule V (Part D) of the SEBI Listing Regulations is annexed to the Annual Report.

### 4. AUDIT COMMITTEE

In terms of provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations, Audit Committee of the Board of Directors presently consists of two Non-Executive Independent Directors and one Executive Non-Independent Director. The role of the Audit Committee is to provide directions to and oversee the internal audit and risk management functions, review of financial results and annual financial statements, interact with statutory auditors and such other matters as are required in terms of the Companies Act, 2013, SEBI LODR Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

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

#### 4.1. Composition

As on March 31, 2024, the Audit Committee comprised of four Directors viz. Mr. Ashtbhuja Prasad Srivastava (Chairperson), Mr. Jyotirindra Nath Dey, Mr. Nitin Mahavir Prasad Kandoi and Mr. Pankaj Khanna all of whom possess accounting and financial management expertise/exposure. Since, Mr. Jyotirindra Nath Dey (DIN: 00180925) who has completed his tenure of two consecutive term of 5 years as an Independent Director of the Company has retired from the Board from the closing hours of March 31, 2024 his Membership in the Audit Committee also relinquished. The Audit Committee has been reconstituted by introduction of Mr. Pankaj Khanna as a Member of the Committee on March 30, 2024. Mr. Nitesh Kumar, Company Secretary acts as the Secretary to the Audit Committee.

Company Secretary, Chief Financial Officer, Chief Executive 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 auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of Subsection 3 of Section 134 of the Companies Act 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to the financial statements;



- Disclosure of any related party transactions;
  - Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Reviewing and monitor the auditor's independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the Whistle Blower mechanism;
  19. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
  21. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
  22. The Audit Committee to review utilisation of loans and/or advances from investment by holding company in subsidiary company exceeding ₹ 100 Crores or 10% of asset size of subsidiary, whichever is low.
  23. The Audit Committee of the Board shall review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
  24. Reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crores or 10 % of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.
  25. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the listed entity and its shareholders.



### Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. Statement of Deviations:
  - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange (s) in terms of Regulation 32(1) of SEBI Listing Regulations.
  - 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 Listing Regulations. 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 2023-24. The Committee Meetings were held on 29.05.2023; 11.08.2023; 02.11.2023; 16.01.2024; and 30.03.2024;

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

Name	Designation	Category	Committee Meeting Attended
Mr. Ashtbhuja Prasad Srivastava	Chairperson	Independent	5
Mr. Jyotirindra Nath Dey*	Member	Independent	5
Mr. Nitin Mahavir Prasad Kandoi	Member	Executive	4
Mr. Pankaj Khanna**	Member	Independent	N.A.

\*Mr Jyotirindra Nath Dey has retired from the Board w.e.f. 31.03.2024 due to completion of tenure of two consecutive term of 5 years as an Independent Director of the Company

\*\*Mr. Pankaj Khanna, Non-Executive Independent Director of the Company appointed on 02.11.2023 has been inducted into the Committee as a Member on 30.03.2024

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

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

### 5. NOMINATION AND REMUNERATION COMMITTEE

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

### 5.1. Composition

In pursuance of Regulation 19 of the SEBI LODR Regulations, 2015 the Nomination and Remuneration Committee (NRC) has been reconstituted with effect from March 30, 2024. Since Mr. Jyotirindra Nath Dey has retired from the Board with effect from March 31, 2024 due to completion of his tenure of two consecutive term of 5 years as an Independent Director of the Company his Chairmanship in the NRC also relinquished. Mrs. Smita Modi, Independent Director of the Company appointed on November 02, 2023 was inducted into the Committee to serve as a Chairperson of the NRC with effect from March 30, 2024.

During the year ended March 31, 2024, the NRC comprised of Mrs. Smita Modi, an Independent Director, as the Chairperson, Mrs. Nishi Agrawal and Mr. Udit Agarwal as Members. Mr. Nitesh Kumar, Company Secretary acts as the Secretary to the Committee.

### 5.2. Role of Nomination and Remuneration Committee

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

a) Terms of Reference -

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

b) Responsibilities and Duties:

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

- Reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;
- Devising a policy on diversity of Board of Directors;
- Identifying individuals suitably qualified to be appointed as the KMPs or in the Senior Management of the Company;
- Formulating framework and/or policy for remuneration, terms of employment and any changes, including service contracts, remuneration, policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;
- Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognized;
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To approve the remuneration of the Senior Management including Key Managerial Personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company.

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



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

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

### 5.3. Meetings and Attendance

A total of two (2) Nomination and Remuneration Committee Meetings were held during the financial year 2023-24. The meetings were held on 02.11.2023 and 29.03.2024.

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

Name	Designation	Category	Committee Meeting Attended
Mr. Jyotirindra Nath Dey*	Chairperson	Independent	2
Mr. Udit Agarwal	Member	Independent	2
Mrs. Nishi Agrawal	Member	Independent	1
Mrs. Smita Modi**	Chairperson	Independent	N.A.

\*Mr Jyotirindra Nath Dey has retired from the Board w.e.f. 31.03.2024 due to completion of tenure of two consecutive term of 5 years as an Independent Director of the Company

\*\*Mrs. Smita Modi, Non-Executive Independent Director of the Company appointed on 02.11.2023 has been inducted into the Committee as a Chairperson on 30.03.2024

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

### 5.4. Nomination and Remuneration Policy of the Company

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

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

#### Summary of Remuneration Policy of the Company

The Board has adopted the Remuneration Policy on the recommendation of the Nomination and Remuneration Committee in compliance with Section 178 of the Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. In keeping with the provisions of Section 178, the remuneration structure of the Company comprises of fixed remuneration (including fixed supplements), performance-based remuneration (variable salary), pension scheme, where applicable, other benefits in kind and severance payment, where applicable. Further, the Policy states that the Non-Executive Directors and Independent Directors of the Company may receive remuneration only by way of sitting fee and reimbursement of expenses for participation in meetings of the Board or Committee thereof, as may be permissible by the applicable law. Additionally, the Policy also lays down the overall selection criteria for the executives of the Company which is based on broad heads such as competencies, capabilities, compatibility, strong interpersonal skills, commitment among others. The Remuneration Policy of the Company has been disclosed on the website of the Company at [www.gallantt.com](http://www.gallantt.com)

#### Board Diversity

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

## 5.5. Remuneration of Directors

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

The aggregate value of salary and perquisites paid for the year ended March 31, 2024 to Managing/Whole-time Directors are as follows:

Name	Designation	Aggregate Value of Salary and Perquisites (₹ In Lakhs)
Mr. Chandra Prakash Agrawal	Chairman and Managing Director	61.50
Mr. Dinesh R. Agarwal	Whole-time Director	61.50
Mr. Prashant Jalan	Director-Plant Operation	11.74
Mr. Nitin Mahavir Prasad Kandoi	Whole-time Director	61.50
Mr. Prem Prakash Agrawal*	Whole-time Director	25.00

\*Mr. Prem Prakash Agrawal has been appointed as a Whole-time Director of the Company w.e.f. 02.11.2023

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 Director's as outlined under Schedule IV of the Companies Act, 2013. Such evaluation factors various criteria including contribution, domain expertise, strategic vision, industry knowledge, participation in discussions etc.

## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of Section 178 (5) of the Act, read with Regulation 20 of the Listing Regulations the Board has constituted Stakeholder's Relationship Committee ("SRC"). As per the Listing Regulations, the Committee shall specifically look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends etc.

### 6.1. Composition

In pursuance of Regulation 20 of the SEBI LODR Regulations, 2015 the Stakeholder's Relationship Committee (SRC) has been reconstituted with effect from March 30, 2024. Since Mr. Jyotirindra Nath Dey has retired from the Board from the closing hours of March 31, 2024 due to completion of his tenure of two consecutive term of 5 years as an Independent Director of the Company his membership from the SRC also relinquished. Mr. Ashtbhuja Prasad Srivastava, Independent Director of the Company was inducted into the Committee to serve as a Member of the SRC with effect from March 30, 2024.

During the year ended March 31, 2024, the Stakeholders Relationship Committee comprised of Mr. Udit Agarwal, an Independent Director, as the Chairperson; Mrs. Nishi Agrawal; (Independent Director) and Mr. Ashtbhuja Prasad Srivastava (Independent Director) as Members. Mr. Nitesh Kumar, Company Secretary acts as the Secretary to the Committee. 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 shareholder's/investor's complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc. A status report of shareholder complaints and redressal thereof is prepared and placed before the Stakeholders Relationship Committee. The shareholders/investors can register share related complaints, if any, in the e-mail id [csgml@gallantt.com](mailto:csgml@gallantt.com) designated exclusively for the purpose.

### 6.2 Terms of Reference

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



- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders

### 6.3 Meetings and Attendance

A Total of Four (4) Stakeholders Relationship Committee Meetings were held during the financial year 2023-2024. The meetings were held on 11.08.2023; 02.11.2023; 16.01.2024 and 29.03.2024.

The composition of the Committee as on March 31, 2024 and details of attendance at the Meetings are as follows:

Name	Designation	Category	Committee Meeting Attended
Mr. Udit Agarwal	Chairperson	Independent	4
Mr. Jyotirindra Nath Dey*	Member	Independent	4
Mrs. Nishi Agrawal	Member	Independent	3
Mr. Ashtbhuj Prasad Srivastava**	Member	Independent	Nil

\*Mr Jyotirindra Nath Dey has retired from the Board w.e.f. 31.03.2024 due to completion of tenure of two consecutive term of 5 years as an Independent Director of the Company

\*\*Mr. Ashtbhuj Prasad Srivastava, Non-Executive Independent Director of the Company has been inducted into the Committee as a Member on 30.03.2024

### 6.4 Status of Complaints

Sr. No.	Particulars	Numbers
1	Complaints pending as on April 01, 2023	1
2	Complaints received during the year ended March 31, 2024	8
3	Complaints disposed of during the year ended March 31, 2024	8
4	Complaints pending as on March 31, 2024	1

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

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

As required under Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs. Details of Unclaimed amount of Dividend have been uploaded on the Company's website i.e., [www.gallantt.com](http://www.gallantt.com)

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

## 7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

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

The Corporate Social Responsibility Committee (CSR) has been reconstituted on March 30, 2024. Since Mr. Jyotirindra Nath Dey has retired from the Board from the closing hours of March 31, 2024 due to completion of his tenure of two consecutive term of 5 years as an Independent Director of the Company his Chairmanship in CSR Committee also relinquished. Mr. Udit Agarwal, Independent Director of the Company was inducted into the Committee to serve as a Chairperson of the CSR with effect from March 30, 2024.

### 7.1. Terms of reference

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

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

### 7.2. Meetings and Attendance

The Committee met Two (2) times during the financial year 2023-24. The meetings were held on the following dates:- 29.05.2023 and 29.03.2024

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 is detailed below:

Name	Designation	Category	Committee Meeting Attended
Mr. Jyotirindra Nath Dey*	Chairperson	Independent	2
Mr. Chandra Prakash Agrawal	Member	Executive	2
Mr. Dinesh R. Agarwal	Member	Executive	2
Mr. Udit Agarwal**	Chairperson	Independent	Nil

\*Mr Jyotirindra Nath Dey has retired from the Board w.e.f. 31.03.2024 due to completion of tenure of two consecutive term of 5 years as an Independent Director of the Company

\*\*Mr. Udit Agarwal, Non-Executive Independent Director of the Company has been inducted into the Committee as a Chairperson on 30.03.2024

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

## 8. COMMITTEE OF DIRECTORS

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

"Committee of Directors" is comprised of following Directors:

- Mr. Chandra Prakash Agrawal, Executive Director (Chairperson)
- Mr. Dinesh R. Agarwal, Executive Director (Member)
- Mr. Nitin Mahavir Prasad Kandoi, Executive Director (Member)

Mr. Nitesh Kumar, Company Secretary of the Company acts as the Secretary for the "Committee of Directors."

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

The broad terms of reference includes the following:

1. To avail loan up to the maximum limit of ₹ 2,500 lakhs in a single transaction from any Bank/financial institutions/lenders and to hypothecate/mortgage the assets of our Company accordingly subject to overall borrowing limit up to ₹ 25,000 lakhs and subject to yearly review;
2. To enter into forward contracts for hedging/ derivatives (in US Dollar or other currency as may be decided) with various banks from time to time as may be required in the ordinary course of business for purchase of raw materials, spares or other goods;





3. To avail vehicles loan from any Bank/Institutions/ Lenders for the business of our Company;
4. To give power/authorization to any Director or Company Secretary of our Company to sign and file any Forms and/or application required to be filed with Registrar of Companies from time to time;
5. To open and close the Banking accounts of our Company;
6. To change the Signatories of the Bank accounts whenever required;
7. To give power/authorization/duties through resolution or otherwise whenever required to a person on behalf of our Company in relation to business operations of our Company including but not limited to:
  - Government Subsidy and benefits related;
  - Application with Governmental, Semi-Governmental and other authorities including railways, mining;
  - Application to the Government or autonomous bodies;
  - Judicial or quasi-judicial matters;
  - Environmental and safety issues;
  - Issues of importance and strategic significance relating to the operations of the Company;
  - Other operational matters of the Company as may be assigned from time to time by the Board.
8. To affix or authorise fixation of the Common seal of our Company to such documents/papers in connection with above powers as may be necessary; and
9. To do all such acts, things or deeds as may be necessary or incidental to exercise of the above powers.

During the year no meetings of Committee of Directors were held.

## 9. RISK MANAGEMENT

Risk Management Committee (RMC) of the Board has been constituted in accordance with the requirements of the SEBI LODR Regulations, 2015 and the Companies Act, 2013. The terms of reference of the RMC are in conformity with the provisions of Regulation 21 of the SEBI LODR Regulations, 2015. The RMC looks into the monitoring and reviewing of the risk management plan and such other functions, as it may deem fit and such function specifically covers cyber security. Pursuant to the provisions of the Act, a statement indicating development and implementation of a Risk Management Policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company have also been dealt with in the Board's Report.

### Composition of the Risk Management Committee

The Risk Management Committee comprises of 3 Directors, out of which 1 Director is Executive Non-Independent Director and the other 2 Directors are Independent Directors. This composition is in line with the requirement of Regulation 21 of the SEBI LODR Regulations, 2015. The RMC of the Board of Directors must meet at least twice in a financial year to inform the Board Members about the risk assessment and minimization procedures and adoption of requisite risk mitigation measures and their implementation thereof.

RMC has been reconstituted on March 31, 2024. Since Mr. Jyotirindra Nath Dey has retired from the Board from the closing hours of March 31, 2024 due to completion of his tenure of two consecutive term of 5 years as an Independent Director of the Company his Chairmanship in RMC also relinquished. Mr. Pankaj Khanna, Independent Director of the Company appointed on November 02, 2023 was inducted into the Committee to serve as a Chairperson of the RMC on March 30, 2024.

The Committee met Three (3) times during the financial year ended March 31, 2024. The meetings were held on the following dates:- 11.08.2023; 02.11.2023 and 29.03.2024.

The constitution of the RMC 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 is detailed below:

Name	Designation	Category	Committee Meeting Attended
Mr. Jyotirindra Nath Dey*	Chairperson	Independent	3
Mr. Nitin Mahavir Prasad Kandoi	Member	Executive	2
Mrs. Nishi Agrawal	Member	Independent	2
Mr. Pankaj Khanna**	Chairperson	Independent	Nil

\*Mr Jyotirindra Nath Dey has retired from the Board w.e.f. 31.03.2024 due to completion of tenure of two consecutive term of 5 years as an Independent Director of the Company

\*\*Mr. Pankaj Khanna, Non-Executive Independent Director of the Company has been inducted into the Committee as a Member on 30.03.2024

The Board has constituted Risk Management Committee and the terms of reference of the Committee is as follows:

1. To formulate a detailed Risk Management Policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Company has developed and implemented a Risk Management Policy for identifying the risk associated with business of the Company and measures to be taken to mitigate the same.

The Risk Management Committee has additional oversight in the area of financial risks and controls. All risks are well integrated with functional and business plans and are reviewed on a regular basis by the senior leadership. There are no risks which in the opinion of the Board threaten the existence of the Company.

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes.

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

## 10. SUBSIDIARY COMPANIES

As on March 31, 2024, 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](http://www.gallantt.com)



## 11. RELATED PARTY TRANSACTIONS

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

Transactions with related parties entered into by the Company are in the ordinary course of business and on arm's length basis and do not have potential conflicts with the Company. Further, these transactions are also placed in the Audit Committee Meeting(s) for its prior approval or omnibus approval. There is no materially significant related party transaction during the financial year ended March 31, 2024.

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 SEBI LODR Regulations, your Company has adopted a Policy on Related Party Transactions which is available at Company's website [www.gallantt.com](http://www.gallantt.com)

## 12. GENERAL BODY MEETINGS

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

Year	Venue	Date	Time
2022-23	Through video conferencing (VC) / Other Audio-Visual Means (OAVM)	30.09.2023	12.30 P.M.
2021-22	Through video conferencing (VC) / Other Audio-Visual Means (OAVM)	29.09.2022	3.30 P.M.
2020-21	Through video conferencing (VC) / Other Audio-Visual Means (OAVM)	31.08.2021	1.30 P.M.

**12.3.** The Details of Special Resolutions passed through postal ballot during the financial year 2023-24: No special resolution was passed through postal ballot in the last year.

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

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

**12.6.** Procedure for Postal Ballot: Not Applicable.

**12.7.** One (1) Extraordinary General Meeting was held during the Financial Year 2023-24 on December 20, 2023.

**12.8.** Court Convened Meeting of Shareholders: During the year no Court Convened Meeting was convened and held.

## 13. MEANS OF COMMUNICATION

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

Information like quarterly / half yearly / annual financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board to enable them to put them on their websites and communicate to their members. In terms of Regulation 47 of the Listing Regulations the quarterly / half-yearly / annual financial results are also published in the prescribed format within 48 hours of the conclusion of the meetings of the Board in which they are considered and

approved, in one English newspaper circulating in the whole or substantially the whole of India and in one vernacular (Hindi) newspaper. These results are simultaneously posted on the website of the Company at [www.gallantt.com](http://www.gallantt.com)

The Company publishes all information in newspapers viz. Business Standard (All editions) and Metro Media/Aaj (Vernacular-Hindi). No presentations were made to institutional investors or to the analysts during the year.

Details about the means of communication:

**1. Quarterly Results:**

The quarterly and year to date financial results of the Company are published in leading newspapers in India which include, Business Standard and Metro Media/Aaj. The results are also displayed on the Company's website under [www.gallantt.com](http://www.gallantt.com)

**2. Whether it also displays official news releases; Yes**

**14. GENERAL SHAREHOLDERS INFORMATION**

<b>Day, Date, and time of the Annual General Meeting</b>	Monday, September 30, 2024 at 3:00 P.M.
<b>Venue</b>	The Company is conducting AGM through Video Conferencing (VC) / Other Audio Visual Means (OAVM), pursuant to circular issued by the Ministry of Corporate Affairs ("MCA"), dated September 25, 2023 and as such there is no requirement to have a venue for the AGM.
<b>Financial Year</b>	April 01, 2023 to March 31, 2024
<b>Cut-off date for determining the names of shareholders eligible to vote</b>	September 23, 2024
<b>Cut-off date for determining the names of shareholders eligible to get Notice of Annual General Meeting</b>	August 23, 2024
<b>Publication of results for the financial year 2023-24 (tentative and subject to change)</b>	<ul style="list-style-type: none"> <li>a) First quarter results: On or before August 14, 2023.</li> <li>b) Second quarter and half year results: On or before November 14, 2023.</li> <li>c) Third quarter results: On or before February 14, 2024.</li> <li>d) Fourth quarter results and results for the year ending March 31, 2024: On or before May 30, 2024.</li> </ul>
<b>Dates of book closure</b>	Tuesday, September 24, 2024 to Monday, September 30, 2024 (Both days inclusive).
<b>Dividend Payment Date</b>	During the Financial Year 2023-24, the Board of Directors has proposed a Final Dividend of 10% i.e. Re. 1.00 per equity share of face value of ₹ 10/- each on the paid-up share capital of the Company to all shareholders except to those promoter and promoter group shareholders who has voluntarily waived off/forgone the same.
<b>Listing on Stock Exchanges and Stock Code</b>	<ul style="list-style-type: none"> <li>1. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Phones: (022) 22721233/4, 91-22-66545695 Fax: (022) 22721919, Stock Code: 532726</li> <li>2. National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Tel No: (022) 26598100 – 8114, Fax No: (022) 26598120, Stock Code: GALLANTT</li> </ul>
<b>Payment of Listing Fees</b>	Annual Listing Fees of both the stock exchanges for the financial year 2024-25 has been duly paid by the Company.

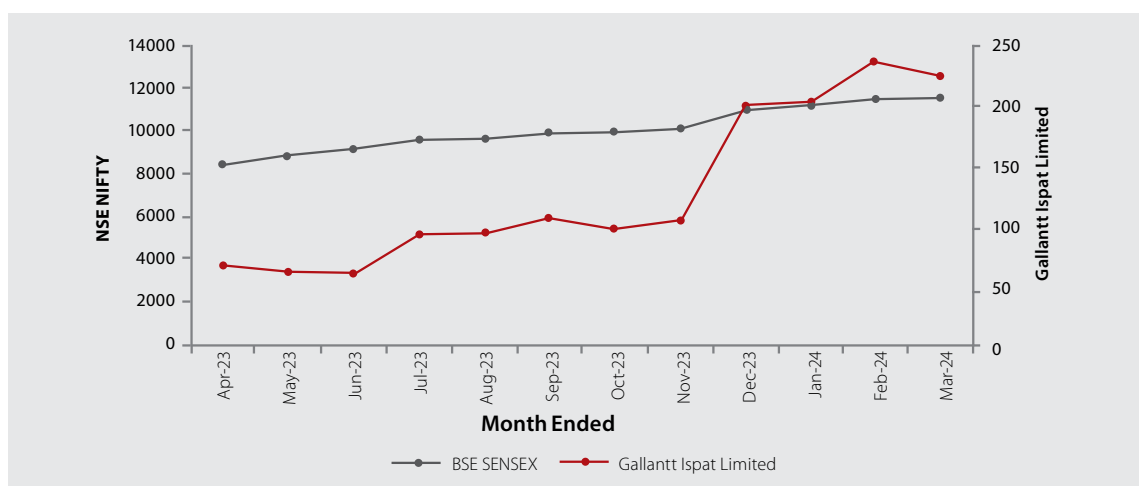
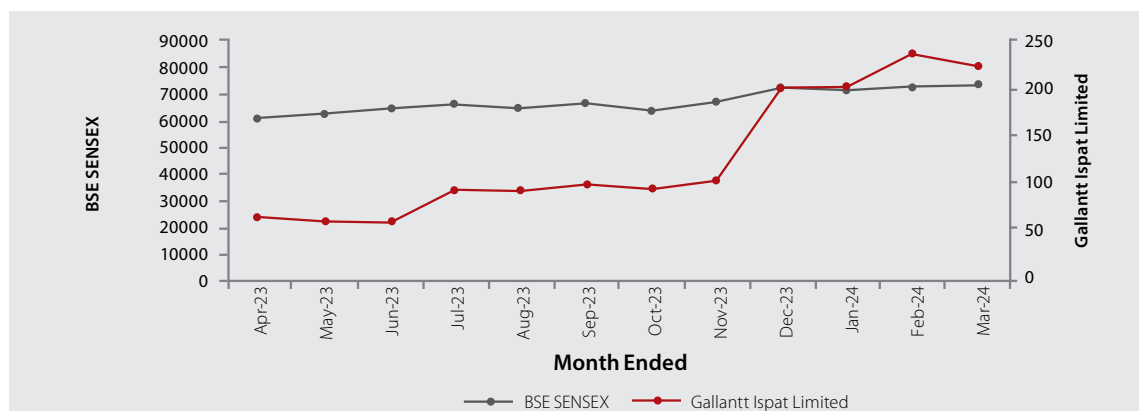
**14.11. Market Price Data- High, Low During Each Month in Last Financial Year**

Monthly high and low quotations of shares traded on BSE Limited and National Stock Exchange of India Limited for the Year 2023-24.



Month	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Apr-23	67.00	55.40	66.25	55.60
May-23	61.40	46.00	61.60	49.55
Jun-23	60.90	52.65	59.90	53.10
Jul-23	92.03	58.85	92.20	59.30
Aug-23	94.60	81.00	94.90	81.80
Sep-23	103.86	84.30	105.00	83.75
Oct-23	96.50	79.55	95.30	78.75
Nov-23	104.65	82.81	104.90	83.50
Dec-23	200.20	95.15	200.00	95.25
Jan-24	202.60	167.90	203.00	168.10
Feb-24	236.00	182.10	236.40	184.50
Mar-24	225.00	182.00	224.00	177.80

#### 14.12. Performance of the Company's equity shares (high price) in comparison to BSE Sensex and NSE Nifty during the financial year 2023-24:



#### 14.13. Suspension of Securities during the financial year 2023-24:

During the financial year 2023-24, the securities of the Company were not suspended from trading.

#### 14.14. Registrar and Share Transfer Agents:

Niche Technologies Private Limited 7<sup>th</sup> Floor, Room, No. 7A & 7B, 3A, Auckland Road, Elgin, Kolkata, West Bengal – 700017  
Tel.: (033) 2280 6616 / 17 / 18; Email id: nichetechpl@nichetechpl.com

Website: www.nichetechpl.com

#### 14.15. Share Transfer System;

The Company has a Committee of the Board of Directors called Stakeholder's 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.

