

GML/DEL/2022-23
September 05, 2022

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| Bombay Stock Exchange 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 Scrip Code: GALLANTT |
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Dear Sir/Madam,

SUB: SUBMISSION OF ANNUAL REPORT FOR THE YEAR 2021-22

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 2021-22 which has been dispatched to the members of the Company for approval and adoption at the 18th Annual General Meeting of the Company to be held on Thursday, September 29, 2022 at 3:30 P.M.

Copy of the Annual Report is available at our website – www.gallantt.com

Please acknowledge the receipt and oblige.

Thanking you,

Yours faithfully,
For GALLANTT ISPAT LIMITED
(Formerly known as Gallantt Metal Limited)

NITESH
KUMAR

Digitally signed
by NITESH KUMAR
Date: 2022.09.05
16:27:37 +05'30'

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

Encl: As above

GALLANTT ISPAT LIMITED

(Formerly known as Gallantt Metal Limited)

Registered Office: "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi -110014

Telefax: 011-45048767/41645392, 033-46004831, E-mail: csgml@gallantt.com, Website: www.gallantt.com

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

CIN: L27109DL2005PLC350524

GALLANTT

GALLANTT ISPAT LIMITED



ANNUAL REPORT 2021-2022

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| 18TH ANNUAL GENERAL MEETING | |
|-----------------------------|----------------------------------------------------------------------------------|
| Date | 29.09.2022 |
| Day | Thursday |
| Time | 3.30 P.M |
| Place | Through Video Conferencing (VC) / Other Audio Visual Means (OAVM) |
| Book Closure Date for AGM | Friday, September 23, 2022 to Thursday, September 29, 2022 (both days inclusive) |

Company has recently concluded a Scheme of Arrangement. In accordance with the Scheme, name of the Company has been changed from Gallantt Metal Limited to GALLANTT ISPAT LIMITED.



What does the cover signify ?

The cover page design for this year combines various blocks which together completes to become a beautiful iron product. These blocks all together represents the growth trajectory of **Gallantt Ispat Ltd** in the domestic iron & steel industry.



Scan this QR code to navigate Reports and other investor information

Corporate Information

BOARD OF DIRECTORS

Mr. Chandra Prakash Agrawal
Chairman & Managing Director

Mr. Dinesh R. Agarwal
Whole Time Director

Mr. Prashant Jalan
Director-Plant Operation

Mr. Nitin Mahavir Prasad Kandoi
Director
(Appointed as Whole Time Director
w.e.f. June 01, 2022)

Mr. Ashtbhuja Prasad Srivastava
Non-Executive Independent Director

Mrs. Nishi Agrawal
Non-Executive Independent Director

Mr. Jyotirindra Nath Dey
Non-Executive Independent Director

Mr. Udit Agarwal
Non-Executive Independent Director

AUDITORS

ALPS & CO.
Chartered Accountants

COST AUDITORS

U. Tiwari & Associates
Cost Accountants

CHIEF FINANCIAL OFFICER

Mr. Sandip Kumar Agarwal

COMPANY SECRETARY

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

REGISTERED OFFICE

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

BANKERS

State Bank of India
HDFC Bank

EQUITY SHARES LISTED

Bombay Stock Exchange Limited
National Stock Exchange of India Limited

REGISTRARS & SHARE TRANSFER AGENT

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

WORKS OFFICE

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

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

AUDIT COMMITTEE

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE


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

COMMITTEE OF DIRECTORS

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

RISK MANAGEMENT COMMITTEE

Mr. Jyotirindra Nath Dey - Chairperson
Mr. Nitin Mahavir Prasad Kandoi
Mr. Udit Agarwal



The Indian iron & steel industry has seen some steady growth in the recent times. Increasing per capita consumption, growing focus on infrastructure creation and making country self reliant through Atma Nirbhar Bharat and Production Link Incentives (PLI) are some of the positives across the sector.

Gallantt Ispat Limited capitalised on these realities by utilising its deep industry expertise, solid financial position and upgraded capabilities.

Result: We have not just been enhancing our capacities to reduce costs but has also been able to maintain the growth momentum despite successive outbreaks of Covid-19 pandemic. We increased our margins substantially over the last year.

We have delivered this exceptional performance by strengthening our operational capabilities, by implementing lessons learnt from the past and by further enhancing our customers' satisfaction.

At Gallantt Ispat, we have always focussed on what lies ahead of us.

And it is this focus on future that gives us both the confidence and conviction to continue on this growth trajectory.

And this is how we are accelerating towards a secure future.

By producing high quality and repeatedly demanded intermediate and finished products in the iron & steel segment, by being a more agile Company with lower overhead costs and by being more environmentally responsible.



Introducing Gallantt Ispat Limited

Headed by visionary entrepreneur, Mr. Chandra Prakash Agrawal its Chairman & Managing Director, the Company has touched new heights of success in the domestic iron & steel industry for its unique product quality widely accepted in the infrastructure industry.

| | | |
|----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| ➤ Incorporated 2005 | ➤ Corporate Headquarter Gorakhpur, U.P. | ➤ Plant locations Gorakhpur, U.P. Kutch, Gujarat |
| ➤ Products manufactured and Capacity Sponge Iron: 9,18,000 MTPA MS Billets: 9,57,000 MTPA TMT Bars: 9,50,000 MTPA | ➤ Customer profile Large Indian conglomerates, Real estate developers of repute and Key Government departments | ➤ Shares listed National Stock Exchange of India Limited Bombay Stock Exchange Limited |
| ➤ Captive Power Capacity 129 MW | ➤ Key customers proximity to plant 300 Km | ➤ Market Capitalisation ₹ 1,60,000 Lakhs |

Vision

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






Mision

- 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.

Growth drivers of tomorrow

We operate in a highly regulated and competitive industry. Our singular focused product portfolio with multiple integration measures adopted by us has allowed us to respond to the many opportunities and challenges we face, while delivering value for all our stakeholders. It enables us to remain agile with the belief that steel is an integrated part of life.

FOCUS CAPITALS

| | | |
|------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FINANCIAL  | <p>We generate financial capital in the form of surplus arising from current business operations as well as through financing activities, which include restructuring of debts aligned with market conditions and other re-investments for future growth opportunities and rewarding shareholder with a long-term vision.</p> | <p>Shareholders' Equity: ₹ 2,08,311.94 Lakhs Return on Networth: ₹ 8.82% Cash generated from operations: ₹ 29,051.54 Lakhs Operating Profit: ₹ 34,985.99 Lakhs</p> |
| MANUFACTURING  | <p>We continuously invest in our integrated iron & steel plant through various integration measures, while ensuring the safety and reliability of our operations. This also supports our strong and sustainable cash flow generation.</p> | <p>Gross Block: ₹ 1,44,194.71 Lakhs Sponge Iron Production: 4,88,999.81 MT Sale of Sponge Iron: 4,90,310.426 MT Billet Production: 6,02,726.11MT Sale of Billet: 6,03,459.32 MT</p> |
| STAKEHOLDERS  | <p>Values relating to our relationships with other people, society in general and other organisations. It includes trust placed in us by our shareholders, customers, suppliers, employees, society, and the impacts that we have from everything we do.</p> | <p>Social Contribution: ₹ 305.22 Lakhs Salary, wages, other employee benefit expenses: ₹ 7,203.60 Lakhs Contribution to national exchequer: ₹ 6,146.45 Lakhs (Income Tax) ₹ 44,046.56 Lakhs (GST)</p> |
| INTELLECTUAL  | <p>Technology and a culture of continuous improvement are key enablers towards achieving the strategic objectives of industry leadership and cost leadership.</p> | <p>Finance Cost: ₹ 2,046.35 Lakhs Products certified with: ISO 9001:2008, Bureau of Indian Standard (ISI), ISO 9001:2000 and H & K (Germany).</p> |
| NATURAL  | <p>We depend on natural resources which constitute our key raw materials. At the same time, land and water are indispensable for our operations. We strive for excellence in environmental performance and resource efficiency to mitigate our ecological footprint.</p> | <p>Captive Power generated: 53,27,46,256 KWH</p> |

Management's insight



Mr. Chandra Prakash Agrawal
Chairman and Managing Director,
analyses

*HOW GALLANTT
ISPAT LIMITED IS
GROWING IN THE
RIGHT WAY.*



Q Was the management pleased with the working of the Company during the year under review?

A The management was delighted to present excellent financials during the year under review. The Company reported revenues from operations of Rs.3,01,737.60 Lakhs during the year and PAT of Rs. 17,583.93 Lakhs. The highlight of our achievement was not just a record performance. What was creditable was that we reported profitable growth during the year by achieving 25.82% growth at the EBITDA level.

Q What reasons accounted for the profitable growth?

A In a business where our realisations are controlled largely by the market cycles (for steel industry), we believe that much of the growth is actually derived from our ability to generate surpluses from within. Over the last few years, the Company strengthened this inward-outward focus through a more visible manifestation of that one corporate strength that we deeply pride upon: our culture of passion and planning.

At Gallantt Ispat, we brought an unusual passion to our workplace every single day. We continued to believe that this is the only insurance in a sector where realisations are largely beyond our control and the only realities that we can truly control is our enriched multi product domain in which one product acts as an intermediatery for the other thereby generating multi sources of revenue; robust product quality and operating efficiency.

There is a good reason why passion and planning has a critical role to play in our Company. We are a multi-decade enterprise, with focus on producing –

Sponge Iron, MS Billets and TMT Bars. Through a set of dedicated customer base and repeat orders backed by meticulous planning we were able to achieve growth and create a holistic shareholders value.

Q How did this passion and planning play out in your Company in 2021-22?

A I am proud to state that this is the area in which Gallantt Ispat distinguished itself.

Over the last 5 years, by meticulous planning the Company has made considerable investment in continuous upgradation of its manufacturing facility through the infusion of latest technologies. They were benchmarked with the best productivity standards of the day, translating into a high operating efficiency and output quality.

Q How did these initiatives translate into improvements?

A I am pleased to report that the by-product of our passion was the ability to address the emerging requirements of customers. We trained our people to look for areas of underperformance with the singular passion to remove blockers and enhance efficiency; we continued to believe that whatever was good could be made better; we encouraged the mindset that behind every challenge lies attractive opportunity.

In doing so, we manufactured superior grades of varied steel products with consistently high quality. We delivered products around a superior price-value proposition. We delivered products just when the downstream user industries needed them. For instance, during the year under review, the Company

manufactured 4,80,041.52 tonnes of TMT bars.. Although this came under a challenging Covid scenario but due to our products strong brand recall and governments impetus on a robust infrastructure creation led us to overcome all challenges.

Q What were some of the reasons that contributed to this strong results?

A During the year when the entire industry was witnessing a higher phase of growth we took a differentiated approach through upgradation and installation of Pelletisation plant. While most large steel companies consume calibrated iron ore, an expensive option, we focused on securing resources without investing significant capital expenditure in mine acquisition. Thus, we are planning to install a 7,92,000 MTPA pellet plant at a fraction of the typical cost of mine acquisition. In doing so, we would be able to consume iron ore fines.

Although efficiency improvement has always been an ongoing process at Gallantt Ispat to improve realisations, we also focused on the long-term security of raw materials by long-term agreements with various vendors to offset any input cost volatilities. Over the years our various process upgradation transpired into higher realisations of today. This was backed by attractive finished good prices. As a result, the Company's EBITDA and net profit after tax margins stood at 11.59% and 5.83% respectively.

The Earnings per share for the full year from continued operations was Rs. 7.29, representing a solid growth of 18.92%, in agreement with our commitment to maximize value for our investors. Hence, this year is marked by a robust bottom-line growth led by strong cost control measures on the back of various integration measures.

Q How is the Company focusing on people and the planet besides chasing profits?

A At Gallantt Ispat we have always held the belief that the viability of our Company depends on our ability to safeguard our area of operations from emissions and effluents. With the aim of fully complying with numerous regulatory requirements and broadening our Environmental, Social, and Governance (ESG) obligations, the Company made proactive investments in people, plant, and processes. We are formulating our ESG strategy, along with a short-term and long-term roadmap in consultation with all stakeholders. Our target is to reduce specific direct net CO2 emissions. Further, we have augmented our capacities to meet our energy requirements through captive power, reducing wastages by using alternate sources of raw materials without compromising on the quality of finished products. We strive to increase water efficiency, minimise waste water, recharge ground water sources, maintain zero-effluent discharge and significantly reduce noise and dust pollution. We also continue to support various communities beside our plant, employ the local talent, and promote healthcare, rural development projects and projects towards upliftment of the society in

general. We are also inspired to look more closely at the human capabilities that strengthen our businesses. The human resource empowers our people and helps build a culture of transparency & ownership. We combine professionalism with the binding values of family, support and respect employees, and promote entrepreneurship to provide a happy and caring culture. This not only improves employee wellbeing and productivity, but it also propels them to higher goals of going beyond self and organisation to serve the consumers and make a tangible difference to their lives. This ultimately translates into financial performance and customer satisfaction. Besides, our strong focus on various governance standards with the insight of a strong management team has always held us in creating value based growth for the stakeholders of our Company.

Q How do you see the domestic steel industry shaping?

A In the hierarchy of human needs, steel and energy are paramount. Steel sector in India has traversed a fascinating journey from a mere 1 MT at the time of independence to 120 MT in the last (2021-22) financial year. In India per capita consumption of steel grew by 10% to 77 kg during the financial year 2021-22. India has exported a record 13.5 million tonnes of finished steel in the year 2021-22 with a record production of over 120 million tonnes of crude steel and 113.6 million tonnes of finished steel. With huge availability of minerals in the country and various ambitious plans by the government through - National Steel Policy, Scrap Recycling Policy, Production-linked Incentive (PLI) scheme, 'Making Eastern India a manufacturing hub with respect to metallurgical industries' and 'Mission Purvodaya'. Looking at all these factors, I am quite bullish that the metal sector is expected to play a major role in the country's ambitious plans of self-reliant India and USD 5 trillion economy.

Q How is the Company accelerating towards the future?

A We aim to be one of the top five iron & steel manufacturers in India in the near future and all our investments and strategies are aimed towards achieving this transition. The capital expenditures we have made over the last few years mean that we are more agile and stable. These investments, coupled with process improvements, also mean we are well prepared to handle more volume and are well positioned to cater to the growing demands.

Q What is the outlook for the years ahead?

A At Gallantt Ispat, our outperformance is derived from our strategic focus to be a low cost iron & steel products manufacturer with a growing systemic integration on new technologies and processes. In a bid to extend our value chain, we intend to explore new opportunities and establish our status as a multi-product Company. In line with these statements of intent, we expect to possess one of the highest finished steel production capacity in India. We believe that all these efforts will not only enhance our profits but will also enrich our organisational value.

Rising higher, reaching further through growth and stability

India Rating & Research

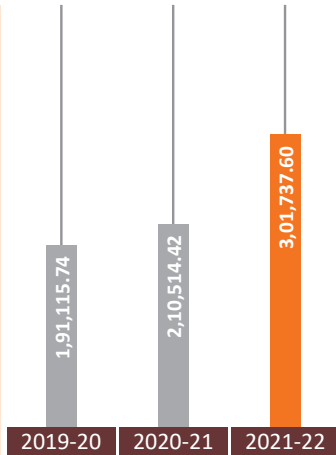
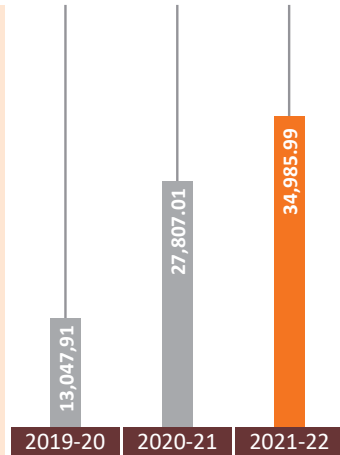
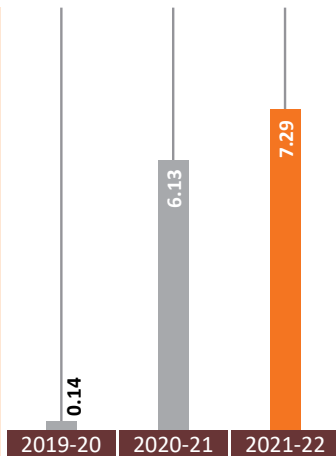
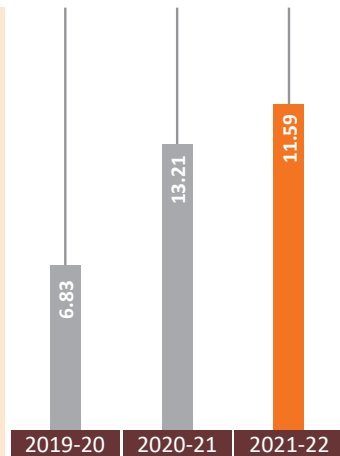
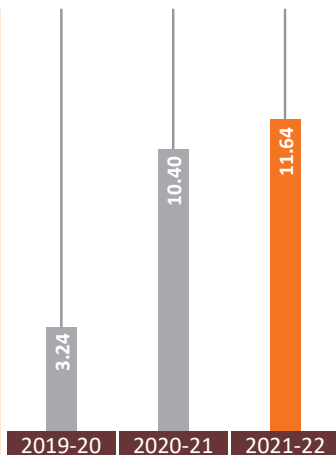
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instruments

India Rating & Research

Ind A1

for short-term financial
instruments

Total Revenue
(₹ in Lakhs)**EBIDTA**
(₹ in Lakhs)**EPS**
(₹)**EBITDA**
(%)**ROCE**
(%)

“Gallantt Ispat Limited through its brand supremacy and strong product attribute, have successfully a niche in the in the domestic iron & steel industry. In line with the overall trend of the economy, our business has also seen demand pick-up. Our teams continue to work on various avenues of cost reduction methodically, which includes looking at alternative raw materials. Thus capitalising on its competitiveness we generated higher returns thereby creating a holistic value-creation for our stakeholders.”

Rising higher, reaching further through a strong brand reputation

We believe that brand plays a biggest role in the building blocks of any corporate identity. Brand is the face of equity. It showcases the Company's identity to the market. Beginning with employee contribution, brand progresses towards becoming the Company's greatest asset. A strong brand can elevate the perception of a Company in the eyes of all its stakeholders - internal and external.

At Gallantt Ispat, our diverse range of iron & steel products caters to needs of infrastructure industry, thereby providing superior quality at competitive prices. We are deeply committed to strengthen the "Gallantt advance" (For TMT bars) brand further and towards this we have ensured strict quality compliance besides developing strong work ethics. We have roped famous Bollywood actor Mr. Ajay Devgan to market our long and structural products. We are also taking advertising and on-ground marketing initiatives to enhance the brand's recognition and popularity among the target customers. This approach has helped us enormously to achieve our set goals. We have built strong distribution network of more than 26 distributors and 3,850 Dealers across 3 states in India.

Our efforts in developing highly focused and target-specific communications have resulted in a powerful brand value that "Gallantt advance" enjoys today. Consumers have high recall of the brand and overall our branding has helped strengthen our pricing and achieve better realizations.

Invested

₹ 2,468.83 Lakhs

for selling and branding
purpose of Gallantt products.

Endorsements promoted
through print and outdoor
media resulting in a country-
wide brand visibility.



GALANTT

advance



GALANTT

Corporate Overview

Board & Management Report

Financial Report

Rising higher, reaching further through various operational efficiencies

In an unpredictably volatile world, the first priority is to strengthen one's resolve for a sustainable value creation with a long-term strategy. For this one has to persist through ups and downs and yet remain focused on the bigger picture.

At Gallantt Ispat, we had always been determined of growing our business even at times of moderating demand and tough economic conditions. In a challenging yet recovering year, even as demand from downstream users remained volatile and cheaper yet restricted imports always threatening to challenge the domain of existing manufacturers, we countered the prevailing reality through various initiatives.



Logistics Infrastructure

- Captive Railway Siding.
- On site rake movement for smooth supply of materials and products.



Proximity to raw material sources

- Proximity to iron-ore, coal mines, chrome ore & manganese ore.
- Well connected by roadways and logistics network.



Energy and Power

- Captive power generation capacity of 129 MW.
- Power generated through Waste Heat/Reject Dolochar (Non-Fossil Fuel) to 125 MT/day from 90 MT/day thereby reducing usage of coal in boiler.
- 90.95% of power requirement is met through captive units.



Integrated Operations

- Integrated operations at each plant in Uttar Pradesh and Gujarat.
- Backward integration infrastructure including Sponge Iron and Billets.
- Manufacturing of TMT Bars.
- Multiple Products enables to de-risk demand/cost pressure.



Well Insured

- We maintain a number of insurance policies which are in line with industry practices
- Broadly covering properties (i.e. Factory Building, Non Factory Building, Plant and Equipments, Inventories, Heavy and Light Motor Vehicles).



Product quality

The guidelines and protocols laid down by our management ensure that every batch of the products delivered by us is of right quality. Our production facilities and product quality are accredited with ISO 9001:2008, Bureau of Indian Standard (ISI), ISO 9001:2000 and H & K (Germany). Over the years these initiatives have made us won several laurels and accolades. The Company is listed as “200 BEST UNDER A BILLION COMPANIES” in Forbes Asia Magazine and Industry outlook recognised Gallantt under “**TOP 10 TMT IRON & STEEL MANUFACTURES 2021**”.

Source of various raw materials



Coal

Coal Linkage with Coal India and Open Market



Iron Ore

Open Market

Ongoing expansion at Gorakhpur:

Pellet Plant

7,92,000 MTPA

Rising higher, reaching further through focus on Environment, Social and Governance

Gallantt Ispat's maiden communication on environment, social, and governance seeks to convey the Company's strategy and approach to sustainability & materiality and become a yearly medium of communication of progress on significant sustainability matters to its major stakeholders. It aids in the company's ability to convey its business strategy and the degree to which it is in line with its vision, purpose, primary objectives, and outcomes.

CONSERVING ENVIRONMENT FOR THE TOMORROW

At Gallantt Ispat, we had always been determined of growing our business even at times of moderating demand and tough economic conditions. In a challenging yet recovering year, even as demand from downstream users remained volatile and cheaper yet restricted imports always threatening to challenge the domain of existing manufacturers, we countered the prevailing reality through various initiatives.

4 PILLARS OF OUR ENVIRONMENT MANAGEMENT

Emissions performance



Use of air pollution control equipment and installation of various equipment's, water sprinkling on internal roads & on top of raw materials, reduction of vehicular movement inside the plant to control emissions. Also installation of silencers, enclosures to control noise pollution.

Water Management



Minimising makeup water usage from local municipality and installation of rain water harvesting system for self-consumption, use of air cooled condensers along with closed circuit cooling system to reduce water consumption.

Circular economy



Waste Heat recovery for captive power generation, proposed. Proposed installation of the Pelletisation technology for usage of iron ore as part of reduce, recycle and reuse programme. Varieties of Fly Ash generated to be supplied to cement / brick manufacturers as well as well as for road & civil construction.

Bio diversity



Ample green belt across the plant premises as per PCB guidelines to arrest fugitive emissions.

STRENGTHENING RELATIONSHIP FOR SUSTAINABLE TOMORROW

At Gallantt Ispat, our long-term relationships with customers, suppliers, human resource and communities are key to our business sustainability. Nurturing these relationships for the long term is integral to our strategy.

VALUED PROPOSITION TO VARIED STAKEHOLDERS

Customers



To meet our objective of becoming the industry leader and insulating revenue from steel cyclicalities, we also offer customized and superior quality services to our customers in iron & steel segment. Over the years we have built strong relationship with our customers.

Suppliers



As an integrated iron & steel products manufacturer, we work very closely with our network of supply chain partners. Our supply chain process is focused on using a multi-pronged approach of vendor segmentation and developing long-term supplier partnerships. We treat our vendors as business partners through a fair and transparent governance process.

Human Resource



We have a strong commitment towards our people, which is demonstrated through our industry-leading employee welfare practices, culture of working together and Occupational, Health and Safety (OHS) practices are aimed at developing a culture of safety and care. Industrial harmony of over 18 years with employees and trade unions are a testament to our culture of working together.

Community



Gallantt Ispat has a record of shared context, with communities giving it a microscopic view of their critical needs and aspirations. This has enabled the design of focused initiatives which have matured over the years, from service provision to empowering communities in forging their future. Our community welfare measures go well beyond the CSR mandate in the Companies Act, 2013.



PROGRESSING WITH INTEGRITY



To manage our business affairs fairly, transparently and to create long-term value for all of our stakeholders, we at Gallantt Ispat incorporate the highest principles of governance into all aspects of our operations. Our priority is to adhere to best of global corporate governance standards and practices. By appointing an active, experienced and independent Board with 4 Independent Directors backed by an Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR Committee, Risk Management Committee and Committee of Directors, we have built a solid foundation for making corporate governance a way of life.

GALLANTT ISPAT LIMITED
(Formerly known as GALLANTT METAL LIMITED)
CIN: L27109DL2005PLC350524

Registered Office: "Gallantt House", I-7, Jangpura Extension, New Delhi-110014
Phone No. : 011-41645392, 011-45048767, Fax No. : 011-41645392, E-mail : csgml@gallantt.com
[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014]]

Notice

Notice is hereby given that the Eighteenth Annual General Meeting of GALLANTT ISPAT LIMITED [Formerly known as Gallantt Metal Limited (CIN: L27109DL2005PLC350524)] will be held on Thursday, September 29, 2022 at 3.30 P.M. through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), to transact the following businesses:

ORDINARY BUSINESSSES:

- 1) To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Dinesh R. Agarwal (DIN: 01017125), 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 consider and approve the appointment of Statutory Auditors of the Company for a term of 5 (five) years from conclusion of 18th Annual General Meeting until the conclusion of the 23rd Annual General Meeting and to fix their remuneration and to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with allied rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of Audit Committee and Board of Directors of the Company, the appointment of M/s. Maroti & Associates, Chartered Accountants (Firm Registration No. 322770E), as Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of 18th (eighteenth) Annual General Meeting till the conclusion of the 23rd (twenty third) Annual General Meeting, be and is hereby approved at a remuneration of ₹ 6.00 lacs (excluding applicable taxes and out-of-pocket expenses) towards the statutory audit fees for financial year 2022-23 including limited review of quarterly financial results and audit of internal financial controls over financial reporting."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to revise the remuneration of statutory auditor for the financial years 2023-24 to 2026-27 on

the recommendation of the Audit Committee of the Company and such other approvals as may be required and also to do all such acts, deeds, matters and things as may be necessary, incidental or ancillary to the foregoing resolution."

SPECIAL BUSINESSSES:

- 4) **Increase in Remuneration of Mr. Chandra Prakash Agrawal (DIN: 01814318), Chairman & Managing Director of the Company and in this regard, to consider and if thought fit, to pass, the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such approvals as may be necessary, consent of the Company, be and is hereby accorded for increase in remuneration of Mr. Chandra Prakash Agrawal, Chairman & Managing Director of the Company (DIN: 01814318) effective from June 01, 2022 as per the Agreement dated June 10, 2022, entered into between the Board of Directors of the Company and Mr. Chandra Prakash Agrawal and that the new remuneration terms shall be as under:

Salary: At the rate of ₹ 5,00,000/- (Rupees Five Lac only) per month from June 01, 2022 in the scale of ₹ 5,00,000/- ₹ 25,000/- ₹ 6,00,000/- with provision for annual increment of ₹ 25,000/- from the beginning of the Financial Year.

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

Others: Use of car for Company's business, telephone and other communication facilities at residence/ other places, reimbursement of travelling, entertainment and all other expenses for the purpose of business incurred by him shall

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not be treated as perquisites.

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

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

Gratuity, Encashment of Leave, Provident Fund etc: He will be entitled to gratuity, Encashment of Leave, Provident Fund etc. as per rules of the Company.

“RESOLVED FURTHER THAT except slab of remuneration and remuneration terms, all other terms and conditions of appointment already approved by the members as per the agreement entered between the Company and Mr. Chandra Prakash Agrawal dated June 29, 2020 shall remain unchanged.”

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

“RESOLVED FURTHER THAT Total Remuneration of Mr. Chandra Prakash Agrawal in any financial year shall not exceed 5% of the net profit of the Company during that year.”

“RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby authorized 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”.

5) **Increase in Remuneration of Mr. Dinesh R. Agarwal (DIN: 01017125), a Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass, the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s)

or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such approvals as may be necessary, consent of the Company, be and is hereby accorded for increase in remuneration of Mr. Dinesh R. Agarwal, Whole-time Director of the Company (DIN: 01017125) effective from June 01, 2022 as per the Agreement dated June 10, 2022, entered into between the Board of Directors of the Company and Mr. Dinesh R. Agarwal and that the new remuneration terms shall be as under:

Salary: At the rate of ₹ 5,00,000/- (Rupees Five Lac only) per month from June 01, 2022 in the scale of ₹ 5,00,000/- ₹ 25,000/- ₹ 6,00,000/- with provision for annual increment of ₹ 25,000/- from the beginning of the Financial Year.

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

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

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

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

Gratuity, Encashment of Leave, Provident Fund etc: He will be entitled to gratuity, Encashment of Leave, Provident Fund etc. as per rules of the Company.

“RESOLVED FURTHER THAT except slab of remuneration and remuneration terms, all other terms and conditions of appointment already approved by the members as per the agreement entered between the Company and Mr. Dinesh R. Agarwal dated June 29, 2020 shall remain unchanged.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during

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the aforesaid period, the Company will pay Mr. Dinesh R. Agarwal any remuneration, perquisites, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013 as may be decided by the Board of Directors, subject to necessary sanctions and approvals.”

“**RESOLVED FURTHER THAT** Total Remuneration of Mr. Dinesh R. Agarwal in any financial year shall not exceed 5% of the net profit of the Company during that year.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby authorized 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”.

6) **Increase in Remuneration of Mr. Prashant Jalan (DIN: 06619739), a Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass, the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such approvals as may be necessary, consent of the Company, be and is hereby accorded for increase in remuneration of Mr. Prashant Jalan, Whole-time Director (Director-Plant Operation) of the Company (DIN: 06619739) effective from June 01, 2022 as per the Agreement dated June 10, 2022, entered into between the Board of Directors of the Company and Mr. Prashant Jalan and that the new remuneration terms shall be as under:

Salary: At the rate of ₹ 1,00,000/- (Rupees One Lacs only) per month from June 01, 2022.

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

Minimum Remuneration: The above salary will be payable to the Whole-time Director even in case of loss or inadequacy of profits in respect of any financial year during his tenure of office in

compliance with Schedule V to the Companies Act, 2013.

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

Gratuity, Encashment of Leave, Provident Fund etc: He will be entitled to gratuity, Encashment of Leave, Provident Fund etc. as per rules of the Company.

“**RESOLVED FURTHER THAT** except slab of remuneration and remuneration terms, all other terms and conditions of appointment already approved by the members as per the agreement entered between the Company and Mr. Prashant Jalan dated November 04, 2020 shall remain unchanged.”

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

“**RESOLVED FURTHER THAT** Total Remuneration of Mr. Prashant Jalan in any financial year shall not exceed 5% of the net profit of the Company during that year.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby authorized 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”.

7) **Appointment of Mr. Nitin Mahavir Prasad Kandoi (DIN: 01979952) as a Whole-time Director of the Company and in this regard, to consider and if thought fit, to pass, the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 2(94), 196, 197, 198 and 203 of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof) and applicable clauses of the Articles of Association of the Company, subject to such other approvals as may be required, the approval of Members of the Company be and is hereby accorded for appointment of Mr. Nitin

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Mahavir Prasad Kandoi (DIN: 01979952) as a Whole-time Director of the Company for a term of 5 (five) years with effect from June 01, 2022 to May 31, 2027, liable to retire by rotation, based on the recommendation of the Nomination & Remuneration Committee and in line with the approval of the Audit Committee and the Board of Directors, on the terms and conditions including remuneration set out in the Agreement dated June 10, 2022 entered into between the Company and Mr. Nitin Mahavir Prasad Kandoi with specific authority to the Board of Directors to vary the terms and conditions of appointment including remuneration payable to Mr. Nitin Mahavir Prasad Kandoi provided that the remuneration payable to Mr. Nitin Mahavir Prasad Kandoi shall not exceed the maximum limits for payment of managerial remuneration specified in the Companies Act, 2013."

"RESOLVED FURTHER THAT approval be and is hereby accorded to the remuneration, perquisites, benefits and amenities payable and other terms and conditions as embodied in the Agreement entered into by Mr. Nitin Mahavir Prasad Kandoi with the Company for the aforesaid appointment which are as under:

Salary: At the rate of ₹ 5,00,000/- (Rupees Five Lac only) per month from June 01, 2022 in the scale of ₹ 5,00,000/- ₹ 25,000/- ₹ 6,25,000/- with provision for annual increment of ₹ 25,000/- from the beginning of the Financial Year.

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

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

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

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

Gratuity, Encashment of Leave, Provident Fund etc: He will be entitled to gratuity, Encashment of Leave, Provident Fund etc. as per rules of the Company.

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

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

"RESOLVED FURTHER THAT Total Remuneration of Mr. Nitin Mahavir Prasad Kandoi in any financial year shall not exceed 5% of the net profit of the Company during that year."

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

- 8) **To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2023 and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. U. Tiwari & Associates, Cost Accountants (Firm Registration Number 23872) appointed as the Cost Auditors of the Company for audit of the cost accounting records

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of the Company for the financial year ending March 31, 2023, be paid remuneration amounting to ₹ 55,000/- (Rupees Fifty-Five Thousand only) excluding out of pocket expenses, if any”.

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

- 9) **To approve the Shifting of Registered Office of the Company from National Capital Territory of Delhi (NCT of Delhi) to the State of Uttar Pradesh and, in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 12 and 13 and all other applicable provisions and relevant rules applicable, if any, of the Companies Act, 2013 and subject to approval of Regional Director/Central Government / any other competent authority as may be prescribed from time to time and subject to such permission(s), sanction(s) or approval(s) as may be required under the provisions of the said Act or under any other Law for the time being in force or any statutory modification(s) or amendment(s) thereof, the consent of the members be and is hereby accorded for shifting of the Registered Office of the Company from the NCT of Delhi to the State of Uttar Pradesh and that Clause II of the Memorandum of Association of the Company be substituted by the following Clause:

“The Registered Office of the Company will be situated in the State of Uttar Pradesh”.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to finalize the address of Registered Office of the Company in the State of Uttar Pradesh, as they may consider appropriate.”

“**RESOLVED FURTHER THAT** Mr. Chandra Prakash Agrawal, Chairman and Managing Director (DIN: 01814318), Mr. Dinesh R. Agarwal, Whole-time Director (DIN: 01017125), Mr. Nitin Mahavir Prasad Kandoi, Whole-time Director (DIN: 01979952) and Company Secretary of the Company be and are hereby severally authorised to make necessary application to the Central Government, Regional Director, Registrar of Companies and other regulatory authorities in this matter, to appear before them, to make any modifications, changes, variations, alterations or revisions stipulated by the concerned authorities while according approval or consent, and to do all such acts, deeds, matters and things as may be necessary/incidental/ancillary to give effect to this resolution including execution/signing/filing of necessary forms/documents/affidavits/indemnity/undertakings/declarations as may be required, from time to time.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to engage counsels/consultants/executives/advisors to represent the Company and appear on its behalf before the Central Government, Regional Director, Registrar of Companies, and other regulatory authorities in this matter and obtain the necessary directions and/or Order(s) upon confirmation by the concerned Regulatory Authority and do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution including but not limited to signing, certification and filing of the e-Forms with the Registrar of Companies.

For Gallantt Ispat Limited
(Formerly known as Gallantt Metal Limited)

Date : August 10, 2022
Place: New Delhi

Arnab Banerji
(Company Secretary)
M.N. A59335

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Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 14/2020, 17/2020 and 20/2020 dated April 08, 2020, April 13, 2020 and May 05, 2020 respectively, read with General Circular No. 02/2022 dated May 05, 2022 (collectively referred to as "MCA Circulars") and SEBI has vide its Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 read with 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 ("the Meeting/AGM") through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), without the physical presence of the Members, Directors, Auditors, 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. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. Keeping the convenience of the Members positioned in different time zones, the Meeting has been scheduled at 3:30 P.M. IST.
4. **IN TERMS OF THE MCA CIRCULARS AND SEBI CIRCULAR NO. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 DATED MAY 12, 2020, THE REQUIREMENT OF SENDING PROXY FORMS TO HOLDERS OF SECURITIES AS PER PROVISIONS OF SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS, HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY TO APPOINT PROXY BY THE MEMBERS WILL NOT BE AVAILABLE AND CONSEQUENTLY, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED**

TO THIS NOTICE CONVENING THE 18TH AGM OF THE COMPANY (THE "NOTICE").

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

5. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the Notice.
6. In case of Joint-holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
7. Explanatory Statement pursuant to Section 102 of the Act and Rules framed thereunder, in respect of the Special Businesses under Item No. 4, 5, 6, 7, 8 and 9 is annexed hereto. The recommendation of the Board of Directors of the Company (the "Board") in terms of Regulation 17(11) of the Listing Regulations is also provided in the said Statement. Necessary information of the Directors seeking re-appointment at the AGM as required under Regulation 36(3) of the Listing Regulations and the Revised Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is also appended to the Notice.
8. **Dispatch of Annual Report through E-mail**

In compliance with the aforesaid MCA Circulars and SEBI Circulars, electronic copy of the Annual Report for the financial year 2021-22 and Notice of the 18th 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

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Annual Report will also be available on the Company's website www.gallantt.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of the e-Voting service provider, National Securities Depository Limited (NSDL), viz., www.evoting.nsdl.com

9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
10. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
12. Members are requested to note that, in terms of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account

of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Also, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the Investor Education and Protection Fund. Therefore, Members, who have not yet encashed their dividend for the financial year ended March 31, 2018 and March 31, 2019 are requested to make their claim to the Company's RTA i.e. Niche Technologies Private Limited immediately.

Further, members may note that recently amalgamation of following Companies concluded with the Company:

Gallantt Ispat Limited (L27109DL2005PLC350523), AAR Commercial Company Limited (CIN: L63090DL1982PLC354818), Hipoline Commerce Private Limited (U51909WB1995PTC076045), Lexi Exports Private Limited (U51909WB1993PTC058926) and Richie Credit & Finance Private Limited (U65921WB1985PTC117558).

Unclaimed and unpaid dividend of erstwhile Transferor Company Gallantt Ispat Limited (L27109DL2005PLC350523) for the financial years ended March 31, 2015, 2016, 2017, 2018 and 2019 are lying with Unpaid Dividend Account of the Company. Members are requested to note that, in terms of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Also, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the Investor Education and Protection Fund. Therefore, Members, who have not yet encashed their dividend for the said financial years are requested to make their claim to the Company's RTA i.e. Niche Technologies Private Limited (Niche) immediately. Members may further note that with respect to unclaimed/unpaid dividend for the financial year ended March 31, 2015, claims shall be filed on or before September 29, 2022, otherwise unpaid/ unclaimed dividend of financial year ended March 31, 2015 along with equity shares in respect of which dividend have

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not been claimed/paid shall be transferred by the Company to Investor Education and Protection Fund ("IEPF") and no claim shall lie against the Company in respect of dividend and shares so transferred. However, the concerned, members may claim the same by making an application to the IEPF Authority.

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

the earliest. Members can contact the Company or the Company's RTA i.e. Niche for assistance in this regard.

18. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA i.e. Niche.
19. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests the Members who have not registered their e-mail addresses so far, to register their email addresses with their DPs in case shares are held by them in electronic form and with the Company's RTA i.e. Niche in case shares are held by them in physical form for receiving all communication including annual report, notices, circulars etc. from the Company electronically. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
20. Members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
21. The remote e-voting facility will be available during the following voting period: i. Commencement of remote e-voting: From 9.00 a.m. IST of Monday, September 26, 2022. ii. End of remote e-voting: Up to 5.00 p.m. IST of Wednesday, September 28, 2022.
22. 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 22, 2022 (Thursday) 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.
23. 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

Notice (Contd.)

1:00 p.m. except on Saturdays, Sundays and holidays, up to the date of AGM.

24. The Board of Directors has appointed Mr. Anurag Fatehpuria (M.N. 34471/ CP-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 atleast two witnesses not in employment of the Company and submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than 48 hours after the conclusion of the Meeting. Thereafter, the Results of e-Voting shall be 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 atleast 3 days on the Notice Boards of the Company at its Registered Office in New Delhi and at the Corporate Office in Kolkata.

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

The remote e-voting period begins on Monday, September 26, 2022 at 9:00 A.M. and ends on

Wednesday, September 28, 2022 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 22, 2022, 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 22, 2022.

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 eVoting 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"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. |

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| Type of shareholders | Login Method |
|--------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>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 & 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>  |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

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

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

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

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

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

4. Your User ID details are given below :

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

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

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> with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. September 22, 2022 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. September 22, 2022 may follow steps mentioned in the Notice of the AGM under Step 1: "Access to NSDL e-Voting system" (Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to csgml@gallantt.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user

beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to csgml@gallantt.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

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id and password for e-voting by providing above mentioned documents.

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

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
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. Member 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 between Tuesday, September 20, 2022 (9.00 a.m. IST) and Monday, September 26, 2022 (5.00 p.m. IST). The same will be replied by the company suitably.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

7. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.

8. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

9. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.

26. Members are requested to contact the Company's Registrar & Share Transfer Agent Niche Technologies Pvt. Ltd. 7th Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata, West Bengal - 700017. Tel.: (033) 2280 6616 / 17 / 18 Email id: nichetechpl@nichetechpl.com; Website: www.nichetechpl.com for reply to their queries/ redressal of complaints, if any, or contact Mr. Nitesh Kumar, Company Secretary or Mr. Arnab Banerji (Secretarial Department) at the Registered Office

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of the Company (Phone No.: +91-11-45048767; Email: csgml@gallantt.com).

27. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's Registrar & Share Transfer Agent for consolidation into single folio.
28. Since, the securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, Members holding shares in physical form are requested to get their shares dematerialized at the earliest.
29. All documents referred to in the Notice and the Explanatory Statement shall be made available for inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members desirous of inspecting the same may send their requests at csgml@gallantt.com from their registered e-mail addresses mentioning their names and folio numbers / demat account numbers. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the

Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available for inspection upon login at NSDL e-Voting system at <https://www.evoting.nsdl.com>

30. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice of the Meeting and holding shares as of the cut-off date i.e. September 22, 2022, needs to refer the instruction above regarding login ID and password and may contact the Company or R&T Agent for any query or assistance in this regard. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
31. A person who is not a member as on the cut-off date, i.e., Thursday, September 22, 2022 should treat this Notice for information purpose only.

For Gallantt Ispat Limited
(Formerly known as Gallantt Metal Limited)

Date: August 10, 2022
Place: New Delhi

Arnab Banerji
(Company Secretary)
M.N. A59335

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Explanatory statement pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

ITEM NO. 3

In terms of Section 139 of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014, made thereunder, the term of the present Statutory Auditors of the Company, M/s. ALPS & Co., Chartered Accountants (ICAI Firm Registration No. 313132E) will be concluded at the end of 18th Annual General Meeting (AGM). The Company is required to appoint another Auditor for a period of five years to hold office from the conclusion of 18th AGM till the conclusion of 23rd AGM to be held in the financial year 2026-27. The Board of Directors of the Company at its meeting held on August 10, 2022, after considering the recommendations of the Audit Committee, has recommended the appointment of M/s. Maroti & Associates, Chartered Accountants (ICAI Firm Registration No. 322770E) as Statutory Auditors of the Company for a term of five years from conclusion of 18th AGM to be held in the financial year 2022-23 to conclusion of 23rd AGM of the Company to be held in the financial year 2026-27, for the approval of the Members.

M/s. Maroti & Associates, Chartered Accountants, have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made thereunder. The basis of recommendation for appointment and brief profile and credentials of M/s. Maroti & Associates are mentioned below:

M/s. Maroti & Associates, a firm of Chartered Accountants has over 27 years of experience in the field of Statutory Audit, Risk based approach, Ind AS, Impact study, Conversion and Support, Internal Audit, Management Audit, Risk Management/Advisory, Compliance & Training, Tax Compliance, Tax Audit and other allied services. Due to their long experience and repute the firm has been associated/empanelled with reputed organisation/statutory organisation.

Pursuant to Section 139 of the Companies Act, 2013, approval of the members is required for appointment of the Statutory Auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for appointment of M/s. Maroti & Associates, Chartered Accountants as the Statutory Auditors of the Company for the

aforesaid term at a remuneration of ₹ 6.00 Lacs towards the statutory audit for the financial year 2022-23 and remuneration for the financial years 2023-24 to 2026-27 may be revised based on the recommendations made by the Audit Committee and approved by the Board of Directors and such other authority as may be required.

The remuneration payable to the statutory auditors shall be exclusive of applicable taxes and all out of pocket expenses as may be incurred by the statutory auditor in course of their audit.

Pursuant to requirement of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of proposed fees of ₹ 6.00 Lacs payable to the statutory auditors for the financial year 2022-23 is mentioned below:

| Type | Period | Amount |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------|
| Statutory Audit of standalone and consolidated financial statements including audit of internal financial controls over financial reporting and limited review of quarterly financial results. | For FY 2022-23 | ₹ 6.00 Lacs |

Further, the change in the fee payable to the new auditors from that paid to the outgoing auditor is largely due to size and standing of the firm of new auditors and the increased scope of work with respect to the limited review of the subsidiaries/associate, if any, of the Company whose accounts are consolidated with it as specified in Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board recommends the resolutions set forth in Item no. 3 for the approval of Members by way of Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and/ or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution mentioned at Item No. 3 of the Notice. The Board recommends the resolution set forth in Item No. 3 for the approval of Members by way of Ordinary Resolution.

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

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

ITEM NO. 4.

Increase in Remuneration of Mr. Chandra Prakash Agrawal (DIN: 01814318), Chairman & Managing

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Director of the Company

Mr. Chandra Prakash Agrawal was reappointed as Managing Director of the Company for a period of five years with effect from September 01, 2020. Post amalgamation of five Transferor Companies with the Company the volume of business and workload of Mr. Chandra Prakash Agrawal has considerably increased, the Nomination and Remuneration Committee and Audit Committee reviewed his remuneration and have recommended to the Board of Directors the increase in his remuneration.

The Nomination and Remuneration Committee of the Board has suggested increasing the remuneration and the new remuneration terms shall be as under:

Salary: At the rate of ₹ 5,00,000/- (Rupees Five Lacs only) per month from June 01, 2022 in the scale of ₹ 5,00,000/- ₹ 25,000/- ₹ 6,00,000/- with provision for annual increment of ₹ 25,000/- from the beginning of the Financial Year.

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

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

Minimum Remuneration: The above salary will be payable to the Managing Director even in case of loss

or inadequacy of profits in respect of any financial year during his tenure of office in compliance with Schedule V to the Companies Act, 2013.

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

Gratuity, Encashment of Leave, Provident Fund etc: He will be entitled to gratuity, Encashment of Leave, Provident Fund etc. as per rules of the Company.

Pursuant to the provisions of Section 196 and 197 read with Schedule V of the Companies Act, 2013, the approval of the members is required to be obtained for increase in remuneration of Mr. Chandra Prakash Agrawal w.e.f. June 01, 2022 as proposed in the resolution.

The Board recommends the resolution for the approval of the members as a Special Resolution.

Mr. Chandra Prakash Agrawal is interested in this resolution. Mr. Mayank Agrawal, Chief Executive Officer of the Company is also interested in this resolution as he is relative of Mr. Chandra Prakash Agrawal. None of the other Directors, Whole Time Director, Chief Financial Officer, Company Secretary or their relatives have got any concern or interest whether financial or otherwise, if any, in respect of Resolution proposed at Item No. 4. Further, presently the Company has got no Manager.

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

| | |
|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the Director | Mr. Chandra Prakash Agrawal |
| Director Identification No. | 01814318 |
| Father's Name | Late Govind Prasad Agrawal |
| Terms and Conditions of Appointment | As per the Agreement dated June 10, 2022 |
| Remuneration drawn in financial year 2021-22 (including sitting fees, if any) | ₹ 61.20 Lacs |
| Remuneration proposed to be paid | As per the Agreement dated June 10, 2022 and specifically detailed in the Resolution above. |
| Date of Birth | 25.12.1955 |
| Age | 67 Years |
| Date of first Appointment | 01.04.2005 |
| Brief Resume and expertise in specific functional areas | He 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 Group. He has been deeply involved with the manufacturing process and has progressively added production capacity. |

Notice (Contd.)

| | |
|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>He spearheaded the marketing initiatives personally building brand Gallantt that undisputedly commands the market specifically in Uttar Pradesh, Bihar, Gujarat etc. His finance, taxation, accounting, investor relations and corporate affairs involvement is phenomenal. The charismatic leadership, personal drive and strategic thinking of Mr. Chandra Prakash Agrawal has rallied our Company to attain market leadership in a very short period of time, in the state of U.P., Bihar, Gujarat and Delhi. In his term of office spanning 17 years, Mr. Chandra Prakash Agrawal has contributed extensively towards the growth of the Company and has been actively responsible for the installation, implementation and functioning of units of the project of the Company and attainment of the highest standards of quality. By focussing on key areas such as Finance, ERP implementation, Value Engineering, Process Documentation, Environment Health and Safety measures, he has significantly strengthened the foundation of the Company. The turnover of the Company has increased considerably under his guidance.</p> <p>The proposed remuneration will be within overall limit of Schedule V of the Companies Act, 2013.</p> <p>In view of the significant contributions made by him, the Board of Directors recommend the increase in remuneration of Mr. Chandra Prakash Agrawal, Chairman & Managing Director of the Company.</p> |
| Qualification | B.Com (H) |
| Directorship held in other Companies | Gallantt Metalliks Limited |
| Chairman/Member of the Committee of the Board of Directors of the Company | Member: Corporate Social Responsibility Committee Committee of Directors |
| Chairman/Member of the Committee of the Board of Directors of other companies in which he/she is a director | Member: Corporate Social Responsibility Committee of Gallantt Ispat Limited (Amalgamated with the Company) Committee of Directors of Gallantt Ispat Limited (Amalgamated with the Company). |
| Number of shares held in the Company | 7,04,53,536 (post amalgamation) |
| No. of Board meetings attended during the financial year 2021-22 | 6 (Six) |
| Relationship with other Directors, Manager and KMPs of the Company | Mr. Chandra Prakash Agrawal is father of Mr. Mayank Agrawal, Chief Executive Officer of the Company. |
| Listed Entities from which resigned in the past three years | Nil (However, erstwhile Gallantt Ispat Limited in which he was a Director, amalgamated with the Company. |

ITEM NO. 5

Increase in Remuneration of Mr. Dinesh R. Agarwal (DIN: 01017125), a Whole-time Director of the Company

Mr. Dinesh R. Agarwal was reappointed as Whole-time Director of the Company for a period of five years with effect from November 01, 2020. Post amalgamation of five Transferor Companies with the Company the volume of business and workload of Mr. Dinesh R. Agarwal has considerably increased, the Nomination and Remuneration Committee and Audit Committee

reviewed his remuneration and have recommended to the Board of Directors the increase in his remuneration.

The Nomination and Remuneration Committee of the Board has suggested increasing the remuneration and the new remuneration terms shall be as under:

Salary: At the rate of ₹ 5,00,000/- (Rupees Five Lac only) per month from June 01, 2022 in the scale of ₹5,00,000/- ₹ 25,000/- ₹ 6,00,000/- with provision for annual increment of ₹ 25,000/- from the beginning of the Financial Year.

Perquisites: He will be entitled to reimbursement

Notice (Contd.)

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

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

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

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

Gratuity, Encashment of Leave, Provident Fund etc:

He will be entitled to gratuity, Encashment of Leave, Provident Fund etc. as per rules of the Company.

Pursuant to the provisions of Section 196 and 197 read with Schedule V of the Companies Act, 2013, the approval of the members is required to be obtained for increase in remuneration of Mr. Dinesh R. Agarwal w.e.f. June 01, 2022 as proposed in the resolution.

The Board recommends the resolution for the approval of the members as a Special Resolution.

Mr. Dinesh R. Agarwal is interested in the resolution. None of the other Directors, Whole Time Directors, Managing Director, Chief Financial Officer, Company Secretary or their relatives have got any concern or interest whether financial or otherwise, if any, in respect of Resolution proposed at Item No. 5. Further, presently the Company has got no Manager.

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

| | |
|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the Director | Mr. Dinesh R. Agarwal |
| Director Identification No. | 01017125 |
| | Late Govind Prasad Agrawal |
| Father's Name | Mr. Raghubir Prasad Agarwal |
| Designation of Director and Category | Whole-time Director, Executive Director |
| Date of Birth | 19.03.1965 |
| Age | 55 Years |
| Nationality | Indian |
| Date of first Appointment | 07.02.2005 |
| Terms and Conditions of Appointment | As per the Agreement dated 10.06.2022 |
| Brief Profile and expertise in specific functional areas | He is Promoter of the Company and has an overall experience of 31 years. Over the period he has understood the business techniques in the field of Production, Purchase and Marketing etc. 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. His area of job is diversified and looking after factory operation of the Company. |
| Qualification | B.Com (H) |
| Directorship held in other Companies | GL Minerals Private Limited Ganesh Laxmi Processors Private Limited GL Steel and Power Limited Kadodara Power Private Limited Truliv Earth Private Limited |
| Chairman/Member of the Committee of the Board of Directors of the Company | Member: Corporate Social Responsibility Committee Committee of Director |

Notice (Contd.)

| | |
|-------------------------------------------------------------------------------------------------------------|---------------------------------|
| Chairman/Member of the Committee of the Board of Directors of other companies in which he/she is a director | NIL |
| Relationships with other Directors, Manager and Key Managerial Personnel of the Company | NIL |
| Number of Board Meetings attended during the year | 6 (Six) |
| Remuneration drawn in financial year 2021-22 (including sitting fees, if any) | ₹ 25.20 Lacs |
| Number of shares held in the Company | 1,40,12,196 (post amalgamation) |
| Listed Entities from which resigned in the past three years | Nil |

ITEM NO. 6

Increase in Remuneration of Mr. Prashant Jalan (DIN: 06619739), a Whole-time Director of the Company

Mr. Prashant Jalan was reappointed as Whole-time Director of the Company for a period of three years with effect from November 04, 2020. Post amalgamation of five Transferor Companies with the Company the volume of business and workload of Mr. Prashant Jalan has considerably increased, the Nomination and Remuneration Committee and Audit Committee reviewed his remuneration and have recommended to the Board of Directors the increase in his remuneration.

The Nomination and Remuneration Committee of the Board has suggested increasing the remuneration and the new remuneration terms shall be as under:

Salary: At the rate of ₹ 1,00,000/- (Rupees One Lac only) per month from June 01, 2022.

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

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

Sitting Fees: The Whole-time Director shall not be paid

any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

Gratuity, Encashment of Leave, Provident Fund etc: He will be entitled to gratuity,

Encashment of Leave, Provident Fund etc. as per rules of the Company.

Pursuant to the provisions of Section 196 and 197 read with Schedule V of the Companies Act, 2013, the approval of the members is required to be obtained for increase in remuneration of Mr. Prashant Jalan w.e.f. June 01, 2022 as proposed in the resolution.

The Board recommends the resolution for the approval of the members as a Special Resolution.

Mr. Prashant Jalan is interested in the resolution. None of the other Directors, Whole Time Directors, Managing Director, Chief Financial Officer, Company Secretary or their relatives have got any concern or interest whether financial or otherwise, if any, in respect of Resolution proposed at Item No. 6. Further, presently the Company has got no Manager.

Brief Profile of Mr. Prashant Jalan, Whole-time Director (Director-Plant Operation), pursuant to para 1.2.5 of SS-2 ("Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI Listing (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, is provided in the table below:

Notice (Contd.)

| | |
|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the Director | Mr. Prashant Jalan |
| Director Identification No. | 06619739 |
| Father's Name | Mr. Shyam Sunder Jalan |
| Terms and Conditions of Appointment | As per the Agreement dated 10.06.2022 |
| Remuneration drawn in financial year 2021-22 | ₹ 7.04 Lacs |
| Remuneration proposed to be paid | As per the Agreement dated 10.06.2022 and specifically detailed in the Resolution above. |
| Date of Birth | 01.07.1974 |
| Age | 46 Years |
| Date of first Appointment | 04.11.2020 |
| Brief Resume and expertise in specific functional areas | Mr. Prashant Jalan is a Bachelor of Commerce from Lucknow University having an overall experience of over 27 years including 13 years in steel industry. He has completed a one-year Diploma in Material & Supply Chain Management from IMT, Gaziabad in the year 2012. Mr. Prashant Jalan has expertise in installation, implementation, maintaining highest standard of quality and other factory operations. His vast experience and continuing guidance will help to contribute extensively towards the growth of the Company. |
| Qualification | B. Com (H), Diploma in Material & Supply Chain Management from IMT, Gaziabad |
| Directorship held in other Companies | NIL |
| Chairman/Member of the Committee of the Board of Directors of the Company | NIL |
| Chairman/Member of the Committee of the Board of Directors of other companies in which he/ she is a director | NIL |
| Number of shares held in the Company | NIL |
| No. of Board meetings attended during the financial year 2021-22 | 6 (Six) |
| Relationship with other Directors, Manager and KMPs of the Company | No relationship |
| Listed Entities from which resigned in the past three years | Nil |

ITEM NO. 7

Appointment of Mr. Nitin Mahavir Prasad Kandoi (DIN: 01979952) as a Whole-time Director of the Company

Mr. Nitin Mahavir Prasad Kandoi is associated with the Company as a Non-Executive Director since incorporation. He is one of the Promoters of the Company. The Board of Directors of the Company has appointed Mr. Nitin Mahavir Prasad Kandoi as a Whole-time Director of the Company effective from June 01, 2022 subject to the approval of the members of the

Company. Mr. Nitin Mahavir Prasad Kandoi, a promoter of the Company having experience of 27 years in the steel industry, is a Commerce Graduate from Mumbai University. Mr. Kandoi was involved in the operations of the steel manufacturing facility of Gallantt Udyog Limited (formerly Govind Mills Limited) since 1995. Also, he was acting as a Whole-time Director of Gallantt Ispat Limited (Transferor Company amalgamated with the Company).

He was involved in setting up of the operations of

Notice (Contd.)

our Company and has been instrumental in the implementation of technological advances made in the manufacturing processes of our Company. During this period and under his Directorship, the Company has completed and achieved various targets and plans and the Company achieved higher levels of growth.

His expertise in the steel and power businesses has been instrumental in contributing to the growth of the Company. Mr. Kandoi supervises the operation and functioning of steel and power plants, besides he supervises purchase and procurement departments of the Company. He is aged about 50 years. The proposed remuneration will be within overall limit of Schedule V of the Companies Act, 2013. In his term of office since inception, Mr. Kandoi has contributed extensively towards the growth of the Company and has been actively responsible together with other officers for the installation, implementation and functioning of units of the Company and attainment of the highest standards of quality. The Company has streamlined the process and achieved great administration within the organization under his superb guidance. In view of the significant contributions made by him, the Board of Directors recommend the appointment of Mr. Kandoi as a Whole-time Director for a period of five years on the remuneration as detailed hereinbelow, which shall be effective from June 01, 2022. The Board of Directors, considering the above, subject to approval of Members of the Company, has accorded approval for appointment of Mr. Nitin Mahavir Prasad Kandoi as a Whole-time Director for a term of 5 years with effect from June 01, 2022 to May 31, 2027. The same was recommended by the Nomination and Remuneration Committee and Audit Committee to the Board for approval. While recommending the said appointment, the Nomination and Remuneration Committee also recommended to approve the remuneration of Mr. Nitin Mahavir Prasad Kandoi. Mr. Nitin Mahavir Prasad Kandoi is a related party to the Company as per Section 2(76) of the Companies Act, 2013. As per Section 177(4) (iv) of the Companies Act, 2013; Regulation 18(3) and 23(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and terms of reference duly approved by the Board of the Company, the Audit Committee has

to accord its approval to any related party transaction and accordingly the necessary approval of the Audit Committee for this agenda was obtained. Pursuant to the provisions of Sections 196, 197 and 203 read with Part I and Section I of Part II of Schedule V, other applicable provisions, if any, of the Companies Act, 2013 and the allied rules made thereunder (including any statutory modification or re-enactment thereof) and applicable clauses of the Articles of Association of the Company, the aforesaid appointment of Mr. Nitin Mahavir Prasad Kandoi, Whole-time Director requires approval of Members of the Company.