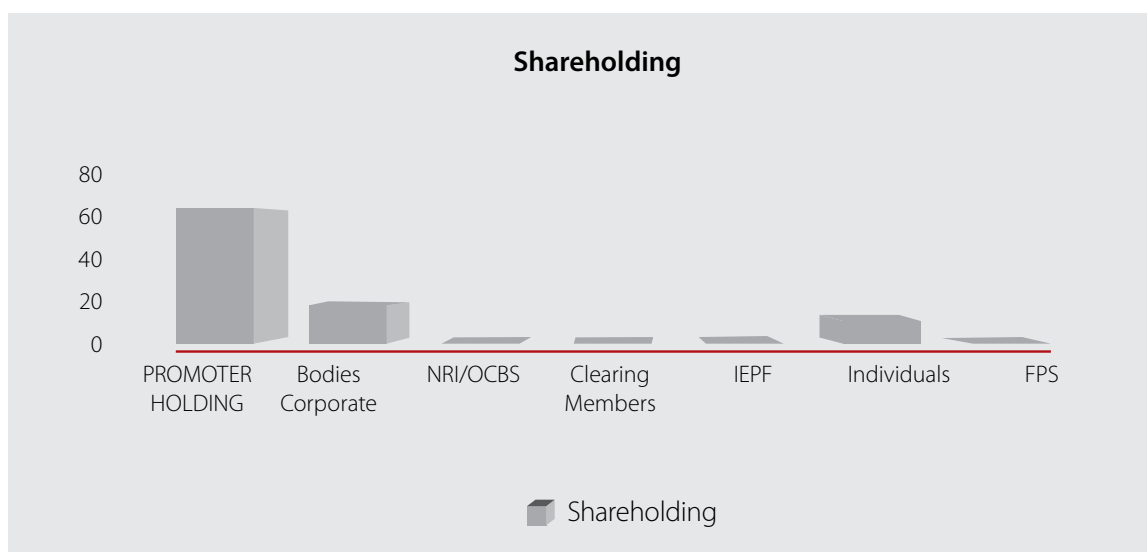
#### 14.16. Distribution of equity shareholding as on March 31, 2024:

Distribution of shareholding by size is as given below:

No of Shares held	Shareholders		Shares	
	Number	% of Total	Number	% of Total
Upto 500	18,314	87.6939	17,80,558	0.7380
501-1,000	1,168	5.5928	9,70,623	0.4023
1,001-5,000	1,031	4.9368	23,08,048	0.9566
5,001-10,000	159	0.7613	12,20,776	0.5060
10,001-50,000	137	0.6560	28,05,954	1.1629
50,001-1,00,000	26	0.1245	19,34,759	0.8019
1,00,001 and Above	49	0.2346	23,02,60,227	95.4324
<b>TOTAL</b>	<b>20,884</b>	<b>100.000</b>	<b>24,12,80,945</b>	<b>100.000</b>

#### 14.17. Categories of shareholding as on March 31, 2024

Category (as Gallant report to Stock Exchanges)	Share Holdings	% of Total
<b>PROMOTER'S HOLDING:</b>		
Promoters	16,63,20,810	68.932
<b>Total Promoter's Holding</b>	<b>16,63,20,810</b>	<b>68.932</b>
<b>PUBLIC SHARE HOLDINGS:</b>		
<b>Institutional Investors</b>		
Financial Institution/Bank	-	-
Financial Institution Investor	-	-
Foreign Portfolio Investor	58,731	0.024
<b>Others</b>		
Bodies Corporate	4,60,42,181	19.082
Individuals	2,86,96,487	11.893
NRI/OCBs	1,49,519	0.062
Clearing Members/Clearing Corporation (Demat shares in transit)	3,510	0.001
IEPF	9,707	0.004
<b>Total Public Shareholding</b>	<b>7,49,60,135</b>	<b>31.068</b>
<b>GRAND TOTAL</b>	<b>24,12,80,945</b>	<b>100.00</b>



#### 14.18. Dematerialization of Shares and Liquidity

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

The Company's shares are available for dematerialisation on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shares of the Company are compulsorily traded in the demat form on Stock Exchanges by all investors. The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE297H01019. Almost 100.00% of total listed equity shares have been dematerialised as on March 31, 2024.

#### 14.19. Outstanding ADRs/GDRs/Warrants or any other convertible instruments, conversion date and likely impact on equity:

There is no outstanding GDRs/ADRs/Warrants or any convertible instruments.

#### 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

L27109UP2005PLC195660

#### 14.22. Plant location

1. Near Toll Gate, Village - Samakhlyali, Taluka - Bachau, District – Kutch, Gujarat
2. Gorakhpur Industrial Development Authority (GIDA), Sahjanwa, Gorakhpur - 273 209, Uttar Pradesh

#### 14.23. Address for correspondence

**Registrar and Share Transfer Agents;**

Mr. S. Abbas, Senior System Manager

**Niche Technologies Private Limited**

7<sup>th</sup> Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata, West Bengal – 700017.

**Tel.:** (033) 2280 6616 / 17 / 18

**Email id:** nichetechpl@nichetechpl.com

**Website:** www.nichetechpl.com

**Unit:** Gallantt Ispat Limited

**Contact Person:** Mr. Nitesh Kumar, Company Secretary and Compliance Officer

**Registered Office:**

Gorakhpur Industrial Development Authority (GIDA) Sahjanwa, Gorakhpur Uttar Pradesh - 273209

**Telefax:** 0551-3515500

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

**Website:** www.gallantt.com

#### Depositories:

**National Securities Depository Limited**

Trade World, 'A' Wing, 4<sup>th</sup> & 5<sup>th</sup> Floors, Kamala Mills Compound, Lower Parel, Mumbai – 400 013

Tel. No.: (022) 2499 4200

Fax No.: (022) 2497 6351

Email: info@nsdl.co.in

Website: www.nsdl.co.in

**Central Depository Services (India) Limited**

Marathon Futurex, A-Wing, 25<sup>th</sup> floor, N M Joshi Marg, Lower Parel, Mumbai – 400 013

Toll free No.: 1800-22-5533

Email: complaints@cdslindia.com

Website: www.cdslindia.com

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

#### 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 2023-24, 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.

The Credit Rating Agency M/s. India Ratings & Research Private Limited has upgraded the rating to IND A+/Stable for the Company's Fund Based Long Term facilities (long term) and IND A+ for Non-Fund based Short Term facilities.

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

Following amount of Unpaid Dividend has not been claimed and paid till March 31, 2024:

Nature of Money	Relevant Financial Year	Bank Account Details	Amount Lying (In ₹)
Final Dividend for 2018	2017-18	IDBI Bank Account No. 1526103000000578	73,876.75
Final Dividend for 2019	2018-19	IDBI Bank Account No. 1526103000000897	50,457.00

Members who have not so far encashed their Dividend Warrants for the financial years ended 31<sup>st</sup> March, 2018 and 2019 are requested to approach immediately the Registrars for revalidation of unclaimed Dividend Warrants. The details of unclaimed dividend are available on the Company's corporate website www.gallantt.com and also uploaded on the website of IEPF viz. www.iepf.gov.in

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





Following amount of Unpaid Dividend of erstwhile Gallantt Ispat Limited has not been claimed and paid till March 31, 2024:

Nature of Money	Relevant Financial Year	Bank Account Details	Amount Lying (In ₹)
Final Dividend for 2017	2016-17	IDBI Bank Account No. 1526103000000347	12,544.00
Final Dividend for 2018	2017-18	IDBI Bank Account No. 1526103000000569	20,841.50
Interim Dividend for 2018-19	2018-19	IDBI Bank Account No. 1526103000000666	23,638.25

#### 14.26. Transfer of unclaimed dividend to IEPF

Unclaimed Dividend amount aggregating to ₹ 1,969/- (Rupees One Thousand Nine Hundred and Sixty- Nine) pertaining to Interim Dividend declared by the Company during the financial year 2015-16 lying with the Company for a period of seven years were transferred during the Financial Year 2023-24, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

#### 14.27. Transfer of shares to IEPF

As required under Section 124 of the Companies Act, 2013, Company has transferred 20 equity shares in respect of which dividend has not been claimed by the members for seven consecutive years or more to IEPF during the financial year 2023-24.

### 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 2023-24 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of Company. Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements. The Board has approved a policy on materiality of related party transactions and on dealing with related party transactions and the same is disclosed on the website of the Company at [www.gallantt.com](http://www.gallantt.com)

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

The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years.

#### 15.3. Accounting Standards

The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2023-24.

Your Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standards.

#### 15.4. Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;

The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism as required under Regulation 22 of the Listing Regulations for Directors and employees to report concerns about any unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has also been disclosed on the website of the Company at [www.gallantt.com](http://www.gallantt.com)

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

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

- (i) The Internal Auditor reports to the Audit Committee.
- (ii) The financial statements of the Company are with unmodified audit opinion.

**15.6. Web link where policy for determining 'material' subsidiaries is disclosed;**

The policy to determine a material subsidiary has been framed and the same is disclosed on the Company's website at [www.gallantt.com](http://www.gallantt.com)

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

The Related Party Transaction Policy is also posted on the Company's website and can be accessed at [www.gallantt.com](http://www.gallantt.com)

**15.8. Disclosure of commodity price risks and commodity hedging activities**

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

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

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

**15.10 Recommendations of Committees of the Board**

There were no instances during the financial year 2023-24, wherein the Board has not accepted recommendations made by any Committee of the Board.

**15.11 Total fees paid to Statutory Auditors of the Company**

Total fees of ₹ 8.00 Lakhs for financial year 2023-24 was paid by the Company to the statutory auditor.

**15.12 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 2023-24 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

**15.13 Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed**

No such non-compliance

**15.14 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.

**15.15 Disclosures with respect to demat suspense account/unclaimed suspense account:**

The Company does not have any demat suspense account/unclaimed suspense account and therefore, the details pertaining the same are not given.

**15.16 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.**

**15.17 Particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting**

Meeting have been provided in the Notice of the Annual General Meeting.



- 15.18** In addition to Director's 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.
- 15.19** 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.
- 15.20** In order to prevent misuse of any unpublished price sensitive information (UPSI), maintain confidentiality of all UPSI and prohibit any insider trading activity and abusive self-dealing of securities, in the interest of the shareholders at large, the Company has framed a Code of Conduct for Prohibition of Insider Trading. The said Code prohibits the Designated Persons of the Company from dealing in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position in the Company.

The details of dealing in Company's shares by Designated Employees/Designated Persons are quarterly placed before the Audit Committee. The Code also prescribes sanction framework and any instance of breach of code is dealt in accordance with the same. A copy of the said Code is made available to all employees of the Company and compliance of the same is ensured.

The Company has framed a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is available on the website of the Company at [www.gallantt.com](http://www.gallantt.com)

Further, In the interest of general public, fair trading in securities markets and to prohibit insider trading in corporates and other organizations, SEBI has enacted SEBI (Prohibition of Insider Trading) Regulations, 2015 which sets clear rules and procedures for dealing in securities by the Promoters, Directors, Key Managerial Personnel (KMP) and other Designated Persons those who have access to Unpublished Price Sensitive Information (UPSI – information which is not published, but which may affect the share price when it gets published) in an organisation.

For the above purpose, Company pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 have been maintaining a Structured Digital Database (SDD) software internally to capture the database of all persons having access to UPSI. SDD is a non-tamperable software with time-stamping and audit trail facility. The software captures details such as, name of persons with whom the UPSI have been shared with, name of persons for whom there is an access to UPSI, PAN of those persons, any other Identification number authorized by Law. It is used to keep record of persons with whom the price sensitive information or UPSI have been shared with. This Database will act as a check for those persons who have possession of UPSI, from dealing in securities in a manner for their personal gain by using the unpublished information.

- 15.21** The Company as required under Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, has designated the following email IDs namely [csgml@gallantt.com](mailto:csgml@gallantt.com) for the purpose of registering complaints if any by the investors and expeditious redressal of their grievances.

#### **15.22 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.

#### **15.23 Policy pertaining to determination and disclosure of the material events/information**

The Board of Directors has approved the policy pertaining to determination and disclosure of the material events/information. Accordingly, any such material events/ information will be disclosed to the concerned either by Managing Director or Chief Financial Officer or Company Secretary. The policy on determination and disclosure of material events/information is posted in the website of the company at [www.gallantt.com](http://www.gallantt.com)

#### 15.24 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.

#### 15.25 Code of Conduct

The members of the Board and Senior Management Personnel have affirmed the compliance with Code of Conduct applicable to them during the year ended March 31, 2023.

The **Annexure-A** of the Corporate Governance Report contains a certificate by the Managing Director in terms of SEBI LODR Regulations, 2015 on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

#### 15.26 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.

#### 15.27 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.

#### 15.28 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, 2024.

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.

#### 15.29 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.

#### 15.30 Policy for Determination of Legitimate Purposes

The Company has formulated a comprehensive Policy for Determination of Legitimate Purposes. This Policy is formulated pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI [Prohibition of Insider Trading (Amendment)] Regulations, 2018 for determination of legitimate purpose of for performance of duties or discharge of legal obligations, which will be considered as exception for the purpose of procuring Unpublished Price Sensitive Information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any. The Policy is also hosted on the website of the Company at [www.gallantt.com](http://www.gallantt.com)

#### 15.31 Policy on enquiry of leak of Unpublished Price Sensitive Information

The Company has formulated a comprehensive Policy for enquiry of leak Unpublished Price Sensitive Information. This Policy is formulated as per requirement of Regulation 9A(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 for enquiry procedure in case of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information.



The Policy is also hosted on the website of the Company at [www.gallantt.com](http://www.gallantt.com)

### **15.32 Shareholder Voting**

Shareholders are requested to cast their votes on the Resolutions mentioned in the Notice of the Twentieth 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.

### **15.33 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.

### **15.34 Compliance Certificate on Corporate Governance**

Certificate received from M/s. Maroti & Associates, Chartered Accountants, Statutory Auditors (FRN: 322770E) of the Company having their office at Diamond Heritage, 5<sup>th</sup> Floor, Unit 503, 16, Strand Road, Fairley Place, 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**.

### **15.35 A certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority**

Certificate as required under Part C of Schedule V of Listing Regulations, received from Mr. Anurag Fatehpuria (Membership No. 34471, CP No. 12855), Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on May 02, 2024. The certificate given by Mr. Anurag Fatehpuria is published in this Report as **Annexure - D** of this Corporate Governance Report.

### **15.36 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 2023-24. 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 Director's Report.

### **15.37 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 2023-24 are as follows:

Name of Director	Sitting Fees (₹)
Mr. Pankaj Khanna	15,000
Mr. Jyotirindra Nath Dey	1,45,000
Mr. Ashtbhuja Prasad Srivastava	90,000
Mrs. Nishi Agrawal	75,000
Mrs. Smita Modi	15,000
Mr. Udit Agarwal	95,000
<b>TOTAL</b>	<b>4,35,000</b>

### 15.38 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	2022-23	No Dividend Declared	-	-
2	2021-22	No Dividend Declared	-	-
3	2020-21	No Dividend Declared	-	-
4	2019-20	No Dividend Declared	-	-
5	2018-19	26.09.2019	₹ 0.25/- (Twenty-Five Paise only)	2,03,30,581
6	2017-18	27.09.2018	₹ 0.25/- (Twenty-Five Paise only)	2,03,30,581
7	2016-17	No Dividend Declared	-	-
8	2015-16	No Dividend Declared	-	-
9	2014-15	No Dividend Declared	-	-
10	2013-14	No Dividend Declared	-	-

### 15.39 Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/unclaimed dividend on shares for a consecutive period of 7 (Seven) years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a Shareholder for a period of 7 (Seven) consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of 30 (Thirty) days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

In pursuance to the above Company as on 31<sup>st</sup> March, 2024 has 2,458 outstanding number of equity shares on which dividend was lying unclaimed/unpaid for 7 (seven) consecutive years and liable to be transferred to IEPF Authority if not claimed by the concerned shareholders by September 30, 2024. Details of such shares are available on website of the Company at [www.gallantt.com](http://www.gallantt.com) under Investors Corner section.

Shares that will be transferred to the Demat Account of IEPF Authority can be claimed back by the Shareholder from IEPF Authority 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.



## 15.40 Codes and Policies

Particulars Website Details/Links:

Policy Code	Weblink
Dividend Distribution Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Composition and Profile of the Board of Directors	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Terms and conditions of appointment of Independent Directors	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Familiarisation Programme hours FY 2020-21 for Independent Directors	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Remuneration Policy of Directors, KMPs & Other Employees	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Code of Conduct	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Criteria of Making Payments to Non- Executive Directors	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Corporate Social Responsibility Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Policy on Related Party Transactions	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Policy on Determining Material Subsidiary	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Whistle Blower Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Document Retention and Archival Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Prevention of Sexual Harassment (POSH) at Workplace	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Code of Conduct for Prevention of Insider Trading	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Policy for Determination of Legitimate Purpose	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Policy on enquiry of leak of Unpublished Price Sensitive Information	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Risk Management Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Related Party Transaction Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Business Responsibility and Sustainability Reporting Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Health and Safety Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Quality Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Cyber Security Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Grievance Redressal Policy	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>
Policy on Board Diversity	<a href="https://gallantt.com/investor-corner-gallantt-ispac-limited/">https://gallantt.com/investor-corner-gallantt-ispac-limited/</a>

On behalf of the Board

**Chandra Prakash Agrawal**

DIN: 01814318

Chairman & MD

Place: Gorakhpur  
Date: May 02, 2024



Annexure - A

## DECLARATION

To  
The Members of  
**Gallantt Ispat Limited**

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended on March 31, 2024.

On behalf of the Board

**Chandra Prakash Agrawal**

DIN: 01814318

*Chairman & MD*

Place: Gorakhpur  
Date: May 02, 2024

**Mayank Agrawal**  
*Chief Executive Officer*



**Annexure - B****CEO/CFO CERTIFICATION**

The Board of Director's

**Gallantt Ispat Limited**

**Re: Financial Statements for the Financial year 2023-24 – Certificate by CEO/MD and CFO**

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended on March 31, 2024 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that there are no:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Gorakhpur

Date: May 02, 2024

**Mayank Agrawal**  
Chief Executive Officer

**Sandip Kumar Agarwal**  
Chief Financial Officer

## INDEPENDENT AUDITOR'S CERTIFICATE TO THE MEMBERS OF GALLANTT ISPAT LIMITED

To  
The Members of  
**Gallantt Ispat Limited**

1. We, Maroti & Associates, Chartered Accountants, Statutory Auditors of Gallantt Ispat Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2024, 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).

### Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024. We state that in respect of investor grievances received during the year ended March 31, 2024, only 1 (one) investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholder's Relationship Committee.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Maroti & Associates**

*Chartered Accountants*

Firm's Registration No: 322770E

**Komal Jain**

*(Partner)*

Membership No: 303583

UDIN: 24303583BKFPPO9573

Place: New Delhi  
Date: May 02, 2024

**Annexure - D****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,  
The Board of Directors,  
**GALLANTT ISPAT LIMITED**  
Gorakhpur Industrial Development Authority (GIDA)  
Sahjanwa, Gorakhpur – 273209,  
Uttar Pradesh

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gallantt Ispat Limited having CIN: L27109UP2005PLC195660 and having Registered Office at Gorakhpur Industrial Development Authority (GIDA), Sahjanwa, Gorakhpur – 273209, Uttar Pradesh (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Director Identification

Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of Appointment in the Company	Date of Cessation
1	Mr. Chandra Prakash Agrawal	01814318	01.04.2005	NA
2	Mr. Dinesh R. Agarwal	01017125	07.02.2005	NA
3	Mr. Prashant Jalan	06619739	04.11.2020	NA
4	Mr. Nitin Mahavir Prasad Kandoi	01979952	07.02.2005	NA
5	Mr. Jyotirindra Nath Dey*	00180925	30.11.2005	31.03.2024
6	Mr. Ashtbhuj Prasad Srivastava	08434115	29.04.2019	NA
7	Mrs. Nishi Agrawal	08441260	04.11.2020	NA
8	Mr. Udit Agarwal	07036864	29.06.2021	NA
9	Mr. Prem Prakash Agarwal	01397585	02.11.2023	NA
10	Mr. Pankaj Khanna	10377030	02.11.2023	NA
11	Mrs. Smita Modi	01141396	02.11.2023	NA

\*Mr. Jyotirindra Nath Dey has retired from the Company on the close of working hours on 31.03.2024 due to completion of his tenure of two consecutive terms of 5 years as Independent Director.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**(Anurag Fatehpuria)**

*Practicing Company Secretary*  
Firm's Registration No: 322770E  
Membership No. 34471  
CP No. 12855  
UDIN: A034471F000288494

Place: Kolkata  
Date: May 02, 2024



## Independent

Auditors Report

### TO THE MEMBERS OF GALLANTT ISPAT LIMITED

#### Report on the Standalone Financial Statements

##### Opinion

We have audited the accompanying standalone financial statement of GALLANTT ISPAT LIMITED ('The Company') which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements"), which we have signed under reference to this report.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

##### Emphasis of Matter

We draw your attention to Note No. 49 of the financial statement, relating to the search carried out by the Income Tax Department in April 2023 concerning the Company. Since the related proceedings are in progress, there is uncertainty as regards impact, if any, of the outcome of the proceedings, which cannot be ascertained at this point of time.

Our opinion is not modified in respect of this matter.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

##### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our Auditor's Report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon. In connection with our audit of financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We have nothing to report in this regard.



## Independent

Auditors Report

### Responsibility of Management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes responsible the maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company's to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



## Independent

### Auditors Report

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

- a) As required by Section 143(3) of the Act, based on our audit we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows are dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the specified under Section 133 of the Act, read with companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors of the Company as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position of the financial statements.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.
    - iv.
      - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
      - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall: directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
      - (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i)(a) and (i)(b) contain any material misstatement.



## Independent

### Auditors Report

- v. The Company has not paid or declared any dividend during the year.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.  
  
As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
- h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:  
  
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.
- i) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the Annexure B, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.

For **MAROTI & ASSOCIATES**  
*Chartered Accountants*  
Firm Registration No. 322770E

**CA KOMAL JAIN**  
*Partner*

Membership No.: 303583  
UDIN: 24303583BKFPK9875

Place: New Delhi  
Date: May 02, 2024



## Annexure - A

to the Independent Auditors Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of GALLANTT ISPAT LIMITED ("the Company") as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### 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





## Annexure - A

to the Independent Auditors Report

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 31<sup>st</sup> March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **MAROTI & ASSOCIATES**  
*Chartered Accountants*  
Firm Registration No. 322770E

**CA KOMAL JAIN**

*Partner*

Membership No.: 303583  
UDIN: 24303583BKFPK9875

Place: New Delhi  
Date: May 02, 2024



## Annexure - B

to the Independent Auditors Report

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gallantt Ispat Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a regular programme for physical verification in phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements are held in the name of the Company except the following:

### Immovable Properties

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value(in Lacs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Freehold Land	at Japtiya Village 2.07 Acre	12.94	Govind Mills Limited	No	22.10.2001	Got the ownership by way of amalgamation and the property in the name of Transferor Company
Freehold Land	at Bargadwa 0.30 Acre	3.00	Govind Mills Limited	No	20.07.2000	
Freehold Land	at Bargadwa 0.86 Acre	7.18	Govind Mills Limited	No	13.07.2000	
Freehold Land	at Bargadwa 0.31 Acre	1.78	Govind Mills Limited	No	21.07.2000	
Freehold Land	at Bargadwa 0.15Acre	0.94	Govind Mills Limited	No	16.02.2001	
Freehold Land	at Bargadwa 0.15Acre	0.94	Govind Mills Limited	No	05.10.2001	
Freehold Land	at Bargadwa 0.66 Acre	3.80	Govind Mills Limited	No	30.03.2002	
Freehold Land	at Avadhpur 2.775Acre	2.70	Govind Steel & Power Ltd	No	17.08.2004	
Freehold Land	at Avadhpur 5.332Acre	5.50	Govind Steel & Power Ltd	No	17.08.2004	
Freehold Land	at Sabdaian Kalan 1.16 Acre	3.57	Govind Mills Limited	No	23.07.2001	
Freehold Land	at Sabdaian Kalan 0.37 Acre	0.88	Govind Mills Limited	No	19.09.2001	
Freehold Land	at Sabdaian Kalan 0.27 Acre	0.47	Govind Mills Limited	No	24.09.2001	
Freehold Land	at Sabdaian Kalan 0.61 Acre	0.74	Govind Mills Limited	No	16.10.2001	
Freehold Land	at Sabdaian Kalan 0.08 Acre	0.12	Govind Mills Limited	No	27.10.2001	
Freehold Land	at Sabdaian Kalan 0.32 Acre	0.66	Govind Mills Limited	No	19.11.2001	
Freehold Building	Office space at Kolkata	11.27	Hipoline Commerce Private Limited	No	01.04.2019	Got the ownership by way of amalgamation of Hipoline Commerce Private Limited.