Mr. Nitin Mahavir Prasad Kandoi is interested in this resolution. None of the other Directors, Whole Time Directors, Chief Financial Officer, Company Secretary or their relatives have got any concern or interest whether financial or otherwise, if any, in respect of Resolution proposed at Item No. 7. Further, presently the Company has got no Manager.

The resolution along with the explanatory statement above may be treated as a written memorandum under Section 190 of the Companies Act, 2013 and in keeping with the provisions of Section 190(2) of the said Act, the same will be open to inspections by any member of the Company without payment of any fee.

The Agreement entered into with Mr. Nitin Mahavir Prasad Kandoi in terms of the Special Resolution under Item No. 7 of the notice will be made available for inspection at the Registered Office of the Company on any working day, prior to the date of this 18th Annual General Meeting between 11.00 A. M. and 1.00 P. M. and will also be available for inspection from 11.00 A.M. electronically as available on the website of the Company. The Board recommends the resolutions set forth in item no. 7 for the approval of Members by way of Special Resolution.

Brief Profile of Mr. Nitin Mahavir Prasad Kandoi, Wholetime Director, pursuant to para 1.2.5 of SS-2 ("Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI Listing (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, is provided in the table below:

| | |
|--------------------------------------------------------------------|-----------------------------------------------------|
| Name of the Director | Mr. Nitin Mahavir Prasad Kandoi |
| Director Identification No. | 01979952 |
| Father's Name | Late Mahavir Prasad |
| Terms and Conditions of Appointment | As per the Agreement dated June 10, 2022 |
| Remuneration drawn in financial year 2021-22 (sitting fees) | ₹ 37.10 Lacs (Includes sitting fees of ₹ 1.10 Lacs) |

Notice (Contd.)

| | |
|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Remuneration proposed to be paid | As per the Agreement dated June 10, 2022 and specifically detailed in the Resolution above. |
| Date of Birth | 21.07.1972 |
| Age | 50 Years |
| Date of first Appointment | 07.02.2005 (Since Incorporation) |
| Brief Resume and expertise in specific functional areas | Mr. Nitin Mahavir Prasad Kandoi, a promoter of the Company having experience of 27 years in the steel industry, is a Commerce Graduate from Mumbai University. Mr. Kandoi was involved in the operations of the steel manufacturing facility of Gallantt Udyog Limited (formerly Govind Mills Limited) since 1995. He was involved in setting up of the operations of our Company and has been instrumental in the implementation of technological advances made in the manufacturing processes of our Company. During this period and under his Directorship, the Company has completed and achieved various targets and plans and the Company achieved higher levels of growth. His expertise in the steel and power businesses has been instrumental in contributing to the growth of the Company. Mr. Kandoi supervises the operation and functioning of steel and power plants, besides he supervises purchase and procurement departments of the Company. He is aged about 50 years. |
| Qualification | B.Com (H) |
| Directorship held in other | NIL |
| Chairman/Member of the Committee of the Board of Directors of the Company | Chairman: Stakeholders Relationship Committee (resigned) Member: Audit Committee Nomination and Remuneration Committee (resigned) |
| Chairman/Member of the Committee of the Board of Directors of other companies in which he/she is a director | NIL |
| Number of shares held in the Company | 10,500 |
| No. of Board meetings attended during the financial year 2021-22 | 6 (Six) |
| Relationship with other Directors, Manager and KMPs of the Company | No relationship |
| Listed Entities from which resigned in the past three years | Nil (However, erstwhile Gallantt Ispat Limited in which he was a Director, amalgamated with the Company. |

ITEM NO. 8

To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2023

The Board of Directors at its meeting held on May 26, 2022 appointed M/s. U. Tiwari & Associates, Cost Accountants (Firm Registration No. 23872), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31st March, 2023, at a remuneration amounting to Rs. 55,000 (Rupees Fifty FiveThousand 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 for the consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 8 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. 8 of this Notice.

Notice (Contd.)

ITEM NO. 9

The Company was incorporated under the provisions of the Companies Act, 1956 in the State of West Bengal and thereafter Registered Office of the Company was shifted from Kolkata to New Delhi at the present address. As per Clause II of the Memorandum of Association, presently, the Registered Office of the Company is situated in New Delhi. It is proposed to relocate the Registered Office of the Company at Gorakhpur in the State of Uttar Pradesh or at such other place as may be decided by the Board of Directors.

The shifting of Registered Office from New Delhi to Uttar Pradesh will enable the Company to handle its business activities more efficiently and run its business more economically and conveniently. The shifting of the Registered Office as aforesaid is in the best interests of the company, its shareholders and all concerned. The proposed shifting will in no way be detrimental to the Interest(s) of any member of the public, employees or other associates of the Company in any manner whatsoever.

In terms of the provisions of Sections 12 and 13 of the Companies Act 2013 read with Rule 30 of the Companies (Incorporation) Rules, 2014 shifting of the Registered office from one State to another and alteration of Clause II of the Memorandum of Association requires

the approval of Members by way of Special Resolution and further requires approval by Regional Director/ Central Government.

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

A copy of the Memorandum & Articles of Association of the Company together with the proposed alternations as set out in the Resolution at Item No. 9 of the Notice is available for inspection by members at the Registered office of the Company during business hours between 10:00 a.m.to 5:00 p.m. on all working days (except Saturdays, Sundays and Holidays) upto the date of announcement of the result of the Annual General Meeting. It is also posted on the website of the Company.

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

For Gallantt Ispat Limited
(Formerly known as Gallantt Metal Limited)

Date: August 10, 2022
Place: New Delhi

Arnab Banerji
(Company Secretary)
M.N. A59335

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present the 18th Annual Report of Gallantt Metal Limited ("the Company") [Name changed as "Gallantt Ispat Limited"] along with the Audited Financial Statements for the Financial Year ended March 31, 2022.

CORPORATE OVERVIEW

Gallantt Metal Limited ("Your Company" or "The Company") is a leading Iron and Steel manufacturing Company. Factories of the Company 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 has its Registered Office at New Delhi.

WORKING RESULTS

(₹ in Lacs)

| Financial Results | Standalone | |
|---------------------------------------|------------------|------------------|
| | 2022 | 2021 |
| Income from operation | 3,01,737.60 | 2,10,514.42 |
| Other Operating Income | 5,360.80 | 883.45 |
| Finance Cost | 2,046.35 | 2,173.21 |
| Depreciation (including amortization) | 9,209.26 | 6,751.68 |
| Profit Before Tax | 23,730.38 | 18,882.12 |
| Tax Expenses (including Deferred Tax) | 6,146.45 | 4,095.59 |
| Profit After Tax | 17,583.93 | 14,786.53 |
| Share of Profit from Associate | | - |
| Profit for the Period | 17,583.93 | 14,786.53 |

FINANCIAL ACCOUNTING AND ADOPTION OF IND AS

The Financial Statements for the FY 2021-22 are prepared under Ind-AS. Pursuant to Section 129(3) of the Companies Act, 2013, the Consolidated Financial Statements of the Company prepared in accordance with the Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and Indian Accounting Standard 110 on Consolidated Financial Statements is provided in the Annual Report.

STATE OF AFFAIRS, BUSINESS OPERATION AND PERFORMANCE REVIEW

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

to build strong constructions and gain competitive advantage.

During the FY 2021-22 Revenue from Operations stood at ₹ 3,01,737.60 Lacs as against ₹ 2,10,514.42 Lacs during the last FY 2020-21. The Profit before Interest, Depreciation and Taxation stood at ₹ 34,985.99 Lacs as against ₹ 27,807.01 Lacs in the previous year registering a growth of 25.82 %. The Net Profit after Tax for the year stood at ₹ 17,583.93 Lacs from ₹ 14,786.53 Lacs in the previous year registering a growth of 18.92 %. Earnings per Share (EPS) stood at ₹ 21.62 (face value of ₹ 10/- each) for the Financial Year ended March 31, 2022. Despite several macroeconomic head winds, volatile market environment and operational challenges, the Company delivered a robust performance both in terms of profitability and turnover driven by a strong focus on operational excellence and market diversification.

PRODUCTION AT A GLANCE

| | 2021-22 | | 2020-21 | | % of Change | |
|----------------------------------------|--------------|--------------|--------------|--------------|-------------|---------|
| | Production | Sales* | Production | Sales* | Production | Sales* |
| Sponge Iron (M.T.) | 4,88,999.810 | 4,90,310.426 | 4,33,364.170 | 4,32,618.860 | 12.84 | 13.34 |
| M.S. Billets (M.T.) | 6,02,726.111 | 6,03,459.323 | 5,22,587.752 | 5,20,488.680 | 15.33 | 15.94 |
| M.S. RoundBar & Miss Rolled Bar (M.T.) | 4,80,041.520 | 4,72,081.128 | 4,53,352.500 | 4,62,307.680 | 5.89 | 2.11 |
| Wheat Products | 6,694.000 | 8,616.500 | 51,730.650 | 50,460.550 | (87.06) | (82.92) |
| PowerGeneration (KWH) | 53,27,46,256 | 53,27,46,256 | 45,52,81,734 | 45,52,81,734 | 17.01 | 17.01 |

* Sales include captive consumption also.

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

There is no change in the nature of the business of the Company. Honorable National Company Law Tribunal, Kolkata Bench and Honorable National Company Law Tribunal, New Delhi Bench, vide their orders dated September 22, 2021 and May 20, 2022 respectively, have approved the Scheme of Amalgamation and Slump Sale providing for Slump Sale of 18 MW Power Plant of Gallantt Ispat Limited to Gallantt Metal Limited and thereafter Amalgamation of Gallantt Ispat Limited (Transferor Company No. 1 or GIL), AAR Commercial Company Limited (Transferor Company No. 2 or AAR), Hipoline Commerce Private Limited (Transferor Company No. 3 or HIPOLINE), Lexi Exports Private Limited (Transferor Company No. 4 or LEXI) and Richie Credit and Finance Private Limited (Transferor Company No. 5 or RICHIE) (together referred to as the "Transferor Companies") with Gallantt Metal Limited ("Transferee Company" or "GML") and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 (hereinafter referred to the "Scheme").

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

Due to lockdown, manufacturing and sales operations became a little sluggish in late April, 2021, however, after few days it became fully operational. Still, the effect of second wave of Covid and lockdown restrictions had impacted the Company's operations during the month of April, 2021. The overall demands of the steel products have been impacted but due to easing out of restriction in lockdown demand for the products are improving.

Rail Transportation witnessed a de-growth as a result of the COVID-19 pandemic that led to restrictive containment measures and closure of commercial activities resulting in operational challenges, delayed transportation of raw materials and delayed delivery of finished products.

The Company laid down a detailed Standard Operating Procedure regarding Work from Home facility for its employees in order to ensure smooth functioning of

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

COVID 19 STEPS TAKEN BY THE COMPANY

The manufacturing operations of the Company across all its locations had to be suspended temporarily in the months of April and May, 2021 due to the massive outbreak of second wave of COVID 19 pandemic and shortage of oxygen supply required at the plants. Further, sales and production were again affected due to the impact of the third wave of the pandemic in December 2021 and January 2022. The financial results for the year ended March 31, 2022 were impacted by disruptions owing to COVID 19. The Company has made an assessment of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current / noncurrent assets as of March 31, 2022 and on the basis of evaluation, has concluded that no material adjustments are required in the financial results. The Company is taking all the necessary steps and precautionary measures to ensure smooth functioning of its operations and to ensure the safety and well-being of all its employees. Given the criticalities associated with nature, condition and duration of COVID-19, the impact assessment on the Company's financial statements will be continuously made and provided for as required.

Your company stands by the society and community in times of despair. Apart from the above, the company has provided medical help and distributed food items at nearby areas of Samakhali, Kutch, Gujarat and Gorakhpur Uttar Pradesh. The company has also supplied face masks and sanitizers to these villages.

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

DIVIDEND

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

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Dividend Distribution Policy duly approved by the Board is available on the website of the Company and can be accessed at <https://gallantt.com>.

com /Gallantt Metal Limited/Investors Corner and the same is annexed as **ANNEXURE-I**.

DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS

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

SHARE CAPITAL

As on March 31 2022, the authorized capital of the Company was ₹ 83,00,00,000/- (Rupees Eighty-Three Crores only) and the paid-up capital stands at ₹ 81,32,23,240/- (Rupees Eighty-One Crores Thirty-Two Lacs Twenty-Three Thousand Two Hundred and Forty only) consisting of 8,13,22,324 equity shares of ₹ 10/- (Rupees Ten) each. There was no change in share capital of the Company during the financial year under review. However, after sanction of the Scheme of Amalgamation and Slump Sale providing for Slump Sale of 18 MW Power Plant of Gallantt Ispat Limited to Gallantt Metal Limited and thereafter Amalgamation of Gallantt Ispat Limited, AAR Commercial Company Limited, Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie Credit and Finance Private Limited with Gallantt Metal Limited (Transferee Company) by the Honorable National Company Law Tribunal, Kolkata and New Delhi Bench on September 22, 2021 and May 20, 2022 respectively the Authorised Share Capital of the Company has increased from ₹ 83,00,00,000/- (Rupees Eighty-Three Crores) to ₹ 1,57,00,33,000/- (Rupees One Hundred Fifty-Seven Crores and Thirty-Three Thousand). Further, to cover up the proposed allotment of Equity Shares pursuant to the Scheme of Amalgamation and Slump Sale the Board of Directors proposed to increase the Authorised Capital from ₹ 1,57,00,33,000/- (Rupees One Hundred Fifty-Seven Crores and Thirty-Three Thousand) to ₹ 2,41,30,33,000 (Rupees Two Hundred Forty-One Crores Thirty Lacs and Thirty-Three Thousand) and the same will be approved by the shareholders of the Company at its ensuing Extra-Ordinary General Meeting to be held on June 04, 2022. Post Amalgamation, the issued, subscribed and paid-up Share Capital would be ₹ 241,28,09,450/- (Rupees Two Hundred Forty-One Crore Twenty-Eight Lacs Nine Thousand Four Hundred and Fifty only) divided into 24,12,80,945 Equity Shares of ₹ 10/- each.

During the year under review, the company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2022, 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 2022-23 to each of the Stock Exchanges, where its equity shares are listed.

BUSINESS GROWTH, OUTLOOK AND EXPANSION

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

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory, Cost and Secretarial Auditors including Audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the financial year 2021-2022.

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, 2022 and of the profit of the Company for the financial year ended March 31, 2022.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts have been prepared on a going concern basis.
- v) Sufficient internal financial controls have been laid down and such internal financial controls are adequate and were operating effectively, and
- vi) Proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

FINANCE AND ACCOUNTS

As mandated by the Ministry of Corporate Affairs, IND AS is applicable to the Company from the Financial Year commencing from April 01, 2017. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2022. Financial Statement has been prepared as per applicable Ind-AS.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

LISTING INFORMATION

The Equity Shares in the Company are in dematerialized form and is listed with Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Listing Fee has been paid to the Stock Exchanges for the year 2022-23. The ISIN No. of the Company is INE297H01019.

CREDIT RATING

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

PUBLIC DEPOSITS

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

DEBENTURES

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

AUDITORS & AUDITORS' REPORT

M/s ALPS & Co., Chartered Accountants (Firm Registration Number: FRN 313132E) were appointed as Statutory Auditors in the 13th (Thirteenth) Annual General Meeting (AGM) of the Company for a period of five years, from the conclusion of 13th AGM till the conclusion of the 18th AGM of the Company, subject to ratification of their appointment at every AGM by the shareholders, if required, pursuant to the provisions of the Companies Act, 2013 ("Act"). The term of Statutory Auditor M/s. ALPS & Co. will end at the conclusion of the ensuing 18th AGM. The notes on accounts referred to

the Auditors' Report are self-explanatory and therefore, do not call for any further explanation.

The Statutory Auditors had carried out audit of financial statements of the Company for the financial year ended March 31, 2022 pursuant to the provisions of the Act. The reports of Statutory Auditors form part of the Annual Report. The reports are self-explanatory and do not contain any qualifications, reservations or adverse remarks.

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

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

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

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

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

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

DISCLOSURE IN RESPECT OF VOTING RIGHTS NOT EXERCISED

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

COST AUDIT

The Company has submitted the Cost Audit Report for the year 2020-21 duly certified by a Cost Accountant to the Central Government within the due date. M/s. U. Tiwari & Associates, Cost Accountants were appointed with the approval of the Central Government to carry out the cost audit in respect of the Company for the financial year 2021-22.

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors, based on the recommendation of the Audit Committee, has appointed M/s. U. Tiwari & Associates, Cost Accountants, as Cost Auditor of the Company for conducting the Cost Audit for the financial year 2022-23 on a remuneration of ₹ 55,000/- plus out of pocket expenses.

A Certificate from M/s. U. Tiwari & Associates, Cost Accountants, has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder. The remuneration is subject to the ratification of the Members in terms of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

The Company has received consent from M/s. U. Tiwari & Associates, Cost Accountants, to act as the Cost Auditor for conducting audit of the cost records for the financial year 2022-23 along with a certificate confirming their independence and arm's length relationship.

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

INSURANCE

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

INTERNAL COMPLAINT REGARDING SEXUAL HARASSMENT

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

BOARD COMMITTEES

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

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

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

PARTICULARS OF EMPLOYEES

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

as **ANNEXURE-III** to this report.

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

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

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

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

MARKET AND FUTURE PROSPECTS

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

DETAILS OF POLICIES

(i) Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The summary of Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Corporate Governance Report. The Remuneration Policy is uploaded on the website of the Company. The web link to the Remuneration Policy is as under: [https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Nomination and Remuneration Policy/ Remuneration Criteria Non-Executive Director w.e.f. 01.04.2019](https://www.gallantt.com/Investors%20Corner/Gallantt%20Metal%20Limited/Nomination%20and%20Remuneration%20Policy/Remuneration%20Criteria%20Non-Executive%20Director%20w.e.f.%2001.04.2019).

(ii) Corporate Social Responsibility Policy (CSR)

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

As a part of its initiative under the "Corporate Social Responsibility" (CSR) drive, the Company has undertaken projects in the area of Health, Education and rural development, eradicating

hunger, promoting health care and education. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy. Annual Report on CSR as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is also attached herewith as **ANNEXURE-VII**.

(iii) Risk Management Policy

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

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

The web link to the Risk Management Policy is as under: [https://www.gallantt.com/InvestorsCorner/ Gallantt Metal Limited/ Risk Management Policy w.e.f. 01.04.2019](https://www.gallantt.com/InvestorsCorner/Gallantt%20Metal%20Limited/Risk%20Management%20Policy.w.e.f.%2001.04.2019).

(iv) Whistle Blower Policy – Vigil Mechanism

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

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

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

SECRETARIAL AUDITORS

Mr. Anurag Fatehpuria, Practising Company Secretary, having office address at 23/1, Sita Nath Bose Lane, Salkia Howrah-711101 has been appointed as Secretarial Auditors of the Company for the FY ended March 31, 2022. The Secretarial Audit Report received from the Secretarial Auditors is annexed to this report marked as **ANNEXURE-VIII** and forms part of this report.

ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

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

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

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

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

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

FAMILIARISATION PROGRAMME

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

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

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

CODE OF CONDUCT

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

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

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

CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

Your Company has adopted a Code of Conduct for Prevention of Insider Trading and Code of Practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information (hereinafter referred to as

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

NUMBER OF MEETINGS OF BOARD AND AUDIT COMMITTEE HELD DURING THE YEAR 2021-2022

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.

AUDIT COMMITTEE

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

| Names | Designation | Category |
|---------------------------------|-------------|---------------|
| Mr. Ashtbhuja Prasad Srivastava | Chairperson | Independent |
| Mr. Jyotirindra Nath Dey | Member | Independent |
| Mr. Nitin Mahavir Prasad Kandoi | Member | Non-Executive |

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

| Names | Designation | Category |
|---------------------------------|-------------|-----------------|
| Mr. Nitin Mahavir Prasad Kandoi | Chairperson | Non - Executive |
| Mrs. Nishi Agrawal | Member | Independent |
| Mr. Jyotirindra Nath Dey | Member | Independent |

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

NOMINATION AND REMUNERATION COMMITTEE

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

| Names | Designation | Category |
|---------------------------------|-------------|-----------------|
| Mr. Jyotirindra Nath Dey | Chairperson | Independent |
| Mr. Nitin Mahavir Prasad Kandoi | Member | Non - Executive |
| Mrs. Nishi Agrawal | Member | Independent |

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

| Names | Designation | Category |
|-----------------------------|-------------|-------------|
| Mr. Jyotirindra Nath Dey | Chairperson | Independent |
| Mr. Chandra Prakash Agrawal | Member | Executive |
| Mr. Dinesh R. Agarwal | Member | Executive |

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

COMMITTEE OF DIRECTORS

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

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

RISK MANAGEMENT COMMITTEE

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

| Names | Designation | Category |
|---------------------------------|-------------|---------------|
| Mr. Jyotirindra Nath Dey | Chairperson | Independent |
| Mr. Nitin Mahavir Prasad Kandoi | Member | Non-Executive |
| Mrs. Nishi Agrawal | Member | Independent |

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

Pursuant to the provisions of Section 129(3) of the Act, a statement containing performance & salient features of the financial statements of Company's associate Companies in Form AOC-1 is required to be attached. Gallantt Ispat Limited was 'Associate' of the Company which was amalgamated with the Company. Company has prepared amalgamated Financial Statements, hence, consolidated financial statements are not required to be prepared. By virtue of amalgamation of Associate as above, Form AOC-1 is not required to be presented.

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

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

As on March 31, 2022 the Company did not have any subsidiary or joint ventures. However, on May 10, 2022 Company has acquired the entire shareholding of M/s. Gallantt Metalliks Limited by investing ₹ 18.00 lacs so as to make M/s. Gallantt Metalliks Limited as a Wholly Owned Subsidiary of the Company.

In terms of the Regulation 46(2)(h) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the policy for determining material subsidiaries is placed on the website of the Company at www.gallantt.com under Investors Corner of Gallantt Metal Limited.

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

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

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

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

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

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

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

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility Committee and has framed a Corporate Social Responsibility Policy and identified Healthcare, Children's education, as some of the key areas. The Company will continue to support social projects that are consistent with the policy.

Corporate Social Responsibility Committee of the Company is constituted of:

Mr. Jyotirindra Nath Dey, Chairman

Mr. Chandra Prakash Agrawal and

Mr. Dinesh R. Agarwal

KEY MANAGERIAL PERSONNEL

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

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

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Ind - AS on Consolidated Financial Statements read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Consolidated Audited Financial Statements and Consolidated Cash Flow Statement for the year ended March 31, 2022 are not required to be provided in the Annual Report as the Company has no subsidiary, associate or joint venture. Gallantt Ispat Limited (Transferor Company), erstwhile associate of the Company amalgamated with the Company.

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

ASSOCIATE COMPANY –GALLANTT ISPAT LIMITED (GIL)

Gallantt Ispat Limited was an Associate of the Company. However, Gallantt Ispat Limited has amalgamated with the Company vide orders of the Honorable NCLTs as discussed above.

SUBSIDIARY COMPANY & MATERIAL SUBSIDIARY

Company has neither subsidiary company nor material subsidiary as on March 31, 2022. However, on May 10, 2022 Company has acquired the entire shareholding of M/s. Gallantt Metalliks Limited by investing ₹ 18,00,000/- (Rupees Eighteen Lacs only) so as to make M/s. Gallantt Metalliks Limited as a Wholly Owned Subsidiary of the Company.

The Board of Directors of the Company had adopted a Policy for determining material subsidiary company in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is uploaded on the Company's website at www.gallantt.com. Presently there is no material subsidiary company.

BUSINESS RESPONSIBILITY REPORT

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

EXTRACT OF ANNUAL RETURN

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

RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The

Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee. Some of the risks that the Company is exposed to are:

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

| Key Risk | Impact to Gallantt Metal Limited | Mitigation Plans |
|----------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cyber Security Risk | With the growing instances of cyber attacks, data security has become a challenge. | <p>Confidential information has been enhanced by implementing best-in-class firewalls. The Company is aware about the current elevated levels of cybersecurity risks across the globe. All critical IT servers are protected with best-in-class firewalls which are monitored and updated regularly.</p> <p>All access to critical IT servers, including SAP ERP, for those working remotely, are allowed through security authentication tunnel.</p> <p>Necessary update patches and security policies are pushed over the internet to all computers of the Company on a daily basis, even if the user is at home or away from office. Deviations and alerts are monitored closely and corrective/preventive actions are implemented as per need.</p> <p>The Risk Management Committee looks into the monitoring and reviewing of the risk management plan and such other functions, as it may deem fit and such function specifically covers cyber security.</p> |

UNPAID AND UNCLAIMED AMOUNT OF DIVIDEND AND SHARE APPLICATION MONEY

Following amount of Unpaid Dividend has not been claimed and paid till 31.03.2022:

| Nature of Money | Relevant Financial Year | Bank Account Details | Amount lying (In ₹) |
|-------------------------|-------------------------|-------------------------------------------|---------------------|
| Final Dividend for 2018 | 2017-18 | IDBI Bank Account No. 1526103000000578 | 74,146.00 |
| Final Dividend for 2019 | 2018-19 | IDBI Bank Account No. 1526103000000897 | 50,676.50 |

Members who have not so far encashed their Dividend Warrants for the financial years ended 31st March, 2018 and 2019 are requested to approach immediately the Registrars for revalidation of unclaimed Dividend Warrants. The details of unclaimed dividend are available on the Company's corporate website www.gallantt.com and also uploaded on the website of IEPF viz. www.iepf.gov.in

Since, Gallantt Ispat Limited has now amalgamated with Gallantt Metal 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 Transferee Company i.e. Gallantt Metal Limited.

Following amount of Unpaid Dividend of Gallantt Ispat Limited (Transferor Company) has not been claimed and paid till 31.03.2022 is as follows –

| Nature of Money | Relevant Financial Year | Bank Account Details | Amount lying (In ₹) |
|-----------------------------------------------|-------------------------|-------------------------------------------|---------------------|
| Final Dividend for 2015 | 2014-15 | IDBI Bank Account No. 0135103000008587 | 3,377.00 |
| Interim Dividend 2016 | 2015-16 | ICICI Bank Account No. 001105026007 | 3,879.00 |
| Final Dividend for 2017 | 2016-17 | IDBI Bank Account No. 1526103000000347 | 12,740.50 |
| Final Dividend for 2018 | 2017-18 | IDBI Bank Account No. 1526103000000569 | 21,038.00 |
| Final Dividend for 2018-19 (Interim Dividend) | 2018-19 | IDBI Bank Account No. 1526103000000666 | 23,736.75 |

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

a) Transfer of Unclaimed Dividend to IEPF:

During the year Company was not required to transfer unclaimed dividend to IEPF as there was no amount of unclaimed dividend outstanding for such transfer. However, Gallantt Ispat Limited now amalgamated with the Company has transferred Unclaimed Dividend amount aggregating to ₹ 3,282/- pertaining to the financial year ended on March 31, 2014 lying with the Company for a period of seven years were transferred during the Financial Year 2021-22, 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 was not required to transfer any Equity Shares to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2021-22. However, Gallantt Ispat Limited now amalgamated with the Company has transferred 3,100 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 2021-22 Section 124 of the Companies Act, 2013. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

BOARD OF DIRECTORS AND SENIOR EXECUTIVE

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

Mr. Ashtbhuja Prasad Srivastava (DIN: 08434115), Mrs. Nishi Agrawal (DIN: 08441260) Mr. Jyotindra Nath Dey (DIN: 00180925) and Mr. Udit Agarwal (DIN: 07036864) are Independent Directors of the Company.

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

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

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

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

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

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

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

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

KEY FINANCIAL RATIOS

Key Financial Ratios for the financial year ended March 31, 2022, are provided in the Management Discussion and Analysis Report given in "Annexure – V", which is annexed hereto and forms a part of the Board's Report.

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 address 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, in view of the prevailing situation of the Pandemic, owing to the difficulties involved in dispatching of the physical copies of the Notice of the 18th AGM and the Annual Report of the Company for the financial year ended 31st March, 2022 including therein the Audited Financial Statements for the year 2021-2022, the aforementioned documents are being sent only by email to the Members.

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

During the FY 2021-22 no Key Managerial Personnel (KMP) were appointed or have resigned from the Company.

TRANSFER TO RESERVES

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

RELATED PARTY TRANSACTIONS

The details of Related Party Transactions during the Financial Year ending March 31, 2022, being arm's length transactions have been reported in the financial statements and forms part of this report. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the website of the Company www.gallantt.com under the Investors Corner of Gallantt Metal Limited.

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. The Company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions.

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

by the Audit Committee and a statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

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

PERSONNEL, INDUSTRIAL RELATIONS AND MARKETING

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

DECLARATION OF INDEPENDENCE

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

AWARD AND RECOGNITIONS

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

During previous years:

- **Udyami Samman 2011:** Awarded by Zee Media House and was presented by Shriprakash Jaiswal, Hon'ble Coal Minister, Government of India.
- **Udyami Samman 2013:** Awarded by Sahara Samay Media House and was presented by Shri Akhilesh Yadav, Hon'ble Chief Minister of U.P.
- Promoter of Gallantt Group Mr. C.P. Agrawal & family has been listed on India's **Super Rich List at 188th position in 2014 by the Business World Magazine.**
- **Gems of Purvanchal:** Jagran Coffee Table Book has given a place to our promoter Shri. C.P. Agrawal by stating **"MAKING A MARK WITH BUSINESS IN STEEL".**
- **Shri Yogi Adityanath Maharaj Ji, C.M. of U.P.,** honoured the company for **'Entrepreneur of the region' during Gorakhpur Mahotsav 2018.**
- **The top challengers Award 2018:** awarded by the Construction World Magazine, a world-famous magazine.

- **The Gallant Men:** Steel 360, a renowned magazine of steel industry felicitated the group and its promoters in its cover story May, 2018.
- **Ranked at 6th position among the top 10 mid-size rebar producers in India by Steel 360 magazine in August, 2018 edition.**
- Listed **"200 BEST UNDER A BILLION COMPANIES"** in Forbes Asia Magazine, July/August 2019 edition.
- Group Chairman, Shri Chandra Prakash Agrawal ji was felicitated with memento for his significant and imperishable contributions to the Industrial development in the State, by **Shri Yogi Adityanath Maharaj ji**, C.M. of U.P on the eve of U.P. Diwas Mahotsav, in January, 2020.

During the year:

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

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since March 31, 2022 till the date of this Report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company. However, after approval of the Scheme of Amalgamation as above all the assets and liabilities of the Transferor Companies are to be transferred to the Company.

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

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

GENERAL

- 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.

BOLLYWOOD SUPERSTAR AND ACTOR SHRI AJAY DEVGAN SIGNED IN AS THE BRAND AMBASSADOR OF THE COMPANY

Company has signed in Bollywood Superstar and Actor Shri Ajay Devgan as the brand ambassador of the Company to endorse its Gallantt and Gallantt Advance range of TMT Bars pan India for a period of two (2) years. Shri Ajay Devgan, is an Indian actor, film director and producer. He has appeared in over a hundred Hindi films. Mr. Devgan has won numerous accolades,

including two National Film Awards and four Filmfare Awards. In 2016, he was honoured by the Government of India with the Padma Shri, the fourth-highest civilian honour of the country. Mr. Devgan's association with the Company as a brand ambassador will help to boost the marketing and sale of its products in the entire country to a great extent. The brand reputation of the Company will also improve many folds. Gallantt Group shall use Mr. Ajay Devgan's name and brand in Sales Promotion, Advertisement and Digital Marketing through Print Media, Social Media and Visual Media.

CHANGE IN SHARE CAPITAL

There are no changes in the Share Capital during the year. However, after sanction of the Scheme of Amalgamation and Slump Sale providing for Slump Sale of 18 MW Power Plant of Gallantt Ispat Limited to Gallantt Metal Limited and thereafter Amalgamation of Gallantt Ispat Limited, AAR Commercial Company Limited, Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie Credit and Finance Private Limited with Gallantt Metal Limited (Transferee Company) by the Honorable National Company Law Tribunal, Kolkata and New Delhi Bench on September 22, 2021 and May 20, 2022 respectively the Authorised Share Capital of the Company has increased from ₹ 83,00,00,000/- (Rupees Eighty-Three Crores) to ₹ 1,57,00,33,000/- (Rupees One Hundred Fifty-Seven Crores and Thirty-Three Thousand). Further, to cover up the proposed allotment of Equity Shares pursuant to the Scheme of Amalgamation and Slump Sale the Board of Directors proposed to increase the Authorised Capital from ₹ 1,57,00,33,000/- (Rupees One Hundred Fifty-Seven Crores and Thirty-Three Thousand) to ₹ 2,41,30,33,000 (Rupees Two Hundred Forty-One Crores Thirty Lacs and Thirty-Three Thousand) subject to the approval of the Shareholders in the ensuing Extraordinary General Meeting to be held on June 04, 2022.

INTERNAL FINANCIAL CONTROLS

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

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

The framework on Internal Financial Controls over Financial Reporting has been reviewed by the internal and external auditors. The Company's internal financial controls were operating effectively based on the internal

control criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of internal control over financial reporting issued by the Institute of Chartered Accountants of India.

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

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

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

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

Your Company has a robust financial closure self-certification mechanism wherein the line managers

certify adherence to various accounting policies, accounting hygiene and accuracy of provisions and other estimates.

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

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

FRAUD REPORTING

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

ENVIRONMENT AND SAFETY

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

TRANSFER OF SHARES COMPULSORILY IN DEMAT MODE

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

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

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| GALLANTT METAL LIMITED Regd Office Address: "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014 Telefax: 011-45048767 Email-Id : csgml@gallantt.com Website : www.gallantt.com Corporate Office Address: 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069. W.B. Telefax: 011-46004831 Email-Id : csgml@gallantt.com Website : www.gallantt.com | Registrar & Share Transfer Agent Niche Technologies Pvt. Ltd. 7th Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata, West Bengal – 700017. Tel.: (033) 2280 6616 / 17 / 18 Email id: nichetechpl@nichetechpl.com Website: www.nichetechpl.com |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Procedure for Nomination and Appointment of Directors:

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

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

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

EMPLOYEES WELFARE

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

AMALGAMATION OF COMPANIES

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

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

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

Brief details of the Scheme are as under:

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

- 9 (Nine) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 2 (Two) equity shares of ₹ 10/- each fully paid up held by such member in HIPOLINE.
 - 84 (Eighty-Four) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 1 (One) equity share of ₹ 10/- each fully paid up held by such member in LEXI.
 - 101 (One Hundred One) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 2 (Two) equity shares of ₹ 10/- each fully paid up held by such member in RICHIE.
4. Transferor Companies GIL and AAR and Transferee Company GML are under the Jurisdiction of the Registrar of Companies, Delhi and Haryana and Transferor Companies, HIPOLINE, LEXI and RICHIE are under the jurisdiction of the Registrar of Companies, West Bengal.
 5. Pursuant to the Scheme 18 MW Power Plant Undertakings of GIL will be sold and transferred to the Transferee Company through Slump Sale at a consideration of ₹ 35 Crores payable in cash.
 6. “Appointed Date of Slump Sale” means the open of business hours on April 01, 2019
 7. “Appointed Date” means the open of business hours on April 01, 2019 after the completion of the slump sale.

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

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

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

Pursuant to the application filed as above, NCLT Kolkata,

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

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

The members (including public shareholders), secured creditors and unsecured creditors passed the resolution for approval of the Scheme with the requisite majority. After approval of the resolution by the shareholders, secured and unsecured creditors, the Companies complied with the requisite formalities and filed petition with the NCLT Delhi for their approval and order of the Scheme. Similarly, Other Petitioner Companies viz., Hipoline, Lexi and Richie have also filed petition with the NCLT Kolkata Bench for approval of the Scheme by the NCLT Kolkata Bench.

The Honorable National Company Law Tribunal, Kolkata Bench vide its order dated September 22, 2021 has approved the Scheme of Amalgamation and Slump Sale. Pursuant to the said order passed under section 230-232 of the Companies Act, 2013 in Company Application No. 6 / KB / 2021 with Company Petition No. CP (CAA) No. 43 / KB / 2021 connected with Company Application No. CA(CAA) No. 1482 / KB /

2020 transferor companies Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie Credit & Finance Private Limited stands amalgamated with Gallantt Metal Limited (Transferee Company).

Further, Honorable National Company Law Tribunal, New Delhi Bench vide its order dated May 20, 2022 has approved the Scheme of Amalgamation and Slump Sale. Pursuant to the said order passed under section 230-232 of the Companies Act, 2013 in Company Petition: CAA – 69/(PB)/2021 connected with Company Application No: CA(CAA) – 11/(PB)/2021 transferor companies Gallantt Ispat Limited and AAR Commercial Company Limited stands amalgamated with Gallantt Metal Limited (Transferee Company).

On receipt of the Order as above, pursuant to the Scheme as approved, 6,54,96,896 Equity Shares held by Transferor Companies with Gallantt Metal Limited (Transferee Company) shall stand cancelled. Further, the Board of Directors of the Company shall allot 22,54,55,517 (Twenty Two Crores Fifty Four Lacs Fifty Five Thousand Five Hundred and Seventeen) fully paid-up equity shares of face value of ₹ 10/- each of the Company to the eligible shareholders of the Transferor Companies as per the Record Date fixed on June 7, 2022. Further, Company shall apply for and obtain in-principle approval from the Stock Exchanges viz. National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for listing of 22,54,55,517 equity shares to be allotted pursuant to the Scheme of Amalgamation.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to sanction of the Scheme of Amalgamation and Slump Sale Gallantt Ispat Limited, Associate of the Company, amalgamated with the Company i.e. Gallantt Metal Limited. Further, all the Transferor Companies and Transferee Companies have filed orders of the Honorable National Company Law Tribunal with the Registrar of Companies, Delhi and Haryana in E-form INC-28. Post filing of the said Form Transferor Companies dissolved without winding up.

Since, Gallantt Ispat Limited, Associate Company, amalgamated with the Company, Consolidated Financial Statement for the financial year ended March 31, 2022 was not required. Company has prepared Amalgamated (standalone) Financial Statements taking into account financials of the Transferor Companies together with the Company.

OTHER DISCLOSURES

- The Managing Director of the Company has not received any remuneration or commission from any of the subsidiary companies;
- None of the Auditors of the Company have reported any fraud as specified under the second provision of Section 143 (12) of the Companies

Act, 2013 (including any statutory modification(s) or re-enactment (s) thereof for the time being in force);

- The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors; and
- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
- In the preparation of financial statements, no treatment different from that prescribed in an Accounting Standard has been followed.
- No proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.
- The Company serviced all the debts & financial commitments as and when they became due and no settlements were entered into with the bankers.

BOARD EVALUATION

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

ACKNOWLEDGEMENT

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

On behalf of the Board

Place: Gorakhpur
Date: May 26, 2022

C. P. Agrawal
Chairman

ANNEXURE - I TO THE DIRECTORS' REPORT

DIVIDEND DISTRIBUTION POLICY

1. Statutory Mandate

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

2. Background

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

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

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

3. Policy

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

4. Dividend

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

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

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

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

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

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

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

5. Factors to be considered for declaration of Dividend

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

6. Revision in the Policy

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

7. General

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

ANNEXURE - II TO THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

(a) Energy Conservation Measures Taken

Steps taken for conservation of energy:

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

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

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

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

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

FORM – A

Disclosure of Particulars with respect to conservation of energy

| Particulars | 2021-22 | 2020-21 |
|----------------------------------------------|-----------|-----------|
| A. Power & Fuel Consumption | | |
| 1. Electricity | | |
| (a) Purchased | | |
| Total Unit in Lacs KWH | 529.85 | 491.39 |
| Amount ₹ in Lacs | 4,163.40 | 3,333.34 |
| Rate Per Unit (₹) | 7.86 | 6.78 |
| (b) Own Generation (Net) | | |
| Total Units in Lacs KWH | 5,327.46 | 4,552.81 |
| Amount ₹ In Lacs | 35,914.97 | 21,352.20 |
| Rate per Unit | 6.74 | 4.69 |
| 2. Coal | | |
| Quantity- M.T. | 7,36,707 | 5,87,462 |
| Total Cost- ₹ in Lacs | 62,322.09 | 40,667.54 |
| Average rate – ₹ per M.T. | 8,460 | 6,923 |
| 3. Furnace Oil | | |
| Quantity (K. Ltrs.) | 256.350 | 256.137 |
| Total Cost (₹ Lacs) | 103.94 | 71.04 |
| Average Rate (₹ / K. Ltrs.) | 40,547 | 27,735 |
| B. Consumption per unit of production | | |
| 1. Electricity (Unit/M.T.) | | |
| Sponge Iron | 69 | 66 |
| SMS (Furnace and Concast) | 806 | 788 |
| Rolling Mills | 117 | 117 |
| Wheat Products | - | 71 |
| 2. Coal (Kg/M.T.) | | |
| Power Plant (per 1000 KWH)(Net) | 497 | 405 |
| Rolling Mills (Kg/M.T.) | 11 | 16 |
| Sponge Iron (Kg/M.T.) | 955 | 913 |

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

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

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

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

2. Benefits derived as a result of the above efforts

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

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

| | 2021-2022 (₹ in Lacs) | 2020-2021 (₹ in Lacs) |
|------------------------------------------|----------------------------------|----------------------------------|
| Raw Materials | 13,876.74 | 12,349.42 |
| Stores, Chemical and Packaging Materials | 78.69 | 67.25 |
| Capital Goods | - | -- |
| Expenditure in foreign currency | 0.53 | 7.09 |
| Earning in foreign currency | 34,084.40 | 6,840.44 |

Additional investments and proposals, if any, being implemented for reduction of consumption of energy

- Changed of Turbine from 25 MW & 18 MW to single Turbine of 53 MW single Turbine – new Turbine has specific steam consumption of 3.65 as against 4.1 ton of steam / MW of power generated. This change to a single Turbine has also reduced auxillary power consumption from 11.5% to 9% of generation.
- We have increased the dolochar consumption in our boiler to almost 125 MT / day from 90 MT/day thereby reducing coal consumption in our boiler.
- We have replaced some old pumps with new pumps of same or better duty conditions by way of discharge per hour and discharge pressure which now allow us to obtain same duty conditions with lower rated motors.
- We have installed A.C. drives for our cooling tower motors and have through a PLC programme linked the RPM of the drive to the outlet water temperature of the cooling tower. This enables us to reduce RPM of the cooling tower when desired water temperature at the cooling tower is achieved thereby saving power. The program reduces or increases RPM of the cooling motor automatically based on the weather and plant running conditions.
- We have increased production levels in the plant thereby reducing auxillary power consumption as we are now producing more tonnage at the same auxilliary power.
- We are directly charging red hot billets as casted from the caster to the rolling mill directly thereby eliminating an entire process of re-heating the billets from ambient temperature to 1200°c (rolling temp). the re-heating of billets is done in a re-heating furnace which uses coal/oil as fuel to re-heat the billets.
- All old plant light fittings which were HPSV lamps have now been replaced with industrial LED light fittings produce the same lux levels of light consuming far lesser power.

ANNEXURE - III TO THE DIRECTORS' REPORT

MANAGERIAL REMUNERATION

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

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

| Name | Designation | Ratio to median remuneration of employees |
|---------------------------------|------------------------------|-------------------------------------------|
| Mr. Chandra Prakash Agrawal | Chairman & Managing Director | 28.94:1 |
| Mr. Dinesh R. Agarwal | Whole-time Director | 11.92:1 |
| Mr. Prashant Jalan | Director (Plant-Operation) | 3.33:1 |
| Mr. Nitin Mahavir Prasad Kandoi | Non-Executive Director | 17.02:1 |
| Mr. Dindayal Jalan \$ | Independent Director | N.A. * |
| Mr. Ashtbhuja Prasad Srivastava | Independent Director | N.A. * |
| Mr. Jyotirindra Nath Dey | Independent Director | N.A. * |
| Mr. Nishi Agrawal | Independent Director | N.A. * |
| Mr. Udit Agarwal | Independent Director | N.A. * |

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

\$ Mr. Dindayal Jalan resigned from the Board of Directors effective from April 12, 2021.

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

| Name | Designation | % increase |
|---------------------------------|------------------------------|------------|
| Mr. Chandra Prakash Agrawal | Chairman & Managing Director | 2.00% |
| Mr. Dinesh R. Agarwal | Whole-time Director | (91.01%) |
| Mr. Prashant Jalan | Director (Plant-Operation) | 30.86% |
| Mr. Nitin Mahavir Prasad Kandoi | Non-Executive Director | N.A. * |
| Mr. Dindayal Jalan # | Independent Director | N.A. * |
| Mr. Ashtbhuja Prasad Srivastava | Independent Director | N.A. * |
| Mr. Jyotirindra Nath Dey | Independent Director | N.A. * |
| Mr. Nishi Agrawal | Independent Director | N.A. * |
| Mr. Udit Agarwal | Independent Director | N.A. * |
| Mr. Sandip Kumar Agarwal | Chief Financial Officer | 7.68% |
| Mr. Arnab Banerji | Company Secretary | 11.55% |

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

Mr. Dindayal Jalan resigned from the Board of Directors effective from April 12, 2021.

- | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(c) percentage increase in the median remuneration of employees in the financial year: 20.29%</p> <p>(d) number of permanent employees on the rolls of company; 2,239</p> <p>(e) explanation on the relationship between average increase in remuneration and company performance: The profit before tax for the financial year ended March 31, 2022 increased by and the profit after tax for the financial year ended March 31, 2022 increased by whereas the increase in median remuneration is 20.29%. The average increase in median remuneration is in line with the performance of the company.</p> | <p>(f) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;</p> <p>The total remuneration of KMP decreased by 47.06%, whereas the profit before tax increased by 25.68% and the profit after tax increased by 18.92%.</p> <p>(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: 14.02% (non-Managerial personnel) and 3.68% (Managerial Personnel).</p> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

ANNEXURE - III TO THE DIRECTORS' REPORT

(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 | 2.00% | The profit before tax for the financial year ended March 31, 2022 increased by 25.68% and the profit after tax for the financial year ended March 31, 2022 increased by 18.92%. |
| Mr. Dinesh R Agarwal | Whole-time Director | (91.01%) | |
| Mr. Nitin Mahavir Prasad Kandoi | Whole-time Director | NIL | |
| Mr. Prashant Jalan | Director (Plant-Operation) | 30.86% | |
| Mr. Mayank Agrawal | Chief Executive Officer | NIL | |
| Mr. Sandip Kumar Agarwal | Chief Financial Officer | 7.68% | |
| Mr. Arnab Banerji | Company Secretary | 11.55% | |
| Mr. Nitesh Kumar | Company Secretary (erstwhile Gallantt Ispat Limited amalgamated with the Company) | (5.69%) | |
| Mr. Amit Jalan | Chief Financial Officer (erstwhile Gallantt Ispat Limited amalgamated with the Company) | 17.35% | |

- (i) the key parameters for any variable component of remuneration availed by the directors; Company's financial results, the performance of the business unit, individual performance, skills and competence, fulfilment of various improvement targets or the attainment of certain financial objectives.
- (j) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; NIL
- (k) We hereby affirm that the remuneration paid to the managerial and non-managerial personnel is as per the Remuneration Policy of the Company approved at the board meeting dated 30.05.2014.

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

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

| Sr. No. | Employee Name | Father Name | D.O.B | Age | Educational Qualification | Date of Joining | Salary | Last Employment | Designation | Department | Relation with Directors | Experience |
|---------|----------------------------------|------------------------|------------|-----|--------------------------------------|-----------------|-----------|------------------------------------------|--------------------------|----------------------------|-------------------------|------------|
| 1 | Anmol Anand | Ramlal Anand | 12/03/1959 | 62 | Bachelor of Engineering | 01/04/2014 | 48,51,560 | Greensol Power System Pvt Ltd, | President | Power Plant | No | 40 |
| 2 | Mahesh Kumar Hukumchand Gupta | Hukmichand Gupta | 01/08/1957 | 64 | Bachelor of Commerce | 01/04/2004 | 28,59,912 | Ganesh Laxmi Processors Pvt. Ltd, Surat | President | Administration | No | 40 |
| 3 | Parathsaradhi Sekhar Rao Dulla | Sekhar Rao Dulla | 12/03/1982 | 39 | B. Tech, Metallurgy | 01/01/2016 | 27,38,972 | Baba Akila Sai Jyoti Industries Pvt. Ltd | General Manager, Process | Sponge Plant | No | 16 |
| 4 | Balvinder Darshan Ram Dhiman Rai | Darshan Ram Rai | 14/04/1957 | 64 | Bachelor of Engineering (Electrical) | 09/05/2014 | 25,45,903 | K.R. Pulp & Pappers Ltd, Sahajapur. | V.P. | Power Plant | No | 39 |
| 5 | Prashant Bhardwaj | Subhash Chandra Sharma | 15/09/1978 | 43 | PGDBM | 01/06/2006 | 22,61,647 | Kamdhenu Ispat Ltd | V.P. (Sales) | Sales | No | 20 |
| 6 | Arup Chakraborty | Asitranjan Chakraborty | 02-01-1971 | 50 | Diploma Mechanical | 01-06-2016 | 18,80,761 | L & T Limited | General Manger | Administration | No | 27 |
| 7 | Demdu Gunupudi | Sriramlu Gunapudi | 28/08/1976 | 45 | Diploma Mechanical | 13/07/2019 | 18,28,143 | Steel Energy India Ltd | General Manger | Sponge Plant | No | 23 |
| 8 | Kripal Singh Harnam Singh | Harnam Singh | 15/05/1966 | 55 | Diploma Mechanical | 27/06/2014 | 16,79,988 | Electrotherm India Ltd | Foreman | Rolling Mill | No | 28 |
| 9 | Sandip Kumar Agarwal | Om Prakash Agarwal | 13/03/1973 | 48 | CA (Inter) | 01/08/2006 | 16,27,556 | Govind Mills Ltd. | CFO | Finance and Administration | No | 26 |
| 10 | Rampratap Singh | Hanumat Singh | 01-10-1959 | 61 | Bachelor of Arts | 12-12-2017 | 16,14,470 | Shyam DRI Jarsiguda | General Manager, Process | Furnaces | No | 37 |

ANNEXURE - IV TO THE DIRECTORS' REPORT

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

₹. In Lacs

| Sl. No. | Borrower | Loans | Rate of Interest (%) | Purpose for which the loan is proposed to be utilized by the recipient | Investments | Guarantee |
|---------|---------------------------------|--------|----------------------|------------------------------------------------------------------------|-------------|-----------|
| 1 | GL Steel & Power Pvt Ltd | 275.55 | 9.00 | Principal Business | NIL | NIL |
| 2 | Ganesh Laxmi Processors Pvt Ltd | 134.24 | 12.00 | Principal Business | NIL | NIL |
| 3 | Charchit Creation Limited | 36.54 | 12.00 | Principal Business | NIL | NIL |

ANNEXURE - V TO THE DIRECTORS' REPORT

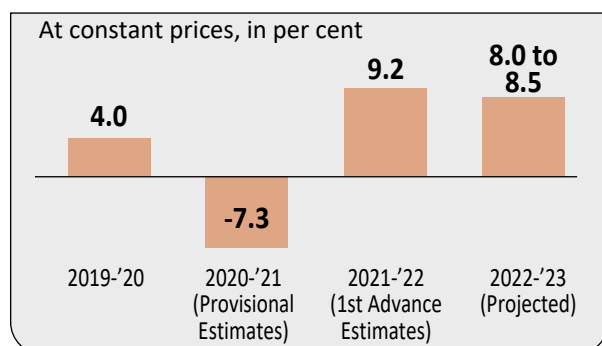
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Forming part of the Report of the Directors for the year ended March 31, 2022

ECONOMY OVERVIEW AND DEVELOPMENT

The year 2021-22 like the previous year started with massive outbreak of the second wave of COVID – 19 pandemic. It has been more than two years since COVID-19 was declared a global pandemic. The GDP could have been much better if the country was not impacted by the 2nd wave of pandemic coronavirus in the months of April and May 2021. Meaningful and proactive reforms undertaken by the Government in last many quarters has pulled the economy from the lows of Q1 FY 2020-21 and has resulted in the sharp recovery in Q1 FY 2021-22 despite the full and partial lockdowns in many parts of the country.

The Q1 FY 2021-22 GDP growth rate stands at 20.1%, of which growth rate of Agriculture, forestry & fishing stands at 4.5%, Mining & quarrying at 18.6%, Manufacturing at 49.6%, Electricity, gas, water supply & other utility services at 14.3%, Construction at 68.3%, Trade, hotels, transport, communication & services related to broadcasting at 34.3%, Financial, real estate & professional services at 3.7% and Public administration, defence & other services at 5.8%.



At the time, the global recovery was set to strengthen from the second quarter of this year after a short-lived impact of the Omicron variant since then, the outlook has deteriorated, largely because of Russia's invasion of Ukraine—causing a tragic humanitarian crisis in Eastern Europe—and the sanctions aimed at pressuring Russia

to end hostilities. This crisis unfolds while the global economy was on a mending path but had not yet fully recovered from the COVID-19 pandemic, with a significant divergence between the economic recoveries of advanced economies and emerging market and developing ones.

In addition to the war, frequent and wider-ranging lockdowns in China—including in key manufacturing hubs—have also slowed activity there and could cause new bottlenecks in global supply chains. Higher, broader, and more persistent price pressures also led to a tightening of monetary policy in many countries. Overall risks to economic prospects have risen sharply and policy trade-offs have become ever more challenging.

Inflation is expected to remain elevated for longer than in the previous forecast, driven by war-induced commodity price increases and broadening price pressures. For 2022, inflation is projected at 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies. Although a gradual resolution of supply-demand imbalances and a modest pick-up in labour supply are expected in the baseline, easing price inflation eventually, uncertainty again surrounds the forecast. Conditions could significantly deteriorate. Worsening supply-demand imbalances—including those stemming from the war—and further increases in commodity prices could lead to persistently high inflation, rising inflation expectations, and stronger wage growth. If signs emerge that inflation will be high over the medium term, central banks will be forced to react faster than currently anticipated—raising interest rates and exposing debt vulnerabilities, particularly in emerging markets.

GLOBAL REAL GDP GROWTH TREND (%)

| | 2021 | 2022 | 2023 |
|-----------------------------------|------|------|------|
| World Output | 6.1 | 3.6 | 3.6 |
| Advanced Economies | 5.2 | 3.3 | 2.4 |
| United States | 5.7 | 3.7 | 2.3 |
| Euro Area | 5.3 | 2.8 | 2.3 |
| Emerging and developing economies | 6.8 | 3.8 | 4.4 |

| | 2021 | 2022 | 2023 |
|--------------|------|------|------|
| Russia | 4.7 | -8.5 | -2.3 |
| China | 8.1 | 4.4 | 5.1 |
| India | 8.9 | 8.2 | 6.9 |
| Brazil | 4.6 | 0.8 | 1.4 |
| South Africa | 4.9 | 1.9 | 1.4 |

Source: IMF, World Economic Outlook, April 2022

INDIAN ECONOMY

The Indian economy too witnessed similar stress, with partial lockdown in March and April 2021 bringing business activities to a standstill for the major part of April and May 2021. Advance estimates suggest that the Indian economy is expected to witness real GDP expansion of 9.2 per cent in 2021-22. Agriculture and allied sectors have been the least impacted by the pandemic and the sector is expected to grow by 3.9 per cent in 2021-22 after growing 3.6 per cent in the previous year. Advance estimates suggest that the GVA of Industry (including mining and construction) will rise by 11.8 per cent in 2021-22. The Services sector has been the hardest hit by the pandemic, especially segments that involve human contact. This sector is estimated to grow by 8.2 per cent this financial year following last year's 8.4 per cent contraction.

With the vaccination programme having covered the bulk of the population, economic momentum building back and the likely long-term benefits of supply-side reforms in the pipeline, the Indian economy is in a good position to witness GDP growth of 8.0-8.5 per cent in 2022-23.

Despite all the disruptions caused by the global pandemic, India's balance of payments remained in surplus throughout the last two years. This allowed the Reserve Bank of India to keep accumulating foreign exchange reserves (they stood at US\$ 634 billion on December 31, 2021). This is equivalent to 13.2 months of merchandise imports and is higher than the country's external debt. The combination of high foreign exchange reserves, sustained foreign direct investment, and rising export earnings will provide an adequate buffer against possible global liquidity tapering in 2022-23.

The fiscal support given to the economy as well as to the health response caused the fiscal deficit and government debt to rise in 2020-21. However, a strong rebound in government revenues in 2021-22 has meant that the Government will comfortably meet its targets for the year while maintaining the support, and ramping up capital expenditure. The strong revival in revenues (revenue receipts were up over 67 per cent YoY in April-November 2021) means that the Government has fiscal space to provide additional support if necessary.

Another distinguishing feature of India's response has

been an emphasis on supply-side reforms rather than a total reliance on demand management. These supply-side reforms include deregulation of numerous sectors, simplification of processes, removal of legacy issues like 'retrospective tax', privatisation, production-linked incentives and so on. These have been discussed in detail in the respective chapters. Even the sharp increase in capital spending by the Government can be seen both as demand and supply enhancing response as it creates infrastructure capacity for future growth. This year's Survey particularly highlights the importance of process reforms in a number of sectors while Chapter 11 provides a brief demonstration of the use of satellite images and geo-spatial data, both recently deregulated sectors, for gauging economic development.

Monetary policy since the outbreak of the pandemic was calibrated to provide a cushion and support growth, but carefully controlled in order to avoid the medium-term dislocations of excess liquidity. The Monetary Policy Committee (MPC) cut the policy repo rate by 115 basis points (bps) during February to May 2020, on top of a reduction of 135 bps in the preceding twelve months. Since then, the MPC has maintained status quo on the policy repo rate keeping it unchanged at 4 per cent. The Marginal Standing Facility rate and the bank rate have also remained unchanged at 4.25 per cent and so has the reverse repo rate at 3.35 per cent. RBI in its latest MPC statement has further decided to continue with this accommodative stance as long as necessary to revive growth on a durable basis. A number of additional steps were taken throughout the period to ensure that there was adequate liquidity in the system to allow the central and state governments to finance themselves at lower rates.

An important aspect of the safety-net was the use of Government guarantees to provide access to financial support to the economy in general and MSMEs in particular. Combined with a moratorium on insolvency proceedings, the Government was able to avoid a payments logjam that could have caused a cascade of defaults. Much of the support was extended into 2021-22 where needed, but RBI and the Government have allowed some of liquidity support to roll-off and the insolvency process to resume as the economy has recovered. It is important to do this as excess liquidity and a stalled insolvency process bring longer-term risks.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Steel Industry

Steel demand rose 2.7% in 2021 to 1.83 billion as recovery from the pandemic was stronger than expected in a number of regions, although there had been a sharper-than-anticipated deceleration in China.