## Annexure - B

to the Independent Auditors Report

- d) According to the information and explanation given to us, the Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- e) According to the information and explanation given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is reasonably appropriate and no material discrepancies were noticed on such physical verification.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, working capital limits above ₹ 5 Crores has been sanctioned to the Company by the State Bank of India (SBI) and by HDFC Bank on the basis of security of current assets (inventories and receivables). The differences in the quarterly returns or statements filed by the company with SBI and HDFC bank and the books of accounts of the Company are detailed below:

(₹ in lakhs)

Quarter	Name of the Bank	Particulars of the security provided	Amount as per book of account	Amount as reported in the quarterly return / statement	Amount of difference
Q-1 June, 2022	State Bank of India / HDFC Bank	State Bank of India	53,770.98	57,932.22	(4,161.24)
Q-2 September, 2022	State Bank of India / HDFC Bank	State Bank of India	63,608.85	62,844.60	764.25
Q-3 December, 2022	State Bank of India	Inventory and Receivables	59,276.28	59,376.28	-
Q-4 March, 2023	State Bank of India	Inventory and Receivables	54,035.61	59,480.64	(5,445.03)

The reason for difference is that the Statement of inventory submitted to the bank is valued on estimation basis and includes advance to supplier as stock in transit whereas afterwards actual valuation of the same is done at the time of quarterly result and advance to supplier is taken under the head "Advance".

- iii. The Company has made investments in, provided guarantee or security and granted loans or advances in nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
- a) The Company has provided loans and guarantee (in respect of loans) during the year to parties other than subsidiaries, joint venture and associate and details of which are given below:

(₹ in lakhs)

Particulars	Loans	Guarantees
Aggregate amount granted/provided during the year:		
- To Others	-	-
Balance Outstanding as at Balance sheet date		-
- To Related Party	424.34	-

- b) The investments made, guarantees provided and terms and conditions of the grant of all the above-mentioned loans and guarantees provided during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.



## Annexure - B

to the Independent Auditors Report

- d) There are no amounts overdue for more than ninety days in respect of the loan granted to Company/ Firm/ LLP/ Other Parties.
- e) According to the information and explanation provided to us, the company has not renewed or extended or granted fresh loan or advance in the nature of loan which has fallen due during the year. Hence, the requirements under paragraph 3(iii) (e) of the Order are not applicable to the Company.
- f) According to the information explanation provided to us, the Company has granted loans/advances in the nature of loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:

(₹ in lakhs)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	424.32		424.32
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	424.32	-	424.32
Percentage of loans/advances in nature of loans to the total loans	100%	-	100%

- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans granted, investments made, guarantees and securities provided, where ever applicable.
- v. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records, the following dues have not been deposited as on March 31, 2024 on account of disputes are given below:

Nature of the Statute	Nature of Dues	Amount (₹ in lakhs)	Period to which the Amount Relates	Forum where Dispute is Pending
Income Tax Act	Income Tax	3,014.49**	2008-09 to 2018-19	Various Appellate Forums
Value Added Tax	VAT	38.04*	2007-08	Jt. Commissioner of Appeal
Central GST	GST	603.35	2014-15, 2015-16 2016-17, 2017-18	Commission Appeal GST Central
Central Excise Act	Excise Duty	170.12	2010-11	CESTAT, Ahmedabad
UP VAT ACT 2008	VAT	9255.64	August 2011 to June 2017	Government of Uttar Pradesh
Custom Act	Custom Duty	264.94	2011-12, 2012-13	CESTAT, Ahmedabad



## Annexure - B

to the Independent Auditors Report

\* Net of amount paid under protest

\*\* Gross demand was raised against AAR Commercial Company Limited (i.e. Transferor Company).

- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not defaulted in repayment of any loans or other borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies.
- (f) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not raised any loans on pledge of securities held in its subsidiaries or associate companies during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally).
- xi. (a) According to the information and explanations given to us and on the basis of our examination, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form-ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanation given to us, there are no instances of whistle blower complaints received during the year by the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, it is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.



## Annexure - B

to the Independent Auditors Report

- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. And hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. According to the information and explanations given to us:
- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group has no CIC as part of the Group.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no unspent amounts under sub-section (5) of section 135 of Companies Act, pursuant to any ongoing projects requiring a transfer to Special Account in compliance with the provisions of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **MAROTI & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 322770E

**CA KOMAL JAIN**  
Partner

Membership No.: 303583  
UDIN: 24303583BKFPK9875

Place: New Delhi  
Date: May 02, 2024



## Standalone

Balance sheet as at 31<sup>st</sup> March, 2024

(₹ in lakhs)

	Notes	As at 31.03.2024	As at 31.03.2023
<b>(I) ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	03	1,75,670.79	1,45,789.77
(b) Capital work in progress	03	12,162.46	31,560.40
(c) Other Intangible Assets	03	13,732.42	16,485.49
		<b>2,01,565.66</b>	<b>1,93,835.66</b>
(d) Financial assets			
(i) Investments	04	888.40	161.86
(ii) Other financial assets	05	388.68	492.23
(e) Other non-current assets	06	2,026.12	1,009.17
		<b>2,04,868.86</b>	<b>1,95,498.92</b>
<b>(2) Current Assets</b>			
(a) Inventories	08	43,887.71	43,284.35
(b) Financial assets			
(i) Investments	09	4,314.20	-
(ii) Trade receivables	10	10,908.70	13,736.41
(iii) Cash and cash equivalent	11	31.72	561.63
(iv) Bank balances other than (iii) above	12	1,199.08	570.66
(v) Loans	13	424.32	402.51
(vi) Other financial assets	14	32,483.65	26,228.35
(c) Current Income tax assets (net)		1,093.80	1,089.05
(d) Other current assets	15	14,341.24	13,512.09
		<b>1,08,684.42</b>	<b>99,385.05</b>
<b>TOTAL ASSETS</b>		<b>3,13,553.28</b>	<b>2,94,883.97</b>
<b>(II) EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	16	24,128.09	24,128.09
(b) Other equity	17	2,20,944.59	1,98,375.07
		<b>2,45,072.68</b>	<b>2,22,503.16</b>
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	10,029.97	9,947.42
(b) Provisions	19	685.46	551.67
(c) Deferred tax liabilities / (Assets) (Net)	7	10,454.14	7,256.40
(d) Other Non Current Liability	20	744.18	843.11
		<b>21,913.76</b>	<b>18,598.60</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	36,161.11	43,827.04
(ii) Trade payables	22	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		5,749.49	6,429.93
(iii) Other financial liabilities	23	1,270.35	734.24
(b) Other current liabilities	24	3,385.89	2,791.00
		<b>46,566.84</b>	<b>53,782.21</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,13,553.28</b>	<b>2,94,883.97</b>

See accompanying notes forming part of the financial statement.

As per terms of our report attached

For **MAROTI & ASSOCIATES**

Chartered Accountants

Firm Registration No : 322770E

**Komal Jain**

Partner

Membership No. 303583

UDIN: 24303583BKFPK9875

New Delhi, May 02, 2024

For and on behalf of the Board of Directors

**Chandra Prakash Agrawal**

Chairman & Managing Director

DIN: 01814318

**Dinesh R Agarwal**

Whole-time Director

DIN: 01017125

**Mayank Agrawal**

Chief Executive Officer

**Sandip Kumar Agarwal**

Chief Financial Officer

**Nitesh Kumar**

Company Secretary

Gorakhpur, May 02, 2024



## Standalone

Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2024

(₹ in lakhs)

	Notes	For Year ended 31.03.2024	For Year ended 31.03.2023
(1) Revenue from operations	25	4,22,711.75	4,05,670.32
(2) Other income	26	685.06	327.39
<b>(3) Total Income (1) + (2)</b>		<b>4,23,396.80</b>	<b>4,05,997.71</b>
<b>(4) EXPENSES</b>			
(a) Cost of materials consumed	27	3,23,865.27	3,27,284.03
(b) Purchase of stock in trade		13,508.88	1,225.53
(c) Changes in inventories of finished products, stock in trade and work in progress	28	(3,571.56)	3,976.12
(d) Employee benefits expense	29	10,817.98	8,818.48
(e) Finance costs	30	2,820.30	2,722.35
(f) Depreciation and amortization expense	31	11,552.75	10,025.01
(g) Other expenses	32	33,271.45	27,957.38
<b>Total Expenses (4)</b>		<b>3,92,265.07</b>	<b>3,82,008.90</b>
<b>(5) Profit before tax (3) - (4)</b>		<b>31,131.74</b>	<b>23,988.81</b>
<b>(6) Tax Expense</b>			
(a) Current tax	33	5,555.52	3,761.67
(b) Deferred tax	33	3,042.41	6,136.05
<b>Total tax expenses (6)</b>		<b>8,597.93</b>	<b>9,897.72</b>
<b>(7) Profit for the period (5) - (6)</b>		<b>22,533.81</b>	<b>14,091.09</b>
<b>(8) Other comprehensive income</b>			
(a). Items that will not be reclassified to statement of profit and loss			
(i). Remeasurement of the employees defined benefit plans		64.26	135.04
(ii). Fair value of financial assets		10.61	18.88
Less : Income tax relating to items that will not be reclassified to profit or loss		(39.14)	(53.79)
<b>Total other comprehensive income (8)</b>		<b>35.72</b>	<b>100.14</b>
<b>(9) Total comprehensive income for the period (7) + (8)</b>		<b>22,569.53</b>	<b>14,191.23</b>
<b>(10) Earnings per equity share: (Face value of share of ₹ 10 each)</b>	34		
(a) Basic		9.34	5.84
(b) Diluted		9.34	5.84

See accompanying notes forming part of the financial statement.

As per terms of our report attached

For **MAROTI & ASSOCIATES**  
Chartered Accountants

Firm Registration No : 322770E

**Komal Jain**

Partner

Membership No. 303583

UDIN: 24303583BKFPK9875

New Delhi, May 02, 2024

For and on behalf of the Board of Directors

**Chandra Prakash Agrawal**  
Chairman & Managing Director

DIN: 01814318

**Dinesh R Agarwal**  
Whole-time Director

DIN: 01017125

**Mayank Agrawal**  
Chief Executive Officer

**Sandip Kumar Agarwal**  
Chief Financial Officer

**Nitesh Kumar**

Company Secretary  
Gorakhpur, May 02, 2024





## Standalone

Cash Flow Statement for the year ended 31 st March, 2024

(₹ in lakhs)

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>A. Cash Flow from Operating activities:</b>		
<b>Profit for the period</b>	<b>31,131.74</b>	<b>23,988.81</b>
Adjustments for:		
Income tax expenses recognised in the statement of profit and loss		
Depreciation expense	11,552.75	10,025.01
Interest income	(254.86)	(227.80)
Interest expenses	2,573.23	2,471.08
(Profit)/loss on sale of property, plant & equipments	(0.13)	4.85
Liabilities/provision no longer required written back	(0.90)	(0.47)
<b>Operating profit before working capital changes</b>	<b>45,001.84</b>	<b>36,261.48</b>
Adjustments for (increase)/decrease in operating assets		
Inventories	(603.35)	(10,145.10)
Trade receivables	2,827.71	1,966.45
Non-current financial Assets	103.56	(206.06)
Other non-current assets	(1,000.27)	224.01
Current financial assets	(6,196.40)	(1,862.29)
Other current assets	(829.15)	(3,690.15)
Adjustments for increase/(decrease) in operating liabilities		
Trade Payables	(680.44)	(9,327.90)
Current financial liabilities	459.12	286.96
Other current liabilities	594.90	232.05
Provisions	198.94	80.33
Other non-current liabilities	(0.00)	(98.92)
<b>Cash generated from operations</b>	<b>39,876.45</b>	<b>13,720.86</b>
Direct taxes paid	(5,444.07)	(4,165.11)
<b>Net cash generated from operating activities</b>	<b>34,432.38</b>	<b>9,555.76</b>



## Standalone

Cash Flow Statement for the year ended 31 st March, 2024

(₹ in lakhs)

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>B. Cash Flow from Investing activities:</b>		
Purchase of fixed assets including intangible assets and CWIP	(19,936.71)	(22,733.44)
Proceed from Sale of property, plant & equipment	615.44	9.81
(Increase) / Decrease in investment	(5,030.13)	(0.00)
Movement in loans and advances	(21.81)	43.83
Movement in bank deposit	(628.42)	(97.33)
Interest received	195.95	270.49
<b>Net cash (used in) investing activities</b>	<b>(24,805.68)</b>	<b>(22,506.65)</b>
<b>C. Cash Flow from Financing activities:</b>		
Proceeds from long term borrowings	82.55	57.95
Proceeds from short term borrowings	-	15,060.70
Repayment of short term borrowings	(7,665.93)	-
Interest paid	(2,573.23)	(2,471.08)
<b>Net cash (used in) financing activities</b>	<b>(10,156.61)</b>	<b>12,647.56</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(529.91)</b>	<b>(303.33)</b>
<b>Cash and cash equivalents as at 1st April</b>	<b>561.63</b>	<b>864.96</b>
<b>Cash and cash equivalents as at 31st March</b>	<b>31.72</b>	<b>561.63</b>

See accompanying notes forming part of the financial statements

1. Cash and cash equivalents represents cash, cheques on hand and balances with banks (Refer Note 10).
2. Figures in brackets represent outflows.

As per terms of our report attached

For **MAROTI & ASSOCIATES**  
Chartered Accountants

Firm Registration No : 322770E

**Komal Jain**

Partner

Membership No. 303583

UDIN: 24303583BKFPRK9875

New Delhi, May 02, 2024

For and on behalf of the Board of Directors

**Chandra Prakash Agrawal**

Chairman & Managing Director

DIN: 01814318

**Dinesh R Agarwal**

Whole-time Director

DIN: 01017125

**Mayank Agrawal**

Chief Executive Officer

**Sandip Kumar Agarwal**

Chief Financial Officer

**Nitesh Kumar**

Company Secretary

Gorakhpur, May 02, 2024



## Standalone

Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2024

(₹ in lakhs)

### A. EQUITY SHARE CAPITAL

For the year ended 31st March, 2024:

Balance at the beginning of the year	Changes in Equity Share Capital due to prior period errors	Restated Balance at the beginning of the year	Changes in Equity Share Capital during the year	Balance at the end of the year
24,128.09	0.00	24,128.09	0.00	24,128.09

For the year ended 31st March, 2023:

Balance at the beginning of the year	Changes in Equity Share Capital due to prior period errors	Restated Balance at the beginning of the year	Changes in Equity Share Capital during the year	Balance at the end of the year
24,128.09	0.00	24,128.09	0.00	24,128.09

### B. OTHER EQUITY

For the year ended 31st March, 2024:

Particulars	Reserves and Surplus			Items of other Comprehensive Income		Total
	Capital Reserve	Securities Premium	Retained Earnings	Fair value of financial assets through other comprehensive income	Remeasurement of defined benefit plans	
<b>Balance at the beginning of the year</b>	1,11,147.23	1,050.00	85,715.38	101.06	361.40	1,98,375.07
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-
<b>Restated Balance</b>	<b>1,11,147.23</b>	<b>1,050.00</b>	<b>85,715.38</b>	<b>101.06</b>	<b>361.40</b>	<b>1,98,375.07</b>
Add/(Less) :						
Profit for the year	-	-	22,533.80	-	-	22,533.80
Other Comprehensive Income/ (Loss) for the year	-	-	-	(6.08)	41.80	35.72
Transfer to Share Capital	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	403.20	-	(403.20)	-
<b>Balance as at 31st March, 2024</b>	<b>1,11,147.23</b>	<b>1,050.00</b>	<b>1,08,652.38</b>	<b>94.98</b>	<b>-</b>	<b>2,20,944.59</b>



## Standalone

Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2024

(₹ in lakhs)

### For the year ended 31st March, 2023:

Particulars	Reserves and Surplus			Items of other Comprehensive Income		Total
	Capital Reserve	Securities Premium	Retained Earnings	Fair value of financial assets through other comprehensive income	Remeasurement of defined benefit plans	
<b>Balance at the beginning of the year</b>	1,11,147.23	1,050.00	71,624.29	88.78	273.54	1,84,183.84
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-
<b>Restated Balance</b>	<b>1,11,147.23</b>	<b>1,050.00</b>	<b>71,624.29</b>	<b>88.78</b>	<b>273.54</b>	<b>1,84,183.84</b>
Add/(Less) :						
Profit for the year	-	-	14,091.09	-	-	14,091.09
Other Comprehensive Income/(Loss) for the year	-	-	-	12.28	87.86	100.14
Transfer to Retained Earnings	-	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	<b>1,11,147.23</b>	<b>1,050.00</b>	<b>85,715.38</b>	<b>101.06</b>	<b>361.40</b>	<b>1,98,375.07</b>

See accompanying notes forming part of the financial statements

As per terms of our report attached

For **MAROTI & ASSOCIATES**  
Chartered Accountants

Firm Registration No : 322770E

**Komal Jain**

Partner

Membership No. 303583

UDIN: 24303583BKFPRK9875

New Delhi, May 02, 2024

For and on behalf of the Board of Directors

**Chandra Prakash Agrawal**

Chairman & Managing Director

DIN: 01814318

**Dinesh R Agarwal**

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DIN: 01017125

**Mayank Agrawal**

Chief Executive Officer

**Sandip Kumar Agarwal**

Chief Financial Officer

**Nitesh Kumar**

Company Secretary  
Gorakhpur, May 02, 2024



## Notes

forming part of the financial statements

### Note - 01

#### General information

Gallantt Ispat Limited ("the Company") is a public limited company domiciled in India incorporated under the provisions of the Companies Act. The registered office of the Company is located in Gorakhpur, Uttar Pradesh, India. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company is engaged in manufacturing of Steel and Steel products with power plant and having its manufacturing unit at Village Samakhlyali, Dist Kutch in the State of Gujarat (Gujarat Unit) and at Sahjanwa, Gorakhpur, Uttar Pradesh (Gorakhpur Unit). Further, Company is also engaged in the business of Real Estate.

#### 1.02 Basis of preparation of financial statement

These financial 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 as amended from time to time.

The financial statements have been prepared on accrual and going concern basis. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013 (as amended). Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issue on May 02, 2024

#### 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



## Notes

forming part of the financial statements

evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### Note - 02

### Significant Accounting Policies

#### 2.01 Property, Plant and Equipment (PPE)

Land, Buildings, Plant and Equipment, Furniture and Fixtures and Vehicles held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Cost includes purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs of bringing an asset to the location and condition of its intended use and borrowing costs capitalised in accordance with the Company's accounting policy.

Properties in the course of construction for production or supply of goods or services or for administrative purposes are carried at cost, less any recognised impairment losses

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight-line method. Depreciation of assets commences when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis.

Estimated useful lives of the assets are as follows:

Buildings	: 3 to 60 years
Plant and equipment	: 10 to 40 years
Electrical Installation and equipments	: 10 years
Furniture and Fixtures	: 10 years
Office Equipments	: 5 to 10 years
Computers	: 3 years
Motor Vehicles	: 8 to 10 years
Rolls	: 1 year

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit and loss.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.



## Notes

forming part of the financial statements

### 2.02 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment (if any) losses. Amortisation is recognised at straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

Brand Value	: 10 years
-------------	------------

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of intangible assets is recognised in profit and loss.

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 recognised 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.



## Notes

forming part of the financial statements

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:

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





## Notes

forming part of the financial statements

in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

### vi) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

### vii) Impairment of Financial asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

## 2.08 Financial Liabilities

### i) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

### ii) Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

### iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

## 2.09 Offsetting of Financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 2.10 Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## 2.11 Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.



## Notes

forming part of the financial statements

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, cash discount and quantity discount and exclusive of Goods and Service Tax and other taxes and duties collected on behalf of the government. Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods.

#### ii). Dividend and Interest income

Dividend income is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

#### iii). Insurance Claims

Insurance claims are accounted for on acceptance and when there is a reasonable certainty of receiving the same, on ground of prudence.

### 2.13 Foreign Currencies Transactions

The financial statements of the Company are presented in Indian Rupee (₹), which is Company's functional and presentation currency.

Transactions in currencies other than entity's functional currency (foreign currency) are recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies (other than derivative contracts) remaining unsettled at the end of the each reporting period are remeasured at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that at 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



## Notes

forming part of the financial statements

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



## Notes

forming part of the financial statements

can be measured reliably and it is probable that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

- iv). Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 2.17 Earning Per Share

Basic Earnings per share is calculated by dividing the net profit / (loss) for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### 2A Recent Indian Accounting Standard (Ind AS)

#### 2A.1 Recent accounting pronouncements which are not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's Financial Statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2022 on March 23, 2022. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

- 1 Ind AS 101 - First-time adoption of Ind AS
- 2 Ind AS 103 – Business Combinations
- 3 Ind AS 109 – Financial Instruments
- 4 Ind AS 16 – Property, Plant and Equipment
- 5 Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- 6 Ind AS 41 – Agriculture

These amendments shall come into force with effect from April 01, 2022.

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

#### 2A.2 Business Combination

Business combinations are accounted for using the acquisition method of accounting.

The consideration transferred in each business combination is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Company to the former owners of the acquiree and equity interests issued by the Company in exchange for control of the acquiree.

Acquisition related costs are recognised in profit or loss as incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as financial liability is measured at fair value with changes in fair value recognized in the statement of profit and loss.

Purchase Consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the capital reserve.



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 03 Property, plant and equipment

	Freehold Land	Freehold Building	Roads	Plant and Machinery	Electrical installation and Equipments	Lab Equipments	Furniture and fixtures	Office Equipments	Motor Vehicles	Computers	Rolls	Other Assets	Railway Siding	Total
<b>Cost or deemed cost</b>														
Balance at April 1, 2022	30,725.04	22,496.47	955.50	84,147.09	1,269.35	46.68	44.46	118.95	661.04	36.06	216.82	3,056.80	420.44	1,44,194.71
Additions	696.36	2,225.11	25.20	17,334.74	129.49	3.31	150.49	14.62	93.80	2.97	353.99	1,142.82	5,009.77	27,182.67
Disposals	-	-	-	-	-	-	-	-	(51.07)	-	(216.82)	-	-	(267.89)
Balance at March 31, 2023	31,421.40	24,721.58	980.70	1,01,481.84	1,398.84	49.99	194.95	133.57	703.77	39.03	353.99	4,199.62	5,430.21	1,71,109.49
Additions	187.40	1,663.98	-	31,655.90	57.73	-	9.52	32.37	136.35	13.41	327.00	28.70	5,282.59	39,394.95
Disposals	(615.26)	-	-	-	-	-	-	-	(0.52)	-	(353.99)	-	-	(969.77)
<b>Balance at March 31, 2024</b>	<b>30,993.54</b>	<b>26,385.56</b>	<b>980.70</b>	<b>1,33,137.74</b>	<b>1,456.57</b>	<b>49.99</b>	<b>204.47</b>	<b>165.94</b>	<b>839.60</b>	<b>52.44</b>	<b>327.00</b>	<b>4,228.32</b>	<b>10,712.80</b>	<b>2,09,534.67</b>
Accumulated depreciation														
Balance at April 1, 2022	-	2,390.23	389.91	13,782.12	601.29	31.02	27.22	85.82	261.37	16.34	84.42	384.97	150.12	18,204.84
Depreciation expense	-	835.02	92.41	5,258.44	80.90	2.66	16.72	16.14	80.81	6.30	320.83	290.56	367.33	7,368.11
Disposals	-	-	-	-	-	-	-	-	(36.40)	-	(216.82)	-	-	(253.22)
<b>Balance at March 31, 2023</b>	<b>-</b>	<b>3,225.25</b>	<b>482.32</b>	<b>19,040.56</b>	<b>682.19</b>	<b>33.68</b>	<b>43.94</b>	<b>101.96</b>	<b>305.78</b>	<b>22.64</b>	<b>188.44</b>	<b>675.53</b>	<b>517.45</b>	<b>25,319.73</b>
Depreciation expense	-	875.50	94.80	6,646.72	77.25	2.66	16.99	10.87	93.42	5.89	295.80	291.81	486.88	8,898.60
Disposals	-	-	-	-	-	-	-	-	(0.47)	-	(353.99)	-	-	(354.46)
<b>Balance at March 31, 2024</b>	<b>-</b>	<b>4,100.74</b>	<b>577.12</b>	<b>25,687.28</b>	<b>759.44</b>	<b>36.34</b>	<b>60.94</b>	<b>112.83</b>	<b>398.73</b>	<b>28.53</b>	<b>130.25</b>	<b>967.34</b>	<b>1,004.33</b>	<b>33,863.88</b>
<b>Carrying amount</b>														
Balance at March 31, 2023	31,421.40	21,496.33	498.39	82,441.28	716.65	16.31	151.01	31.61	397.99	16.39	165.55	3,524.10	4,912.76	1,45,789.76
<b>Balance at March 31, 2024</b>	<b>30,993.54</b>	<b>22,284.82</b>	<b>403.58</b>	<b>1,07,450.46</b>	<b>697.13</b>	<b>13.65</b>	<b>143.54</b>	<b>53.11</b>	<b>440.87</b>	<b>23.92</b>	<b>196.74</b>	<b>3,260.98</b>	<b>9,708.47</b>	<b>1,75,670.79</b>

#### 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 and Gorakhpur, Uttar Pradesh.
- Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013.