Russia's invasion of Ukraine in February 2022 mostly impacted Europe due to its reliance on Russian energy

and its geographic proximity, but other regions would see less of an impact depending on their direct trade and financial exposures to Russia and Ukraine. In the EU and the UK, steel demand was expected to fall 1.3% in 2022 to 161.5 million mt due the region's high dependence on Russian energy and refugee inflows, although demand was expected to grow 4% in 2023, the association said.

In the developed world, steel demand was expected to increase by a lower 1.1% in 2022 and 2.4% in 2023, after rising 16.5% in 2021. There was expected to be a global impact from the war causing continued supply chain disruptions, higher energy and commodity prices, especially for steel raw materials, and financial market volatility and uncertainty undermining investment.

Demand in China, which accounts for about half of global steel consumption, is now expected to remain flat this year as per World Steel Association. "There are further downside risks from the continued surge in virus infections in some parts of the world, especially China, and rising interest rates," it said.

Steel demand in the developed world is forecast to increase by 1.1% and 2.4% in 2022 and 2023 respectively after recovering by 16.5% in 2021, World Steel said.

Indian Steel Industry

The performance of the steel industry is pivotal for the growth of the economy. Despite being hit by COVID-19, the steel industry has bounced back with cumulative production of crude and finished steel in 2021-22 (April-October) at 66.91 MT and 62.37 MT, an increase of 25.0 percent and 28.9 percent respectively, over corresponding period last year while consumption of finished steel at 57.39 MT increased by 25.0 percent over the same period.

It is important to point out that global steel production has slowed down. The reduction in world output of steel is because of reduced global production. According to press release by World Steel Association (November, 2021) world crude steel production was 143.3 million tonnes (Mt) in November 2021, a 9.9 percent decrease compared to November 2020. With economic recovery, the global demand for steel is slated to increase this year and the next. The steel industry is expected to face increase in demand in the next financial year also. This is mainly on account of the Government of India's focus on infrastructure development including roads, railways and defence production. The PLI Scheme for specialty steel is well timed to provide the necessary incentive towards investment in value added steel -a step in the direction to increase its production for internal consumption as well as exports. Additional measures such as Domestically Manufactured Iron and Steel Products (DMI&SP) Policy, Quality Control Order (QCO) covering carbon steel, alloy steel, tin plate, tin free steel and

stainless steel and a R&D scheme viz. "Promotion of R&D in Iron & Steel Sector" to address the technological issues faced by the sector also aim to strengthen the industry and to ensure that increase in production of steel is achieved in a sustainable manner.

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

Government Initiatives

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

- Under the Union Budget 2020-21, the government allocated ₹ 39.25 crore (US\$ 5.4 million) to the Ministry of Steel.
- In January 2021, the Ministry of Steel, Government of India, signed a Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India-Japan Steel Dialogue.
- In December 2020, the Minister for Petroleum & Natural Gas and Steel, Mr. Dharmendra Pradhan, has appealed to the scientific community to Innovate for India (I4I) and create competitive advantages to make India 'Aatmanirbhar'.
- In September 2020, the Ministry of Steel prepared a draft framework policy for development of steel clusters in the country.
- On October 1, 2020, Directorate General of Foreign Trade (DGFT) announced that steel manufacturers in the country can avail duty drawback benefits on steel supplied through their service centres, distributors, dealers and stock yards.
- Government introduced Steel Scrap Recycling Policy to reduce import.
- An export duty of 30% has been levied on iron ore^A (lumps and fines) to ensure supply to domestic steel industry.
- Government of India's focus on infrastructure and restarting road projects is aiding the demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.
- The Union Cabinet, Government of India approved the National Steel Policy (NSP) 2017, as it intend to create a globally competitive steel industry in India. NSP 2017 envisage 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology

Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs. 200 crore (US\$ 30 million).

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

National Steel Policy 2017

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

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

Key features of the NSP 2017:

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

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

We, at Gallantt Metal, have the following production data of the Fiscal 2021-22:

| Product | 2021-22 | |
|-----------------------------------------|--------------|--------------|
| | Production | Sales* |
| Sponge Iron (M.T.) | 4,88,999.810 | 4,90,310.426 |
| M.S. Billets (M.T.) | 6,02,726.111 | 6,03,459.323 |
| M.S. Round Bar & Miss Rolled Bar (M.T.) | 4,80,041.520 | 4,72,081.128 |
| Wheat Products | 6,694.000 | 8,616.500 |
| Power Generation(KWH) | 53,27,46,256 | 53,27,46,256 |

*Sales include captive consumption also

Major Product-wise Turnover

| | FY 2021-22 | | FY 2020-21 | |
|-------------|---------------|-------------|-------------|-------------|
| | Qty (MT/Unit) | ₹ in Lacs | Qty (MT) | ₹ in Lacs |
| Steel (MT)* | 6,04,475.00 | 2,97,777.72 | 5,16,488.00 | 2,07,543.03 |

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

OPPORTUNITIES AND THREATS

Opportunities

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

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

Threats and Risks

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 steel-making to the steel mills or physical transportation of finished steel to demand centres, transportation of bulk materials is always arduous.

The outbreak of the deadly Covid-19 pandemic, followed by the lockdown in the country has adversely affected the business operations of the Company. Due to the rapid spread of the Covid-19 in the Country, the health of the employees and workers of the Company

has become priority of the Company over the business operations.

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

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

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Major Product-wise Turnover

| | 2021-22 | | 2020-21 | | % of Change | |
|-----------------------------------------|--------------|--------------|--------------|--------------|-------------|---------|
| | Production | Sales* | Production | Sales* | Production | Sales* |
| Sponge Iron (M.T.) | 4,88,999.81 | 4,90,310.426 | 4,33,364.17 | 4,32,618.86 | 12.84 | 13.34 |
| M.S. Billets (M.T.) | 6,02,726.111 | 6,03,459.323 | 5,22,587.752 | 5,20,488.68 | 15.33 | 15.94 |
| M.S. Round Bar & Miss Rolled Bar (M.T.) | 4,80,041.52 | 4,72,081.128 | 4,53,352.5 | 4,62,307.68 | 5.89 | 2.11 |
| Wheat Products | 6,694 | 8,616.5 | 51,730.65 | 50,460.55 | (87.06) | (82.92) |
| Power Generation (KWH) | 53,27,46,256 | 53,27,46,256 | 45,52,81,734 | 45,52,81,734 | 17.01 | 17.01 |

*Sales include captive consumption also.

OUTLOOK

The outlook for the industry looks reasonable, since India has good iron ore deposits, skilled manpower and growing demand for steel. The improved demand is expected to continue in the current fiscal as well on the back of ongoing government funded infrastructure projects.

The following is a status report on the performance of Indian steel industry during April-December 2021, based on provisional data released by Joint Plant Committee (JPC) in its MIS Report for April-December 2021. It is to be noted that total finished steel includes both non-alloy and alloy (including stainless steel) and all comparisons are made with regard to same period of last year.

| ITEM | Performance of Indian steel industry | | |
|------------------------|--------------------------------------|---------------------|----------|
| | Apr – Dec 2021 (mt) | Apr – Dec 2020 (mt) | % change |
| Crude Steel Production | 88.007 | 73.417 | 19.9 |
| Hot Metal Production | 57.975 | 49.448 | 17.2 |
| Pig Iron Production | 4.443 | 3.444 | 29.0 |

| ITEM | Performance of Indian steel industry | | |
|-----------------------------------------------------------|--------------------------------------|---------------------|----------|
| | Apr – Dec 2021 (mt) | Apr – Dec 2020 (mt) | % change |
| Sponge Iron Production | 29.158 | 24.525 | 18.9 |
| Total Finished Steel (alloy/stainless + non-alloy) | | | |
| Production | 83.005 | 67.351 | 23.2 |
| Import | 3.458 | 3.209 | 7.7 |
| Export | 10.329 | 8.314 | 24.2 |
| Consumption | 76.646 | 65.404 | 17.2 |

The Indian steel sector contributes approximately 1.5 per cent to its GDP and forms the backbone of the manufacturing industry providing employment to about 25 lakh persons directly or indirectly. India is the third largest manufacturing hub of steel pipe in the world and steel pipes constitutes 8 to 10 per cent of the steel consumption.

Moreover, India is the second largest producer of steel in the world after China. However, its production is around one-tenth that of China. The production and consumption of steel has been steadily rising over the years except for the moderate dip witnessed during the last fiscal. The production is estimated to touch 140 MT by FY25.

The health of the industry is reflected by the trade of the respective industry. In case of steel, exports have been constantly rising, except for the slight dip in FY20 whereas imports have been declining since FY20. The exports for the current fiscal, i.e., FY22 are expected to surpass that of FY21 (already crossed 70 per cent of FY21) whereas the imports are expected to maintain their declining trend.

This spree of high demand is likely to continue in FY 2022-23 backed by an uptick in the overall consumption; government's efforts to improve infrastructure, coupled with the 'Atmanirbhar Bharat' policy and the Production Linked Incentive (PLI) initiative. Government route for investment on infrastructure and projects such as affordable housing, railway line, metro rail, shipbuilding, oil & gas distribution pipeline projects, etc., should boost steel consumption. Additionally, the government's focus on rural infrastructure projects will also give an impetus to the steel demand. The medium to long term outlook in the Products of the Company remains very encouraging.

RISKS AND CONCERNS

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

Availability of Raw materials like Iron Ore, Coal etc. at

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

Geopolitical conflicts and trade wars between major economies could impact global steel demand and production, leading to a decline in steel demand. Similarly, high cost of iron ore and coal impacting the EBITDA margin. Availability and cost of required grade of Iron ore are impacted by Global movement and parity of landed cost considering price, freight, tariff and exchange rates and also Domestic demand-supply gap, constraints and vendor actions. All these concern as well as Government policies and their impact on raw materials availability are being tracked regularly.

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

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the FY 2021-22 Revenue from Operations stood at ₹ 3,01,737.60 Lacs as against ₹ 2,10,514.42 Lacs during the last FY 2020-21. The Profit before Interest, Depreciation and Taxation stood at ₹ 34,985.99 Lacs as against ₹ 27,807.01 Lacs in the previous year registering a growth

of 25.82 %. The Net Profit after Tax for the year stood at ₹ 17,583.93 Lacs from ₹ 14,786.53 Lacs in the previous year registering a growth of 18.92 %. Standalone Earnings per Share (EPS) stood at ₹ 21.62 (face value of ₹ 10/- each) for the Financial Year ended March 31, 2022.

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

| SEGMENT REVENUE | | | (₹ In lacs) |
|-----------------------------------------|-------------------------------------------|-------------------------------------------|-----------------|
| | For Year ended 31.03.2022 Rs. lakhs | For Year ended 31.03.2021 Rs. lakhs | % age Change |
| Agro | 1,802.34 | 10,252.93 | (82.42%) |
| Steel | 2,99,929.81 | 2,00,217.32 | 49.80% |
| Power | 37,827.89 | 24,774.38 | 52.69% |
| Real Estate | - | 44.17 | (100.00%) |
| Unallocated Other income (Net) | 5,360.80 | 883.45 | 506.80% |
| | 3,44,920.84 | 2,36,172.25 | 46.05% |
| Inter-segment revenue | 37,822.44 | 24,774.38 | 52.67% |
| Total | 3,07,098.40 | 2,11,397.87 | 45.27% |
| SEGMENT RESULTS | | | |
| Agro | (57.25) | 241.94 | (123.66%) |
| Steel | 11,563.39 | 11,194.00 | 3.30% |
| Power | 8,909.79 | 8,735.94 | 1.99% |
| Real Estate | - | - | - |
| Total Segment Result | 20,415.93 | 20,171.88 | 1.21% |
| Interest | 2,046.35 | 2,173.21 | (5.84%) |
| Other unallocated expenses /(income) | (5,360.80) | (883.45) | 506.80% |
| Profit /(Loss) before taxes | 23,730.38 | 18,882.12 | 25.68% |

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

At Gallantt Metal, we believe that to ensure skill development and to be able to face major challenges, we need teams who deliver and who are motivated.

Our human capital is our greatest tool for shaping the future of the Company and is also critical for our smooth functioning. Discovering talented people and retaining them is the key aim of our HR policy. Our people are our greatest strength as a company and the bedrock of our organization. Human Resource is a continuous and ever evolving function at our Company. The Company believes that human resources enable the Company to consistently meet customer requirements and deliver exceptional performance for all stakeholders. The Company continues to maintain its record on cordial industrial relations. The Company continues to invest in people through various initiatives viz. training programmes, upgradation of knowledge etc. which enable the work force to meet out the challenges. As on March 31, 2022, the employee strength of the Company was 2,239.

The Company maintained harmonious industrial relations in all units of the Company during the financial year 2021-22.

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 | 2021-2022 | 2020-2021 | % age varaince | Remarks for varaition more than 25% |
|---------|----------------------------------|-----------|-----------|----------------|-------------------------------------|
| (a) | Current Ratio | 1.81 | 1.78 | 1.60 | Not Applicable |
| (b) | Debt Equity Ratio | 0.291 | 0.281 | 3.45 | Not Applicable |
| (c) | Debt Service Coverage Ratio | 13.63 | 10.91 | 24.89 | Not Applicable |
| (d) | Return on Equity Ratio | 8.82 | 7.76 | 13.62 | Not Applicable |
| (e) | Inventory Turnover Ratio | 38.96 | 34.31 | 13.54 | Not Applicable |
| (f) | Trade Receivables Turnover Ratio | 20.60 | 21.31 | (3.34) | Not Applicable |
| (g) | Trade Payables Turnover Ratio | 21.33 | 20.92 | 1.96 | Not Applicable |
| (h) | Net Capital Turnover Ratio | 7.76 | 6.41 | 21.10 | Not Applicable |
| (i) | Net Profit Ratio | 5.89 | 7.09 | (16.89) | Not Applicable |
| (j) | Return on Capital employed | 11.64 | 10.40 | 11.94 | Not Applicable |

CAUTIONARY STATEMENT

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

Place: Gorakhpur
Date: May 26, 2022

On behalf of the Board

C. P. Agrawal
Chairman

ANNEXURE - VI TO THE DIRECTORS' REPORT

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

CONCEPT & CONTEXT

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

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

CORPORATE SOCIAL RESPONSIBILITY PHILOSOPHY

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

OBJECTIVES OF THE POLICY

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

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

DEFINITIONS

Act means the Companies Act, 2013;

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

Ministry means the Ministry of Corporate Affairs;

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

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

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

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

LIST OF CSR PROJECTS/PROGRAMS/ACTIVITIES

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

The activities involve the following:

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

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

AREA OF ACTIVITY

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

FUNDING AND QUANTUM OF AMOUNT FOR CSR

The Company would spend not less than 2% of the average Net Profits of the Company made during the three immediately preceding financial years. The surplus arising out of the CSR activity will not be part

of business profits of the Company. The corpus would thus include 2% of average net profits, as aforesaid, any income arising there from and surplus arising out of CSR activities.

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

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

THE PROCESS TO MONITOR SUCH PROJECTS OR PROGRAMS

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

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

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

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

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

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

THE PROCEDURES

1. As per the Regulations the Company will set aside,

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

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

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

PLANNING AND IMPLEMENTATION

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

REVIEW AND REPORTING

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

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

AMENDMENTS TO THE POLICY

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

ANNEXURE - VII TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

1. Brief outline on CSR Policy of the Company:

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

1. Promoting education including special education especially among children, women, elderly and the differently abled and livelihood enhancement projects in backward areas;
2. Promoting health care including preventive health care and sanitation and making available safe drinking water;

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

2. Composition of CSR Committee:

| S. N. | Name of Director | Designation / Nature of Directorship | Number of Meetings of CSR Committee held during the year | Number of Meetings of CSR Committee attended during the year |
|-------|-----------------------------|--------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| 1. | Mr. Jyotirindra Nath Dey | Chairman | 2 | 2 |
| 2. | Mr. Chandra Prakash Agrawal | Member | 2 | 1 |
| 3. | Mr. Dinesh R. Agarwal | Member | 2 | 2 |

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

| Sl. No. | Financial Year | Amount available for set-off from preceding financial year | Amount required to be set-off for the financial year, if any |
|---------|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------------|
| | | NIL | |
| 6. | Average net profit of the company as per section 135(5) | | ₹ 17,047.24 Lacs |
| 7. | (a) Two percent of average net profit of the company as per section 135(5) | | ₹ 340.94 lacs |
| | (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. | | ₹ 67.59 lacs |
| | (c) Amount required to be set off for the financial year, if any | | ₹ 35.72 lacs |
| | (d) Total CSR obligation for the financial year (7a+7b-7c). | | ₹ 340.94 lacs |

8. (a) CSR amount spent or unspent for the financial year:

| Total amount spent for the Financial Year | Amount Unspent | | | | |
|-------------------------------------------|-----------------------------------------------------------------------|------------------|-----------------------------------------------------------------------------------------------------|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of Transfer |
| ₹ 305.22 Lacs | - | - | - | - | - |

(b) Details of CSR amount spent against ongoing projects for the financial year: ₹ 225.00 Lacs

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

(₹ in Lacs)

| S.N. | Name of the Project | Item from the List of activities in Schedule VII of the Act | Local Area (Yes / No) | Location of the Project | | Amount spent for the project | Mode of Implementation -Direct (Yes / No) | Mode of Implementation Through implementing Agency | |
|------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------|-----------|------------------------------|-----------------------------------------------------------------------------------|----------------------------------------------------|------------------|
| | | | | State | District | | | Name | CSR Regn. Number |
| 1. | Healthcare | Health and Medical | Yes | Gujarat | Kutch | 0.82 | Yes | N.A. | N.A. |
| 2. | Rural Development | Rural Development Project | Yes | Gujarat | Kutch | 1.50 | No. Rural Development Programme is under taken at Village–Gharana, Kutch, Gujarat | N.A. | N.A. |
| 3. | Healthcare | Health and Medical | Yes | Gujarat | Kutch | 2.51 | Yes | N.A. | N.A. |
| 4. | Rural Development | Rural Development Project | Yes | Gujarat | Kutch | 1.75 | No. Rural Development Programme is under taken at Village–Gharana, Kutch, Gujarat | N.A. | N.A. |
| 5. | Rural Development | Rural Development Project | Yes | Gujarat | Kutch | 0.95 | No. Health and medical support through Municipal Corporation of Surat. | N.A. | N.A. |
| 6. | Rural Development | Rural Development Project | Yes | Gujarat | Kutch | 5.80 | No. Construction of Girls Hostel through Samaj Navnirman Trust, Bhuj, Gujarat | N.A. | N.A. |
| 7. | Healthcare | Purvanchal Gramin Sewa Samiti (donation to Fatima Hospital) for the welfare of general public | Yes | Uttar Pradesh | Gorakhpur | 56.00 | Direct | N.A. | N.A. |
| 8. | Healthcare | Health check-up camp organised in association with Life Care Hospital for the benefit of public | Yes | Uttar Pradesh | Gorakhpur | 0.11 | Direct | N.A. | N.A. |
| 9. | Healthcare | Covid-19 Vaccination camp organised in association with Life Care Hospital for the benefit of public | Yes | Uttar Pradesh | Gorakhpur | 4.43 | Direct | N.A. | N.A. |
| 10. | Healthcare | Blanket distribution camp organised at Gorakhpur and adjacent areas for the benefit of homeless and shelter less in winter. | Yes | Uttar Pradesh | Gorakhpur | 3.59 | Direct | N.A. | N.A. |
| 11. | Cultural | Donation to Govind Bhawan Karyala Geeta Press Rishikesh for the benefit of general public for cultural upliftment of the society. | Yes | Uttar Pradesh | Gorakhpur | 1.00 | Direct | N.A. | N.A. |

| | | | | | | | | | |
|-----|----------|-------------------------------------------------------------------------------------------------------------------|-----|---------------|-----------|------|--------|------|------|
| 12. | Cultural | Donation to Maharshi Vedvyas Pratisthan for the benefit of general public for cultural upliftment of the society. | Yes | Uttar Pradesh | Gorakhpur | 1.00 | Direct | N.A. | N.A. |
| 13. | Cultural | Donation to for upliftment of society at Gorakhpur | Yes | Uttar Pradesh | Gorakhpur | 0.25 | Direct | N.A. | N.A. |
| 14. | Cultural | Donation To Peace, Prosperity & Liberty Trust Gorakhpur for the upliftment of cultural activities | Yes | Uttar Pradesh | Gorakhpur | 0.50 | Direct | 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 | ₹ 305.22 Lacs |

(g) Excess amount for set off, if any

₹ In Lacs

| S.N. | Particulars | Amount |
|-------|-------------------------------------------------------------------------------------------------------------|---------|
| (i) | Two percent of average net profit of the company as per section 135(5) | 340.94 |
| (ii) | Total amount spent for the Financial Year | 305.22 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | (35.72) |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 67.59 |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 31.87 |

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):

₹ In Lacs

| | | |
|------------------------|-------------------------------------------------------------------------------|--------|
| Cost of Equipments | Expenses made in Annapurna Rasoi - Community Kitchen - A mission Food for All | 4.79 |
| Cost of Equipments | Expenses made in Annapurna Rasoi - Community Kitchen - A mission Food for All | 0.38 |
| Cost of Equipments | Expenses made in Annapurna Rasoi - Community Kitchen - A mission Food for All | 4.29 |
| Cost of Equipments | Expenses made in Annapurna Rasoi - Community Kitchen - A mission Food for All | 2.38 |
| Cost of Equipments | Expenses made in Annapurna Rasoi - Community Kitchen - A mission Food for All | 7.42 |
| Cost of Equipments | Expenses made in Annapurna Rasoi - Community Kitchen - A mission Food for All | 2.87 |
| Cost of Equipments | Expenses made in Annapurna Rasoi - Community Kitchen - A mission Food for All | 0.07 |
| Cost of Equipments | Expenses made in Annapurna Rasoi - Community Kitchen - A mission Food for All | 0.38 |
| Expenses in Civil Work | Expenses made in Annapurna Rasoi - Community Kitchen - A mission Food for All | 202.41 |

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

For CSR Committee, GALLANTT METAL LIMITED

Jyotirindra Nath Dey

Chairman of CSR Committee & Director
(DIN: 00180925)

Place: Kolkata

Date: May 26, 2022

ANNEXURE - VIII TO THE DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

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

To

The Members

GALLANTT METAL LIMITED

"GALLANTT HOUSE"

I-7, Jangpura Extension

New Delhi – 110014

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Gallantt Metal Limited [CIN: L27109DL2005PLC350524] (hereinafter called the company). Secretarial Audit was conducted based on records made available to us, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion/understanding thereon.

2. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we, on strength of those records, and information so provided, hereby report that in our opinion and understandings, the Company has, during the audit period covering the financial year ended on March 31, 2022, appears to have complied with the statutory provisions listed hereunder and also in our limited review, that the Company has proper and required Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes' book, forms and returns filed and other records maintained by the Company and made available to us, for the financial year ended on March 31, 2022 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 Bombay Stock Exchange Limited and National Stock Exchange of India Limited pursuant to the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015;

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

We further report that:

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

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

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

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

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

There are no other specific events/actions in pursuance of the above referred laws, rules, regulations guidelines etc., having a major bearing on the Company's Affairs.

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

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

We further report that during the audit period:

We further report that during the audit year the Company has not held any Extra-ordinary General Meetings (EGM). However, during the audit year the Company has held separate Meetings of Secured and Unsecured Creditors and Shareholders on April 08, 2021 in accordance with and pursuant to the application filed with the Honorable National Company Law Tribunal, New Delhi Bench in connection with Scheme of Amalgamation and Slump Sale

providing for Slump Sale of 18 MW Power Plant of Gallantt Ispat Limited to Gallantt Metal Limited and thereafter Amalgamation of Gallantt Ispat Limited (Transferor Company No. 1 or GIL), AAR Commercial Company Limited (Transferor Company No. 2 or AAR), Hipoline Commerce Private Limited (Transferor Company No. 3 or HIPOLINE), Lexi Exports Private Limited (Transferor Company No. 4 or LEXI) and Richie Credit and Finance Private Limited (Transferor Company No. 5 or RICHIE) (together referred to as the "Transferor Companies") with Gallantt Metal Limited ("Transferee Company" or "GML") and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 (hereinafter referred to as the "Scheme").

Mr. Somnath Gangopadhyay was appointed as the Chairperson and Ms. Aisha Amin as Alternate Chairperson. Further, Mr. Tanmay Kumar Saha was appointed as the Scrutinizer of the meetings.

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

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

Anurag Fatehpuria
Company Secretary

Place: Kolkata

Date: 26th May, 2022

UDIN: A034471D000393236

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

Annexure A

To

The Members,

GALLANTT METAL LIMITED

Our report of even date 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 process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. Due to COVID 19 pandemic, the aforesaid Audit has been conducted partially physically and partially through electronic communication in the best possible manner in the prevailing situation.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, and authorised representatives during the conduct of the audit and also on the review of quarterly compliance report issued by the respective departmental heads/ Company Secretary/ Managing Director & CEO, and taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour Laws & Environment Laws.
8. We further report that the Compliance by the Company of applicable Financial Laws like Direct & Indirect Tax Laws has not been reviewed in this audit since the same has been subject to review by the statutory financial 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 3 March 31, 2022 but before issue of the Report.

Anurag Fatehpuria
Company Secretary

Place: Kolkata

Date: May 26, 2022

ACS 34471; CP No. 12855
UDIN: A034471D000393236

ANNEXURE - IX TO THE DIRECTORS' REPORT

BUSINESS RESPONSIBILITY STATEMENT (Part of the Directors Report) Annual Report 2021-22

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

(₹ In Lacs)

| | | |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Corporate Identity Number (CIN) of the Company | L27109DL2005PLC350524 |
| 2 | Name of the Company | GALLANTT METAL LIMITED |
| 3 | Registered address | "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi - 110014. |
| 4 | Website | www.gallantt.com |
| 5 | E-mail id | csgml@gallantt.com |
| 6 | Financial Year reported | 2021-22 |
| 7 | Sector(s) that the Company is engaged in (industrial activity code-wise) | Iron & Steel and Power |
| 8 | List three key products/services that the Company manufactures/provides (as in balance sheet) | Iron & Steel and Power |
| 9 | Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations | Post amalgamation Company now has two plants – One plant of Steel Unit is located at Village – Samakhali, Taluka – Bhachau, District – Kutch, Gujarat AND One plant of Steel and Agro Unit is located at "Plot No. AL – 5, Sector – 23, Gorakhpur Industrial Development Authority (GIDA), Sahjanwa, Gorakhpur – 273209, Uttar Pradesh Registered Office at "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014. Corporate Office at 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069, West Bengal. Head Office at "GALLANTT LANDMARK", AD Tower Compound, Bank Road, Gorakhpur – 273001, Uttar Pradesh |
| 10 | Markets served by the Company – Local/ State/National/International | Local/State/National |

SECTION B: FINANCIAL DETAILS OF THE COMPANY

| | |
|-----------------------------------------------------------------------------------------------|---------------------------------------------------------|
| Paid up Capital (INR) | 81,32,23,240/- |
| Total Turnover (INR) | 3,01,737.60 |
| Total profit after taxes (INR) | 17,583.93 |
| Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) | Please refer annexure to the Board Report regarding CSR |
| List of activities in which expenditure in 4 above has been incurred. | Please refer annexure to the Board Report regarding CSR |

SECTION C: OTHER DETAILS

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

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

2. Details of BR Head

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

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

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

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

4. Governance related to BR

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

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

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1

ETHICS, TRANSPARENCY AND ACCOUNTABILITY

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

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

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

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

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

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

PRINCIPLE 2

PRODUCT LIFE CYCLE SUSTAINABILITY

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

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

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

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

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

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

Our product movements to consumers take place through rail and roadways. The environmental impacts like dust emission during transportation of coal, iron ore, lime etc., final products and

road dust etc. have been identified. All safety and environmental protocols are followed and proper training is provided for handling. At material handling areas for coal and iron ore, new technologies are installed with proper water sprinklers. Ore transport from the railways to the factory point is carried out through trucks with properly covered to ensure no spillage and dust generation.

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

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

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

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

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

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

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

PRINCIPLE 3: EMPLOYEE WELL-BEING

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

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

| | | |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| 1. | Please indicate the Total number of employees. | 2,239 |
| 2. | Please indicate the Total number of employees hired on temporary/contractual/casual basis. | 677 |
| 3. | Please indicate the Number of permanent women employees. | 25 |
| 4. | Please indicate the Number of permanent employees with disabilities. | 15 |
| 5. | Do you have an employee association that is recognized by management? | N.A. |
| 6. | What percentage of your permanent employees is members of this recognized employee association? | NIL |
| 7. | Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year. | NIL |
| 8. | What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? | |
| | (a) Permanent Employees | 100% employees (in-house/on the Job Training) |
| | (b) Permanent Women Employees | 100% employees (in-house/on the Job Training) |
| | (c) Casual/Temporary/Contractual Employees | 100% employees (in-house/on the Job Training) |
| | (d) Employees with Disabilities | Not applicable |

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

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

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

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

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

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

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

Principle 5: HUMAN RIGHTS**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures /Suppliers /Contractors /NGOs/ Others?**

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

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

Gallantt Metal Limited has received no such complaint pertaining to sexual harassment during the reporting year 2021-22.

global warming, etc.

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

3. Potential environmental risks

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

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

Not undertaken.

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

Yes, all emission/waste generated by the Company are within the permissible limits given by CPCB/SPCB in 2021-22.

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

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

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

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

No show cause notices from SPCB or CPCB are pending as at end of the financial year 2021-22.

PRINCIPLE 7:

POLICY ADVOCACY

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

Yes, Gallantt Metal Limited is a member of 4 industrial and trade bodies. The Company is most actively engaged with the following:

- a. The Gandhidham Chamber of Commerce & Industry
- b. Gandhidham Federation of Kutch Industries Association, Bhuj
- c. Chamber of Industries, Gorakhpur
- d. Indian Industries Association, Lucknow

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

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

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

PRINCIPLE 8:

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

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

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

agencies will be taken subject to their expertise.

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

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

The Company is socially committed to focus these areas:

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

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

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

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

PRINCIPLE 9:

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

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

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

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

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

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

No case has been filed by stakeholders against the Company regarding unfair trade practices, irresponsible advertising and anti-competitive behaviour during the last five years. Therefore, no such cases remain pending as on the end of the financial year 2021-22.

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

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

Place: Gorakhpur
Date: May 26, 2022

On behalf of the Board
C. P. Agrawal
Chairman

ANNEXURE - X TO THE DIRECTORS' REPORT

Form No. MGT - 9

Extract of Annual Return

as on the financial period ended on 31st March 2022

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sr. No. | Name and Description of Main Product / Services | NIC Code of the Product | % to total turnover of the Company |
|---------|-------------------------------------------------|-------------------------|------------------------------------|
| 1 | Steel | 2410 | 86.96 |
| 2 | Power* | 3510 | 10.97 |

*Inter Segment

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

Amalgamated with Gallantt Metal Limited vide orders dated September 22, 2021 and May 20, 2022 passed by Hon'ble National Company Law Tribunal, Kolkata Bench and Hon'ble National Company Law Tribunal, New Delhi Bench.

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

A. Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the Year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|------------------------------------------------------------|-------------------------------------------------|----------|-----------------|-------------------|-------------------------------------------|----------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. PROMOTERS | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual / HUF | 6120666 | 0 | 6120666 | 7.526 | 6133166 | 0 | 6133166 | 7.542 | 0.016 |
| b) Central Government | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Government | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corporate | 48546023 | 0 | 48546023 | 59.696 | 48546023 | 0 | 48546023 | 59.696 | 0.000 |
| e) Banks / Financial Institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A)(1) | 54666689 | 0 | 54666689 | 67.222 | 54679189 | 0 | 54679189 | 67.238 | 0.016 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks / Financial Institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A)(2) | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0.000 | 0.000 |
| Total Shareholding of Promoter (A) = (A) (1)+(A)(2) | 54666689 | 0 | 54666689 | 67.222 | 54679189 | 0 | 54679189 | 67.238 | 0.016 |
| B. PUBLIC SHAREHOLDING | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks / Financial Institutions | 0 | 0 | 0 | 0.000 | 0 | 0 | 0 | 0 | 0.000 |
| c) Central Governments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Governments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) Foreign Institutional Investors (FII) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (Specify) – Foreign Portfolio Investment | 0 | 0 | 0 | 0 | 78243 | 0 | 78243 | 0.096 | 0.096 |
| Alternate Investment Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1) | 0 | 0 | 0 | 0.000 | 78243 | 0 | 78243 | 0.096 | 0.096 |
| (2) Non-Institutions | | | | | | | | | |
| a) Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Indian | 19093518 | 0 | 19093518 | 23.479 | 18593155 | 0 | 18593155 | 22.864 | (0.615) |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 lacs | 3257109 | 31 | 3257140 | 4.005 | 3815232 | 31 | 3815263 | 4.692 | 0.687 |
| ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lacs | 4127023 | 0 | 4127023 | 5.075 | 4037546 | 0 | 4037546 | 4.965 | (0.11) |
| c) Others Specify | | | | | | | | | |
| 1. NRI | 144612 | 0 | 144612 | 0.178 | 83036 | 0 | 83036 | 0.102 | (0.076) |
| 2. Overseas Corporate Bodies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Clearing Members | 33342 | 0 | 33342 | 0.041 | 35892 | 0 | 35892 | 0.044 | (0.003) |
| 5. Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Foreign Bodies - D.R. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(2) | 26655604 | 31 | 26655635 | 32.778 | 26564861 | 31 | 26564892 | 32.666 | (0.112) |
| Total Public Shareholding (B) = (B)(1)+(B)(2) | 26655604 | 31 | 26655635 | 32.778 | 26643104 | 31 | 26643135 | 32.762 | 0.016 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| GRAND TOTAL (A+B+C) | 81322293 | 31 | 81322324 | 100.000 | 81322293 | 31 | 81322324 | 100.000 | 0.000 |

B. Shareholding of Promoters

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % of change in shareholding during the year |
|--------|-----------------------------------|-------------------------------------------|----------------------------------|------------------------------------------------|-------------------------------------|----------------------------------|------------------------------------------------|---------------------------------------------|
| | | No. of Shares | % of total shares of the company | % of Shares Pledged/encumbered to total shares | No. of Shares | % of total shares of the company | % of Shares Pledged/encumbered to total shares | |
| 1 | ANUPAM AGARWAL | 8896 | 0.011 | 0.000 | 8896 | 0.011 | 0.000 | 0.000 |
| 2 | ASHU GOEL | 0 | 0.000 | 0.000 | 0 | 0.000 | 0.000 | 0.000 |
| 3 | ASHUTOSH AGARWAL | 178591 | 0.220 | 0.000 | 178591 | 0.220 | 0.000 | 0.000 |
| 4 | BRIJ MOHAN JOSHI | 2500 | 0.003 | 0.000 | 2500 | 0.003 | 0.000 | 0.000 |
| 5 | CHANDRA PRAKASH AGARWAL | 2800000 | 3.443 | 100.000 | 2800000 | 3.443 | 10.714 | 0.000 |
| 6 | DINESH KUMAR AGARWAL | 2307251 | 2.837 | 9.102 | 2307251 | 2.837 | 9.102 | 0.000 |
| 7 | GALLANTT ISPAT LIMITED | 39462895 | 48.527 | 0.000 | 39462895 | 48.527 | 0.000 | 0.000 |
| 8 | HIPOLINE COMMERCE PRIVATE LIMITED | 9083128 | 11.169 | 0.000 | 9083128 | 11.169 | 0.000 | 0.000 |
| 9 | KARUNA JINDAL | 5000 | 0.006 | 0.000 | 4000 | 0.005 | 0.000 | 0.001 |
| 10 | KUSUM DEVI JALAN | 19661 | 0.024 | 0.000 | 19661 | 0.024 | 0.000 | 0.000 |
| 11 | NARAIN PRASAD AJITSARIA | 2500 | 0.003 | 0.000 | 2500 | 0.003 | 0.000 | 0.000 |
| 12 | NARESH CHANDRA AGARWAL | 0 | 0.000 | 0.000 | 0 | 0.000 | 0.000 | 0.000 |

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % of change in shareholding during the year |
|--------|---------------------------|-------------------------------------------|----------------------------------|------------------------------------------------|-------------------------------------|----------------------------------|------------------------------------------------|---------------------------------------------|
| | | No. of Shares | % of total shares of the company | % of Shares Pledged/encumbered to total shares | No. of Shares | % of total shares of the company | % of Shares Pledged/encumbered to total shares | |
| 13 | NIDHI JALAN | 24500 | 0.030 | 0.000 | 24500 | 0.030 | 0.000 | 0.000 |
| 14 | NITIN KANDOI | 10500 | 0.013 | 4.762 | 10500 | 0.013 | 4.762 | 0.000 |
| 15 | OM PRAKASH JALAN | 49279 | 0.061 | 0.000 | 65279 | 0.080 | 0.000 | 0.019 |
| 16 | PREM PRAKASH AGRAWAL | 15995 | 0.020 | 0.000 | 15995 | 0.020 | 0.000 | 0.000 |
| 17 | PREM PRAKASH AGRAWAL HUF | 32500 | 0.040 | 0.000 | 32500 | 0.040 | 0.000 | 0.000 |
| 18 | PRIYA SARAFF | 100000 | 0.123 | 0.000 | 100000 | 0.123 | 0.000 | 0.000 |
| 19 | PRIYANKA DAS | 4898 | 0.006 | 0.000 | 4898 | 0.006 | 0.000 | 0.000 |
| 20 | SANTOSH KUMAR AGRAWAL | 105247 | 0.129 | 0.000 | 105247 | 0.129 | 0.000 | 0.000 |
| 21 | SANTOSH KUMAR AGRAWAL HUF | 110000 | 0.135 | 0.000 | 110000 | 0.135 | 0.000 | 0.000 |
| 22 | SHARDA DEVI JALAN | 2500 | 0.003 | 0.000 | 0 | 0.000 | 0.000 | (0.003) |
| 23 | SHRUTI KANDOI | 17056 | 0.021 | 0.000 | 17056 | 0.021 | 0.000 | 0.000 |
| 24 | SHYAMA AGRAWAL | 190000 | 0.234 | 0.000 | 190000 | 0.234 | 0.000 | 0.000 |
| 25 | SMRITI AGARWAL | 10000 | 0.012 | 0.000 | 10000 | 0.012 | 0.000 | 0.000 |
| 26 | SUBODH KUMAR JALAN | 10000 | 0.012 | 0.000 | 10000 | 0.012 | 0.000 | 0.000 |
| 27 | SUMESH KUMAR AGARWAL | 100000 | 0.0123 | 0.000 | 100000 | 0.0123 | 0.000 | 0.000 |
| 28 | UMA AGARWAL | 13792 | 0.017 | 0.000 | 13792 | 0.017 | 0.000 | 0.000 |
| | TOTAL | 54666689 | 67.222 | 0.934 | 54679189 | 67.238 | 0.941 | 0.016 |

C. Change in Promoter's Shareholding

| Sl. No. | Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----------|---------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | ANUPAM AGARWAL | | | | |
| | a) At the Beginning of the Year | 8896 | 0.011 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 8896 | 0.011 |
| 2 | ASHU GOEL | | | | |
| | a) At the Beginning of the Year | 0 | 0.000 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 0 | 0.000 |
| 3 | ASHUTOSH AGRAWAL | | | | |
| | a) At the Beginning of the Year | 178591 | 0.220 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 178591 | 0.220 |
| 4 | BRIJ MOHAN JOSHI | | | | |
| | a) At the Beginning of the Year | 2500 | 0.003 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 2500 | 0.003 |

| Sl. No. | Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----------|------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 5 | CHANDRA PRAKASH AGRAWAL | | | | |
| | a) At the Beginning of the Year | 2800000 | 3.443 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 2800000 | 3.443 |
| 6 | DINESH KUMAR AGARWAL | | | | |
| | a) At the Beginning of the Year | 2307251 | 2.837 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 2307251 | 2.837 |
| 7 | GALLANTT ISPAT LIMITED | | | | |
| | a) At the Beginning of the Year | 39462895 | 48.527 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 39462895 | 48.527 |
| 8 | HIPOLINE COMMERCE PRIVATE LIMITED | | | | |
| | a) At the Beginning of the Year | 9083128 | 11.169 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 9083128 | 11.169 |
| 9 | KARUNA JINDAL | | | | |
| | a) At the Beginning of the Year | 5000 | 0.006 | | |
| | b) Changes during the year | | | | |
| | Date Reason | | | | |
| | 14/05/2021 Transfer | -1000 | 0.001 | 4000 | 0.005 |
| | c) At the End of the Year | | | 4000 | 0.005 |
| 10 | KUSUM DEVI JALAN | | | | |
| | a) At the Beginning of the Year | 19661 | 0.024 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 19661 | 0.024 |
| 11 | NARAIN PRASAD AJITSARIA | | | | |
| | a) At the Beginning of the Year | 2500 | 0.003 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 2500 | 0.003 |
| 12 | NARESH CHANDRA AGARWAL | | | | |
| | a) At the Beginning of the Year | 0 | 0.000 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 0 | 0.000 |
| 13 | NIDHI JALAN | | | | |
| | a) At the Beginning of the Year | 24500 | 0.030 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 24500 | 0.030 |

| Sl. No. | Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----------|----------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 14 | NITIN KANDOI | | | | |
| | a) At the Beginning of the Year | 10500 | 0.013 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 10500 | 0.013 |
| 15 | OM PRAKASH JALAN | | | | |
| | a) At the Beginning of the Year | 49279 | 0.061 | | |
| | b) Changes during the year | | | | |
| | Date Reason | | | | |
| | 23/10/2020 Transfer | 16000 | 0.020 | 65279 | 0.080 |
| | c) At the End of the Year | | | 65279 | 0.080 |
| 16 | PREM PRAKASH AGRAWAL | | | | |
| | a) At the Beginning of the Year | 15995 | 0.020 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 15995 | 0.020 |
| 17 | PREM PRAKASH AGRAWAL HUF | | | | |
| | a) At the Beginning of the Year | 32500 | 0.040 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 32500 | 0.040 |
| 18 | PRIYA SARAFF | | | | |
| | a) At the Beginning of the Year | 100000 | 0.123 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 100000 | 0.123 |
| 19 | PRIYANKA DAS | | | | |
| | a) At the Beginning of the Year | 4898 | 0.006 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 4898 | 0.006 |
| 20 | SANTOSH KUMAR AGRAWAL | | | | |
| | a) At the Beginning of the Year | 105247 | 0.129 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 105247 | 0.129 |
| 21 | SANTOSH KUMAR AGRAWAL HUF | | | | |
| | a) At the Beginning of the Year | 110000 | 0.135 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 110000 | 0.135 |
| 22 | SHARDA DEVI JALAN | | | | |
| | a) At the Beginning of the Year | 2500 | 0.003 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 2500 | 0.003 |
| 23 | SHRUTI KANDOI | | | | |
| | a) At the Beginning of the Year | 17056 | 0.021 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 17056 | 0.021 |

| Sl. No. | Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----------|---------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 24 | SHYAMA AGRAWAL | | | | |
| | a) At the Beginning of the Year | 190000 | 0.234 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 190000 | 0.234 |
| 25 | SMRITI AGARWAL | | | | |
| | a) At the Beginning of the Year | 10000 | 0.012 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 10000 | 0.012 |
| 26 | SUBODH KUMAR JALAN | | | | |
| | a) At the Beginning of the Year | 10000 | 0.012 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 10000 | 0.012 |
| 27 | SUMESH KUMAR AGARWAL | | | | |
| | a) At the Beginning of the Year | 100000 | 0.123 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 100000 | 0.123 |
| 28 | UMA AGARWAL | | | | |
| | a) At the Beginning of the Year | 13792 | 0.017 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 13792 | 0.017 |
| | TOTAL | 54666689 | 67.222 | 54679189 | 67.238 |

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

| Sl. No. | Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----------|---------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | AGARWAL MUKESH KUMAR | | | | |
| | a) At the Beginning of the Year | 388603 | 0.478 | | |
| | b) Changes during the year | | | | |
| | Date Reason | | | | |
| | 21/01/2022 Transfer | 97 | 0.000 | 388700 | 0.478 |
| | c) At the End of the Year | | | 388700 | 0.478 |
| 2 | ANSH OVERSEAS PRIVATE LIMITED | | | | |
| | a) At the Beginning of the Year | 556535 | 0.684 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 556535 | 0.684 |
| 3 | ASHU AGRAWAL | | | | |
| | a) At the Beginning of the Year | 250776 | 0.308 | | |
| | b) Changes during the year | | | | |
| | Date Reason | | | | |
| | 14/05/2021 Transfer | -20000 | 0.025 | 230776 | 0.284 |
| | 30/07/2021 Transfer | -1776 | 0.002 | 229000 | 0.282 |
| | c) At the End of the Year | | | 229000 | 0.282 |
| 4 | JAI LAKSHMI SOLVENTS PRIVATE LIMITED | | | | |
| | a) At the Beginning of the Year | 598795 | 0.736 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 598795 | 0.736 |
| 5 | LEXI EXPORTS PVT LTD | | | | |
| | a) At the Beginning of the Year | 11930679 | 14.671 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 11930679 | 14.671 |
| 6 | NAJMUDDIN GULAMHUSEIN KHERAJ | | | | |
| | a) At the Beginning of the Year | 400000 | 0.492 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 400000 | 0.492 |
| 7 | NIHON IMPEX PRIVATE LIMITED | | | | |
| | a) At the Beginning of the Year | 635674 | 0.782 | | |
| | b) Changes during the year | | | | |
| | Date Reason | | | | |
| | 02/07/2021 Transfer | -26563 | 0.033 | 609111 | 0.749 |
| | 09/07/2021 Transfer | -212564 | 0.261 | 396547 | 0.488 |
| | 16/07/2021 Transfer | -11657 | 0.014 | 384890 | 0.473 |
| | 30/07/2021 Transfer | -61000 | 0.075 | 323890 | 0.398 |
| | 06/08/2021 Transfer | -91095 | 0.112 | 232795 | 0.286 |
| | 15/10/2021 Transfer | -42795 | 0.053 | 190000 | 0.234 |
| | c) At the End of the Year | | | 190000 | 0.234 |

| Sl. No. | Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----------|--------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 8 | RAGHUBIR PRASAD AGARWALLA | | | | |
| | a) At the Beginning of the Year | 247916 | 0.305 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 247916 | 0.305 |
| 9 | RICHIE CREDIT AND FINANCE PRIVATE LIMITED | | | | |
| | a) At the Beginning of the Year | 5020194 | 6.173 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 5020194 | 6.173 |
| 10 | SANJAY AGRAWAL | | | | |
| | a) At the Beginning of the Year | 296162 | 0.364 | | |
| | b) Changes during the year | | | | |
| | Date Reason | | | | |
| | 14/05/2021 Transfer | -26000 | 0.032 | 361068 | 0.444 |
| | 21/05/2021 Transfer | -1354 | 0.002 | 359714 | 0.442 |
| | 18/06/2021 Transfer | -1500 | 0.002 | 358214 | 0.440 |
| | 20/08/2021 Transfer | -1080 | 0.001 | 357134 | 0.439 |
| | 18/03/2022 Transfer | 4015 | 0.005 | 361149 | 0.444 |
| | c) At the End of the Year | | | 361149 | 0.444 |
| | TOTAL | 20416240 | 25.105 | 19922968 | 24.499 |

E. Shareholding of Directors and Key Managerial Personnel

| Sl. No. | Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----------|---------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | CHANDRA PRAKASH AGRAWAL | | | | |
| | a) At the Beginning of the Year | 2800000 | 3.443 | | |
| | b) Changes during the year | | | | |
| | c) At the End of the Year | | | 2800000 | 3.443 |
| 2 | DINESH KUMAR AGARWAL | | | | |
| | a) At the Beginning of the Year | 2307251 | 2.837 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 2307251 | 2.837 |
| 3 | NITIN KANDOI | | | | |
| | a) At the Beginning of the Year | 10500 | 0.013 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 10500 | 0.013 |
| 4 | SANDIP KUMAR AGARWAL | | | | |
| | a) At the Beginning of the Year | 9396 | 0.012 | | |
| | b) Changes during the year | [NO CHANGES DURING THE YEAR] | | | |
| | c) At the End of the Year | | | 9396 | 0.012 |

| Sl. No. | Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----------|---------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 5 | ARNAB BANERJI | | | | |
| | 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 |
| | TOTAL | 5127147 | 6.305 | 5127147 | 6.305 |

V. INDEBTEDNESS

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

| Particulars | Amount in lacs | | | |
|-----------------------------------------------------|--------------------------------------|-------------------|----------|-----------------------|
| | Secured Loan excluding Deposit | Unsecured Loan | Deposit | Total Indebtedness |
| Indebtedness at the beginning of the financial year | | | | |
| (i) Principal Amount | 10,115.84 | 28,717.39 | - | 38,833.23 |
| (ii) Interest due but not paid | - | - | - | - |
| (iii) Interest accrued but not due | - | - | - | - |
| Total (1+2+3) | 10,115.84 | 28,717.39 | - | 38,833.23 |
| Change in Indebtedness during the Financial Year | | | | |
| • Addition | 6,633.84 | 0.00 | - | 6,633.84 |
| • Reduction | - | 6,811.26 | - | (6,811.26) |
| Net Change | 6,633.84 | (6,811.26) | - | (177.42) |
| Indebtedness at the end of the financial year | | | | |
| (i) Principal Amount | 16,749.68 | 21,906.14 | - | 38,655.82 |
| (ii) Interest due but not paid | - | - | - | - |
| (iii) Interest accrued but not due | - | - | - | - |
| Total (1+2+3) | 16,749.68 | 21,906.14 | - | 38,655.82 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Lacs)

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/Manager | | | | Total Amount |
|----------|-------------------------------------------------------------------------------------|-------------------------|-------------------|-----------------|----------------|---------------|
| | | Chandra Prakash Agrawal | Dinesh R. Agarwal | Nitin M. Kandoi | Prashant Jalan | |
| 1 | Gross Salary | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | 61.20 | 25.20 | 36.00 | 7.04 | 129.44 |
| | (b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961 | NIL | NIL | NIL | NIL | NIL |
| 2 | Commission | NIL | NIL | NIL | NIL | NIL |
| 3 | Others – Remuneration benefits | NIL | NIL | NIL | NIL | NIL |
| | Total (A) | 61.20 | 25.20 | 36.00 | 7.04 | 129.44 |

B. Remuneration to Other Directors (All being Independent)

| S.N. | Particulars of Remuneration | Name of Directors | | | | | Total Amount |
|------|---------------------------------------------|-------------------|-----------|--------------|---------------|-----------------------------|--------------|
| | | Nitin M. Kandoi | J. N. Dey | Udit Agarwal | Nishi Agrawal | Ashtbhuja Prasad Srivastava | |
| 1 | Fees for attending Board/Committee Meetings | 1.10 | 1.15 | 0.35 | 0.75 | 0.90 | 4.25 |
| 2 | Commission | NIL | NIL | NIL | NIL | NIL | NIL |
| 3 | Others | NIL | NIL | NIL | NIL | NIL | NIL |

C. Remuneration to Key Managerial Personnel

| S. N. | Particulars of Remuneration | Particulars of Remuneration | | Total Amount |
|-------|-----------------------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------|---------------|
| | | Gross Salary | | |
| | | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | Value of perquisites u/s. 17(2) of the IncomeTax Act, 1961 | |
| | Name of Key Managerial Personnel | | | |
| 1 | Mayank Agrawal | 18.00 | NIL | 18.00 |
| 2 | Sandip Kumar Agarwal | 17.53 | NIL | 17.53 |
| 3 | Nitesh Kumar | 19.05 | NIL | 19.05 |
| 4 | Amit Jalan | 12.65 | NIL | 12.65 |
| 5 | Arnab Banerji | 5.70 | NIL | 5.70 |
| 6 | P.P. Agrawal | 36.00 | NIL | 36.00 |
| 7 | S.K. Agrawal | 36.00 | NIL | 36.00 |
| | Total | 144.93 | NIL | 144.93 |

VII. PENALTIES / PUNISHMENT/COMPOUNDING DURING THE FINANCIAL YEAR

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

REPORT ON CORPORATE GOVERNANCE

1. CORPORATE OVERNANCE PHILOSOPHY

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

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

2. BOARD OF DIRECTORS

2.1 Composition

The Company's Board has an optimum combination of Executive and Non-Executive Directors including a Woman Director. The Board is responsible for the management of the affairs of the Company.

The Company has a very balanced and diverse Board of Directors, which primarily takes care of the business needs and stakeholders' interest. The Non-Executive Directors including Independent

Directors on the Board are experienced, competent and highly renowned persons having requisite qualifications and experience in general corporate management, operations, strategy, governance etc. They actively participate at the Board and Committee meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc.

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

As on March 31, 2022, your Company's Board comprised of 8 Directors (out of which 62.50% of the Directors are Non-Executive including Independent Directors) with Mr. Chandra Prakash Agrawal as Executive Chairman. All Directors are resident Directors.

The composition of the Board as on March 31, 2022 is as follows:

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

| | Names of the Director | % to the total number of Directors |
|-----|-----------------------------------------------|------------------------------------|
| I) | Independent Director | 50% |
| | Mr. Jyotirindra Nath Dey | |
| | Mr. Ashtbhuja Prasad Srivastava | |
| | Mr. Dindayal Jalan* | |
| | Mrs. Nishi Agrawal | |
| | Mr. Udit Agarwal* | |
| II | Non-Executive Non-Independent Director | 12.5% |
| | Mr. Nitin Mahavir Prasad Kandoi | |
| III | Executive Director | 37.5% |
| | Mr. Chandra Prakash Agrawal | |
| | Mr. Dinesh R. Agarwal | |
| | Mr. Prashant Jalan | |

* Mr. Dindayal Jalan, Independent Director of the Company has tendered his resignation from the Directorship of the Company with effect from April 12, 2021. The Board has placed on record its deep appreciation for the invaluable support and guidance received from Mr. Dindayal Jalan during his association as a Non-Executive Independent Director of the Company. Further, Mr. Udit Agarwal (DIN: 07036864) was appointed as an Additional Non-executive Independent Director of the Company effective from June 29, 2021. His appointment has been affirmed by the Shareholders in the 17th Annual General Meeting of the Company held on August 31, 2021.

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

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

None of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian Public

Companies in which he/she is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors.

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

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

| Name of Director | Expertise in specific functional area |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr. Chandra Prakash Agrawal | Mr. Chandra Prakash Agrawal is a Bachelor of Commerce from Gorakhpur University having multifunctional experience of more than three decades. He was the prime mover of the exponential growth of Gallantt Metal Limited. He has been deeply involved with the manufacturing process and has progressively added production capacity. He spearheaded the marketing initiatives personally building brand Gallantt that undisputedly commands the market specifically in Uttar Pradesh. His finance, taxation, accounting, investor relations and corporate affairs involvement is phenomenal. The charismatic leadership, personal drive and strategic thinking of Mr. Chandra Prakash Agrawal has rallied our Company to attain market leadership in a very short period of time, in the state of U.P., Bihar and Delhi. In his term of office spanning 16 years, Mr. Chandra Prakash Agrawal has contributed extensively towards the growth of the Company and has been actively responsible for the installation, implementation and functioning of units of the project of the Company and attainment of the highest standards of quality. By focussing on key areas such as Finance, ERP implementation, Value Engineering, Process Documentation, Environment Health and Safety measures, he has significantly strengthened the foundation of the Company. The turnover of the Company has increased considerably under his guidance. |
| Mr. Dinesh Raghubir Prasad Agarwal | He is a Promoter of the Company and has an overall experience of 30 years. Over the period he has understood the business techniques in the field of Production, Purchase and Marketing etc. 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. His area of job is diversified and looking after factory operation of the Company |
| Mr. Prashant Jalan | Mr. Prashant Jalan supervises the operation and functioning of steel and power-plants, besides he supervises the functioning of various departments in the organization such as Estimation, Human Resources, Purchase, Supply Chain and logistics. |
| Mr. Nitin Mahavir Prasad Kandoi | 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. |

| Name of Director | Expertise in specific functional area |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr. Dindayal Jalan* | Mr. Dindayal Jalan is a Chartered Accountant and has vast expertise of over 40 years in financial management, corporate negotiations, financial control, business planning, due diligence, business development, treasury, capital raising, business structuring, investor relations, commercial, taxation, people development and strategic planning. |
| Mr. Ashtbhuja Prasad Srivastava | Mr. Ashtbhuja Prasad Srivastava has been an officer of Indian Revenue Service (IRS), 1976 batch. Being in the post of Chief Commissioner, Income Tax Mr. Ashtbhuja Prasad Srivastava has a vast experience of 37 years in the field of finance, accounts, taxation and audit. He has the expertise to formulate effective strategies, innovative tax planning and effectively manage compliance of taxation law. |
| Mr. Jyotirindra Nath Dey | Mr. Jyotirindra Nath Dey is an Electrical Engineer having experience of over 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 any many more. |
| Mrs. Nishi Agrawal | Mrs. Nishi Agrawal, aged about 35 years has more than 6 years of rich and varied expertise in the upliftment of education and social and environmental activities. At present she is associated with Bharat Vikas Parishad which is an unique social organisation engaged in various social activities and projects. Mrs. Agrawal has vast experience in natural science and naturopathy. Her continuing guidance will be very valuable to the company will undoubtedly prove to be an advantage to our organization. |
| Mr. Udit Agrawal | Mr. Udit Agarwal, aged about 34 years, is a qualified Company Secretary and LLB with over 5 years of work experience in finance, accounts and law. He possesses vast experience in the field of finance, accounts and corporate law matters. |

* Resigned w.e.f. April 12, 2021

2.2 Appointment of Directors

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

2.3 Meetings and Attendance

During the financial year 2021-22, Six Board Meetings were held. These were held on 29.06.2021, 07.08.2021, 28.09.2021, 13.11.2021, 14.02.2022 and 31.03.2022. The maximum time gap between any two board meetings was less than 120 days.

2.4 Changes during the Year

Mr. Dindayal Jalan tendered his resignation from the Directorship of the Company effective from April 12, 2021. Mr. Udit Agarwal has been appointed on the Board of the Company effective from June 29, 2021. Appointment of Mr. Udit Agarwal has already been affirmed/regularised by the Shareholders at the Annual General Meeting of the Company held on August 31, 2021.

2.5 Re-appointment of Directors Proposed at upcoming AGM:

In terms Section 152 of the Companies Act, 2013, Mr. Dinesh R. Agarwal (DIN: 01017125), Director of the Company is liable to retire by rotation and is eligible for re-appointment at the forthcoming Annual General Meeting.

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

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

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 18th 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, 2022 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 (31/08/2021) Attended | No. of Board Meetings Attended out of 6 meetings held during the year | No. of other directorships in public companies as on 31/03/2022 | No. of other Board Committees in which he is a member or Chairperson (Other than Gallantt Metal) As on 31/03/2022 | |
|---------------------------------------------------------------------------|-----------------------------|---------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|--------|
| | | | | | Chairman | Member |
| Mr. Chandra Prakash Agrawal, Chairman & Managing Director (DIN: 01814318) | Executive/ Promoter | Yes | 6 | 1 | Nil | Nil |
| Mr. Dinesh R. Agarwal, Whole-time Director (DIN: 01017125) | Executive/ Promoter | Yes | 6 | 1 | Nil | Nil |
| Mr. Prashant Jalan Whole-time Director (DIN: 06619739) | Executive / Non - Promoter | No | 6 | Nil | Nil | Nil |
| Mr. Nitin Mahavir Prasad Kandoi Whole-time Director (DIN: 01979952) | Non- Executive/ Promoter | Yes | 6 | Nil | Nil | Nil |
| Mr. Dindayal Jalan* Director (DIN:00006882) | Non- Executive/ Independent | N.A. | - | - | - | - |
| Mr. Ashtbhuja Prasad Srivastava Director (DIN: 08434115) | Non- Executive/ Independent | Yes | 6 | Nil | Nil | Nil |
| Mr. Jyotirindra Nath Dey Director (DIN: 00180925) | Non- Executive/ Independent | Yes | 5 | Nil | Nil | Nil |
| Mr. Nishi Agrawal Director (DIN: 08441260) | Non- Executive/ Independent | No | 5 | Nil | 1 | 1 |
| Mr. Udit Agarwal Director (DIN: 07036864) | Non- Executive/ Independent | No | 3 | 1 | 1 | 1 |

* Resigned.