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 03

### Intangible Assets

	Computer Software	Brands / Trademark	Total
<b>Cost or deemed cost</b>			
Balance at April 1, 2022	-	27,508.41	27,508.41
Additions	-	-	-
Disposals	-	-	-
Balance at March 31, 2023	-	27,508.41	27,508.41
Additions	-	-	-
Disposals	-	-	-
<b>Balance at March 31, 2024</b>	<b>-</b>	<b>27,508.41</b>	<b>27,508.41</b>
<b>Accumulated depreciation</b>			
<b>Balance at April 1, 2022</b>	-	8,267.11	8,267.11
Depreciation expense	-	2,755.81	2,755.81
Disposals	-	-	-
<b>Balance at March 31, 2023</b>	<b>-</b>	<b>11,022.92</b>	<b>11,022.92</b>
Depreciation expense	-	2,753.07	2,753.07
Disposals	-	-	-
<b>Balance at March 31, 2024</b>	<b>-</b>	<b>13,775.99</b>	<b>13,775.99</b>
<b>Carrying amount</b>			
<b>Balance at March 31, 2023</b>	<b>-</b>	<b>16,485.49</b>	<b>16,485.49</b>
<b>Balance at March 31, 2024</b>	<b>-</b>	<b>13,732.42</b>	<b>13,732.42</b>

### Note - 03

### Capital work - in - progress ageing schedule

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Project in Progress</b>					
As at 31 <sup>st</sup> March, 2024	-	-	-	-	-
As at 31 <sup>st</sup> March, 2023	11,474.09	688.37	-	-	12,162.46

The Company shall provide the details of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company in following format and where such immovable property is jointly held with others, details are required to be given to the extent of the company's share.



## Notes

forming part of the financial statements

(₹ in lakhs)

Relevant line item in the Balance sheet	Immovable Properties					
	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Freehold Land	at Japtiya Village 2.07 Acre	12,93,800	Govind Mills Limited	No	22.10.2001	Get the ownership by way of amalgamation and the property in the name of Transferror Company
Freehold Land	at Bargadwa 0.30 Acre	3,00,004	Govind Mills Limited	No	20.07.2000	
Freehold Land	at Bargadwa 0.86 Acre	7,17,872	Govind Mills Limited	No	13.07.2000	
Freehold Land	at Bargadwa 0.31Acre	1,78,300	Govind Mills Limited	No	21.07.2000	
Freehold Land	at Bargadwa 0.15Acre	94,200	Govind Mills Limited	No	16.02.2001	
Freehold Land	at Bargadwa 0.15Acre	94200	Govind Mills Limited	No	05.10.2001	
Freehold Land	at Bargadwa 0.66 Acre	3,79,500	Govind Mills Limited	No	30.03.2002	
Freehold Land	at Avadhpur 2.775Acre	2,70,000	Govind Steel & Power Ltd	No	17.08.2004	
Freehold Land	at Avadhpur 5.332Acre	5,50,000	Govind Steel & Power Ltd	No	17.08.2004	
Freehold Land	at Sabdaian Kalan 1.16 Acre	3,57,200	Govind Mills Limited	No	23.07.2001	
Freehold Land	at Sabdaian Kalan 0.37 Acre	88,400	Govind Mills Limited	No	19.09.2001	
Freehold Land	at Sabdaian Kalan 0.27 Acre	46,902	Govind Mills Limited	No	24.09.2001	
Freehold Land	at Sabdaian Kalan 0.61 Acre	74,253	Govind Mills Limited	No	16.10.2001	
Freehold Land	at Sabdaian Kalan 0.08 Acre	11,800	Govind Mills Limited	No	27.10.2001	
Freehold Land	at Sabdaian Kalan 0.32 Acre	65,500	Govind Mills Limited	No	19.11.2001	
Freehold Building	Office space at Kolkata	11,27,000	Hipoline Commerce Private Limited	Yes	01.04.2019	



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 04

#### Investments

Particulars	As at 31.03.2024		As at 31.03.2023	
	Qty	Amount	Qty	Amount
	Nos.	₹ lakhs	Nos.	₹ lakhs
<b>Investment in Associates</b>				
<b>Valued at cost</b>				
Investments in equity instruments, fully paid up (Unquoted)				
Gallantt Medicity Developers Private Limited	7,81,300.00	780.13	-	-
<b>Others</b>				
Investment measured at fair value through other comprehensive income	-	-	-	-
<b>Quoted</b>				
Mukta Agriculture Ltd	22,000	0.73	22000	0.66
Cressanda Solutions Ltd	6,87,307	97.46	687307	151.35
Mystics Electronics Limited	18,800	0.76	18800	0.55
Matra Kaushal Enterprises Ltd.	4,15,000	8.96	415000	8.96
Shalimar Production Ltd	70,000	0.35	70000	0.34
<b>Total</b>	-	<b>888.40</b>	-	<b>161.86</b>
Aggregate amount of quoted investment and market value thereof	-	108.27	-	161.86
Aggregate amount of unquoted investment	-	780.13	-	161.86
Investment carried at cost	-	780.13	-	-
Investment carried at fair value through OCI	-	108.27	-	-

### Note - 05

#### Other non-current financial assets

Particulars	As at 31.03.2024	As at 31.03.2023
(Unsecured, Considered good)		
(a). Security deposits	388.68	492.23
<b>Total non-current financial assets</b>	<b>388.68</b>	<b>492.23</b>

### Note - 06

#### Other non-current assets

Particulars	As at 31.03.2024	As at 31.03.2023
(a). Capital advances	234.37	217.67
(b). Balance with Statutory / Government Authorities	1,791.76	791.49
<b>Total other non-current assets</b>	<b>2,026.12</b>	<b>1,009.17</b>





## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 07

#### Deferred tax balances

Particulars	As at 31.03.2024	As at 31.03.2023
The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:		
Deferred tax assets	6,781.22	6,858.15
Deferred tax liabilities	(17,235.36)	(14,114.55)
<b>Net deferred tax asset/(liability)</b>	<b>(10,454.14)</b>	<b>(7,256.40)</b>
<b>For Year ended 31.03.2024</b>		
<b>Deferred tax (liabilities)/assets in relation to:</b>		
<b>Defferred Tax Liability</b>		
Written down value of Assets	17,142.43	14,114.55
Other Provision	92.93	-
	<b>17,235.36</b>	<b>14,114.55</b>
Defferred Tax Assets		
Mat Credit entitlement	6,562.00	6,678.19
Provision for retirement benefit	219.21	179.95
Other Provision	-	-
	<b>6,781.21</b>	<b>6,858.14</b>

### Note - 08

#### Inventories

Particulars	As at 31.03.2024	As at 31.03.2023
(a). Raw materials (Including in transit ₹ 15,907.37 lakhs (P.Y. ₹ 1,02,943.37 lakhs)	26,115.58	29,196.21
(b). Work-in-progress	188.48	303.14
(c). Finished products	9,804.28	6,118.05
(d). Stores and spare parts	7,018.57	6,906.15
(e). Land at real estate business	760.80	760.80
<b>Total inventories</b>	<b>43,887.71</b>	<b>43,284.35</b>

- Inventories are pledged on pari passu first charge against short term loans from bank (refer note 21)
- The mode of valuation of Inventories has been stated in note 02 point -05



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 09

#### Investments

Particulars	As at 31.03.2024		As at 31.03.2023	
	Nos.	₹ lakhs	Nos.	₹ lakhs
Investment measured at fair value through other comprehensive income				
<b>Investment in Mutual Fund</b>				
<b>Quoted</b>				
SBI Magnum Gilt Fund (Regular growth)*	21,48,008.54	1,288.13	-	-
SBI Arbitrage Opportunity Fund (Direct growth)	92,44,476.54	3,026.07	-	-
<b>Total</b>	-	<b>4,314.20</b>	-	-
Aggregate amount of quoted investment and market value thereof	-	4,314.20	-	-
Aggregate amount of unquoted investment	-	-	-	-
Investment carried at cost	-	-	-	-
Investment carried at fair value through OCI	-	4,314.20	-	-
* Investment for margin against letters of credit and Bank Guarantee	-	<b>4,314.20</b>	-	-

### Note - 10

#### Trade receivables (Current)

Particulars	As at 31.03.2024	As at 31.03.2023
Trade receivables - Considered Good Secured	-	-
Trade receivables - Considered Good Unsecured	10,908.70	13,736.41
Trade receivables which have significant increase in credit risk	-	-
Trade receivable- Credit Impaired	-	-
	<b>10,908.70</b>	<b>13,736.41</b>

- Trade receivables are pledged on pari passu first charge against short term loans from bank (refer note 21).
- Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date of payments						Total
	Not due	Less than 6 months *	6 months -1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed Considered Goods</b>							
As at March 31, 2024	4,292.51	5,795.64	282.13	343.14	195.28	-	10,908.70
As at March 31, 2023	-	12,787.34	660.72	148.15	140.20	-	13,736.41

\* Includes amount not yet due for payments



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 11

#### Cash and cash equivalents

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Cash in hand	25.94	17.30
(ii) Balances with banks		
(a) In current accounts	5.78	6.71
(b) In deposits accounts*	-	537.62
<b>Total cash and cash equivalents</b>	<b>31.72</b>	<b>561.63</b>

(i) \* This represent deposits with original maturity of less than or equal to three months.

### Note - 12

#### Bank balance other than Cash and cash equivalents

Particulars	As at 31.03.2024	As at 31.03.2023
In deposits accounts*	1,197.21	568.81
Earmarked balance with bank for unclaimed dividend	1.87	1.85
	<b>1,199.08</b>	<b>570.66</b>
<b>Total cash and bank balances</b>	<b>1,230.80</b>	<b>1,132.28</b>
<b>Included above</b>		
(i) Bank deposits for margin against letters of credit and Bank Guarantee	-	<b>1,106.43</b>

\* This represent deposits with original maturity of more than three months but within twelve months.

### Note - 13

#### Current Financial Assets - Loans

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(Unsecured, considered good)</b>		
(a) Loan to related parties (refer note 36)	424.32	402.51
(b) Loans to other Body Corporates	-	-
	<b>424.32</b>	<b>402.51</b>
Loans - Considered Good Secured	-	-
Loans - Considered Good Unsecured	424.32	402.51
Loans which have significant increase in credit risk	-	-
Loans- Credit Impaired	-	-
	<b>424.32</b>	<b>402.51</b>
<b>Details of loans under section 186(4) of the Companies Act, 2013</b>		
GL Steel and Power Limited	241.31	220.53
Ganesh Laxmi Processors Pvt Ltd	183.01	181.98



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 14

#### Other financial assets

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Interest accrued on fixed deposits	63.50	4.60
(b) Others	38.09	28.45
(c) Incentive receivable from government (PICUP)	32,346.66	26,184.30
(d) Foreign currency forward contracts	24.41	-
(e) Other Advances	11.00	11.00
<b>Total other financial assets</b>	<b>32,483.65</b>	<b>26,228.35</b>

### Note - 15

#### Other current assets

Particulars	As at 31.03.2024	As at 31.03.2023
(a). Advance with public bodies		
i). Balance with Statutory and Government authorities	773.93	550.42
ii). Advance to suppliers	12,967.45	11,691.37
iii). Other advances and prepayments		
a). Prepayments	356.40	241.80
b). Others	243.47	1,028.50
<b>Total other current assets</b>	<b>14,341.24</b>	<b>13,512.09</b>

### Note - 16

#### Share capital

	As at 31.03.2024	As at 31.03.2023
(a) <b>Authorised:</b>		
24,13,03,300 (P.Y 24,13,03,300) Equity Shares of ₹ 10 each	24,130.33	24,130.33
Issued, Subscribed and fully paid up:		
24,12,80,945 (P.Y. 24,12,80,945 ) Equity Shares of ₹ 10 each	24,128.09	24,128.09
	<b>24,128.09</b>	<b>24,128.09</b>

#### (b) Reconciliation of Number of shares and amount outstanding at the beginning and end of the reporting period

	For the period ended As at 31.03.2024		For the period ended As at 31.03.2023	
	No. of Shares	Amount ₹ lakhs	No. of Shares	Amount ₹ lakhs
<b>Equity shares</b>				
<b>Issued, subscribed and fully paid up:</b>				
At beginning of the year	24,12,80,945	24,128.09	8,13,22,324	8,132.23
Cancelled during the year	-	-	(6,54,96,896)	(6,549.69)
Issued during the year	-	-	22,54,55,517	22,545.55
<b>At the end of the year</b>	<b>24,12,80,945</b>	<b>24,128.09</b>	<b>24,12,80,945</b>	<b>24,128.09</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

### (c) 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 following shares allotment/issue for consideration otherwise than in cash :
  - (a) Cancelled 6,54,96,896 no. of Equity Shares pursuant to the Scheme of Amalgamation and Slump Sale.
  - (b) Allotted 22,54,55,517 fully paid up Equity Shares of Face Value ₹ 10/- each pursuant to the Scheme of Amalgamation and Slump Sale. Post cancellation of 6,54,96,896 Equity Shares and fresh allotment of 22,54,55,517 Equity Shares, the outstanding Issued, Subscribed and Paid-up number of Equity Shares are 24,12,80,945 of Face Value ₹ 10/- each.
  - (c) Not bought back any equity shares.

### (d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholders	For the period ended As at 31.03.2024		For the period ended As at 31.03.2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Chandra Prakash Agrawal	7,04,48,608	29.20	7,04,48,608	29.20
Nihon Impex Private Limited	2,36,14,508	9.79	84,31,821	3.49
Dinesh R. Agarwal	1,40,12,196	5.81	1,40,12,196	5.81
Madhu Agrawal	1,56,89,917	6.50	1,56,89,917	6.50
Mayank Agrawal	1,63,31,915	6.77	1,63,31,915	6.77
Wallstreet Distributor Pvt Ltd	-	-	1,78,82,697	7.41
Warner Dealcom Pvt Ltd	1,26,19,582	5.23	1,26,19,582	5.23



## Notes

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(₹ in lakhs)

### (e) Shareholding of Promoters

Promoters Name	For the period ended As at 31.03.2024		For the period ended As at 31.03.2023		Percentage change during the period ended March 31, 2024
	No. of Shares	Percentage of holding	No. of Shares	Percentage of holding	
CHANDRA PRAKASH AGRAWAL HUF	5418696	2.25	4953863	2.05	0.20
ANUPAM AGARWAL	8896	-	8896	-	0.00
ASHUTOSH AGARWAL	8604248	3.57	8604248	3.57	0.00
BRIJ MOHAN JOSHI	2500	0.00	2500	0.00	0.00
CHANDRA PRAKASH AGARWAL	70448608	29.20	70448608	29.20	0.00
DINESH KUMAR AGARWAL	14012196	5.81	14012196	5.81	0.00
KARUNA JINDAL	3000	0.00	4046	0.00	0.00
KUSUM DEVI JALAN	19661	0.01	19661	0.01	0.00
MAANA AV DINESHKUMAR AGARWAL	72804	0.03	72804	0.03	0.00
MADHU AGARWAL	15689917	6.50	15689917	6.50	0.00
MAYANK AGARWAL	16331915	6.77	16331915	6.77	0.00
NARAIN PRASAD AJITSARIA	2500	0.00	2500	0.00	0.00
NIDHI JALAN	24500	0.01	24500	0.01	0.00
NITIN KANDOI	451571	0.19	451571	0.19	0.00
OM PRAKASH JALAN	110677	0.05	110677	0.05	0.00
PALLAVI AGRAWAL	2497500	1.04	2497500	1.04	0.00
PREM PRAKASH AGARWAL	7334667	3.04	7334667	3.04	0.00
PREM PRAKASH AGRAWAL HUF	5575467	2.31	5575467	2.31	0.00
PRIYA SARAFF	100000	0.04	100000	0.04	0.00
PRIYANKA DAS	4893	0.00	29512	0.01	0.00
PRIYANKA GUPTA	4985000	2.07	4985000	2.07	0.00
SANTOSH KUMAR AGARWAL	297535	0.12	297535	0.12	0.00
SANTOSH KUMAR AGRAWAL HUF	5650943	2.34	5650943	2.34	0.00
SHRUTI KANDOI	17056	0.01	17056	0.01	0.00
SHYAMA AGRAWAL	5160670	2.14	5160670	2.14	0.00
SMRITI AGARWAL	2549775	1.06	2549775	1.06	0.00
SUBODH KUMAR JALAN	0	0.00	10000	0.00	0.00
SUMESH KUMAR AGARWAL	100000	0.04	100000	0.04	0.00
UMA AGARWAL	845615	0.35	845615	0.35	0.00
ASHU GOEL	0	0.00	0	0.00	0.00
NARESH CHANDRA AGARWAL	0	0.00	0	0.00	0.00
SHARDA DEVI JALAN	0	0.00	0	0.00	0.00



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 17

### Other Equity

Particulars	As at 31.03.2024	As at 31.03.2023
a). Securities premium	1,050.00	1,050.00
b). Capital Reserve	1,11,147.23	1,11,147.23
c). Retained Earnings	1,08,249.18	85,715.38
d). Remeasurement of net defined Plan	403.20	361.40
e). Fair Value of financial assets through other comprehensive income	94.98	101.06
<b>Total other equity</b>	<b>2,20,944.59</b>	<b>1,98,375.07</b>
<b>Securities Premium</b>		
Opening balance	1,050.00	1,050.00
Changes during the year	-	-
Closing balance	1,050.00	1,050.00
<b>Capital Reserve</b>		
Opening balance	1,11,147.23	1,11,147.23
Changes during the year	-	-
Closing balance	<b>1,11,147.23</b>	<b>1,11,147.23</b>
<b>Retained Earnings</b>		
Opening balance	85,715.38	71,624.29
Profit for the period	22,533.80	14,091.09
Closing balance	<b>1,08,249.18</b>	<b>85,715.38</b>
<b>Remeasurement of net defined Plan</b>		
Opening Balance	361.40	273.54
Other Comprehensive Income for the year	64.26	135.04
Less : Tax impact on above	(22.45)	(47.18)
Closing Balance	<b>403.20</b>	<b>361.40</b>
<b>Fair Value of financial assets through other comprehensive income</b>		
Opening Balance	101.06	88.78
Other Comprehensive Income for the year	10.61	18.88
Less : Tax impact on above	(16.69)	(6.60)
Closing Balance	<b>94.98</b>	<b>101.06</b>

### Nature and purpose of reserve

**Securities Premium Account :** The amount received in excess of face value of the equity shares is recognised in securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

**Capital Reserve :** The excess of fair value of net assets acquired over consideration paid in a common control transaction is recognised as capital reserve. Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill.

**Retained Earnings :** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.



## Notes

forming part of the financial statements

(₹ in lakhs)

**Other Comprehensive Income :** The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Other comprehensive income (OCI) includes revenues, expenses, gains, and losses that have yet to be realized and are excluded from net income on an income statement. OCI represents the balance between net income and comprehensive income.

### Note - 18

#### Non current Financial Liabilities - Borrowings

Particulars	As at 31.03.2024	As at 31.03.2023
<b>A. Unsecured - at amortised cost</b>		
(a). Deferred VAT/CST Payable (Interest free Loan)	10,029.97	9,947.42
	<b>10,029.97</b>	<b>9,947.42</b>

### Note - 19

#### Non-current Provisions

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Provision for employee benefits	413.27	279.48
(b) Provision for Statutory Liability	272.19	272.19
<b>Total provisions</b>	<b>685.46</b>	<b>551.67</b>

### Note - 20

#### Other Non-current Liabilities

Particulars	As at 31.03.2024	As at 31.03.2023
Deferred income (Capital subsidy)	744.18	843.11
	<b>744.18</b>	<b>843.11</b>

### Note - 21

#### Current Financial Liabilities - Borrowings

Particulars	As at 31.03.2024	As at 31.03.2023
<b>A. Secured - at amortised cost</b>		
(a) Repayable on demand		
From banks		
a) Cash credit	21,629.42	29,955.98
b) Acceptance - Bill of Exchange	13,834.42	13,083.41
<b>Total secured borrowings</b>	<b>35,463.84</b>	<b>43,039.39</b>
<b>B. Unsecured - at amortised cost</b>		
(a) Other loans	697.27	787.65
<b>Total Unsecured borrowings</b>	<b>697.27</b>	<b>787.65</b>
<b>Total borrowings</b>	<b>36,161.11</b>	<b>43,827.04</b>

- 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.





## Notes

forming part of the financial statements

(₹ in lakhs)

3. The above working capital loan from bank is secured by collateral security by pledge of Nil (P.Y. 5,10,500) equity shares of the Company held by promoters.
4. The above working capital loan is guaranteed by the personal guarantee of Sri C. P. Agrawal, Sri Dinesh R Agarwal and Sri Nitin M Kandoi, Directors of the Company.
5. The above working capital loans from bank are bearing interest @ 7.25% - 8.45% (P.Y. 7.80% -8.55% ) on cash credit account and @ 5.50% - 7.50% (P.Y. 5.50% - 8.00% ) on acceptance.
6. The Company does not have any default as on the Balance Sheet date in repayment of loan or interest.

### Note - 22

#### Current Financial Liabilities - Trade Payables

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Total outstanding dues to micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	5,749.49	6,429.93
<b>Total Trade Payables</b>	<b>5,749.49</b>	<b>6,429.93</b>

#### Note:

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue as on March 31, 2024, to Micro, Small and Medium Enterprises on account of principal or interest

#### Trade Payable Ageing Schedule

Particulars	Outstanding for following periods from due date of payments				
	Less than 1 year *	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>As at March 31, 2024</b>					
Micro Small and Medium Enterprise	-	-	-	-	-
Others	5,523.12	148.22	67.64	10.51	5,749.49
<b>As at March 31, 2023</b>					
Micro Small and Medium Enterprise	-	-	-	-	-
Others	6,281.13	136.77	0.40	11.63	6,429.93

\* Includes amount not yet due for payments

### Note - 23

#### Current Financial Liabilities - Others

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Creditors for accrued wages and salaries	1,173.24	714.14
(b) Creditors for purchase of fixed assets	95.24	18.25
(c) Unclaimed Dividend	1.87	1.85
<b>Total other current financial liabilities</b>	<b>1,270.35</b>	<b>734.24</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 24

#### Other current liabilities

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Advance received from customers	1,332.63	1,228.43
(b) Employee recoveries and employer's contributions	39.63	41.27
(c) Statutory dues	1,756.57	1,232.82
(d) Other credit balances	257.05	288.46
<b>Total other current liabilities</b>	<b>3,385.88</b>	<b>2,791.00</b>

### Note - 25

#### Revenue from operations

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>Sale of Products</b>		
(a). Manufacturing goods and By-products	4,01,106.36	4,02,198.86
(b). Sale of traded goods	13,723.65	1,259.41
(c). Other Operating Revenue	7,881.74	2,212.05
<b>Revenue from Operations (Net)</b>	<b>4,22,711.75</b>	<b>4,05,670.32</b>

### Note - 26

#### Other income

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
(a) Interest income from financial assets measured at amortised cost		
i). From fixed deposits	97.10	30.29
ii) From loans	85.05	35.16
iii). From Others	72.71	162.35
(b) Profit on sale of investemnt		
Gain from Mutual Fund	20.00	-
(c) Gain on foreign currency transactions (net)	178.85	-
(d) Profit on sale of Property, Plant and Equipment (net)	0.13	-
(e) Other non operating income	114.98	99.58
(f) Insurance Claim	116.24	-
<b>Total other income</b>	<b>685.06</b>	<b>327.39</b>

### Note - 27

#### Cost of materials consumed

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>Raw materials &amp; components consumed</b>		
(a) Opening stock	29,957.01	17,187.48
(b) Add: Purchases	3,20,784.63	3,40,053.56
	<b>3,50,741.65</b>	<b>3,57,241.05</b>
(c) Less: Closing stock	26,876.38	29,957.01
<b>Total raw materials consumed</b>	<b>3,23,865.27</b>	<b>3,27,284.03</b>

#### Notes:

- i) Manufactured goods consumed for own use ₹ 541.95 lakhs (P.Y. ₹ 76.41 lakhs) deducted from raw material consumed at cost price.



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 28

#### Changes in inventories of finished products and work in progress

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>Inventories at the beginning of the year/period</b>		
(a) Finished products	6,118.05	10,047.31
(b) Work-in-progress	303.14	350.01
	<b>6,421.19</b>	<b>10,397.31</b>
<b>Inventories at the end of the year/period</b>		
(a) Finished products	9,804.28	6,118.05
(b) Work-in-progress	188.48	303.14
	<b>9,992.75</b>	<b>6,421.19</b>
<b>Net (increase)/decrease</b>	<b>(3,571.56)</b>	<b>3,976.12</b>

### Note - 29

#### Employee benefits expense

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
(a) Salaries and wages, including bonus	10,103.11	8,281.98
(b) Company's contribution to provident and other funds	574.90	402.19
(c) Workmen and staff welfare expenses	139.97	134.31
<b>Total employee benefits expense</b>	<b>10,817.98</b>	<b>8,818.48</b>

### Note - 30

#### Finance costs

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
(a) Interest expense	2,573.23	2,471.08
(b) Other Borrowing costs	247.07	251.27
<b>Total finance costs</b>	<b>2,820.30</b>	<b>2,722.35</b>

### Note - 31

#### Depreciation and amortisation expense

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
(a) Depreciation on assets	11,651.67	10,123.93
Less: Release from capital subsidy	(98.92)	(98.92)
<b>Total depreciation expense</b>	<b>11,552.75</b>	<b>10,025.01</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 32

#### Other expenses

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
(a) Consumption of stores, spare parts and loose tools	7,969.48	5,065.34
(b) Repairs to buildings	71.68	69.84
(c) Repairs to plant and machinery	1,748.45	1,826.76
(d) Repairs to others	507.67	404.95
(e) Power and fuel	5,850.03	5,295.08
(f) Other manufacturing expenses	6,082.27	5,802.97
(g) Rent	41.01	17.38
(h) Rates, taxes and licenses	306.76	164.19
(i) Insurance charges	545.70	191.51
(j) Freight and handling charges	3,623.36	3,322.51
(k) Commission and brokerage	2,402.42	2,179.54
(l) Selling expenses	2,618.60	2,299.09
(m) Loss /(gain) on foreign currency transaction (net)	-	205.29
(n) Loss on sale/discard of assets	-	4.85
(o) Corporate social responsibility expenses	427.54	309.42
(p) Other general expenses	1,076.48	798.64
<b>Total other expenses</b>	<b>33,271.45</b>	<b>27,957.38</b>

#### Note:

1 Auditor's Remuneration (included in other general expenses)	For Year ended 31.03.2024	For Year ended 31.03.2023
Audit Fee	8.00	5.50
Other Services (certification fee)	-	0.50
Out of pocket expenses	3.90	1.22
	<b>11.90</b>	<b>7.22</b>

### Note - 33

#### Income tax recognised in profit and loss

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>Current tax</b>		
Current Tax Expenses	5,439.34	4,191.33
Mat credit availed / (entitlement)	116.18	(443.40)
Income Tax Expenses	<b>5,555.52</b>	<b>3,747.93</b>
In respect of prior years	-	13.74
Income tax expenses including earlier year tax	<b>5,555.52</b>	<b>3,761.67</b>
<b>Deferred tax</b>		
Deferred tax (assets / liabilities) of the current year	3,042.41	6,136.05
Deferred tax (assets) / liabilities in other comprehensive income	39.14	(53.79)
	<b>3,081.55</b>	<b>6,082.26</b>
<b>Total tax expense</b>	<b>8,637.07</b>	<b>9,843.93</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

Note - 33

### Income tax recognised in profit and loss

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>The income tax expense for the year can be reconciled to the accounting profit (loss) as follows:</b>		
Profit before tax as per statement of Profit and Loss	31,131.74	23,988.81
Tax at special Rate	-	-
Accounting Profit before tax	<b>31,131.74</b>	<b>23,988.81</b>
Applicable Income Tax rate	<b>34.94%</b>	<b>34.94%</b>
Computed income tax expense	10,878.67	8,382.65
Tax at special Rate	-	-
Effect of income that is exempt from tax	(2,474.66)	(2,267.68)
Effect of expenses that are not deductible in determining taxable profit	154.97	113.27
Effect of timing difference of Depreciation	(3,062.42)	(2,521.97)
Effect of timing difference of liabilities	58.95	41.66
	<b>5,555.52</b>	<b>3,747.93</b>
Reconciliation of deferred tax (assets) / liabilities		
Effect of written down value	3,027.88	6,146.92
Effect of timing difference of liability	14.53	(118.45)
Effect of timing difference of liability in other comprehensive income	39.14	53.79
	<b>3,081.55</b>	<b>6,082.26</b>

Note - 34

### Earnings per share

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>Basic &amp; Diluted earnings per share</b>		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Profit for the year attributable to owners of the Company	22,533.81	14,091.09
Weighted average number of equity shares for the purposes of basic earnings per share	24,12,80,945	24,12,80,945
Basic earnings per share	9.34	5.84
Diluted earnings per share	9.34	5.84



## Notes

forming part of the financial statements

(₹ in lakhs)

Note - 35

### Employee Benefits per share

#### (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. and Life Insurance Corporation of India, 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 ₹ 238.34 lakhs (previous year 213.41 lakhs) has been included in Note 29 Employee Benefits Expenses.

Employer's Contribution to ESIC amounting to ₹ 64.87 lakhs (previous year 51.94 lakhs) has been included in Note 29 Employee Benefits Expenses.

Gratuity cost amounting to ₹ 271.68 lakhs (previous year 136.84 lakhs) has been included in Note 29 Employee Benefits Expenses.

#### (iii) The amount recognised in the Company's financial statements as at the year end as under:

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>1 Movement in the present value of the defined benefit obligation</b>		
a) Opening defined benefit obligation	733.59	757.21
b) Current service cost	177.89	62.41
c) Interest cost	52.89	48.30
d) Actuarial (gains)/ loss on obligation	(64.26)	(134.33)
e) Benefits paid	-	-
f) Closing defined benefit obligation	<b>900.11</b>	<b>733.59</b>
<b>2 Movement in the fair value of the plan assets</b>		
a) Opening fair value of plan assets	454.11	422.57
b) Interest income on plan assets	32.74	30.84
c) Employer's contribution	-	-
d) Actuarial (gains)/ loss on Plan Assets	-	0.70
e) Benefits paid	-	-
f) Closing fair value of plan assets	<b>486.85</b>	<b>454.11</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>3 Components of defined benefit costs recognised in profit and loss</b>		
a) Current service cost	177.89	62.41
b) Interest expenses on defined benefit obligation	52.89	48.30
c) Interest (income) on plan assets	(32.74)	(30.84)
d) Defined benefit cost included in Profit & Loss Account	<b>198.04</b>	<b>79.87</b>
<b>4 Components of defined benefit costs recognised in other comprehensive income</b>		
a) Actuarial (gains)/ loss on obligation for the year	(64.26)	(134.33)
b) Return on plan assets (excluding interest income)	-	(0.70)
c) Total defined benefit cost recognised in OCI	<b>(64.26)</b>	<b>(135.03)</b>
<b>5 Amount recognised in the statement of financial position</b>		
a) Present value of obligation at the end of the year <sup>1</sup>	900.11	733.59
b) Fair value of Plan Assets at the end of the year	(486.85)	(454.11)
c) Net defined benefit liability / (assets)	413.26	279.48
Of which Short term liability	-	<b>21.02</b>
<b>6 Actuarial Assumptions</b>		
Discount Rate	6.97%	7.21%
Expected Rate of Return on plan Assets		
Salary Escalation rate	5.00%	5.00%
Employee Turnover		
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
<b>7 Assets Information</b>		
(i) Gratuity Fund (SBI Life and LIC)	486.85	454.11
(ii) Target allocation	100%	100%

### (iii) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	For Year ended 31.03.2024		For Year ended 31.03.2023	
	(increase)	(Decrease)	(increase)	(Decrease)
Discount Rate (0.5% movement)	861.51	941.91	702.72	766.96
Salary escalation rate (0.5% movement)	942.56	860.55	767.67	701.76
Withdrawal rate (1% movement)	907.62	890.69	741.15	724.32



## Notes

forming part of the financial statements

(₹ in lakhs)

Note - 36

### Related Party Disclosures

#### (i) Related parties where control exists

#### (ii) Related parties with whom transactions have taken place during the year

GL Steel and Power Limited	(Company under common control)
Gallantt Industry Pvt Limited	(Relative of Director is Director)
Gallantt Udhyog Pvt. Ltd	(Relative of Director is Director)
Ganesh Laxmi Processors Private Ltd	(Company under common control)
Gallantt Lifespace Developers Pvt Ltd	(Relative of Director is Director)
Gallantt Medicity Developers Pvt Ltd.	(Relative of Director is Director)
Gallantt Foundation	(Trust in which Director is interested)

#### Key Management personnel

Mr. Chandra Prakash Agrawal	Chairman and Managing Director
Mr. Dinesh R Agarwal	Whole-time Director
Mr. Prem Prakash Agrawal	Whole-time Director
Mr. Nitin Mahavir Prasad Kandoi	Whole-time Director
Mr. Prashant Jalan	Whole-time Director
Mr. Mayank Agarwal	CEO
Mr. Sandip Kumar Agarwal	Chief Financial Officer
Mr. Nitesh Kumar	Company Secretary
Mr. Arnab Banerji	Company Secretary till 10.08.2022

#### Relative of key management personnel

Mr. Prem Prakash Agrawal	(Brother of Mr. Chandra Prakash Agrawal)
Mr. Santosh Kumar Agrawal	(Brother of Mr. Chandra Prakash Agrawal)
Mr. Ashutosh Agrawal	(Relative of Director)
Mrs. Madhu Agrawal	(Wife of Mr. Chandra Prakash Agrawal)
Mrs. Smriti Agrawal	(Relative of Director)

#### Related party Transactions

Name of the related party	Nature of transaction	As at 31.03.2024	As at 31.03.2023
GL Steel and Power Limited	Loan given	2.68	5.07
	Interest income	20.10	21.00
	Loan received (back)	-	79.00
Gallantt Industry Pvt Ltd	Loan taken	2,995.39	3,017.49
	Loan taken (refund)	2,995.39	9,143.82
	Loan given	2,929.64	-
	Loan received (back)	2,929.64	-
	Sale of product	99.17	47.15
	Purchase of products	114.20	-
	Interest income	16.03	240.45





## Notes

forming part of the financial statements

(₹ in lakhs)

### Related party Transactions

Name of the related party	Nature of transaction	As at 31.03.2024	As at 31.03.2023
Gallantt Udhyog Pvt. Ltd	Loan taken	2,930.96	3,969.59
	Loan taken (refund)	2,930.96	6,332.34
	Interest expenses	62.79	59.76
	Sale of product	-	113.28
	Purchase of products	-	5.55
	Rent Received	56.64	-
Ganesh Laxmi Processors Pvt. Ltd.	Sale of product	0.87	164.31
	Purchase of products	-	191.74
	Loan given	-	169.74
	Loan received (back)	12.74	0.50
	Interest income	15.30	14.16
Gallantt Lifespace Developers Pvt Ltd	Sale of product	-	80.60
Gallantt Medicity Developers Pvt Ltd.	Sale of product	17.87	-
	Loan taken	5,029.36	-
	Loan taken (refund)	5,029.36	-
	Interest expenses	31.00	-
Gallantt Foundation	CSR Activity	400.00	215.00
	Sale of product	246.43	-
Mr. Chandra Prakash Agrawal	Remuneration	63.00	60.20
	Share Sale	-	4.00
	Share Purchase	-	4.00
	Land Purchased	120.00	-
Mr. Dinesh R Agarwal	Remuneration	63.00	60.20
Mr. Prem Prakash Agrawal	Remuneration	25.00	-
	Share Sale	-	0.05
	Share Purchase	-	0.05
Mr. Nitin Mahavir Prasad Kandoi	Remuneration	63.00	56.00
Mr. Prashant Jalan	Remuneration	11.74	11.08
Mr. Mayank Agrawal	Remuneration	24.00	18.00
	Share Sale	-	3.00
	Share Purchase	-	3.00
Mr. Sandip Kumar Agarwal	Remuneration	29.30	27.11
Mr. Nitesh Kumar	Remuneration	43.70	39.90
Mr. Arnab Banerji	Remuneration	-	2.18
Mr. Chandra Prakash Agrawal (HUF)	Share Sale	-	8.80
	Share Purchase	-	8.80



## Notes

forming part of the financial statements

(₹ in lakhs)

Name of the related party	Nature of transaction	As at 31.03.2024	As at 31.03.2023
Mrs. Madhu Agrawal	Share Sale	-	2.00
	Share Purchase	-	2.00
Mr. Santosh Kumar Agrawal			-
	Share Sale	-	0.05
Mr. Ashutosh Agrawal	Share Purchase	-	0.05
	Share Sale	-	0.05
Mrs. Smriti Agrawal	Share Purchase	-	0.05
	Share Sale	-	0.05

### Outstanding Balance

Name of the related party	Nature of transaction	As at 31.03.2024	As at 31.03.2023
GL Steel and Power Limited	Loan given	241.31	220.53
Ganesh Laxmi Processors Pvt Ltd.	Loan given	183.01	181.98
Gallantt Lifespace Devlopers Pvt Ltd	Sale of Product	-	0.03

### Note - 37

### 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

Particulars	As at 31.03.2024	As at 31.03.2023
Debt		
Current borrowings	(36,161.11)	(43,827.04)
Long term borrowings	(10,029.97)	(9,947.42)
Less : Cash and bank balances	1,230.80	1,132.28
Less : Current Investment	4,314.20	-
Net debt	(40,646.08)	(52,642.18)
Total equity	2,45,072.68	2,22,503.16
Equity share capital	24,128.09	24,128.09
Other equity	2,20,944.59	1,98,375.07
<b>Net debt to equity ratio</b>	<b>(0.17)</b>	<b>(0.24)</b>

## Notes

forming part of the financial statements

(₹ in lakhs)

Note - 38

### 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.

#### 1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

##### Foreign currency risk management

The Company is exposed to currency risk on account of its borrowings, Receivables for Exports and Payables for Imports in foreign currency. The functional currency of the Company is Indian Rupee. The Company manages currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

##### Exposure to currency Risk

The currency profile of financial liabilities as at Balance Sheet dates are as below:

Particulars	Currency	As at 31.03.2024	As at 31.03.2023
Financial Liabilities			
Hedged			
	USD	50.00	59.00
	₹	4,146.93	4,892.73
Unhedged			
Trade Payable	USD	83.17	50.14
	₹	6,956.51	4,089.65
Financial Assets			
Hedged			
Trade Receivable	USD	-	-
	₹	-	-
Unhedged			
Trade Payable	USD	-	-
	₹	-	-

##### 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.



## Notes

forming part of the financial statements

(₹ in lakhs)

### 2 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

#### Trade receivables and loans and advances.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company monitors each loans and advances given and makes any specific provision wherever required.

Based on prior experience and an assessment of the current economic environment, Management believes there is no credit risk provision required. Also Company does not have any significant concentration of credit risk.

The ageing of trade receivables that were not impaired was as follows:

Particulars	As at 31.03.2024	As at 31.03.2023
Others	10,908.70	13,736.41
	<b>10,908.70</b>	<b>13,736.41</b>

### 3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Company has access to funds from debt markets through loan from banks and other debt instrument. The Company invests its surplus funds in bank fixed deposits.

#### Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities as at the Balance Sheet dates

As at 31.03.2024	Carrying amount	Less than 1 year	1 to 5 years	> 5 years
Short term borrowings	36,161.11	36,161.11	-	-
Long term borrowings	10,029.97	-	-	10,029.97
Trade payables	5,749.49	5,749.49	-	-
Other financial liabilities	1,270.35	1,270.35	-	-

As at 31.03.2023	Carrying amount	Less than 1 year	1 to 5 years	> 5 years
Short term borrowings	43,827.04	43,827.04	-	-
Long term borrowings	9,947.42	-	-	9,947.42
Trade payables	6,429.93	6,281.12	148.81	-
Other financial liabilities	734.24	734.24	-	-



## Notes

forming part of the financial statements

(₹ in lakhs)

Note - 39

### 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 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 31.03.2024	As at 31.03.2023
<b>Financial Assets:</b>		
Investment-Non-current	888.40	161.86
Security deposits-Non-current	388.68	492.23
Investment-Current	4,314.20	-
Trade receivables	10,908.70	13,736.41
Cash and cash equivalents	31.72	561.63
Other bank balances	1,199.08	570.66
Loan - Current	424.32	402.51
Other Financial assets-Current	32,483.65	26,228.35
<b>Total</b>	<b>50,638.74</b>	<b>42,153.64</b>
<b>Financial Liabilities</b>		
Borrowings-Non-Current	10,029.97	9,947.42
Borrowings-Current	36,161.11	43,827.04
Trade payable	5,749.49	6,429.93
Other financial liabilities	1,270.35	734.24
<b>Total</b>	<b>53,210.92</b>	<b>60,938.63</b>

Note - 40

### Commitments

Particulars	As at 31.03.2024	As at 31.03.2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,194.02	150.77



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 41

### Contingent liabilities

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Commissioner of Central Excise, Kutch Commissionerate issued Show Cause Notice on excise duty liability on sales tax incentive availed by the Company. We have objected and filed the reply in the year 2017 thereafter we did not get any response from them inspite of our reminder in April, 2018.	170.12	170.12
(ii) Commissioner, Central GST (Audit) issued show cause notice on wrong availment of CENVAT credit on imported coal. Hon'ble CESTAT granted the verdict in our favour, however department preferred appeal in High Court .	603.35	603.35
(iii) Disputed liability in respect of sales tax (₹ 42.00 lacs has been paid against the same).	80.04	80.04
(iv) Income Tax demand raised by the department from A.Y 2006-07 to 2019-2020 that has been disputed by the Company in various forum of Income Tax department.	17.75	17.75
(v) 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
(vi) Amount has not been deposited with the Commercial Tax Department, Uttar Pradesh in accordance with stay order of Honorable High Court of Allahabad. Refer note no. 42.	9,255.64	9,255.64
(vii) Various SCN issued by CGST and SGST, Varanasi and Gorakhpur for wrong availment of input credit and for that reply has already been submitted by the company.	-	1,676.75

### 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 - 42

The Company's Gorkhapur unit has established its unit under attraction of financial incentives and other benefits of a scheme of State Government of Uttar Pradesh notified vide Government Order No. 1502/77-6-2006-10 tax/04 dated 1<sup>st</sup> June, 2006 and which have been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30<sup>th</sup> November, 2006 and amended from time to time. The said scheme provides following financial incentives besides other benefits to the Industries established in the State after 1<sup>st</sup> June, 2006. Company has complied with all the formalities required in this regard and has been declared an eligible unit under the scheme; as such the Company is entitled to get the following financial incentives:

- Capital investment subsidy, additional capital investment subsidy and infrastructure subsidy @35% on fixed capital investment.
- Reimbursement of freight paid on raw materials subject to maximum of 65% of the fixed capital investment.
- Amount of payable Commercial Taxes to State Government (VAT at that time presently GST) to be converted into interest free loan, repayable after a period of 15 years.

State Government, after declaring the unit an eligible unit disbursed an amount of ₹ 24.28 crores as part payment of the subsidies in the year 2010, but thereafter refused to pay the balance amount of financial incentives. Having no option. Company moved to Hon'ble High Court of Allahabad Lucknow Bench in 2011 and after a long battle in court, finally Hon'ble



## Notes

forming part of the financial statements

(₹ in lakhs)

High Court vide its order dated 22.03.2018 directed State Government to pay all the incentives within three months time. State Government instead complying with the order moved a special leave petition No. 19796 before the Hon'ble Supreme Court which is pending for final disposal before the Hon'ble Supreme Court.

Financial Benefits to be received under the scheme are as under:

- a) Company is eligible for incentives i.e. Capital investment subsidy @ 20% of fixed capital investment, infrastructure subsidy @ 10% of total fixed capital investment and 5% additional capital subsidy being the first unit in Purvanchal region totalling subsidy @ 35% on fixed capital investment. Company has claimed for ₹ 12,262.00 Lakhs against the capital investment made upto 31<sup>st</sup> May, 2012. The incentive received of ₹ 2,428 Lakhs has been credited in fixed assets in the ratio of capital investment made. No provision has been made for the unrealised claim of ₹ 9,834 Lakhs in the books.
- b) Reimbursement of freight paid on raw materials subject to maximum of 65% of the fixed capital investment.  
Company is eligible for reimbursement of freight paid on transportation of raw materials as freight subsidy on Iron Ore equivalent to the Railway freight. The total amount of freight subsidy is restricted to 65% of the total capital investment under the scheme that comes ₹ 22,775.00 lakhs, Since Company has already claimed ₹ 22,775.00 Lakhs till March, 2018 as such no amount is available to be claimed as freight subsidy during the year and onward,
- c) Amount of payable Commercial Taxes to State Government (VAT at that time presently GST) to be converted into interest free loan, repayable after a period of 15 years.

Company is eligible for interest free loan equivalent to the amount of VAT, CST & GST liability for 15 years and which shall be repayable after 15 years. The company has claimed as interest free loan amounting to ₹ 10,828.03 Lakhs up to 30<sup>th</sup> June, 2017 on account of VAT upto 30<sup>th</sup> June, 2017. Out of total claim of ₹ 10,828.03 Lakh, ₹ 9,255.64 Lakhs has not been deposited to Commercial Tax department in accordance with order of Hon'ble High Court of Allahabad in writ petiiton no. 8886/2011, however, ₹ 1,572.39 Lakhs have already been deposited before the said stay order.

Note - 43

### Corporate Social Responsibility Contribution (CSR Expenses)

	For Year ended 31.03.2024	For Year ended 31.03.2023
1 Gross amount required to be spent by the Company during the year	437.79	306.33
2 Amount spent during the year on		
(i) Construction / acquisition of any fixed assets	NIL	NIL
(ii) On purpose other than (i) above	427.54	309.42
3 Shortfall at the end of the year	NIL	NIL
4 Total of previous year shortfall	(34.96)	(31.87)
5 Excess contribution in CSR at the end of the year and previous years	24.71	34.96
6 Reason for shortfall	NIL	NIL
7 Nature of CSR activities	Health, Education and nutrition and safety	Health, Education and nutrition and safety

**Note:** Company has contributed and done CSR expenses worth ₹ 215 Lakhs through Gallantt Foundation, related party (in-house trust).



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 44

Details of Loans and Advances, in the nature of loans, granted to promoters, directors, KMPs and the related parties that are repayable on demands or without specifying any terms or period of repayment:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties	424.32	100.00%

### Note - 45

Quarter	Name of the Bank	Particulars of the security provided	Amount as per book of account	Amount as reported in the quarterly return / statement	Amount of difference
Q-1 June, 2023	State Bank of India	Inventory and Receivables	53,770.98	57,932.22	(4,161.24)
Q-2 September, 2023	State Bank of India	Inventory and Receivables	63,608.85	62,844.60	764.25
Q-3 December, 2023	State Bank of India	Inventory and Receivables	59,276.28	59,276.28	0.01
Q-4 March, 2024	State Bank of India	Inventory and Receivables	54,035.61	59,480.64	(5,445.03)

#### Reason for difference

Statement of inventory submitted to the bank on the basis of estimated cost whereas the actual valuation of the same has been done afterwards at the time of quarterly result submitted to the Bank

### Note - 46

#### Segment Reporting

As per Ind AS 108 operating segment specified under section 133 of the companies Act 2013, the Company is predominately engaged in single reporting segment of Iron and Steel.





## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 47

#### FINANCIAL RATIOS:

Sr. Financial Ratio No.	Numerator	Denominator	2023-2024	2022-2023	% age variance	Remarks for variation more than 25%
(a) Current Ratio	Current assets	Current liabilities	2.33	1.85	26.30	This ratio has increased due to effeciently utilisation of working capital
(b) Debt Equity Ratio	Total debt	Shareholders Equity	0.279	0.325	(14.10)	Not Applicable
(c) Debt Service Coverage Ratio	Earnings before interest, depreciation and tax	Debt service	13.09	9.86	32.71	This ratio has increased due to increase in net profit during the year
(d) Return on Equity Ratio	Net Profit after tax	Average Equity	9.64	6.54	47.34	This ratio has increased due to increase in net profit during the year
(e) Inventory Turnover Ratio	Revenue from operation	Average inventory	52.11	49.37	5.54	Not Applicable
(f) Trade Receivables Turnover Ratio	Revenue from operation	Average trade receivables	33.66	27.11	24.18	Not Applicable
(g) Trade Payables Turnover Ratio	Purchase	Average trade payable	16.41	19.28	(14.90)	Not Applicable
(h) Net Capital Turnover Ratio	Revenue from operation	Average working capital	6.68	8.75	(24.52)	Not Applicable
(i) Net Profit Ratio	Net Profit after tax	Net Sales	5.43	3.53	55.53	This ratio has increased due to increase in net profit during the year
(j) Return on Capital employed	Earnings before interest and tax	Capital employed	12.72	11.08	14.78	Not Applicable
(k) Return on Investment	Income generated from revenue	Average Investment		Not Applicable		

### Note - 48

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits has received Presidential assent on 28<sup>th</sup> September 2020. The Code has been published in the Gazette of India. However, the effective date of the Code is yet to be notified and final rules for quantifying the financial impact are also yet to be issued. In view of this, the Company will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

### Note - 49

During the year the Income Tax Department has conducted a search operation. The Company has not disclosed or surrendered any income during the year in the tax assessment under the Income Tax Act, 1961.

### Note - 50

No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 51

The company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

### Note - 52

Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation.

See accompanying notes forming part of the financial statements

As per terms of our report attached

For **MAROTI & ASSOCIATES**  
Chartered Accountants

Firm Registration No : 322770E  
**Komal Jain**  
Partner  
Membership No. 303583  
UDIN: 24303583BKFPRK9875

New Delhi, May 02 , 2024

**For and on behalf of the Board of Directors**

**Chandra Prakash Agrawal**  
Chairman & Managing Director

DIN: 01814318

**Dinesh R Agarwal**  
Whole-time Director

DIN: 01017125

**Mayank Agrawal**  
Chief Executive Officer

**Sandip Kumar Agarwal**  
Chief Financial Officer

**Nitesh Kumar**  
Company Secretary  
Gorakhpur, May 02 , 2024



## Consolidated Financial Section



## Independent

Auditors Report

**TO THE MEMBERS OF GALLANTT ISPAT LIMITED**

**Report on the consolidated Financial Statements**

### Opinion

We have audited the accompanying consolidated financial statement of GALLANTT ISPAT LIMITED ('The Company') and its associates (together referred to as "the group) which comprises the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of changes in equity, Consolidated Statement of Cash Flows for the year ended, and summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements"), which we have signed under reference to this report.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, the consolidated profit, consolidated total comprehensive income consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### Emphasis of Matter

We draw your attention to Note No. 49 of the financial statement, relating to the search carried out by the Income Tax Department in April 2023 concerning the Company. Since the related proceedings are in progress, there is uncertainty as regards impact, if any, of the outcome of the proceedings, which cannot be ascertained at this point of time.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

### Information other than the Consolidated Financial Statement and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information include in the Management Discussions and Analysis, Board's Report including Annexure to Board' Report, Business Responsibility Sustainability Report, Corporate Governance and shareholder's Information, but does not include the consolidated financial statement and our auditor's report thereon.