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 afore-mentioned Table.
- Mrs. Nishi Agrawal, Mr. Ashtbhuja Prasad Srivastava, Mr. Udit Agarwal and Mr. Jyotirindra Nath Dey have been considered as Independent Directors as they qualify to be Independent Directors as per the provisions of the Companies Act, 2013 and Listing Regulations
- Other Directorships of only Indian Public Limited Companies have been considered.
- In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of two Committees viz. Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies have been considered.
- The details of Director seeking re-appointment at the ensuing Annual General Meeting have been furnished in the Notice convening the Meeting of the shareholders.
- Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board Meetings and Committee Meetings in FY 2021-2022 were held through Video Conferencing.
- None of the directors have any inter se relationship.

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

| Sl. No. | Name of Director | Name of other listed entities in which the concerned Director is a Director | Category of Directorship |
|---------|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| 1 | Mr. Chandra Prakash Agrawal Chairman & Managing Director (DIN: 01814318) | 1. Gallantt Ispat Limited** (CIN: L27109DL2005PLC350523) | Executive Director |
| 2 | Mr. Dinesh R. Agarwal, Whole-time Director (DIN: 01017125) | None | Executive Director |
| 3 | Mr. Prashant Jalan Director (Plant Operation) (DIN: 06619739) | None | Executive Director |
| 4 | Mr. Nitin Mahavir Prasad Kandoi Director (DIN:01979952) | 1. Gallantt Ispat Limited** (CIN: L27109DL2005PLC350523) | Non-Executive Director |
| 5 | Mr. Dindayal Jalan * Director (DIN:00006882) | 1. Gallantt Ispat Limited** (CIN: L27109DL2005PLC350523) | Non – Executive Independent Director |
| 6 | Mr. Jyotirindra Nath Dey Director (DIN: 00180925) | None | Non – Executive Independent Director |
| 7 | Mr. Ashtbhuja Prasad Srivastava Director (DIN: 08434115) | 1. Gallantt Ispat Limited** (CIN: L27109DL2005PLC350523) | Non – Executive Independent Director |
| 8 | Mrs. Nishi Agrawal Director (DIN: 08441260) | 1. AAR Commercial Company Limited** (CIN: L63090DL1982PLC354818) | Non – Executive Independent Director |
| 9 | Mr. Udit Agarwal Director (DIN: 07036864) | 1. Gallantt Ispat Limited** (CIN: L27109DL2005PLC350523) 2. AAR Commercial Company Limited ** (CIN: L63090DL1982PLC354818) | Non – Executive Independent Director |

* resigned effective from April 12, 2021.

** Amalgamated with the Company.

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 2021-22, 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 2021-22, as per the requirement of Schedule IV of the Act, 2013 and the Regulation 25(3) of the SEBI Listing Regulations, 1 (One) separate meeting of Independent Directors was held on March 29, 2022 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, 2022 are furnished below:

| Sr. No. | Name of Directors | No. of Shares held |
|---------|---------------------------------|--------------------|
| 1. | Mr. Chandra Prakash Agrawal | 28,00,000 |
| 2. | Mr. Dinesh R. Agarwal | 23,07,251 |
| 3. | Mr. Prashant Jalan | NIL |
| 4. | Mr. Nitin Mahavir Prasad Kandoi | 10,500 |
| 5. | Mr. Jyotirindra Nath Dey | NIL |
| 6. | Mr. Ashtbhuja Prasad Srivastava | NIL |
| 7. | Mr. Dindayal Jalan* | NIL |
| 8. | Mrs. Nishi Agrawal | NIL |
| 9. | Mr. Udit Agarwal # | NIL |

* Resigned w.e.f. April 12, 2021

Appointed w.e.f. June 29, 2021

None of the Independent Director held any shares in the Company during the year ended March 31, 2022. However, Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director holds 10,500 shares in the Company.

2.11 Induction and Familiarization Program for Directors

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

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

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

2.12 Independent Directors

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

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

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

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Independent Directors of the Company viz., Mr. Ashtbhuja Prasad Srivastava, Mr. Jyotirindra Nath Dey, Mr. Udit Agarwal and Mrs. Nishi Agrawal have given declaration to the Company that they qualify the criteria of independence as required under the Act and the regulations.

2.13 Board Procedures

The Board meets at least once in a quarter to review financial results and operations of the Company. In addition to the above, the Board

also meets as and when necessary to address specific issues concerning the businesses of your Company. The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The Board members are, on a quarterly basis, appraised by the Managing Director & CEO on the overall performance of the Company through presentations and detailed notes.

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

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

2.14 Performance evaluation of Directors

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

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

include participation in Board and Committee meetings.

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

The criteria for the performance evaluation included the following:

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

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

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

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

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

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

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

2.15 Non-executive Directors' compensation and disclosures

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

2.16 Other Provisions as to Board and Committees

The Board met 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. <https://www.gallantt.com>

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

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

2.19 Criteria of Selection of Independent Directors

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

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

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

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

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

| S. N. | Category | Core skills/expertise/competencies identified by the Board of Directors | Available with the Board |
|-------|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 1. | Understanding of Business/Industry | Experience and knowledge of Steel, Power, Agro and Real Estate Business. | Yes |
| 2. | Financial | Ability to analyse and understand the key financial statements, assess financial viability of the projects and efficient use of resources. | Yes |
| 3. | Leadership | Leadership experience for understanding of business nuisance and organizational challenges. Quality of strategic planning, and risk management for long-term growth. | Yes |
| 4. | Mergers and Acquisitions | A history of leading growth through acquisitions and other business combinations, 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 | 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:

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

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

Further, he has confirmed that there are no other material reasons other than those provided. Hence, based on his declaration, this is to confirm that resignation of Mr. Jalan was due to his personal reason and other engagements and that there are no other material reasons other than those provided for his resignation from the Directorship of the Company.

2.22 Succession Planning

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

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

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

2.23 Committees of Board of Directors

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

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

Your Company has five Board level committees:

(a) Audit Committee

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

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

3. CODE OF CONDUCT

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

Annual declaration signed by the Managing Director 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 Non-Executive Non-Independent Director. The role of the Audit Committee is to provide directions to and oversee the internal audit and risk management functions, review of financial results and annual financial statements, interact with statutory auditors and such other matters as are required in terms of the Companies Act, 2013 and SEBI Listing Regulations.

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

4.1 Composition

As on March 31, 2022, the Audit Committee comprised of three Directors viz. Mr. Ashtbhuja Prasad Srivastava (Chairperson), Mr. Jyotirindra Nath Dey and Mr. Nitin Mahavir Prasad Kandoi, all of whom possess accounting and financial management expertise/exposure. Mr. Arnab Banerji, Company Secretary acts as the Secretary to the Audit Committee.

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

4.2 Power of Audit Committee

The "Audit Committee" shall have the following powers:

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

4.3 Role/Terms of Reference of Audit Committee

The Terms of Reference of the Audit Committee are as under:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending for appointment, remuneration and terms of appointment of auditors of the company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of Subsection 3 of Section 134 of the Companies Act 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to the financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds

- utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review the functioning of the Whistle Blower mechanism;
 19. Approval of appointment of CFO (i.e., the wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 21. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
 22. The Audit Committee to review utilisation of loans and/or advances from investment by holding company in subsidiary company exceeding INR 100 crores or 10% of asset size of subsidiary, whichever is low.
 23. The Audit Committee of the Board shall review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
 24. Reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 crore or 10 % of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments existing as on the date of coming into force of this provision.
 25. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the listed entity and its shareholders.
- Review of information by Audit Committee**
- The Audit Committee shall mandatorily review the following information:
1. Management discussion and analysis of financial condition and results of operations;
 2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 4. Internal audit reports relating to internal control weaknesses; and
 5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
 6. Statement of Deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable,

submitted to stock exchange (s) in terms of Regulation 32(1) of SEBI LODR Regulations, 2015.

- b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI LODR Regulations, 2015.

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

The minutes of each Audit Committee are placed and discussed at the meeting of the Board. The Audit

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

4.4 Meetings and Attendance

A total of Five (5) Audit Committee Meetings were held in the financial year 2021-22. The meetings were held on 29.06.2021, 07.08.2021, 13.11.2021, 14.02.2022 and 31.03.2022.

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

| Names | Designation | Category | Committee Meeting Attended |
|---------------------------------|-------------|-------------|----------------------------|
| Mr. Ashtbhuja Prasad Srivastava | Chairperson | Independent | 5 |
| Mr. Jyotirindra Nath Dey | Member | Independent | 5 |
| Mr. Nitin Mahavir Prasad Kandoi | Member | Executive | 5 |

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

Cases of non-acceptance by the Board of Directors, of any recommendation of the Audit Committee during the year under review, pursuant to Schedule V, Part C

of SEBI LODR Regulations 2015 read with Amendments thereof: NIL

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of Section 178 (5) of the Act, read with Regulation 20 of the Listing Regulations the Board has constituted Stakeholders' Relationship Committee ("SRC"). As per the Listing Regulations, the Committee shall specifically look into the mechanism of Redressal of grievances of shareholders, debenture holders and other security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends etc.

5.1 Composition

During the year ended March 31, 2022, the Stakeholders Relationship Committee comprised of Mr. Nitin Mahavir Prasad Kandoi, a Non-executive Director, as the Chairperson; Mrs. Nishi Agrawal; (Independent Director) and Mr. Jyotirindra Nath Dey (Independent Director) as Members. Mr. Arnab Banerji, Company Secretary acts as the Secretary to the Committee and also as the Compliance Officer.

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

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

5.2 Terms of Reference

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

- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders

5.3 Meetings and Attendance

One (1) meeting of the Stakeholders Relationship Committee Meeting was held on March 29, 2022 in the financial year 2021-22.

The composition of the Committee as on March 31, 2022 and details of attendance at the Meetings are as follows:

| Names | Designation | Category | Committee Meeting Attended |
|---------------------------------|-------------|---------------|----------------------------|
| Mr. Nitin Mahavir Prasad Kandoi | Chairperson | Non-executive | 1 |
| Mr. Jyotirindra Nath Dey | Member | Independent | 1 |
| Mrs. Nishi Agrawal | Member | Independent | 1 |

5.4 Status of Complaints

| Sl. No. | Particulars | Numbers |
|---------|-------------------------------------------------------------|---------|
| 1. | Complaints pending as on April 01, 2021 | NIL |
| 2. | Complaints received during the year ended March 31, 2022 | NIL |
| 3. | Complaints disposed of during the year ended March 31, 2022 | NIL |
| 4. | Complaints pending as on March 31, 2022 | NIL |

As required under the amended Regulation 40(10) of the Listing Regulations entered into by Gallantt Metal 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

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

6. NOMINATION AND REMUNERATION COMMITTEE

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

6.1 Role of Nomination and Remuneration Committee

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

a. Terms of Reference -

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

b. Responsibilities and Duties:

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

- Reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to

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

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

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

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

6.2 Meetings and Attendance

During the year ended March 31, 2022, the NRC comprised of Mr. Jyotirindra Nath Dey, an Independent Director, as the Chairperson, Mrs. Nishi Agrawal and Mr. Nitin Mahavir Prasad Kandoi as Members. Mr. Arnab Banerji, Company Secretary acts as the Secretary to the Committee.

A total of two (2) Nomination and Remuneration

Committee Meetings were held in the financial year 2021-22. The meetings were held on 28.06.2021 and 29.03.2022.

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

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

| Names | Designation | Category | Committee Meeting Attended |
|---------------------------------|-------------|---------------|----------------------------|
| Mr. Jyotirindra Nath Dey | Chairperson | Independent | 2 |
| Mr. Nitin Mahavir Prasad Kandoi | Member | Non-Executive | 2 |
| Mrs. Nishi Agrawal | Member | Independent | 2 |

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

6.3 Nomination and Remuneration Policy of the Company

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

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

Summary of Remuneration Policy of the Company

The Board has adopted the Remuneration Policy on the recommendation of the Nomination and Remuneration Committee in compliance with Section 178 of the Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. In keeping with the provisions of Section 178, the remuneration structure of the Company comprises of fixed remuneration (including fixed supplements), performance-based remuneration (variable salary), pension scheme, where applicable, other benefits in kind and severance payment, where applicable. Further, the Policy states that the Non-Executive Directors and Independent Directors of the Company may receive remuneration only by way of sitting fee and reimbursement of expenses for participation in meetings of the Board or Committee

thereof, as may be permissible by the applicable law. Additionally, the Policy also lays down the overall selection criteria for the executives of the Company which is based on broad heads such as competencies, capabilities, compatibility, strong interpersonal skills, commitment among others. The Remuneration Policy of the Company has been disclosed on the website of the Company. The web link to the Remuneration Policy is as under: [https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/Nomination and Remuneration Policy/Remuneration Criteria Non-Executive Director](https://www.gallantt.com/Investors%20Corner/Gallantt%20Metal%20Limited/Nomination%20and%20Remuneration%20Policy/Remuneration%20Criteria%20Non-Executive%20Director) w.e.f. 01.04.2019

Board Diversity

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

6.4 Remuneration of Directors

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

The aggregate value of salary and perquisites paid for the year ended March 31, 2022 to Managing/ Whole-time Directors are as follows:

| Name | Designation | Aggregate Value of Salary & Perquisites (₹ In Lacs) |
|---------------------------------|--------------------------------|-----------------------------------------------------|
| Mr. Chandra Prakash Agrawal | Chairman and Managing Director | 61.20 |
| Mr. Dinesh R. Agarwal | Whole time Director | 25.20 |
| Mr. Prashant Jalan | Director-Plant Operation | 7.04 |
| Mr. Nitin Mahavir Prasad Kandoi | Director | 36.00 |

The Remuneration to the Executive Directors is determined by the Nomination and Remuneration Committee within the statutory limit subject to the approval of shareholders of the Company. As per the agreement entered into with the Executive Directors there is no provision for severance fees to the Directors. The Company has adopted an Evaluation policy to evaluate performance of each director, the Board as a whole and its committees. Evaluation is also carried out by the Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act 2013 and Code for Independent Directors' as outlined

under Schedule IV of the Companies Act, 2013. Such evaluation factors various criteria including contribution, domain expertise, strategic vision, industry knowledge, participation in discussions etc.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to Section 135 of Companies Act, 2013, the Corporate Social Responsibility Committee of the Board of Directors was formed by the Board of Directors.

The composition of the CSR Committee is in line with provisions of Section 135 of the Companies Act, 2013.

7.1 Terms of reference

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

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

7.2 Meetings and Attendance

The Committee met Two (2) times during the financial year ended March 31, 2022 on 28.06.2021 and 31.03.2022.

The constitution of the CSR Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year ended 31st March, 2022 is detailed below:

| Names | Designation | Category | Committee Meeting Attended |
|-----------------------------|-------------|-------------|----------------------------|
| Mr. Jyotirindra Nath Dey | Chairperson | Independent | 2 |
| Mr. Chandra Prakash Agrawal | Member | Executive | 1 |
| Mr. Dinesh R. Agarwal | Member | Independent | 2 |

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

8. COMMITTEE OF DIRECTORS

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

"Committee of Directors" is comprised of following Directors:

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

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

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

The broad terms of reference includes the following:

- (1) To avail loan up to the maximum limit of ₹ 2,500 lacs in a single transaction from any Bank/financial institutions/lenders and to hypothecate/mortgage the assets of our Company accordingly subject to overall borrowing limit up to ₹ 25,000 lacs and subject to yearly review;
- (2) To enter into forward contracts for hedging/derivatives (in US Dollar or other currency as may be decided) with various banks from time to time as may be required in the ordinary course of business for purchase of raw materials, spares or other goods;
- (3) To avail vehicles loan from any Bank/Institutions/ Lenders for the business of our Company;
- (4) To give power/authorization to any Director or Company Secretary of our Company to sign and file any Forms and/or application required to be filed with Registrar of Companies from time to time;
- (5) To open and close the Banking accounts of our Company;
- (6) To change the Signatories of the Bank accounts whenever required;
- (7) To give power/authorization/duties through resolution or otherwise whenever required to a person on behalf of our Company in relation to business operations of our Company including but not limited to:
 - Government Subsidy and benefits related;

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

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

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

During the year no meetings of Committee of Directors held.

9. RISK MANAGEMENT

Risk Management Committee of the Board has been constituted in accordance with the requirements of the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. The terms of reference of the Risk Management Committee are in conformity with the provisions of Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee looks into the monitoring and reviewing of the risk management plan and such other functions, as it may deem fit and such function specifically covers cyber security. Pursuant to the provisions of the Act, a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company have also been dealt with in the Board's Report.

Composition of the Risk Management Committee as on March 31, 2022:

Risk Management Committee has been reconstituted on June 29, 2021. The Risk Management Committee comprises of 3 Directors, out of which 1 Director is Non-Executive Non-Independent Director and the other 2 Directors are the Non-Executive Independent Directors. This composition is in line with the requirement of Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee of the Board of Directors must meet at least twice in a financial year to inform the Board Members about the risk assessment and minimization procedures and adoption of requisite risk mitigation measures and their implementation thereof.

The constitution of the Risk Management Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year ended March 31, 2022 is detailed below:

| Names | Designation | Category | Committee Meeting Attended |
|---------------------------------|-------------|-------------|----------------------------|
| Mr. Jyotirindra Nath Dey | Chairperson | Independent | 2 |
| Mr. Nitin Mahavir Prasad Kandoi | Member | Executive | 2 |
| Mrs. Nishi Agrawal | Member | Independent | 1 |

The Board has constituted Risk Management Committee and the terms of reference of the Committee is as follows:

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Company has developed and implemented a Risk Management Policy for identifying the risk associated with business of the Company and measures to be taken to mitigate the same. The Audit Committee has additional oversight in

the area of financial risks and controls. All risks are well integrated with functional and business plans and are reviewed on a regular basis by the senior leadership. There are no risks which in the opinion of the Board threaten the existence of the Company.

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary 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, 2022, 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.

However, on May 10, 2022 Company has acquired the entire shareholding of M/s. Gallantt Metalliks Limited by investing ₹ 18.00 lacs so as to make M/s. Gallantt Metalliks Limited as a Wholly Owned Subsidiary of the Company.

The Policy on Material Subsidiaries can be accessed on the Company's website 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, 2022.

None of the related party transactions entered into

by the Company were in conflict with the Company's interest. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

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

12. GENERAL BODY MEETINGS

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

| Year | Venue | Date | Time |
|---------|------------------------------------------------------------------------------------|------------|------------|
| 2020-21 | Through video conferencing (VC) / / Other Audio-Visual Means (OAVM) | 31.08.2021 | 1.30 P.M. |
| 2019-20 | Through video conferencing (VC) / / Other Audio-Visual Means (OAVM) | 10.09.2020 | 1.30 P.M. |
| 2018-19 | Geeta Bhawan, 16, Block C, Jangpura Extension, Jangpura, New Delhi – 110014. India | 26.09.2019 | 12.30 P.M. |

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

| General Body Meeting | Financial Year | Date | Venue | Special Resolutions |
|-----------------------------|----------------|------------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 17th Annual General Meeting | 2020-21 | 31.08.2021 | Through video conferencing (VC) / Other Audio-Visual Means (OAVM) | 1. Appointment of Mr. Prashant Jalan (DIN: 06619739) as a Whole-time Director of the Company designated as "Director – plant Operation." |
| 16th Annual General Meeting | 2019-20 | 10.09.2020 | Through video conferencing (VC) / Other Audio-Visual Means (OAVM) | 1. Granting of Loan u/s 185 to M/s. GL Steel & Power Limited (GL Steel). |
| 15th Annual General Meeting | 2018-19 | 26.09.2019 | Geeta Bhawan, 16, Block C, Jangpura Extension, Jangpura, New Delhi – 110014. India | 1. Re-appointment of Mr. Prashant Jalan (DIN: 06619739) as a Whole-time Director of the Company designated as "Director- Plant Operation". 2. Re-appointment of Mrs. Richa Bhartiya (DIN: 06905283) as an Independent Director for Second Term of five years. |

12.3 The Details of Special Resolutions passed through postal ballot during the financial year 2021-22: No special resolution was passed through postal ballot in the last year.

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

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

12.6 Procedure for Postal Ballot: Not Applicable.

12.7 Extraordinary General Meeting: No Extra-Ordinary General Meeting held during the Financial Year 2021-22.

12.8 Court Convened Meeting of Shareholders

During the year no Court Convened Meeting was convened and held.

However, in the matter of Scheme of Amalgamation and Slump Sale as discussed hereinabove in detail, the Honourable NCLT Delhi, vide its order dated February 26, 2021, has directed to convene and hold meetings of shareholders and creditors of the Company on April 08, 2021. As per the directions of the Honourable NCLT Delhi, the Company has convened and held meetings of Equity Shareholders as well as Secured Creditors and Unsecured Creditors of the Company. These meetings were convened and held on April 08, 2021 through video conferencing (VC) / Other Audio-Visual Means (OAVM). Voting by equity shareholders, secured creditors and unsecured creditors of the Company were carried out through (a) remote e-voting prior to the Meeting, and (b) e-voting during the Meeting. Remote e-voting prior to the Meeting was opened during the period commencing from 9.00 a.m. (IST) on Monday, April 05, 2021 and ending at 5.00 p.m. (IST) on Wednesday, April 07, 2021, arranged by NSDL.

Mr. Somnath Gangopadhyay was appointed as the Chairperson and Ms. Aisha Amin as Alternate Chairperson. Further, Mr. Tanmay Kumar Saha was appointed as the Scrutinizer of the meetings.

13. MEANS OF COMMUNICATION

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

Information like quarterly / half yearly / annual financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board to enable them to put them on their websites and communicate to their members. In terms of Regulation 47 of the Listing Regulations the quarterly / half-yearly / annual financial results are also published in the prescribed format within 48 hours of the conclusion of the meetings of the Board in which they are considered and approved, in one English newspaper circulating in the whole or substantially the whole of India and in one vernacular (Hindi) newspaper. These results are simultaneously posted on the website of the Company at www.gallantt.com

The Company publishes all information in newspapers viz. Business Standard (All editions) and Metro Media (Vernacular-Hindi). No presentations were made to institutional investors or to the analysts during the year.

Details about the means of communication:

1. Quarterly Results:

The quarterly and year to date financial results of the Company are published in leading newspapers in India which include, Business Standard and Metro Media. The results are also displayed on the Company's website under <https://www.gallantt.com>

2. Whether it also displays official news releases; Yes

14. GENERAL SHAREHOLDERS INFORMATION

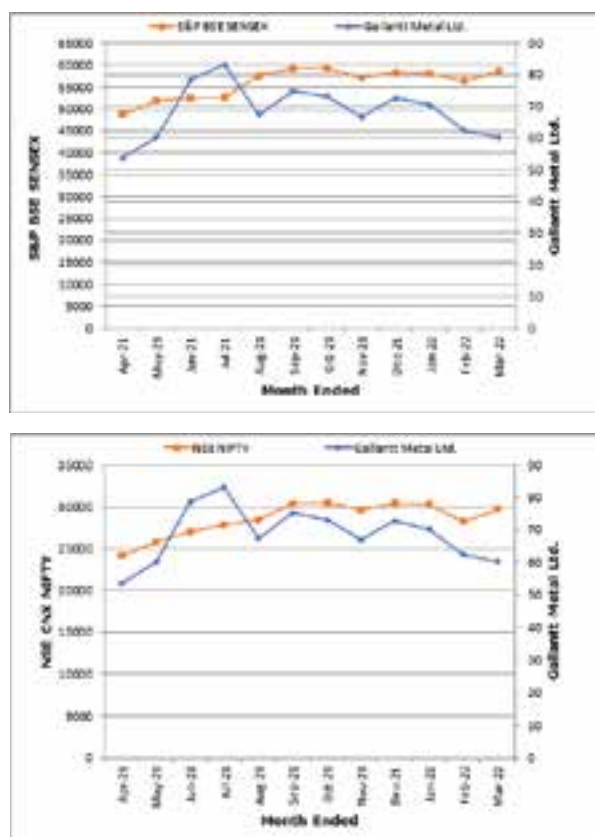
| | | |
|-------|----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14.1 | Date, time and time of the Annual General Meeting | Thursday, September 29, 2022 at 3:30 P.M. |
| 14.2 | Venue | The Company is conducting AGM through Video Conferencing (VC) /Other Audio Visual Means (OAVM), pursuant to circulars issued by the Ministry of Corporate Affairs ("MCA"), dated January 13, 2021 and as such there is no requirement to have a venue for the AGM. |
| 14.3 | Financial Year | April 01, 2021 to March 31, 2022 |
| 14.4 | Cut-off date for determining the names of shareholders eligible to vote | September 22, 2022 |
| 14.5 | Cut-off date for determining the names of shareholders eligible to get Notice of Annual General Meeting | August 26, 2022 |
| 14.6 | Publication of results for the financial year 2021-22 (tentative and subject to change) | a) First quarter results: On or before August 14, 2022. b) Second quarter and half year results: On or before November 14, 2022. c) Third quarter results: On or before February 14, 2023. d) Fourth quarter results and results for the year ending March 31, 2023: On or before May 30, 2023. |
| 14.7 | Dates of book closure | Friday, September 23, 2022 to Thursday, September 29, 2022 (Both days inclusive). |
| 14.8 | Dividend Payment Date | During the Financial Year 2021-22, the Board of Directors has not proposed for Final Dividend for the Financial Year 2021-22. |
| 14.9 | Listing on Stock Exchanges and Stock Code | 1. BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Phones: (022) 22721233/4, 91-22-66545695 Fax: (022) 22721919, Stock Code:532726 2. National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Tel No: (022) 26598100 – 8114, Fax No: (022) 26598120 Stock Code: GALLANTT |
| 14.10 | Payment of Listing Fees | Annual Listing Fees for both the stock exchanges for the financial year 2022-23 has been duly paid by the Company. |

14.11 Market Price Data- High, Low During Each Month in Last Financial Year

Monthly high and low quotations of shares traded on Bombay Stock Exchange Ltd. and National Stock Exchange of India Limited for the Year 2021-22. (₹)

| Month | BSE | | NSE | |
|--------|------------|-----------|------------|-----------|
| | High Price | Low Price | High Price | Low Price |
| Apr-21 | 57.90 | 43.20 | 58.70 | 42.80 |
| May-21 | 71.20 | 52.85 | 71.25 | 51.65 |
| Jun-21 | 83.50 | 57.05 | 83.80 | 57.00 |
| Jul-21 | 88.00 | 75.25 | 88.00 | 75.05 |
| Aug-21 | 87.35 | 60.35 | 87.30 | 61.00 |
| Sep-21 | 81.35 | 66.25 | 81.50 | 57.60 |
| Oct-21 | 87.50 | 71.00 | 87.85 | 70.55 |
| Nov-21 | 78.70 | 66.50 | 79.00 | 64.50 |
| Dec-21 | 78.05 | 66.10 | 78.00 | 66.60 |
| Jan-22 | 76.10 | 66.60 | 76.00 | 65.05 |
| Feb-22 | 73.00 | 53.95 | 73.45 | 54.50 |
| Mar-22 | 74.00 | 58.55 | 69.95 | 59.50 |

14.12 Performance of the Company's equity shares (closing share price) in comparison to BSE Sensex and NSE Nifty during the financial year 2021-22:



14.13 Suspension of Securities during the financial year 2021-22:

During the financial year 2021-22, the securities of the Company were not suspended from trading.

14.14 Registrar and Share Transfer Agents:

Niche Technologies Pvt. Ltd.

7th Floor, Room, No. 7A & 7B, 3A, Auckland Road, Elgin, Kolkata, West Bengal – 700017

Tel.: (033) 2280 6616 / 17 / 18; Email id: nichetechpl@nichetechpl.com

Website: www.nichetechpl.com

14.15 Share Transfer System;

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

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

14.16 Distribution of equity shareholding as on March 31, 2022:

Distribution of shareholding by size is as given below:

| No. of Shares held | Shareholders | | Shares | |
|---------------------------|---------------|----------------|--------------------|----------------|
| | Number | % to total | Number | % to total |
| Upto 500 | 9,705 | 84.8487 | 12,18,054 | 1.4978 |
| 501-1,000 | 863 | 7.545 | 7,19,053 | 0.8842 |
| 1,001-5,000 | 677 | 5.9189 | 15,33,897 | 1.8862 |
| 5,001-10,000 | 80 | 0.6994 | 6,04,028 | 0.7428 |
| 10,001-50,000 | 78 | 0.6819 | 16,51,331 | 2.0306 |
| 50,001-1,00,000 | 13 | 0.1137 | 9,14,468 | 1.1245 |
| 1,00,001 and Above | 22 | 0.1923 | 7,46,81,493 | 91.8339 |
| TOTAL | 11,438 | 100.000 | 8,13,22,324 | 100.000 |

14.17 Categories of shareholding as on March 31, 2022

| Category (as Gallantt reports to stock exchanges) | Shares Holdings | % of Total |
|-----------------------------------------------------------------|--------------------|---------------|
| PROMOTERS' HOLDING: | | |
| Promoters | 5,46,79,189 | 67.238 |
| Total Promoters' Holding | 5,46,79,189 | 67.238 |
| PUBLIC SHAREHOLDING: | | |
| Institutional Investors | | |
| Financial Institution/Bank | - | - |
| Financial Institution Investor | - | - |
| Foreign Portfolio Investor | 78243 | 0.096 |
| Others | | |
| Bodies Corporate | 1,85,93,155 | 22.864 |
| Individuals | 78,52,809 | 9.657 |
| NRI/OCBs | 83,036 | 0.102 |
| Clearing Members/Clearing Corporation (Demat shares in transit) | 35,892 | 0.044 |
| IEPF | - | - |
| Total Public Shareholding | 2,66,43,135 | 32.762 |
| GRAND TOTAL | 8,13,22,324 | 100 |

14.18 Dematerialization of Shares and Liquidity

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

The Company's equity shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE297H01019. Nearly 100.00% of total listed equity shares have been dematerialised as on March 31, 2022.