Our opinion on the consolidated financial statement does not cover the other information and we do express any form of assurance conclusion thereon

In connection with our audit of consolidated financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statement or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



## Independent

### Auditors Report

If, based on the work we have performed, we conclude that there is a material misstatement of other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibility of Management and those charged with governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Ind AS the specified under section 133 of the Act. The respective Board of Directors of the Company included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the Company included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company included in the Group are responsible for overseeing the Company's financial reporting process of the Group.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



## Independent

### Auditors Report

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other Matters

- We did not audit the financial statement and other financial information of associate company included in the Consolidated annual financial statements that reflect for the year ended 31st March, 2024:

(₹ in Lakhs)

Name of Company	Total Assets	Total Revenue	Group Share in Net profit/(loss)
Gallantt Medicity Developers Private Limited	3,038.53/-	4.08 /-	1.06 /-

These annual financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the annual consolidated financial statement, to the extent they have been derived from such annual financial statements of associates is based solely on the report of such other auditors. Our opinion is not modified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

- 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 of the aforesaid consolidated financial statements.
  - 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.
  - The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Equity and the consolidated cash flows are dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.
  - In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Company (Indian Accounting Standards) Rules, 2015, as amended.
  - On the basis of the written representations received from the directors of the Company as on March 31, 2024 taken on record by the Board of Directors of the Company and its associate incorporated in India and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the Group company in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the company and its associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting of those company, for reasons stated therein.
  - 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:



## Independent

### Auditors Report

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in its financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate incorporated in India.
  - iv. Based on our which included test check and that performed by the respective auditors of the associate which are company incorporated in India whose financial statements have been audited under the Act, Holding and Associate company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. The Companies (Auditor's Report) order, 2016 ("the order") issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, is not applicable to the auditor's report on the Consolidated Financial Statement.

For **MAROTI & ASSOCIATES**  
*Chartered Accountants*  
Firm Registration No. 322770E

**CA KOMAL JAIN**  
*Partner*

Membership No.: 303583  
UDIN: 24303583BKFPN4366

Place: New Delhi  
Date: May 02, 2024



## Annexure - A

to the Independent Auditors Report

### To the independent auditor's report of even date on the Consolidated Financial statements of Gallantt Ispat Limited

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report as on 31.03.2024)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. There are no qualifications or adverse remarks by the respective auditor in the Companies (Auditor Report) Order (CARO) reports of the companies included in the Consolidated Financial Statements. Accordingly, reporting under clause 3 (xxi) of the Order is not applicable.

For **MAROTI & ASSOCIATES**  
*Chartered Accountants*  
Firm Registration No. 322770E

**CA KOMAL JAIN**  
*Partner*

Membership No.: 303583  
UDIN: 24303583BKFPN4366

Place: New Delhi  
Date: May 02, 2024





## Consolidated

Balance sheet as at 31<sup>st</sup> March, 2024

₹ lakhs

	Notes	As at 31.03.2024	As at 31.03.2023
<b>(I) ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	03	1,75,670.79	1,45,789.78
(b) Capital work in progress	03	12,162.46	31,560.40
(c) Other Intangible Assets	03	13,732.42	16,485.49
		<b>2,01,565.66</b>	<b>1,93,835.67</b>
(d) Financial assets			
(i) Investments	04	889.46	161.86
(ii) Other financial assets	05	388.68	492.23
(e) Other non-current assets	06	2,026.12	1,009.17
		<b>2,04,869.92</b>	<b>1,95,498.93</b>
<b>(2) Current Assets</b>			
(a) Inventories	08	43,887.71	43,284.35
(b) Financial assets			
(i) Investments	09	4,314.20	-
(ii) Trade receivables	10	10,908.70	13,736.41
(iii) Cash and cash equivalent	11	31.72	561.63
(iv) Bank balances other than (ii) above	12	1,199.08	570.66
(v) Loans	13	424.32	402.51
(vi) Other financial assets	14	32,483.65	26,228.35
(c) Current Income tax assets (net)		1,093.80	1,089.05
(d) Other current assets	15	14,341.24	13,512.09
		<b>1,08,684.42</b>	<b>99,385.05</b>
<b>TOTAL ASSETS</b>		<b>3,13,554.34</b>	<b>2,94,883.98</b>
<b>(II) EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	16	24,128.09	24,128.09
(b) Other equity	17	2,20,945.65	1,98,375.07
		<b>2,45,073.75</b>	<b>2,22,503.16</b>
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	10,029.97	9,947.42
(b) Provisions	19	685.46	551.67
(c) Deferred tax liabilities / (Assets) (Net)	7	10,454.14	7,256.40
(d) Other Non Current Liability	20	744.18	843.11
		<b>21,913.76</b>	<b>18,598.60</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	36,161.11	43,827.04
(ii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		5,749.49	6,429.93
(iii) Other financial liabilities	23	1,270.35	734.24
(b) Other current liabilities	24	3,385.89	2,791.00
		<b>46,566.84</b>	<b>53,782.20</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,13,554.34</b>	<b>2,94,883.97</b>

As per terms of our report attached

For **MAROTI & ASSOCIATES**  
Chartered Accountants

Firm Registration No : 322770E

**Komal Jain**

Partner

Membership No. 303583

UDIN: 24303583BKFPRN4366

New Delhi, May 02, 2024

For and on behalf of the Board of Directors

**Chandra Prakash Agrawal**  
Chairman & Managing Director

DIN: 01814318

**Dinesh R Agarwal**

Whole-time Director

DIN: 01017125

**Mayank Agrawal**

Chief Executive Officer

**Sandip Kumar Agarwal**

Chief Financial Officer

**Nitesh Kumar**

Company Secretary

Gorakhpur, May 02, 2024



## Consolidated

Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2024

(₹ in lakhs)

	Notes	For Year ended 31.03.2024	For Year ended 31.03.2023
(1) Revenue from operations	25	4,22,711.75	4,05,670.32
(2) Other income	26	685.06	327.39
<b>(3) Total Income (1) + (2)</b>		<b>4,23,396.80</b>	<b>4,05,997.71</b>
<b>(4) EXPENSES</b>			
(a) Cost of materials consumed	27	3,23,865.27	3,27,284.03
(b) Purchase of stock in trade		13,508.88	1,225.53
(c) Changes in inventories of finished products, stock in trade and work in progress	28	(3,571.56)	3,976.12
(d) Employee benefits expense	29	10,817.98	8,818.48
(e) Finance costs	30	2,820.30	2,722.35
(f) Depreciation and amortization expense	31	11,552.75	10,025.01
(g) Other expenses	32	33,271.45	27,957.38
<b>Total Expenses (4)</b>		<b>3,92,265.07</b>	<b>3,82,008.90</b>
<b>(5) Profit before tax (3) - (4)</b>		<b>31,131.74</b>	<b>23,988.81</b>
<b>(6) Tax Expense</b>			
(a) Current tax	33	5,555.52	3,761.67
(b) Deferred tax	33	3,042.41	6,136.05
<b>Total tax expenses (6)</b>		<b>8,597.93</b>	<b>9,897.72</b>
<b>(7) Profit for the period (5) - (6)</b>		<b>22,533.81</b>	<b>14,091.09</b>
<b>(8) Share of Profit from Associate</b>		1.06	-
<b>(9) Profit for the period</b>		22,534.87	14,091.09
<b>(9) Other comprehensive income</b>			
(a) Items that will not be reclassified to statement of profit and loss			
(i). Remeasurement of the employees defined benefit plans		64.26	135.04
(ii). Fair value of financial assets		10.61	18.88
Less : Income tax relating to items that will not be reclassified to profit or loss		(39.14)	(53.78)
<b>Total other comprehensive income (8)</b>		<b>35.72</b>	<b>100.14</b>
<b>(9) Total comprehensive income for the period (7) + (8)</b>		<b>22,570.59</b>	<b>14,191.23</b>
<b>(10) Earnings per equity share: (Face value of share of Rs 10 each)</b>	34		
(a) Basic		9.34	5.84
(b) Diluted		9.34	5.84

As per terms of our report attached

For **MAROTI & ASSOCIATES**  
Chartered Accountants

Firm Registration No : 322770E

**Komal Jain**

Partner

Membership No. 303583

UDIN: 24303583BKFPN4366

New Delhi, May 02, 2024

For and on behalf of the Board of Directors

**Chandra Prakash Agrawal**

Chairman & Managing Director

DIN: 01814318

**Dinesh R Agarwal**

Whole-time Director

DIN: 01017125

**Mayank Agrawal**

Chief Executive Officer

**Sandip Kumar Agarwal**

Chief Financial Officer

**Nitesh Kumar**

Company Secretary

Corakhpur, May 02, 2024



## Consolidated

Cash Flow Statement for the year ended 31 st March, 2024

(₹ in lakhs)

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>A. Cash Flow from Operating activities:</b>		
<b>Profit for the period</b>	<b>31,132.80</b>	<b>23,988.81</b>
Adjustments for:		
Income tax expenses recognised in the statement of profit and loss		
Depreciation expense	11,552.75	10,025.01
Interest income	(254.86)	(227.80)
Interest expenses	2,573.23	2,471.08
(Profit)/loss on sale of property, plant & equipments	(0.13)	4.85
Liabilities/provision no longer required written back	(0.90)	(0.47)
<b>Operating profit before working capital changes</b>	<b>45,002.90</b>	<b>36,261.48</b>
Adjustments for (increase)/decrease in operating assets		
Inventories	(603.35)	(10,145.10)
Trade receivables	2,827.71	1,966.45
Non-current financial Assets	103.56	(206.06)
Other non-current assets	(1,000.27)	224.01
Current financial assets	(6,196.40)	(1,862.29)
Other current assets	(829.15)	(3,690.15)
Adjustments for increase/(decrease) in operating liabilities		
Trade Payables	(680.44)	(9,327.90)
Current financial liabilities	459.12	286.96
Other current liabilities	594.90	232.05
Provisions	198.94	80.33
Other non-current liabilities	(0.00)	(98.92)
<b>Cash generated from operations</b>	<b>39,877.51</b>	<b>13,720.87</b>
Direct taxes paid	(5,444.07)	(4,165.11)
<b>Net cash generated from operating activities</b>	<b>34,433.44</b>	<b>9,555.75</b>
<b>B. Cash Flow from Investing activities:</b>		
Purchase of fixed assets including intangible assets and CWIP	(19,936.71)	(22,733.44)
Proceed from Sale of property, plant & equipment	615.44	9.81
(Increase) / Decrease in investment	(5,031.19)	(0.00)
Movement in loans and advances	(21.81)	43.83
Movement in bank deposit	(628.42)	(97.33)
Interest received	195.95	270.49
<b>Net cash (used in) investing activities</b>	<b>(24,806.74)</b>	<b>(22,506.65)</b>



## Consolidated

Cash Flow Statement for the year ended 31 st March, 2024

(₹ in lakhs)

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>C. Cash Flow from Financing activities:</b>		
Proceeds from long term borrowings	82.55	57.95
Proceeds from short term borrowings	-	15,060.70
Repayment of short term borrowings	(7,665.93)	-
Interest paid	(2,573.23)	(2,471.08)
<b>Net cash (used in) financing activities</b>	<b>(10,156.61)</b>	<b>12,647.56</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(529.91)</b>	<b>(303.33)</b>
<b>Cash and cash equivalents as at 1st April</b>	<b>561.63</b>	<b>864.96</b>
<b>Cash and cash equivalents as at 31st March</b>	<b>31.72</b>	<b>561.63</b>

See accompanying notes forming part of the financial statements

1. Cash and cash equivalents represents cash, cheques on hand and balances with banks (Refer Note 10).
2. Figures in brackets represent outflows.

As per terms of our report attached

For **MAROTI & ASSOCIATES**

Chartered Accountants

Firm Registration No : 322770E

**Komal Jain**

Partner

Membership No. 303583

UDIN: 24303583BKFPRN4366

New Delhi, May 02, 2024

For and on behalf of the Board of Directors

**Chandra Prakash Agrawal**

Chairman & Managing Director

DIN: 01814318

**Dinesh R Agarwal**

Whole-time Director

DIN: 01017125

**Mayank Agrawal**

Chief Executive Officer

**Sandip Kumar Agarwal**

Chief Financial Officer

**Nitesh Kumar**

Company Secretary

Gorakhpur, May 02, 2024



## Consolidated

Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2024

(₹ in lakhs)

### A. EQUITY SHARE CAPITAL

For the year ended 31<sup>st</sup> March, 2024:

Balance at the beginning of the year	Changes in Equity Share Capital due to prior period errors	Restated Balance at the beginning of the year	Changes in Equity Share Capital during the year	Balance at the end of the year
24,128.09	0.00	24,128.09	0.00	24,128.09

For the year ended 31<sup>st</sup> March, 2023:

Balance at the beginning of the year	Changes in Equity Share Capital due to prior period errors	Restated Balance at the beginning of the year	Changes in Equity Share Capital during the year	Balance at the end of the year
24,128.09	0.00	24,128.09	0.00	24,128.09

### B. OTHER EQUITY

For the year ended 31<sup>st</sup> March, 2024:

Particulars	Reserves and Surplus			Items of other Comprehensive Income		Total
	Capital Reserve	Securities Premium	Retained Earnings	Fair value of financial assets through other comprehensive income	Remeasurement of defined benefit plans	
<b>Balance at the beginning of the year</b>	1,11,147.23	1,050.00	85,715.38	101.06	361.40	1,98,375.07
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-
<b>Restated Balance</b>	<b>1,11,147.23</b>	<b>1,050.00</b>	<b>85,715.38</b>	<b>101.06</b>	<b>361.40</b>	<b>1,98,375.07</b>
Add/(Less) :						
Profit for the year	-	-	22,534.86	-	-	22,534.86
Other Comprehensive Income/(Loss) for the year	-	-	-	(6.08)	41.80	35.72
Transfer to Share Capital	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	403.20	-	(403.20)	-
<b>Balance as at 31st March, 2024</b>	<b>1,11,147.23</b>	<b>1,050.00</b>	<b>1,08,653.44</b>	<b>94.98</b>	<b>0.00</b>	<b>2,20,945.65</b>



## Consolidated

Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2024

(₹ in lakhs)

### For the year ended 31<sup>st</sup> March, 2023:

Particulars	Reserves and Surplus			Items of other Comprehensive Income		Total
	Capital Reserve	Securities Premium	Retained Earnings	Fair value of financial assets through other comprehensive income	Remeasurement of defined benefit plans	
<b>Balance at the beginning of the year</b>	1,11,147.23	1,050.00	71,624.29	88.78	273.54	1,84,183.84
Changes in Accounting Policy / Prior Period Errors	-	-	-	-	-	-
<b>Restated Balance</b>	<b>1,11,147.23</b>	<b>1,050.00</b>	<b>71,624.29</b>	<b>88.78</b>	<b>273.54</b>	<b>1,84,183.84</b>
Add/(Less) :						
Profit for the year	-	-	14,091.09	-	-	14,091.09
Other Comprehensive Income/(Loss) for the year	-	-	-	12.28	87.86	100.14
Transfer to Retained Earnings	-	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	<b>1,11,147.23</b>	<b>1,050.00</b>	<b>85,715.38</b>	<b>101.06</b>	<b>361.40</b>	<b>1,98,375.07</b>

As per terms of our report attached

For **MAROTI & ASSOCIATES**  
Chartered Accountants

Firm Registration No : 322770E

**Komal Jain**

Partner

Membership No. 303583

UDIN: 24303583BKFPN4366

New Delhi, May 02, 2024

For and on behalf of the Board of Directors

**Chandra Prakash Agrawal**

Chairman & Managing Director

DIN: 01814318

**Dinesh R Agarwal**

Whole-time Director

DIN: 01017125

**Mayank Agrawal**

Chief Executive Officer

**Sandip Kumar Agarwal**

Chief Financial Officer

**Nitesh Kumar**

Company Secretary

Gorakhpur, May 02, 2024



## Notes

forming part of the financial statements

Note - 01

### General information

#### 1.01 Corporate information

Gallantt Ispat Limited ("the Company") is a public limited company domiciled in India incorporated under the provisions of the Companies Act. The registered office of the Company is located in Gorakhpur, Uttar Pradesh, India. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company is engaged in manufacturing of Steel and Steel products with power plant and Real Estate and having its manufacturing unit at Village Samakhjali, Dist Kutch in the State of Gujarat (Gujarat Unit) and at Sahjanwa, Gorakhpur, Uttar Pradesh (Gorakhpur Unit). Further, Company is also engaged in the business of Real Estate.

#### 1.02 Basis of preparation of financial statement

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention (except for certain financial instruments that are measured at fair values at the end of each reporting period) on accrual basis to comply in all material aspects with the Indian Accounting Standards (herein after referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment rules, 2016 as amended from time to time.

The financial statements have been prepared on accrual and going concern basis. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013 (as amended). Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issue on May 02, 2024.

#### 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)



## Notes

forming part of the financial statements

### 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 observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Note - 02

### Significant Accounting Policies

#### 2.01 Property, Plant and Equipment (PPE)

Land, Buildings, Plant and Equipment, Furniture and Fixtures and Vehicles held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Cost includes purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs of bringing an asset to the location and condition of its intended use and borrowing costs capitalised in accordance with the Company's accounting policy.

Properties in the course of construction for production or supply of goods or services or for administrative purposes are carried at cost, less any recognised impairment losses

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight-line method. Depreciation of assets commences when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis.

Estimated useful lives of the assets are as follows:

Buildings	: 3 to 60 years
Plant and equipment	: 10 to 40 years
Electrical Installation and equipments	: 10 years
Furniture and Fixtures	: 10 years
Office Equipments	: 5 to 10 years
Computers	: 3 years
Motor Vehicles	: 8 to 10 years
Rolls	: 1 year

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit and loss.





## Notes

forming part of the financial statements

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

### 2.02 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment (if any) losses. Amortisation is recognised at straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

Brand Value	: 10 years
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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 recognised 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.



## Notes

forming part of the financial statements

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:

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.



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### v) **Equity Instruments**

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

### vi) **Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

### vii) **Impairment of Financial asset**

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

## 2.08 Financial Liabilities

### i) **Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

### ii) **Subsequent Measurement**

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

### iii) **Derecognition**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

## 2.09 Offsetting of Financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 2.10 Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the



## Notes

forming part of the financial statements

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, cash discount and quantity discount and exclusive of Goods and Service Tax and other taxes and duties collected on behalf of the government. Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods.

#### ii). Dividend and Interest income

Dividend income is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

#### iii). Insurance Claims

Insurance claims are accounted for on acceptance and when there is a reasonable certainty of receiving the same, on ground of prudence.

### 2.13 Foreign Currencies Transactions

The financial statements of the Company are presented in Indian Rupee (INR), which is Company's functional and presentation currency.



## Notes

forming part of the financial statements

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.



## Notes

forming part of the financial statements

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights too set off current tax assets and current tax liabilities within that jurisdiction.

### iii). Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as a deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

iv). Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## 2.17 Earning Per Share

Basic Earnings per share is calculated by dividing the net profit / (loss) for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## 2A Recent Indian Accounting Standard (Ind AS)

### 2A.1 Recent accounting pronouncements which are not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's Financial Statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2022 on March 23, 2022. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

- 1 Ind AS 101 - First-time adoption of Ind AS
- 2 Ind AS 103 – Business Combinations
- 3 Ind AS 109 – Financial Instruments
- 4 Ind AS 16 – Property, Plant and Equipment
- 5 Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- 6 Ind AS 41 – Agriculture

These amendments shall come into force with effect from April 01, 2022.

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

### 2A.2 Business Combination

Business combinations are accounted for using the acquisition method of accounting.

The consideration transferred in each business combination is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Company to the former owners of the acquiree and equity interests issued by the Company in exchange for control of the acquiree.



## Notes

forming part of the financial statements

Acquisition related costs are recognised in profit or loss as incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as financial liability is measured at fair value with changes in fair value recognized in the statement of profit and loss.

Purchase Consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the capital reserve.

## Notes

forming part of the financial statements

### Note - 03

#### Property, plant and equipment

(₹ in lakhs)

	Freehold Land	Freehold Building	Roads	Plant and Machinery	Electrical installation and Equipments	Lab Equipments	Furniture and fixtures	Office Equipments	Motor Vehicles	Computers	Rolls	Other Assets	Railway Siding	Total
<b>Cost or deemed cost</b>														
Balance at April 1, 2022	30,725.04	22,496.47	955.50	84,147.09	1,269.35	46.68	44.46	118.95	661.04	36.06	216.82	3,056.80	420.44	1,44,194.71
Additions	696.36	2,225.11	25.20	17,334.74	129.49	3.31	150.49	14.62	95.80	2.97	353.99	1,142.82	5,009.77	27,182.67
Disposals	-	-	-	-	-	-	-	-	(51.07)	-	(216.82)	-	-	(267.89)
Balance at March 31, 2023	31,421.40	24,721.58	980.70	1,01,481.84	1,398.84	49.99	194.95	133.57	703.77	39.03	353.99	4,199.62	5,430.21	1,71,109.49
Additions	187.40	1,663.98	-	31,655.90	57.73	-	9.52	32.37	136.35	13.41	327.00	28.70	5,282.59	39,394.95
Disposals	(615.26)	-	-	-	-	-	-	-	(0.52)	-	(353.99)	-	-	(969.77)
<b>Balance at March 31, 2024</b>	<b>30,993.54</b>	<b>26,385.56</b>	<b>980.70</b>	<b>1,33,137.74</b>	<b>1,456.57</b>	<b>49.99</b>	<b>204.47</b>	<b>165.94</b>	<b>839.60</b>	<b>52.44</b>	<b>327.00</b>	<b>4,228.32</b>	<b>10,712.80</b>	<b>2,09,534.67</b>
Accumulated depreciation														
Balance at April 1, 2022	-	2,390.23	389.91	13,782.12	601.29	31.02	27.22	85.82	261.37	16.34	84.42	384.97	150.12	18,204.84
Depreciation expense	-	835.02	92.41	5,258.44	80.90	2.66	16.72	16.14	80.81	6.30	320.83	290.56	367.33	7,368.11
Disposals	-	-	-	-	-	-	-	-	(36.40)	-	(216.82)	-	-	(253.22)
<b>Balance at March 31, 2023</b>	<b>-</b>	<b>3,225.25</b>	<b>482.32</b>	<b>19,040.56</b>	<b>682.19</b>	<b>33.68</b>	<b>43.94</b>	<b>101.96</b>	<b>305.78</b>	<b>22.64</b>	<b>188.44</b>	<b>675.53</b>	<b>517.45</b>	<b>25,319.73</b>
Depreciation expense	-	875.50	94.80	6,646.72	77.25	2.66	16.99	10.87	93.42	5.89	295.80	291.81	486.88	8,898.60
Disposals	-	-	-	-	-	-	-	-	(0.47)	-	(353.99)	-	-	(354.46)
<b>Balance at March 31, 2024</b>	<b>-</b>	<b>4,100.74</b>	<b>577.12</b>	<b>25,687.28</b>	<b>759.44</b>	<b>36.34</b>	<b>60.94</b>	<b>112.83</b>	<b>398.73</b>	<b>28.53</b>	<b>130.25</b>	<b>967.34</b>	<b>1,004.33</b>	<b>33,863.88</b>
<b>Carrying amount</b>														
Balance at March 31, 2023	31,421.40	21,496.33	498.39	82,441.28	716.65	16.31	151.01	31.61	397.99	16.39	165.55	3,524.10	4,912.76	1,45,789.76
<b>Balance at March 31, 2024</b>	<b>30,993.54</b>	<b>22,284.82</b>	<b>403.58</b>	<b>1,07,450.46</b>	<b>697.13</b>	<b>13.65</b>	<b>143.54</b>	<b>53.11</b>	<b>440.87</b>	<b>23.92</b>	<b>196.74</b>	<b>3,260.98</b>	<b>9,708.47</b>	<b>1,75,670.79</b>

#### 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 and Gorakhpur, Uttar Pradesh.
- 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

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(₹ in lakhs)

### Note - 03

### Intangible Assets

	Computer Software	Brands / Trademark	Total
<b>Cost or deemed cost</b>			
Balance at April 1, 2022	-	27,508.41	27,508.41
Additions	-	-	-
Disposals	-	-	-
Balance at March 31, 2023	-	27,508.41	27,508.41
Additions	-	-	-
Disposals	-	-	-
<b>Balance at March 31, 2024</b>	<b>-</b>	<b>27,508.41</b>	<b>27,508.41</b>
<b>Accumulated depreciation</b>			
<b>Balance at April 1, 2022</b>	-	8,267.11	8,267.11
Depreciation expense	-	2,755.81	2,755.81
Disposals	-	-	-
<b>Balance at March 31, 2023</b>	<b>-</b>	<b>11,022.92</b>	<b>11,022.92</b>
Depreciation expense	-	2,753.07	2,753.07
Disposals	-	-	-
<b>Balance at March 31, 2024</b>	<b>-</b>	<b>13,775.99</b>	<b>13,775.99</b>
<b>Carrying amount</b>			
<b>Balance at March 31, 2023</b>	<b>-</b>	<b>16,485.49</b>	<b>16,485.49</b>
<b>Balance at March 31, 2024</b>	<b>-</b>	<b>13,732.42</b>	<b>13,732.42</b>

### Note - 03

### Capital work - in - progress ageing schedule

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
<b>Project in Progress</b>					
As at 31 <sup>st</sup> March, 2024	11,474.09	688.37	-	-	12,162.46
As at 31 <sup>st</sup> March, 2023	30,568.43	948.61	43.36	-	31,560.40

The company shall provide the details of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company in following format and where such immovable property is jointly held with others, details are required to be given to the extent of the company's share.



## Notes

forming part of the financial statements

(₹ in lakhs)

Immovable Properties						
Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Freehold Land	at Japtiya Village 2.07 Acre	12,93,800	Govind Mills Limited	No	22.10.2001	Get the ownership by way of amalgamation and the property in the name of Transferror Company
Freehold Land	at Bargadwa 0.30 Acre	3,00,004	Govind Mills Limited	No	20.07.2000	
Freehold Land	at Bargadwa 0.86 Acre	7,17,872	Govind Mills Limited	No	13.07.2000	
Freehold Land	at Bargadwa 0.31 Acre	1,78,300	Govind Mills Limited	No	21.07.2000	
Freehold Land	at Bargadwa 0.15Acre	94,200	Govind Mills Limited	No	16.02.2001	
Freehold Land	at Bargadwa 0.15Acre	94,200	Govind Mills Limited	No	05.10.2001	
Freehold Land	at Bargadwa 0.66 Acre	3,79,500	Govind Mills Limited	No	30.03.2002	
Freehold Land	at Avadhpur 2.775Acre	2,70,000	Govind Steel & Power Ltd	No	17.08.2004	
Freehold Land	at Avadhpur 5.332Acre	5,50,000	Govind Steel & Power Ltd	No	17.08.2004	
Freehold Land	at Sabdaian Kalan 1.16 Acre	3,57,200	Govind Mills Limited	No	23.07.2001	
Freehold Land	at Sabdaian Kalan 0.37 Acre	88,400	Govind Mills Limited	No	19.09.2001	
Freehold Land	at Sabdaian Kalan 0.27 Acre	46,902	Govind Mills Limited	No	24.09.2001	
Freehold Land	at Sabdaian Kalan 0.61 Acre	74,253	Govind Mills Limited	No	16.10.2001	
Freehold Land	at Sabdaian Kalan 0.08 Acre	11,800	Govind Mills Limited	No	27.10.2001	
Freehold Land	at Sabdaian Kalan 0.32 Acre	65,500	Govind Mills Limited	No	19.11.2001	
Freehold Building	Office space at Kolkata	11,27,000	Hipoline Commerce Private Limited	Yes	01.04.2019	



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 04

### Investments

Particulars	As at 31.03.2024		As at 31.03.2023	
	Qty	Amount	Qty	Amount
	Nos.	₹ lakhs	Nos.	₹ lakhs
<b>Investment in Associates</b>				
<b>Valued at cost</b>				
Investments in equity instruments, fully paid up (Unquoted)				
Gallantt Medicity Developers Private Limited	7,81,300	780.13	-	-
<b>Others</b>				
Investment measured at fair value through other comprehensive income	-	-	-	-
<b>Quoted</b>				
Mukta Agriculture Ltd	22,000	0.73	22000	0.66
Cressanda Solutions Ltd	6,87,307	97.46	687307	151.35
Mystics Electronics Limited	18,800	0.76	18800	0.55
Matra Kaushal Enterprises Ltd.	4,15,000	8.96	415000	8.96
Shalimar Production Ltd	70,000	0.35	70000	0.34
<b>Total</b>	-	<b>888.40</b>	-	<b>161.86</b>
<b>(b) Unquoted Investments</b>				
<b>Associates</b>				
Post acquisition Profit	-	1.06	-	-
	-	-	-	-
<b>Total aggregate unquoted investments</b>	-	<b>1.06</b>	-	-
Aggregate amount of quoted investment and market value thereof	-	108.27	-	161.86
Aggregate amount of unquoted investment	-	780.13	-	161.86
Investment carried at cost	-	780.13	-	-
Investment carried at fair value through OCI	-	108.27	-	-

### Note - 05

### Other non-current financial assets

Particulars	As at 31.03.2024	As at 31.03.2023
(Unsecured, Considered good)		
(a). Security deposits	388.68	492.23
<b>Total non-current financial assets</b>	<b>388.68</b>	<b>492.23</b>

### Note - 06

### Other non-current assets

Particulars	As at 31.03.2024	As at 31.03.2023
(a). Capital advances	234.37	217.67
(b). Balance with Statutory / Government Authorities	1,791.76	791.49
<b>Total other non-current assets</b>	<b>2,026.12</b>	<b>1,009.17</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

Note - 07

### Deferred tax balances

Particulars	As at 31.03.2024	As at 31.03.2023
The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:		
Deferred tax assets	6,741.96	6,858.15
Deferred tax liabilities	(17,196.11)	(14,114.55)
<b>Net deferred tax asset/(liability)</b>	<b>(10,454.14)</b>	<b>(7,256.40)</b>
<b>For Year ended 31.03.2024</b>		
<b>Deferred tax (liabilities)/assets in relation to:</b>		
<b>Deffered Tax Liability</b>		
Written down value of Assets	17,293.26	14,114.55
Other Provision	-	-
	<b>17,293.26</b>	<b>14,114.55</b>
<b>Deffered Tax Assets</b>		
Mat Credit entitlement	6,562.00	6,678.19
Provision for retirement benefit	179.95	179.95
Other Provision	-	-
	<b>6,741.95</b>	<b>6,858.14</b>

Note - 08

### Inventories

Particulars	As at 31.03.2024	As at 31.03.2023
(a). Raw materials	26,115.58	29,196.21
Including in transit ₹ 15,907.37 lakhs (P.Y. ₹ 1,02,943.37 lakhs)		
(b). Work-in-progress	188.48	303.14
(c). Finished products	9,804.28	6,118.05
(d). Stores and spare parts	7,018.57	6,906.15
(e). Land at real estate business	760.80	760.80
<b>Total inventories</b>	<b>43,887.71</b>	<b>43,284.35</b>

- Inventories are pledged on pari passu first charge against short term loans from bank (refer note 21)
- The mode of valuation of Inventories has been stated in note 02 point -05



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 09

### Investments

Particulars	As at 31.03.2024		As at 31.03.2023	
	Nos.	₹ lakhs	Nos.	₹ lakhs
Investment measured at fair value through other comprehensive income				
<b>Investment in Mutual Fund</b>				
<b>Quoted</b>				
SBI Magnum Gilt Fund (Regular growth)*	21,48,008.54	1,288.13	-	-
SBI Arbitrage Opportunity Fund (Direct growth)	92,44,476.54	3,026.07	-	-
<b>Total</b>	-	<b>4,314.20</b>	-	-
Aggregate amount of quoted investment and market value thereof	-	4,314.20	-	-
Aggregate amount of unquoted investment	-	-	-	-
Investment carried at cost	-	-	-	-
Investment carried at fair value through OCI	-	4,314.20	-	-
* Investment for margin against letters of credit and Bank Guarantee	-	<b>4,314.20</b>	-	-

### Note - 10

### Trade receivables (Current)

Particulars	As at 31.03.2024	As at 31.03.2023
Trade receivables - Considered Good Secured	-	-
Trade receivables - Considered Good Unsecured	10,908.70	13,736.41
Trade receivables which have significant increase in credit risk	-	-
Trade receivable - Credit Impaired	-	-
	<b>10,908.70</b>	<b>13,736.41</b>

1. Trade receivables are pledged on pari passu first charge against short term loans from bank (refer note 21).

2. Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date of payments						
	Not due	Less than 6 months *	6 months -1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>Undisputed Considered Goods</b>							
As at March 31, 2024	4,292.51	5,795.64	282.13	343.14	195.28	-	10,908.70
As at March 31, 2023	-	12,787.34	660.72	148.15	140.20	-	13,736.41

\* Includes amount not yet due for payments



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 11

#### Cash and cash equivalents

Particulars	As at 31.03.2024	As at 31.03.2023
(i). Cash in hand	25.94	17.30
(ii). Balances with banks		
(a) In current accounts	5.78	6.71
(b) In deposits accounts*	-	537.62
<b>Total cash and cash equivalents</b>	<b>31.72</b>	<b>561.63</b>

(i) \* This represent deposits with original maturity of less than or equal to three months.

### Note - 12

#### Bank balance other than Cash and cash equivalents

Particulars	As at 31.03.2024	As at 31.03.2023
In deposits accounts*	1,197.21	568.81
Earmarked balance with bank for unclaimed dividend	1.87	1.85
	<b>1,199.08</b>	<b>570.66</b>
<b>Total cash and bank balances</b>	<b>1,230.80</b>	<b>1,132.28</b>
<b>Included above</b>		
(i). Bank deposits for margin against letters of credit and Bank Guarantee	1,197.21	1,106.43

(ii) \* This represent deposits with original maturity of more than three months but within twelve months.

### Note - 13

#### Current Financial Assets - Loans

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(Unsecured, considered good)</b>		
(a). Loan to related parties (refer note 37)	424.32	402.51
(b). Loans to other Body Corporates	-	-
	<b>424.32</b>	<b>402.51</b>
Loans - Considered Good Secured	-	-
Loans - Considered Good Unsecured	424.32	402.51
Loans which have significant increase in credit Risk	-	-
Loans- Credit Impaired	-	-
	<b>424.32</b>	<b>402.51</b>
<b>Details of loans under section 186(4) of the Companies Act, 2013</b>		
GL Steel and Power Limited	220.53	220.53
Ganesh Laxmi Processors Pvt Ltd	181.98	181.98



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note -14

#### Other financial assets

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Interest accrued on fixed deposits	63.50	4.60
(b) Others	38.09	28.45
(c) Incentive receivable from government (PICUP)	32,346.66	26,184.30
Foreign currency forward contracts	24.41	-
(d) Other Advances	11.00	11.00
<b>Total other financial assets</b>	<b>32,483.65</b>	<b>26,228.35</b>

### Note - 15

#### Other current assets

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Advance with public bodies		
i) Balance with Statutory and Government authorities	773.93	550.42
ii) Advance to suppliers	12,967.45	11,691.37
iii) Other advances and prepayments		-
a) Prepayments	356.40	241.80
b) Others	243.47	1,028.50
<b>Total other current assets</b>	<b>14,341.24</b>	<b>13,512.09</b>

### Note -16

#### Share capital

	As at 31.03.2024	As at 31.03.2023
(a) <b>Authorised:</b>		
24,13,03,300 (P.Y 83,000,000 ) Equity Shares of Rs. 10 each	24,130.33	24,130.33
Issued, Subscribed and fully paid up:		
24,12,80,945 (P.Y. 8,13,22,324 ) Equity Shares of Rs. 10 each	24,128.09	24,128.09
	<b>24,128.09</b>	<b>24,128.09</b>

#### (b) Reconciliation of Number of shares and amount outstanding at the beginning and end of the reporting period

	For the period ended As at 31.03.2024		For the period ended As at 31.03.2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity shares</b>				
<b>Issued, subscribed and fully paid up:</b>				
At beginning of the year	8,13,22,324	8,132.23	8,13,22,324	8,132.23
Cancelled during the year	(6,54,96,896)	(6,549.69)	(6,54,96,896)	(6,549.69)
Issued during the year	22,54,55,517	22,545.55	22,54,55,517	22,545.55
<b>At the end of the year</b>	<b>24,12,80,945</b>	<b>24,128.09</b>	<b>24,12,80,945</b>	<b>24,128.09</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

### (c) 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 following shares allotment/issue for consideration otherwise than in cash:
  - (a) Cancelled 6,54,96,896 no. of Equity Shares pursuant to the Scheme of Amalgamation and Slump Sale.
  - (b) Allotted 22,54,55,517 fully paid up Equity Shares of Face Value ₹ 10/- each pursuant to the Scheme of Amalgamation and Slump Sale. Post cancellation of 6,54,96,896 Equity Shares and fresh allotment of 22,54,55,517 Equity Shares, the outstanding Issued, Subscribed and Paid-up number of Equity Shares are 24,12,80,945 of Face Value ₹ 10/- each.
  - (c) Not bought back any equity shares.

### (d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholders	For the period ended As at 31.03.2024		For the period ended As at 31.03.2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Chandra Prakash Agrawal	7,04,48,608	29.20	7,04,48,608	29.20
Nihon Impex Private Limited	2,36,14,508	9.79	84,31,821	3.49
Dinesh R. Agarwal	1,40,12,196	5.81	1,40,12,196	5.81
Madhu Agrawal	1,56,89,917	6.50	1,56,89,917	6.50
Mayank Agrawal	1,63,31,915	6.77	1,63,31,915	6.77
Wallstreet Distributor Pvt Ltd	-	-	1,78,82,697	7.41
Warner Dealcom Pvt Ltd	1,26,19,582	5.23	1,26,19,582	5.23

### (e) Shareholding of Promoters

Promoters Name	For the period ended As at 31.03.2024		For the period ended As at 31.03.2023		Percentage change during the period ended March 31, 2024
	No. of Shares	Percentage of holding	No. of Shares	Percentage of holding	
CHANDRA PRAKASH AGRAWAL HUF	5418696	2.25	4953863	2.05	0.20
ANUPAM AGARWAL	8896	-	8896	-	0.00
ASHUTOSH AGARWAL	8604248	3.57	8604248	3.57	0.00
BRIJ MOHAN JOSHI	2500	0.00	2500	0.00	0.00
CHANDRA PRAKASH AGARWAL	70448608	29.20	70448608	29.20	0.00
DINESH KUMAR AGARWAL	14012196	5.81	14012196	5.81	0.00
KARUNA JINDAL	3000	0.00	4046	0.00	0.00
KUSUM DEVI JALAN	19661	0.01	19661	0.01	0.00





## Notes

forming part of the financial statements

(₹ in lakhs)

Promoters Name	For the period ended As at 31.03.2024		For the period ended As at 31.03.2023		Percentage change during the period ended March 31, 2024
	No. of Shares	Percentage of holding	No. of Shares	Percentage of holding	
MAANA AV DINESHKUMAR AGARWAL	72804	0.03	72804	0.03	0.00
MADHU AGARWAL	15689917	6.50	15689917	6.50	0.00
MAYANK AGARWAL	16331915	6.77	16331915	6.77	0.00
NARAIN PRASAD AJITSARIA	2500	0.00	2500	0.00	0.00
NIDHI JALAN	24500	0.01	24500	0.01	0.00
NITIN KANDOI	451571	0.19	451571	0.19	0.00
OM PRAKASH JALAN	110677	0.05	110677	0.05	0.00
PALLAVI AGRAWAL	2497500	1.04	2497500	1.04	0.00
PREM PRAKASH AGARWAL	7334667	3.04	7334667	3.04	0.00
PREM PRAKASH AGRAWAL HUF	5575467	2.31	5575467	2.31	0.00
PRIYA SARAFF	100000	0.04	100000	0.04	0.00
PRIYANKA DAS	4893	0.00	29512	0.01	0.00
PRIYANKA GUPTA	4985000	2.07	4985000	2.07	0.00
SANTOSH KUMAR AGARWAL	297535	0.12	297535	0.12	0.00
SANTOSH KUMAR AGRAWAL HUF	5650943	2.34	5650943	2.34	0.00
SHRUTI KANDOI	17056	0.01	17056	0.01	0.00
SHYAMA AGRAWAL	5160670	2.14	5160670	2.14	0.00
SMRITI AGARWAL	2549775	1.06	2549775	1.06	0.00
SUBODH KUMAR JALAN	0	0.00	10000	0.00	0.00
SUMESH KUMAR AGARWAL	100000	0.04	100000	0.04	0.00
UMA AGARWAL	845615	0.35	845615	0.35	0.00
ASHU GOEL	0	0.00	0	0.00	0.00
NARESH CHANDRA AGARWAL	0	0.00	0	0.00	0.00
SHARDA DEVI JALAN	0	0.00	0	0.00	0.00



## Notes

forming part of the financial statements

(₹ in lakhs)

Note - 17

### Other Equity

Particulars	As at 31.03.2024	As at 31.03.2023
a). Securities premium	1,050.00	1,050.00
b). Capital Reserve	1,11,147.23	1,11,147.23
c). Retained Earnings	1,08,250.24	85,715.38
d). Remeasurement of net defined Plan	403.20	361.40
e). Fair Value of financial assets through other comprehensive income	94.98	101.06
<b>Total other equity</b>	<b>2,20,945.65</b>	<b>1,98,375.07</b>
<b>Securities Premium</b>		
Opening balance	1,050.00	1,050.00
Changes during the year	-	-
Closing balance	1,050.00	1,050.00
<b>Capital Reserve</b>		
Opening balance	1,11,147.23	1,11,147.23
Changes during the year	-	-
Closing balance	<b>1,11,147.23</b>	<b>1,11,147.23</b>
<b>Retained Earnings</b>		
Opening balance	85,715.38	71,624.29
Profit for the period	22,534.86	14,091.09
IT demand of earlier year		-
Closing balance	<b>1,08,250.24</b>	<b>85,715.38</b>
<b>Remeasurement of net defined Plan</b>		
Opening Balance	361.40	273.54
Other Comprehensive Income for the year	64.26	135.04
Less : Tax impact on above	(22.45)	(47.18)
Closing Balance	<b>403.20</b>	<b>361.40</b>
<b>Fair Value of financial assets through other comprehensive income</b>		
Opening Balance	101.06	88.78
Other Comprehensive Income for the year	10.61	18.88
Less : Tax impact on above	(16.69)	(6.60)
Closing balance	<b>94.98</b>	<b>101.06</b>

### Nature and purpose of reserve

**Securities Premium Account :** The amount received in excess of face value of the equity shares is recognised in securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

**Capital Reserve :** The excess of fair value of net assets acquired over consideration paid in a common control transaction is recognised as capital reserve. Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill.



## Notes

forming part of the financial statements

(₹ in lakhs)

**Retained Earnings :** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**Other Comprehensive Income :** The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Other comprehensive income (OCI) includes revenues, expenses, gains, and losses that have yet to be realized and are excluded from net income on an income statement. OCI represents the balance between net income and comprehensive income.

### Note - 18

#### Non current Financial Liabilities - Borrowings

Particulars	As at 31.03.2024	As at 31.03.2023
<b>A. Unsecured - at amortised cost</b>		
(a). Deferred VAT/CST Payable (Interest free Loan)	10,029.97	9,947.42
	<b>10,029.97</b>	<b>9,947.42</b>

### Note - 19

#### Non-current Provisions

Particulars	As at 31.03.2024	As at 31.03.2023
(a). Provision for employee benefits	413.27	279.48
(b). Provision for Statutory Liability	272.19	272.19
<b>Total provisions</b>	<b>685.46</b>	<b>551.67</b>

### Note - 20

#### Other Non-current Liabilities

Particulars	As at 31.03.2024	As at 31.03.2023
Deferred income (Capital subsidy)	744.18	843.11
	<b>744.18</b>	<b>843.11</b>

### Note - 21

#### Current Financial Liabilities - Borrowings

Particulars	As at 31.03.2024	As at 31.03.2023
<b>A. Secured - at amortised cost</b>		
(a). Repayable on demand		
From banks		
a). Cash credit	21,629.42	29,955.98
b). e-VFS from State Bank of India	-	0.00
c). Acceptance - Bill of Exchange	13,834.42	13,083.41
<b>Total secured borrowings</b>	<b>35,463.84</b>	<b>43,039.39</b>
<b>B. Unsecured - at amortised cost</b>		
(a). Other loans	697.27	787.65
<b>Total Unsecured borrowings</b>	<b>697.27</b>	<b>787.65</b>
<b>Total borrowings</b>	<b>36,161.11</b>	<b>43,827.04</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

- 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.
- The above working capital loan from bank is secured by collateral security by pledge of 5,10,500 (P.Y. 5,10,500) equity shares of the Company held by promoters.
- The above working capital loan is guaranteed by the personal guarantee of Sri C. P. Agrawal, Sri Dinesh R Agarwal and Sri Nitin M Kandoi, Directors of the Company.
- The above working capital loans from bank are bearing interest @ 7.80% - 8.55% (P.Y. 7.80% ) on cash credit account and @ 5.50% - 8.00% (P.Y. 5.50% - 7.00%) on acceptance.
- The Company does not have any default as on the Balance Sheet date in repayment of loan or interest.

### Note - 22

### Current Financial Liabilities - Trade Payables

Particulars	As at 31.03.2024	As at 31.03.2023
(a). Total outstanding dues to micro enterprises and small enterprises	-	-
(b). Total outstanding dues of creditors other than micro enterprises and small enterprises	5,749.49	6,429.93
<b>Total Trade Payables</b>	<b>5,749.49</b>	<b>6,429.93</b>

#### Note:

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue as on March 31, 2024, to Micro, Small and Medium Enterprises on account of principal or interest

#### Trade Payable Ageing Schedule

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year *	1 - 2 years	2 - 3 years	More than 3 years	
<b>As at March 31, 2024</b>					
Micro Small and Medium Enterprise	-	-	-	-	-
Others	5,523.12	148.22	67.64	10.51	5,749.49
<b>As at March 31, 2023</b>					
Micro Small and Medium Enterprise	-	-	-	-	-
Others	6,281.13	136.77	0.40	11.63	6,429.93

\* Includes amount not yet due for payments



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 23

#### Current Financial Liabilities - Others

Particulars	As at 31.03.2024	As at 31.03.2023
(a). Creditors for accrued wages and salaries	1,173.24	714.14
(b). Creditors for purchase of fixed assets	95.24	18.25
(c). Unclaimed Dividend	1.87	1.85
<b>Total other current financial liabilities</b>	<b>1,270.35</b>	<b>734.24</b>

### Note - 24

#### Other current liabilities

Particulars	As at 31.03.2024	As at 31.03.2023
(a). Advance received from customers	1,332.63	1,228.43
(b). Employee recoveries and employer's contributions	39.63	41.27
(c). Statutory dues	1,756.57	1,232.82
(d). Other credit balances	257.05	288.46
<b>Total other current liabilities</b>	<b>3,385.88</b>	<b>2,791.00</b>

### Note -25

#### Revenue from operations

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>Sale of Products</b>		
(a). Manufacturing goods and By-products	4,01,106.36	4,02,198.86
(b). Sale of traded goods	13,723.65	1,259.41
(c). Other Operating Revenue	7,881.74	2,212.05
<b>Revenue from Operations (Net)</b>	<b>4,22,711.75</b>	<b>4,05,670.32</b>

### Note - 26

#### Other income

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
(a). Interest income from financial assets measured at amortised cost		
i). From fixed deposits	97.10	30.29
ii). From loans	85.05	35.16
iii). From Others	72.71	162.35
(b). Profit on sale of investemnt		
Gain from Mutual Fund	20.00	-
(b). Gain on foreign currency transactions (net)	178.85	-
(c). Profit on sale of Property, Plant and Equipment (net)	0.13	-
(d). Other non operating income	114.98	99.58
(e). Insurance Claim	116.24	-
<b>Total other income</b>	<b>685.06</b>	<b>327.39</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 27

#### Cost of materials consumed

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>Raw materials &amp; components consumed</b>		
(a). Opening stock	29,957.01	17,187.48
(b). Add: Purchases	3,20,784.63	3,40,053.56
	<b>3,50,741.65</b>	<b>3,57,241.05</b>
(c). Less: Closing stock	26,876.38	29,957.01
<b>Total raw materials consumed</b>	<b>3,23,865.27</b>	<b>3,27,284.03</b>

#### Notes:

- i). Manufactured goods consumed for own use ₹ 541.95 lakhs (P.Y. ₹ 76.41 lakhs) deducted from raw material consumed at cost price.

### Note - 28

#### Changes in inventories of finished products and work in progress

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>Inventories at the beginning of the year/period</b>		
(a). Finished products	6,118.05	10,047.31
(b). Work-in-progress	303.14	350.01
	<b>6,421.19</b>	<b>10,397.31</b>
<b>Inventories at the end of the year/period</b>		
(a). Finished products	9,804.28	6,118.05
(b). Work-in-progress	188.48	303.14
	<b>9,992.75</b>	<b>6,421.19</b>
<b>Net (increase)/decrease</b>	<b>(3,571.56)</b>	<b>3,976.12</b>

### Note - 29

#### Employee benefits expense

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
(a). Salaries and wages, including bonus	10,103.11	8,281.98
(b). Company's contribution to provident and other funds	574.90	402.19
(c). Workmen and staff welfare expenses	139.97	134.31
<b>Total employee benefits expense</b>	<b>10,817.98</b>	<b>8,818.48</b>

### Note - 30

#### Finance costs

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
(a). Interest expense	2,573.23	2,471.08
(b). Other Borrowing costs	247.07	251.27
(c). Bank charges	-	-
<b>Total finance costs</b>	<b>2,820.30</b>	<b>2,722.35</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 31

#### Depreciation and amortisation expense

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
(a). Depreciation on assets	11,651.67	10,123.93
Less: Release from capital subsidy	(98.92)	(98.92)
<b>Total depreciation expense</b>	<b>11,552.75</b>	<b>10,025.01</b>

### Note - 32

#### Other expenses

Particulars	For Year ended 31.03.2024	For Year ended 31.03.2023
(a). Consumption of stores, spare parts and loose tools	7,969.48	5,065.34
(b). Repairs to buildings	71.68	69.84
(c). Repairs to plant and machinery	1,748.45	1,826.76
(d). Repairs to others	507.67	404.95
(e). Power and fuel	5,850.03	5,295.08
(f). Other manufacturing expenses	6,082.27	5,802.97
(g). Rent	41.01	17.38
(h). Rates, taxes and licenses	306.76	164.19
(i). Insurance charges	545.70	191.51
(j). Freight and handling charges	3,623.36	3,322.51
(k). Commission and brokerage	2,402.42	2,179.54
(l). Selling expenses	2,618.60	2,299.09
(m). Loss /(gain) on foreign currency transaction (net)	-	205.29
(n). Loss on sale/discard of assets	-	4.85
(o). Corporate social responsibility expenses	427.54	309.42
(p). Other general expenses	1,076.48	798.64
<b>Total other expenses</b>	<b>33,271.45</b>	<b>27,957.38</b>

#### Note:

1 Auditor's Remuneration (included in other general expenses)	For Year ended 31.03.2024	For Year ended 31.03.2023
Audit Fee	8.00	5.50
Other Services (certification fee)	-	0.50
Out of pocket expenses	3.90	1.22
	<b>11.90</b>	<b>7.22</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

Note - 33

### Income tax recognised in profit and loss

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>Current tax</b>		
Current Tax Expenses	5,439.34	4,191.33
Mat credit availed / (entitlement)	116.18	(443.40)
Income Tax Expenses	<b>5,555.52</b>	<b>3,747.93</b>
In respect of prior years	-	13.74
Income tax expenses including earlier year tax	<b>5,555.52</b>	<b>3,761.67</b>
<b>Deferred tax</b>		
Deferred tax (assets / liabilities of the current year)	3,042.41	6,136.05
Deferred tax (assets) / liabilities in other comprehensive income	(39.14)	(53.78)
	<b>3,003.27</b>	<b>6,082.27</b>
<b>Total tax expense</b>	<b>8,558.79</b>	<b>9,843.94</b>
<b>The income tax expense for the year can be reconciled to the accounting profit (loss) as follows:</b>		
Profit before tax as per statement of Profit and Loss	31,131.74	23,988.81
Tax at special Rate	-	974.70
Accounting Profit before tax	<b>31,131.74</b>	<b>23,014.11</b>
Applicable Income Tax rate	<b>34.94%</b>	<b>34.94%</b>
Computed income tax expense	10,878.67	8,042.05
Tax at special Rate	-	186.71
Effect of income that is exempt from tax	(2,474.66)	(2,037.94)
Effect of expenses that are not deductible in determining taxable profit	154.97	121.68
Effect of timing difference of Depreciation	(3,062.42)	(2,389.03)
Effect of timing difference of liabilities	58.95	54.93
	<b>5,555.52</b>	<b>3,978.40</b>
Reconciliation of deferred tax (assets) / liabilities		
Effect of written down value	3,178.71	2,389.03
Effect of timing difference of liability	(54.54)	(130.68)
Effect of timing difference of liability in other comprehensive income	39.14	(53.78)
	<b>3,163.31</b>	<b>2,204.57</b>

Note - 34

### Earnings per share

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>Basic &amp; Diluted earnings per share</b>		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Profit for the year attributable to owners of the Company	22,533.81	14,091.09
Weighted average number of equity shares for the purposes of basic earnings per share	24,12,80,945	24,12,80,945
Basic earnings per share	9.34	5.84
Diluted earnings per share	9.34	5.84





## Notes

forming part of the financial statements

(₹ in lakhs)

Note - 35

### Employee Benefits

#### (i) Defined contribution plans

##### Provident fund

The contributions to the Provident Fund and Family Pension Fund of eligible employees are made to a Government administered Provident Fund i.e The Employees' Provident Fund and Miscellaneous Provision Act 1952 and there are no further obligations beyond making such contribution.

#### (ii) Defined benefit plans

##### Gratuity

The Company participates in the Employees' Group Gratuity-cum-Life Assurance Scheme of SBI Life Insurance Co. Ltd., a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time), or as per the Company's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

Assumed discount rates are used in the measurement of the present value of the obligation.

##### Amount recognised as expenses

Employer's Contribution to Provident Fund amounting to ₹ 213.41 lakhs (previous year 188.16 lakhs) has been included in Note 29 Employee Benefits Expenses.

Employer's Contribution to ESIC amounting to ₹ 51.94 lakhs (previous year 44.88 lakhs) has been included in Note 29 Employee Benefits Expenses.

Gratuity cost amounting to ₹ 136.84 lakhs (previous year 227.79 lakhs) has been included in Note 29 Employee Benefits Expenses.

#### (iii) The amount recognised in the Company's financial statements as at the year end as under:

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>1 Movement in the present value of the defined benefit obligation</b>		
a). Opening defined benefit obligation	733.59	757.21
b). Current service cost	177.89	62.41
c). Interest cost	52.89	48.30
d). Actuarial (gains)/ loss on obligation	(64.26)	(134.33)
e). Benefits paid	-	-
f). Closing defined benefit obligation	<b>900.11</b>	<b>733.59</b>
<b>2 Movement in the fair value of the plan assets</b>		
a). Opening fair value of plan assets	454.11	422.57
b). Interest income on plan assets	32.74	30.84
c). Employer's contribution	-	-
d). Actuarial (gains)/ loss on Plan Assets	-	0.70
e). Benefits paid	-	-
f). Closing fair value of plan assets	<b>486.85</b>	<b>454.11</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

	For Year ended 31.03.2024	For Year ended 31.03.2023
<b>3 Components of defined benefit costs recognised in profit and loss</b>		
a). Current service cost	177.89	62.41
b). Interest expenses on defined benefit obligation	52.89	48.30
c). Interest (income) on plan assets	(32.74)	(30.84)
d). Defined benefit cost included in Profit & Loss Account	<b>198.04</b>	<b>79.87</b>
<b>4 Components of defined benefit costs recognised in other comprehensive income</b>		
a). Actuarial (gains)/ loss on obligation for the year	(64.26)	(134.33)
b). Return on plan assets (excluding interest income)	-	(0.70)
c). Total defined benefit cost recognised in OCI	<b>(64.26)</b>	<b>(135.03)</b>
<b>5 Amount recognised in the statement of financial position</b>		
a). Present value of obligation at the end of the year <sup>1</sup>	900.11	733.59
b). Fair value of Plan Assets at the end of the year	(486.85)	(454.11)
c). Net defined benefit liability / (assets)	413.26	279.48
Of which Short term liability	-	<b>21.02</b>
<b>6 Actuarial Assumptions</b>		
Discount Rate	6.97%	7.21%
Expected Rate of Return on plan Assets		
Salary Escalation rate	5.00%	5.00%
Employee Turnover		
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
<b>7 Assets Information</b>		
(i) Gratuity Fund (SBI Life and LIC)	486.85	454.11
(ii) 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 Year ended 31.03.2024		For Year ended 31.03.2023	
	(increase)	(Decrease)	(increase)	(Decrease)
Discount Rate (0.5% movement)	702.72	766.96	708.97	810.73
Salary escalation rate (0.5% movement)	767.67	701.76	809.25	709.41
Withdrawal rate (1% movement)	741.15	724.32	746.56	769.27



## Notes

forming part of the financial statements

(₹ in lakhs)

Note - 36

### Related Party Disclosures

#### (i) Related parties where control exists

#### (ii) Related parties with whom transactions have taken place during the year

GL Steel and Power Limited	(Company under common control)
Gallantt Industry Pvt Limited	(Relative of Director is Director)
Gallantt Udhyog Pvt. Ltd	(Relative of Director is Director)
Ganesh Laxmi Processors Private Ltd	(Company under common control)
Gallantt Lifespace Developers Pvt Ltd	(Relative of Director is Director)
Gallantt Medicity Developers Pvt Ltd.	(Relative of Director is Director)
Gallantt Foundation	(Trust in which Director is interested)

#### Key Management personnel

Mr. Chandra Prakash Agrawal	Chairman and Managing Director
Mr. Dinesh R Agarwal	Whole-time Director
Mr. Prem Prakash Agrawal	Whole-time Director
Mr. Nitin Mahavir Prasad Kandoi	Whole-time Director
Mr. Prashant Jalan	Whole-time Director
Mr. Mayank Agarwal	CEO
Mr. Sandip Kumar Agarwal	Chief Financial Officer
Mr. Nitesh Kumar	Company Secretary
Mr. Arnab Banerji	Company Secretary till 10.08.2022

#### Relative of key management personnel

Mr. Prem Prakash Agrawal	(Brother of Mr. Chandra Prakash Agrawal)
Mr. Santosh Kumar Agrawal	(Brother of Mr. Chandra Prakash Agrawal)
Mr. Ashutosh Agrawal	(Relative of Director)
Mrs. Madhu Agrawal	(Wife of Mr. Chandra Prakash Agrawal)
Mrs. Smriti Agrawal	(Relative of Director)

#### Related party Transactions

Name of the related party	Nature of transaction	As at 31.03.2024	As at 31.03.2023
GL Steel and Power Limited	Loan given	2.68	5.07
	Interest income	20.10	21.00
	Loan received (back)	-	79.00
Gallantt Industry Pvt Ltd	Loan taken	2995.39	3017.49
	Loan taken (refund)	2995.39	9143.82
	Loan given	2929.64	-
	Loan received (back)	2929.64	-
	Sale of product	99.17	47.15
	Purchase of products	114.20	-
	Interest income	16.03	240.45



## Notes

forming part of the financial statements

(₹ in lakhs)

### Related party Transactions

Name of the related party	Nature of transaction	As at 31.03.2024	As at 31.03.2023
Gallantt Udhyog Pvt. Ltd	Loan taken	2,930.96	3,969.59
	Loan taken (refund)	2,930.96	6,332.34
	Interest expenses	62.79	59.76
	Sale of product	-	113.28
	Purchase of products	-	5.55
	Rent Received	56.64	-
Ganesh Laxmi Processors Pvt. Ltd.	Sale of product	0.87	164.31
	Purchase of products	-	191.74
	Loan given	-	169.74
	Loan received (back)	12.74	0.50
	Interest income	15.30	14.16
Gallantt Lifespace Developers Pvt Ltd	Sale of product	-	80.60
Gallantt Medicity Developers Pvt Ltd.	Sale of product	17.87	-
	Loan taken	5,029.36	-
	Loan taken (refund)	5,029.36	-
	Interest expenses	31.00	-
Gallantt Foundation	CSR Activity	400.00	215.00
	Sale of product	246.43	-
Mr. Chandra Prakash Agrawal	Remuneration	63.00	60.20
	Share Sale	-	4.00
	Share Purchase	-	4.00
	Land Purchased	120.00	-
Mr. Dinesh R Agarwal	Remuneration	63.00	60.20
Mr. Prem Prakash Agrawal	Remuneration	25.00	-
	Share Sale	-	0.05
	Share Purchase	-	0.05
Mr. Nitin Mahavir Prasad Kandoi	Remuneration	63.00	56.00
Mr. Prashant Jalan	Remuneration	11.74	11.08
Mr. Mayank Agrawal	Remuneration	24.00	18.00
	Share Sale	-	3.00
	Share Purchase	-	3.00
Mr. Sandip Kumar Agarwal	Remuneration	29.30	27.11
Mr. Nitesh Kumar	Remuneration	43.70	39.90
Mr. Arnab Banerji	Remuneration	-	2.18
Mr. Chandra Prakash Agrawal (HUF)	Share Sale	-	8.80
	Share Purchase	-	8.80



## Notes

forming part of the financial statements

(₹ in lakhs)

Name of the related party	Nature of transaction	As at 31.03.2024	As at 31.03.2023
Mrs. Madhu Agrawal	Share Sale	-	2.00
	Share Purchase	-	2.00
Mr. Santosh Kumar Agrawal			-
	Share Sale	-	0.05
Mr. Ashutosh Agrawal	Share Purchase	-	0.05
	Share Sale	-	0.05
Mrs. Smriti Agrawal	Share Purchase	-	0.05
	Share Sale	-	0.05

### Outstanding Balance

Name of the related party	Nature of transaction	31-Mar-24	31-Mar-23
GL Steel and Power Limited	Loan given	241.31	220.53
Ganesh Laxmi Processors Pvt Ltd.	Loan given	183.01	181.98
Gallantt Lifespace Developers Pvt Ltd	Sale of Product	-	0.03

### Note - 37

### 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

Particulars	As at 31.03.2024	As at 31.03.2023
Debt		
Current borrowings	(36,161.11)	(43,827.04)
Long term borrowings	(10,029.97)	(9,947.42)
Less : Cash and bank balances	1,230.80	1,132.28
Less : Current Investment	4,314.20	-
Net debt	(40,646.08)	(52,642.18)
Total equity	2,45,072.68	2,22,503.16
Equity share capital	24,128.09	24,128.09
Other equity	2,20,944.59	1,98,375.07
<b>Net debt to equity ratio</b>	<b>(0.17)</b>	<b>(0.24)</b>



## Notes

forming part of the financial statements

(₹ in lakhs)

Note - 38

### 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.

#### 1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

##### Foreign currency risk management

The Company is exposed to currency risk on account of its borrowings, Receivables for Exports and Payables for Imports in foreign currency. The functional currency of the Company is Indian Rupee. The Company manages currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

##### Exposure to currency Risk

The currency profile of financial liabilities as at Balance Sheet dates are as below:

Particulars	Currency	As at 31.03.2024	As at 31.03.2023
Financial Liabilities			
Hedged			
	USD	50.00	59.00
	₹	4,146.93	4,892.73
Unhedged			
Trade Payable	USD	83.17	50.14
	₹	6,956.51	4,089.65
Financial Assets			
Hedged			
Trade Receivable	USD	-	-
	₹	-	-
Unhedged			
Trade Payable	USD	-	-
	₹	-	-

##### 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.



## Notes

forming part of the financial statements

(₹ in lakhs)

### 2 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

#### Trade receivables and loans and advances.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company monitors each loans and advances given and makes any specific provision wherever required.

Based on prior experience and an assessment of the current economic environment, Management believes there is no credit risk provision required. Also Company does not have any significant concentration of credit risk.

The ageing of trade receivables that were not impaired was as follows:

Particulars	As at 31.03.2024	As at 31.03.2023
Others	10,908.70	13,736.41
	<b>10,908.70</b>	<b>13,736.41</b>

### 3 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The Company has access to funds from debt markets through loan from banks and other debt instrument. The Company invests its surplus funds in bank fixed deposits.

#### Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities as at the Balance Sheet dates

As at 31.03.2024	Carrying amount	Less than 1 year	1 to 5 years	> 5 years
Short term borrowings	36,161.11	36,161.11	-	-
Long term borrowings	10,029.97	-	-	10,029.97
Trade payables	5,749.49	5,749.49	148.81	-
Other financial liabilities	1,270.35	1,270.35	-	-

As at 31.03.2023	Carrying amount	Less than 1 year	1 to 5 years	> 5 years
Short term borrowings	43,827.04	43,827.04	-	-
Long term borrowings	9,947.42	-	-	9,947.42
Trade payables	6,429.93	6,281.12	148.81	-
Other financial liabilities	734.24	734.24	-	-



## Notes

forming part of the financial statements

(₹ in lakhs)

Note - 39

### 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 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 31.03.2024	As at 31.03.2023
<b>Financial Assets:</b>		
Investment-Non-current	889.46	161.86
Security deposits-Non-current	388.68	492.23
Trade receivables	10,908.70	13,736.41
Cash and cash equivalents	31.72	561.63
Other bank balances	1,199.08	570.66
Loan- \Current	424.32	402.51
Other Financial assets-Current	32,483.65	26,228.35
<b>Total</b>	<b>46,325.60</b>	<b>42,153.64</b>
<b>Financial Liabilities</b>		
Borrowings-Non-Current	10,029.97	9,947.42
Borrowings-Current	36,161.11	43,827.04
Trade payable	5,749.49	6,429.93
Other financial liabilities	1,270.35	734.24
<b>Total</b>	<b>53,210.92</b>	<b>60,938.63</b>

Note - 40

### Commitments

Particulars	As at 31.03.2024	As at 31.03.2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,194.02	150.77





## Notes

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(₹ in lakhs)

### Note - 41

### Contingent liabilities

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Commissioner of Central Excise, Kutch Commissionerate issued Show Cause Notice on excise duty liability on sales tax incentive availed by the Company. We have objected and filed the reply in the year 2017 thereafter we did not get any response from them inspite of our reminder in April, 2018.	170.12	170.12
(ii) Commissioner, Central GST (Audit) issued show cause notice on wrong availment of CENVAT credit on imported coal. Hon'ble CESTAT granted the verdict in our favour, however department preferred appeal in High Court .	603.35	603.35
(iii) Disputed liability in respect of sales tax (₹ 42.00 lacs has been paid against the same).	80.04	80.04
(iv) Income Tax demand raised by the department from A.Y 2006-07 to 2019-2020 that has been disputed by the Company in various forum of Income Tax department.	17.75	17.75
(v) 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
(vi) Amount has not been deposited with the Commercial Tax Department, Uttar Pradesh in accordance with stay order of Honorable High Court of Allahabad. Refer note no. 42.	9,255.64	9,255.64
(vii) Various SCN issued by CGST and SGST, Varanasi and Gorakhpur for wrong availment of input credit and for that reply has already been submitted by the company.	-	1,676.75

### 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 - 42

The Company's Gorkhapur unit has established its unit under attraction of financial incentives and other benefits of a scheme of State Government of Uttar Pradesh notified vide Government Order No. 1502/77-6-2006-10 tax/04 dated 1<sup>st</sup> June, 2006 and which have been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30<sup>th</sup> November, 2006 and amended from time to time. The said scheme provides following financial incentives besides other benefits to the Industries established in the State after 1<sup>st</sup> June, 2006. Company has complied with all the formalities required in this regard and has been declared an eligible unit under the scheme; as such the Company is entitled to get the following financial incentives:

- Capital investment subsidy, additional capital investment subsidy and infrastructure subsidy @35% on fixed capital investment.
- Reimbursement of freight paid on raw materials subject to maximum of 65% of the fixed capital investment.
- Amount of payable Commercial Taxes to State Government (VAT at that time presently GST) to be converted into interest free loan, repayable after a period of 15 years.

State Government, after declaring the unit an eligible unit disbursed an amount of ₹ 24.28 crores as part payment of the subsidies in the year 2010, but thereafter refused to pay the balance amount of financial incentives. Having no option. Company moved to Hon'ble High Court of Allahabad Lucknow Bench in 2011 and after a long battle in court, finally Hon'ble High Court vide its



## Notes

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(₹ in lakhs)

order dated 22.03.2018 directed State Government to pay all the incentives within three months time. State Government instead complying with the order moved a special leave petition No. 19796 before the Hon'ble Supreme Court which is pending for final disposal before the Hon'ble Supreme Court.

Financial Benefits to be received under the scheme are as under:

- a) Company is eligible for incentives i.e. Capital investment subsidy @ 20% of fixed capital investment, infrastructure subsidy @ 10% of total fixed capital investment and 5% additional capital subsidy being the first unit in Purvanchal region totalling subsidy @ 35% on fixed capital investment. Company has claimed for ₹ 12,262.00 Lakhs against the capital investment made upto May 31, 2012. The incentive received of RS. 2,428 Lakhs has been credited in fixed assets in the ratio of capital investment made. No provision has been made for the unrealised claim of ₹ 9,834 Lakhs in the books.
- b) Reimbursement of freight paid on raw materials subject to maximum of 65% of the fixed capital investment.  
Company is eligible for reimbursement of freight paid on transportation of raw materials as freight subsidy on Iron Ore equivalent to the Railway freight. The total amount of freight subsidy is restricted to 65% of the total capital investment under the scheme that comes ₹ 22,775.00 lakhs, Since Company has already claimed ₹ 22,775.00 Lakhs till March, 2018 as such no amount is available to be claimed as freight subsidy during the year and onward,
- c) Amount of payable Commercial Taxes to State Government (VAT at that time presently GST) to be converted into interest free loan, repayable after a period of 15 years.

Company is eligible for interest free loan equivalent to the amount of VAT, CST & GST liability for 15 years and which shall be repayable after 15 years. The company has claimed as interest free loan amounting to ₹ 10,828.03 Lakhs up to June 30, 2017 on account of VAT upto 30<sup>th</sup> June, 2017. Out of total claim of ₹ 10,828.03 Lakh, ₹ 9,255.64 Lakhs has not been deposited to Commercial Tax department in accordance with order of Hon'ble High Court of Allahabad in writ petiiton no. 8886/2011, however, ₹ 1,572.39 Lakhs have already been deposited before the said stay order.

### Note - 43

### Corporate Social Responsibility Contribution (CSR Expenses)

	For Year ended 31.03.2024	For Year ended 31.03.2023
1 Gross amount required to be spent by the company during the year	437.79	306.33
2 Amount spent during the year on		
(i) Construction / acquisition of any fixed assets	NIL	NIL
(ii) On purpose other than (i) above	427.54	309.42
3 Shortfall at the end of the year	NIL	NIL
4 Total of previous year shortfall	(34.96)	(31.87)
5 Excess contribution in CSR at the end of the year and previous years	24.71	34.96
6 Reason for shortfall	NIL	NIL
7 Nature of CSR activities	Health, Education and nutrition and safety	Health, Education and nutrition and safety

**Note:** Company has contributed and done CSR expenses worth ₹ 215 Lakhs through Gallantt Foundation, related party (in-house trust).



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 44

Details of Loans and Advances, in the nature of loans, granted to promoters, directors, KMPs and the related parties that are repayable on demands or without specifying any terms or period of repayment:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties	424.32	100.00%

### Note - 45

Details of borrowings from banks or financial institutions taken on the basis of security of current assets:

Quarter	Name of the Bank	Particulars of the security provided	Amount as per book of account	Amount as reported in the quarterly return / statement	Amount of difference
Q-1 June, 2023	State Bank of India	Inventory and Receivables	53,770.98	57,932.22	(4,161.24)
Q-2 September, 2023	State Bank of India	Inventory and Receivables	63,608.85	62,844.60	764.25
Q-3 December, 2023	State Bank of India	Inventory and Receivables	59,276.28	59,276.28	0.01
Q-4 March, 2024	State Bank of India	Inventory and Receivables	54,035.61	59,480.64	(5,445.03)

Reason for difference

Statement of inventory submitted to the bank on the basis of estimated cost whereas the actual valuation of the same has been done afterwards at the time of quarterly result submitted to the Bank

### Note - 46

#### Segment Reporting

As per Ind AS 108 operating segment specified under section 133 of the Companies Act 2013, the Company is predominately engaged in single reporting segment of Iron and Steel.



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 47

#### FINANCIAL RATIOS:

Sr. No.	Financial Ratio	Numerator	Denominator	2023-2024	2022-2023	% age variance	Remarks for variation more than 25%
(a)	Current Ratio	Current assets	Current liabilities	2.33	1.85	26.30	This ratio has increased due to efficiently utilisation of working capital
(b)	Debt Equity Ratio	Total debt	Shareholders Equity	0.279	0.325	(14.10)	Not Applicable
(c)	Debt Service Coverage Ratio	Earnings before interest, depreciation and tax	Debt service	13.09	9.86	32.71	This ratio has increased due to increase in net profit during the year
(d)	Return on Equity Ratio	Net Profit after tax	Average Equity	9.64	6.54	47.34	This ratio has increased due to increase in net profit during the year
(e)	Inventory Turnover Ratio	Revenue from operation	Average inventory	52.11	49.37	5.54	Not Applicable
(f)	Trade Receivables Turnover Ratio	Revenue from operation	Average trade receivables	33.66	27.11	24.18	Not Applicable
(g)	Trade Payables Turnover Ratio	Purchase	Average trade payable	16.41	19.28	(14.90)	Not Applicable
(h)	Net Capital Turnover Ratio	Revenue from operation	Average working capital	6.68	8.75	(24.52)	Not Applicable
(i)	Net Profit Ratio	Net Profit after tax	Net Sales	5.43	3.53	55.53	This ratio has increased due to increase in net profit during the year
(j)	Return on Capital employed	Earnings before interest and tax	Capital employed	12.72	11.08	14.78	Not Applicable
(k)	Return on Investment	Income generated from revenue	Average Investment		Not Applicable		

### Note - 48

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits has received Presidential assent on 28<sup>th</sup> September 2020. The Code has been published in the Gazette of India. However, the effective date of the Code is yet to be notified and final rules for quantifying the financial impact are also yet to be issued. In view of this, the Company will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

### Note - 49

During the year the Income Tax Department has conducted a search operation. The Company has not disclosed or surrendered any income during the year in the tax assessment under the Income Tax Act, 1961.

### Note - 50

No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.



## Notes

forming part of the financial statements

(₹ in lakhs)

### Note - 51

The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

### Note - 52

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 **MAROTI & ASSOCIATES**

*Chartered Accountants*

Firm Registration No : 322770E

**Komal Jain**

*Partner*

Membership No. 303583

UDIN: 24303583BKFPN4366

New Delhi, May 02, 2024

**For and on behalf of the Board of Directors**

**Chandra Prakash Agrawal**

*Chairman & Managing Director*

DIN: 01814318

**Dinesh R Agarwal**

*Whole-time Director*

DIN: 01017125

**Mayank Agrawal**

*Chief Executive Officer*

**Sandip Kumar Agarwal**

*Chief Financial Officer*

**Nitesh Kumar**

*Company Secretary*

Gorakhpur, May 02, 2024





GALANT  
advance



# THE REAL HERO

HERO







**GALLANTT ISPAT LIMITED**

GIDA, Sahjanwa, Gorakhpur - 273209, Uttar Pradesh

Email: [csgml@gallantt.com](mailto:csgml@gallantt.com)