14.19 Outstanding ADRs/GDRs/Warrants or any other convertible instruments, conversion date and likely impact on equity: Nil

14.20 Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company has insignificant foreign exchange exposure towards imports. Commodities form a major part of business of the Company and hence Commodity price risk is one of the important risks for the Company. Your Company has a robust framework in place to protect the Company's interests from risks arising out of market volatility.

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

14.21 Corporate Identity Number

(CIN): L27109DL2005PLC350524

14.22 Plant locations

1. Near Toll Gate, Village - Samakhali, Taluka - Bachau, District – Kutch, Gujarat
2. AL-5, Sector 23, GIDA Industrial Area, Sahjanwa, Gorakhpur - 273 209, Uttar Pradesh

14.23 Address for correspondence

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Registrar and Share Transfer Agents; Mr. S. Abbas, Senior System Manager Niche Technologies Pvt. Ltd. 7th Floor, Room, No. 7A & 7B, 3A, Auckland Rd, Elgin, Kolkata, West Bengal – 700017. Tel.: (033) 2280 6616 / 17 / 18 Email id: nichetechpl@nicetechpl.com Website: www.nichetechpl.com | Unit: Gallantt Metal Limited Contact Person: Mr. Arnab Banerji, Company Secretary and Compliance Officer Corporate Office: 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069.W.B. Telefax: 033-46004831 Registered Office: “GALLANTT HOUSE”, I-7, Jangpura Extension, New Delhi – 110014 Telefax: 011-41645392 Email-Id: csgml@gallantt.com Website: www.gallantt.com |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Depositories:

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| National Securities Depository Limited Trade World, 'A' Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai – 400 013 Tel. No.: (022) 2499 4200 Fax No.: (022) 2497 6351 Email: info@nsdl.co.in Website: www.nsdl.co.in | Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25th floor, N M Joshi Marg, Lower Parel, Mumbai – 400 013 Toll free No.: 1800-22-5533 Email: complaints@cdslindia.com Website: www.cdslindia.com |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

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 2021-22, 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 Rating & Research Private Limited has maintained Ind A (Watch Negative) rating for the Company's Fund Based Long Term facilities (long term) and Ind A1 for Non-Fund based Short Term facilities.

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

Following amount of Unpaid Dividend has not been claimed and paid till 31.03.2022:

| Nature of Money | Relevant Financial Year | Bank Account Details | Amount lying (In Rs.) |
|-------------------------|-------------------------|----------------------------------------|-----------------------|
| Final Dividend for 2018 | 2017-18 | IDBI Bank Account No. 1526103000000578 | 74,146.00 |
| Final Dividend for 2019 | 2018-19 | IDBI Bank Account No. 1526103000000897 | 50,676.25 |

Members who have not so far encashed their Divided Warrants for the financial years ended 31st March, 2018 and 2019 are requested to approach immediately the Registrars for revalidation of unclaimed Dividend Warrants. The details of unclaimed dividend are available on the Company's corporate website www.gallantt.com and also uploaded on the website of IEPF viz. www.iepf.gov.in

Since, Gallantt Ispat Limited has now amalgamated with Gallantt Metal 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 Transferee Company i.e. Gallantt Metal Limited.

Following amount of Unpaid Dividend of Gallantt Ispat Limited has not been claimed and paid till 31.03.2022 is as follows –

| Nature of Money | Relevant Financial Year | Bank Account Details | Amount lying (In Rs.) |
|-----------------------------------------------|-------------------------|----------------------------------------|-----------------------|
| Final Dividend for 2015 | 2014-15 | IDBI Bank Account No. 0135103000008587 | 3377.00 |
| Interim Dividend 2016 | 2015-16 | ICICI Bank Account No. 001105026007 | 3,879.00 |
| Final Dividend for 2017 | 2016-17 | IDBI Bank Account No. 1526103000000347 | 12,740.50 |
| Final Dividend for 2018 | 2017-18 | IDBI Bank Account No. 1526103000000569 | 21,038.00 |
| Final Dividend for 2018-19 (Interim Dividend) | 2018-19 | IDBI Bank Account No. 1526103000000666 | 23,736.75 |

14.26 Transfer of shares to IEPF

There are no Equity Shares to be transferred to Investor Education and Protection Fund Authority (IEPF) during the financial year 2021-22 as required under Section 124 of the Companies Act, 2013.

However, Gallantt Ispat Limited now amalgamated with the Company has transferred Unclaimed Dividend amount aggregating to ₹ 3,282/- pertaining to the financial year ended on March 31, 2014 lying with the Company for a period of seven years were transferred during the Financial Year 2021-22, to the Investor Education and Protection Fund (IEPF) established by the Central Government. Further, Gallantt Ispat Limited now amalgamated with the Company has transferred 3,100 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 2021-22 Section 124 of the Companies Act, 2013. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

15. OTHER DISCLOSURE

15.1 Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;

All transactions entered into by the Company with related parties as defined under the Act and the Listing Regulations, during the financial year 2021-22 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of Company. Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements. The Board has approved a policy on materiality of related party transactions and on dealing with related party transactions and the same is disclosed on the website of the Company at the web link to the Materiality of Related Party Transactions is as under: [https://www.gallantt.com/InvestorsCorner/ Gallantt Metal Limited/ Related Party Transaction Policy-w.e.f. 01.04.2019](https://www.gallantt.com/InvestorsCorner/Gallantt%20Metal%20Limited/Related%20Party%20Transaction%20Policy-w.e.f.01.04.2019).

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

The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. Company was imposed a fine by BSE Limited and National Stock Exchange of India Limited amounting to ₹ 4,000/- each for two days of delay in complying with Regulation 34 of the SEBI (LODR) Regulations, 2015.

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 2021-22.

Your Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standards.

15.4 Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;

The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism as required under Regulation 22 of the Listing Regulations for Directors and employees to report concerns about any unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has also been disclosed on the website of the Company at the link [https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Whistle Blower Policy](https://www.gallantt.com/Investors%20Corner/Gallantt%20Metal%20Limited/Whistle%20Blower%20Policy) - w.e.f. 01.04.2019.

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

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

- (i) The Internal Auditor reports to the Audit Committee.
- (ii) The financial statements of the Company are with unmodified audit opinion.

15.6 Web link where policy for determining 'material' subsidiaries is disclosed;

The policy to determine a material subsidiary has been framed and the same is disclosed on the Company's website at the link [https://www.gallantt.com/Investors Corner/ Policy On Material Subsidiary](https://www.gallantt.com/Investors%20Corner/Policy%20On%20Material%20Subsidiary)-w.e.f. 01.04.2019.

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

The Related Party Transaction Policy is also posted on the Company's website and can be accessed at [https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Related Party Transaction Policy](https://www.gallantt.com/Investors%20Corner/Gallantt%20Metal%20Limited/Related%20Party%20Transaction%20Policy)-w.e.f. 01.04.2019.

15.8 Disclosure of commodity price risks and commodity hedging activities

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

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

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

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

Certificate as required under Part C of Schedule V of Listing Regulations, received from Mr. Anurag Fatehpuria (Membership No. 34471, CP No. 12855), Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on May 26, 2022. The certificate given by Mr. Anurag Fatehpuria is published in this Report as **Annexure-D** of this Corporate Governance Report.

15.11 Recommendations of Committees of the Board

There were no instances during the financial year 2021-22, wherein the Board had not accepted recommendations made by any committee of the Board.

15.12 Total fees paid to Statutory Auditors of the Company

Total fees of ₹ 5.50 Lacs for financial year 2021-22, for all services, was paid by the Company to the statutory auditor.

15.13 Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace.

The details relating to the number of complaints received and disposed of during the financial year 2020-21 are as under:

- Number of complaints filed during the financial year: Nil
- Number of complaints disposed of during the financial year: Nil
- Number of complaints pending as on end of the financial year: NIL

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

No such non-compliance

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

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

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

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

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

15.18 Particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting

Meeting have been provided in the Notice of the Annual General Meeting.

15.19 In addition to Directors' Report, a Management Discussion and Analysis Report form part of the Annual Report to the shareholders. All key managerial personnel and senior management have confirmed that they do not have any material, financial and commercial interest in transactions with the Company that may have a potential conflict with the interest of the Company at large.

15.20 All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

15.21 In order to prevent misuse of any unpublished price sensitive information (UPSI), maintain confidentiality of all UPSI and prohibit any insider trading activity and abusive self-dealing of securities, in the interest of the shareholders at large, the Company has framed a Code of Conduct for Prohibition of Insider Trading. The said Code prohibits the Designated Persons of the Company from dealing in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position in the Company.

The details of dealing in Company's shares by Designated Employees/Designated Persons are quarterly placed before the Audit Committee. The Code also prescribes sanction framework and any instance of breach of code is dealt in accordance with the same. A copy of the said Code is made available to all employees of the Company and compliance of the same is ensured.

Further the Company has framed a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is available on the website of the Company at www.gallantt.com

15.22 The Company as required under Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, has designated the following email IDs namely csgml@gallantt.com for the purpose of registering complaints if any by the investors and expeditious redressal of their grievances.

15.23 Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

15.24 Policy pertaining to determination and disclosure of the material events/information

The Board of Directors has approved the policy pertaining to determination and disclosure of the material events/information. Accordingly, any such material events/ information will be disclosed to the concerned either by Managing Director or Chief Financial Officer or Company Secretary. The policy on determination and disclosure of material events/information is posted in the website of the company with the following link <https://www.gallantt.com>

15.25 Reconciliation of share capital audit

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital.

The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

15.26 Code of Conduct

The members of the Board and senior management personnel have affirmed the compliance with Code of Conduct applicable to them during the year ended March 31, 2022. The **Annexure-A** of the Corporate Governance Report contains a certificate by the Managing Director in terms of SEBI LODR Regulations, 2015 on the compliance declarations received from Independent Directors, Non-executive Directors and Senior Management.

15.27 Trading window

Trading window closure for financial results is from the beginning of the quarter till 48 hours after the Unpublished Price Sensitive Information (UPSI) becomes generally available.

15.28 Conflict of Interests

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision-making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

15.29 CEO/CFO Certification

The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company have furnished to the Board, the requisite Compliance Certificate under Regulation 17(8) of SEBI LODR Regulations, 2015 for the financial year ended March 31, 2022.

The CEO and CFO have also given quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of SEBI LODR Regulations, 2015.

The annual certificate given by the CEO and the CFO is published in this Report as **Annexure-B** of this Corporate Governance Report.

15.30 Uday Kotak Committee Recommendations

In June 2017, SEBI set up a committee under the chairmanship of Shri Uday Kotak to advise on issues relating to corporate governance in India. In October 2017, the committee submitted a report containing its recommendations, which were considered by SEBI in its Board Meeting held in March 2018. On May 9, 2018, SEBI notified SEBI LODR (Amendment) Regulations, 2018 implementing majority of these recommendations effective from April 1, 2019 or such other date as specified therein.

The Company substantially complies with the amendments notified and wherever there are new requirements, it will take necessary steps to ensure compliance by the effective date.

15.31 Policy for Preservation of Documents

Pursuant to the requirements under Regulation 9 of the Listing Regulations, the Board has formulated and approved a Document Retention Policy prescribing the manner of retaining the Company's documents and the time period up to certain documents are to be retained. The policy percolates to all levels of the organization who handle the prescribed categories of documents.

15.32 Policy for Determination of Legitimate Purposes

The Company has formulated a comprehensive Policy for Determination of Legitimate Purposes. This Policy is formulated pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by

SEBI [Prohibition of Insider Trading) (Amendment)] Regulations, 2018 for determination of legitimate purpose of for performance of duties or discharge of legal obligations, which will be considered as exception for the purpose of procuring Unpublished Price Sensitive Information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any. The Policy is also hosted on the website of the Company at <https://www.gallantt.com>

15.33 Policy on enquiry of leak of Unpublished Price Sensitive Information

The Company has formulated a comprehensive Policy for enquiry of leak Unpublished Price Sensitive Information. This Policy is formulated as per requirement of Regulation 9A(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 for enquiry procedure in case of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information. The Policy is also hosted on the website of the Company at <https://www.gallantt.com>

15.34 Shareholder voting

Shareholders are requested to cast their votes on the Resolutions mentioned in the Notice of the Eighteenth Annual General Meeting of the Company by using any one of the following options:

- 1) Vote in advance of the Annual General Meeting through remote e-voting process.
- 2) Vote in person at the Annual General Meeting through electronic voting facilities.

15.35 Green Initiative in Corporate Governance

Rule 11 of the Companies (Accounts) Rules, 2014 permits circulation of Annual Report through electronic means to such of the shareholders whose e-mail addresses are registered with NSDL or CDSL or the shareholders who have registered their e-mail IDs with the Company to receive the documents in electronic form and physical copies to those shareholders whose e-mail IDs have not been registered either with the company or with the depositories.

To support this green initiative of the Government, shareholders are requested to register their e-mail addresses, with the DPs, in case shares are held in dematerialized form and with the R & T Agents, in case the share are held in physical form and also intimate changes, if any in their registered e-mail addresses to the company/ DPs, from time to time.

15.36 Compliance Certificate on Corporate Governance

Certificate received from M/s. ALPS & Co., Chartered Accountants (Firm Registration Number: FRN 313132E), Statutory Auditors of the Company having their office at 310, Todi Chambers, 2, Lalbazar Street, Kolkata – 700001 confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34 (3) and Regulation 53(f) read with Schedule V(E) of the SEBI LODR Regulations, 2015 is annexed to this Corporate Governance Report as **Annexure-C**.

15.37 Secretarial Audit

The Company's Board of Directors appointed Mr. Anurag Fatehpuria (Membership No. 34471, CP No. 12855), Practicing Company Secretary to conduct the secretarial audit of its records and documents for the Financial Year 2021-22. The secretarial audit report confirms that the Company has complied with all applicable provisions of the Companies Act, 2013, Secretarial Standards, Depositories Act 1996, SEBI LODR Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Directors' Report.

15.38 Remuneration of Directors Criteria for making payments to Non-Executive Directors (including Independent Directors)

The Non-Executive Directors (including Independent Directors) of the Company are paid remuneration by way of sitting fees for attending meeting of Board and Committee thereof.

Details of payment of Sitting Fee for the year 2021-22 are as follows:

| Name of Director | Sitting Fees (₹) |
|---------------------------------------------------------------|------------------|
| Mr. Nitin Mahavir Prasad Kandoi (as a Non-Executive Director) | 1,10,000 |
| Mr. Jyotirindra Nath Dey | 1,15,000 |
| Mr. Dindyal Jalan | Nil |
| Mr. Ashtbhuja Prasad Srivastava | 90,000 |
| Mrs. Nishi Agrawal | 75,000 |
| Mr. Udit Agarwal | 35,000 |
| TOTAL | 4,25,000 |

15.39 Dividend History for the last 10 financial years

The Table below highlights the history of Dividend declared by the Company in the last 10 financial years::

| Sr. No | F.Y. of Declaration of Dividend | Date of Declaration of Dividend | Amount declared per share | Dividend Amount (₹) |
|--------|---------------------------------|---------------------------------|--------------------------------------|---------------------|
| 1 | 2020-21 | No Dividend Declared | - | - |
| 2 | 2019-20 | No Dividend Declared | - | - |
| 3 | 2018-19 | 26.09.2019 | ₹ 0.25/- (Twenty Five Paise only) | 2,03,30581 |
| 4 | 2017-18 | 27.09.2018 | ₹ 0.25/- (Twenty Five Paise only) | 2,03,30581 |
| 5 | 2016-17 | No Dividend Declared | - | - |
| 6 | 2015-16 | No Dividend Declared | - | - |
| 7 | 2014-15 | No Dividend Declared | - | - |
| 8 | 2013-14 | No Dividend Declared | - | - |
| 9 | 2012-13 | No Dividend Declared | - | - |
| 10 | 2011-12 | No Dividend Declared | - | - |

15.40 Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/unclaimed dividend on shares for a consecutive period of 7 (Seven) years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a Shareholder for a period of 7 (Seven) consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of 30 (Thirty) days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

During the year, no shares were outstanding for transfer to the IEPF Authority. Shares which will be transferred to the Demat Account of IEPFA can be claimed back by the Shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of Shareholders to regularly claim the dividends declared by the Company.

15.41

Mr. Nitin Mahavir Prasad Kandoi, Non-Executive Director holds 10,500 Shares in the company.

15.42 Codes and Policies

Particulars Website Details/Links:

| Policy/Code | Weblink |
|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Dividend Distribution Policy | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Composition and Profile of the Board of Directors | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Terms and conditions of appointment of Independent Directors | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Familiarisation Programme hours FY 2020-21 for Independent Directors | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Remuneration Policy of Directors, KMPs & Other Employees | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Code of Conduct | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Criteria of Making Payments to Non-Executive Directors | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Corporate Social Responsibility Policy | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |

| Policy/Code | Weblink |
|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Policy on Related Party Transactions | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Policy on Determining Material Subsidiary | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Whistle Blower Policy | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Document Retention and Archival Policy | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Prevention of Sexual Harassment (POSH) at Workplace | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Code of Conduct for Prevention of Insider Trading | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Legitimate Purpose policy | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Policy on enquiry of leak of Unpublished Price Sensitive Information | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |
| Risk Management Policy | https://www.gallantt.com/Investors Corner/ Gallantt Metal Limited/ Policies and Codes |

For and on Behalf of the Board

Place: Gorakhpur
Date: May 26, 2022

C. P. Agrawal
Chairman

Annexure - A

DECLARATION

To
The Members of
Gallantt Metal Limited

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended on March 31, 2022.

Place : Gorakhpur
Date : May 26, 2022

C. P. Agrawal
Chairman and Managing Director

Annexure - B

CEO/CFO CERTIFICATION

The Board of Director's
Gallantt Metal Limited

Re: Financial Statements for the Financial year 2021-22 – 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, 2022 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 26, 2022

Chandra Prakash Agrawal
Managing Director

Sandip Kumar Agarwal
Chief Financial Officer

INDEPENDENT AUDITOR'S CERTIFICATE TO THE MEMBERS OF GALLANTT METAL LIMITED

To
The Members of
Gallantt Metal Limited

1. We, ALPS & Co., Chartered Accountants, the Statutory Auditors of Gallantt Metal Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2022. We state that in respect of investor grievances received during the year ended March 31, 2022, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders' Relationship Committee.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For ALPS & Co.
Chartered Accountants
Firm's Registration No: 313132E

A. K. Khetawat
Partner
Membership No: 52751
UDIN: 22052571AJRTGR5279

Place: Kolkata
Date: May 26, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,
The Board of Directors,
GALLANTT METAL LIMITED
"GALLANTT HOUSE", I-7, Jangpura Extension,
New Delhi – 110014.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gallantt Metal Limited having CIN: L27109DL2005PLC350524 and having Registered Office at "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 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

| S.N. | Name of the Directors | DIN | Date of Appointment in the Company |
|------|---------------------------------|----------|-------------------------------------------------|
| 1 | Mr. Chandra Prakash Agrawal | 01814318 | 01.04.2005 |
| 2 | Mr. Dinesh R. Agarwal | 01017125 | 07.02.2005 |
| 3 | Mr. Prashant Jalan | 06619739 | 04.11.2020 |
| 4 | Mr. Nitin Mahavir Prasad Kandoi | 01979952 | 07.02.2005 |
| 5 | Mr. Jyotirindra Nath Dey | 00180925 | 30.11.2005 |
| 6 | Mr. Ashtbhuja Prasad Srivastava | 08434115 | 29.04.2019 |
| 7 | Mr. Dindayal Jalan | 00006882 | 23.06.2019 Resigned w.e.f. 12.04.2021 |
| 8 | Mrs. Nishi Agrawal | 08441260 | 04.11.2020 |
| 9 | Mr. Udit Agarwal | 07036864 | 29.06.2021 |

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date: May 26, 2022

(Anurag Fatehpuria)
Practicing Company Secretary
Membership No. 34471,
CP No. 12855
UDIN: A034471D000393258

INDEPENDENT AUDITOR'S REPORT

To the Members of **Gallantt Metal Limited**

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Gallantt Metal Limited ("the Company") which comprises the Balance Sheet as at March 31, 2022, 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 notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('The Act') in the manner so required and give a true and fair view in conformity with the Ind Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matter. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matters | How our audit assessed the key audit matter |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revenue from sale of products (Refer Note 2.12 of the standalone Ind AS financial statements) | |
| <p>The Company recognises revenues when controls of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.</p> <p>The terms of sales arrangements, including the timing of transfer of control, delivery specifications and judgement in determining timing of sales revenues. The risk is, therefore, that revenue may not be recognised in the current period in accordance with Ind AS 115.</p> <p>Accordingly, due to the risk associated with revenue recognition, it was determined to be a key audit matter in our audit of the standalone Ind AS financial statements</p> | <p>Following procedures have been performed to address this key audit matter:</p> <ul style="list-style-type: none"> Considered the Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'. Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition. Performed sample test of individual sales transaction and traced to sales invoices, sales orders and other related documents. Further, in respect of the samples tested, checked that the revenue has been recognised as per the company terms / when the conditions for revenue recognitions are satisfied. Selected sample of sales transactions made pre and post year end, agreed the period of revenue recognition to underlying documents. Assessed the relevant disclosures made within the standalone Ind AS financial statements. |
| Assessment of litigations and related disclosure of contingent liabilities (Refer Note no. 2.11 and Note no. 42 of the Standalone Financial Statement) | |
| <p>As of March 31, 2022, the Company has disclosed contingent liabilities of ₹ 2,541.61 Lacs relating to tax and legal claims.</p> <p>Taxation, arbitration and litigation exposures have been identified as a key audit matter due to the uncertainties and time scales involved for the resolution of these claims.</p> <p>Accordingly, there is judgement required by management in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed in the standalone Ind AS financial statements.</p> | <p>Following procedures have been performed to address this key audit matter:</p> <ul style="list-style-type: none"> Gained an understanding of the process of identification of claims, litigations, arbitrations and contingent liabilities, and evaluated the design and tested the operating effectiveness of key controls. Discussed and analysed material legal cases with the Company's legal department. Analysed the responses obtained from the Company's legal advisors who conduct the court cases, tax and administrative proceedings, in which their status and possible expected manner of proceeding were described. Received confirmation obtained by the Company from their legal counsel / consultants on a samples basis. |

| | |
|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none"> Evaluated management's assumptions and estimates relating to the recognition of the provisions for disputes and disclosures of contingent liabilities in the standalone Ind AS financial statements. Assessed the adequacy of the disclosures with regard to facts and circumstances of the legal and litigation matters. |
|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Impact of Covid 19 on Audit

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Due to outbreak of pandemic Covid 19 and consequent country wide lockdown enforced in different parts of India. Due to this the transferee company auditors could not carry out normal audit procedures and audit was carried out using "Work from Home" approach.</p> <p>This is considered as Key Audit Matter, since alternate audit procedures were performed for carrying out audit.</p> | <p>Due to "Work from Home" approach adopted, the transferee company auditors performed following alternative audit procedures:</p> <ul style="list-style-type: none"> Various data and confirmation were received either electronically through email or through data sharing on drive. For various audit procedures, reliance was placed on scanned copies of original document shared with them electronically. Interview/discussion with client via video conferencing/call conferencing and other verbal communications. |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Business Combinations (Refer to Note No. 46 of the Standalone Financial Statements)

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Company (Transferor Company) has entered into the Scheme of Amalgamation and Slump Sale with the Gallantt Ispat Limited, AAR Commercial Company Limited, Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie Credit and Finance Private Limited (Transferee Company) which has been approved and sanctioned by the Tribunal with effect from April 1, 2019 by Hon'ble National Company Law Tribunal, Kolkata Bench and Hon'ble National Company Law Tribunal, New Delhi Bench have, vide their orders dated September 22, 2021 and May 20, 2022 respectively.</p> <p>The Company has accounted for the acquisitions under the acquisition method of accounting for business combinations in accordance with Ind AS 103 'Business Combinations'.</p> <p>The Amalgamated Company had appointed independent professional valuers to perform valuation of assets for the purpose of allocation of the purchase price to the respective assets and liabilities acquired.</p> <p>Significant assumptions and estimates are used as at the date of acquisition in the determination of the fair values of the identified assets and liabilities assumed in the transaction.</p> <p>Accordingly, we have determined this to be a key audit matter.</p> | <p>Following procedures have been performed to address this key audit matter:</p> <ul style="list-style-type: none"> We read and examined the scheme of amalgamation and arrangement pursuant to which merger was carried out along with regulatory approvals required for the scheme to take effect. We evaluated the appropriateness of acquisition method of accounting adopted by the management to account for the merger, with reference to the requirements of the accounting principles generally accepted in India. We evaluated the appropriateness of the valuation methodologies for identified intangibles and reasonableness of the valuation assumptions viz. discount rate / contributory asset charge, as applicable discount rate, including testing the source information underlying the determination of the discount rate, testing the mathematical accuracy of the calculation, and developing a range of independent estimates and comparing those to the discount rate selected by independent valuers and relied upon by the Management. We evaluated the competencies, capabilities and objectivity of the independent valuers engaged by the Group's Management for value analysis of tangible and intangible assets. We have assessed the adequacy and appropriateness of the disclosures around selection of method of accounting for this transaction in accordance with the accounting standards. |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial

statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the standalone financial statement

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in

accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of standalone financial statement

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material 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 standalone financial statements.

A further description of the auditor's responsibilities for the audit of the standalone financial statements is included in Annexure A. This description forms part of our auditor's report.

Other Matters

The Company (Transferor Company) has entered into the Scheme of Amalgamation and Slump Sale with the Gallantt Ispat Limited, AAR Commercial Company Limited, Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie Credit and Finance Private Limited (Transferee Company) which has been approved and sanctioned by the Tribunal with effect from April 1, 2019 by Hon'ble National Company Law Tribunal, Kolkata Bench and Hon'ble National Company Law Tribunal, New Delhi Bench have, vide their orders dated September 22, 2021 and May 20, 2022 respectively.

We did not audit the financial statements and financial information's, as considered in the amalgamated financial statements, in respect of the erstwhile transferee companies: AAR Commercial Company Limited, Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie Credit and Finance Private Limited, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on such information, in so far as it relates to the amounts and disclosures included in respect of the erstwhile transferee company is based solely on the report of the other auditor.

Our opinion on the amalgamated financial statements above is not modified in respect of the above matter with respect

to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 Cash Flow Statement and Statement of change in equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the Internal Financial Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv) (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to accounts, no funds (which are material either individually or in the aggregate) 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 person or entity, including foreign entity ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ('Funding Parties') with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedure that we have 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) and (ii) contains any material mis-statement.

- v) The company has not declared or paid any dividend during the year and therefore compliance of section 113 of the Companies Act, 2013 is not required.

For **ALPS & Company**
Chartered Accountants
 Firm's Registration No.313132E
(A.K. Khetawat)
Partner
 Membership Number: 052751
 UDIN: 22052751AJRTDT8197

Place: Kolkata
Date: May 26, 2022

Annexure A to the Auditor's Report Responsibilities for Audit of Financial Statement

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **ALPS & Company**
Chartered Accountants
Firm's Registration No.313132E
(A.K. Khetawat)
Partner
Membership Number: 052751
UDIN: 22052751AJRTDT8197

Place: Kolkata
Date: May 26, 2022

Annexure B to the Auditor's Report

(Referred to in paragraph 1 of our report of even date)

- i) (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments.
- (ii) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipments have been physically verified by the Management at reasonable intervals which in our opinion is reasonable having regard to the size of the Company and nature of its property, plant and equipments. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except the following:

| Description of Property | Gross carrying Value (in Lacs) | Held in name of | Whether promoter, director or their relative or employee | Period held – indicate range, where appropriate | Reason for not being held in name of company |
|-------------------------|--------------------------------|-----------------------------------|----------------------------------------------------------|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| Land | 12.94 | Govind Mills Limited | Transferor Company | 22.10.2001 | Got the ownership by way of amalgamation in Gallant Ispat Limited and the property is still in the name of transferor company |
| Land | 3.00 | Govind Mills Limited | Transferor Company | 20.07.2000 | |
| Land | 7.18 | Govind Mills Limited | Transferor Company | 13.07.2000 | |
| Land | 1.78 | Govind Mills Limited | Transferor Company | 21.07.2000 | |
| Land | 0.94 | Govind Mills Limited | Transferor Company | 16.02.2001 | |
| Land | 0.94 | Govind Mills Limited | Transferor Company | 05.10.2001 | |
| Land | 3.80 | Govind Mills Limited | Transferor Company | 30.03.2002 | |
| Land | 2.70 | Govind Steel & Power Ltd | Transferor Company | 17.08.2004 | |
| Land | 5.50 | Govind Steel & Power Ltd | Transferor Company | 17.08.2004 | |
| Land | 3.57 | Govind Mills Limited | Transferor Company | 23.07.2001 | |
| Land | 0.88 | Govind Mills Limited | Transferor Company | 19.09.2001 | |
| Land | 0.47 | Govind Mills Limited | Transferor Company | 24.09.2001 | |
| Land | 0.74 | Govind Mills Limited | Transferor Company | 16.10.2001 | |
| Land | 0.12 | Govind Mills Limited | Transferor Company | 27.10.2001 | |
| Land | 0.66 | Govind Mills Limited | Transferor Company | 19.11.2001 | |
| Land | 2,544.90 | Gallantt Ispat Limited | Transferor Company | April 2007 to March, 2022 | Got the ownership by way of amalgamation of Gallant Ispat Limited and the property is still in the name of transferor company |
| Buildings | 11,347.41 | Gallantt Ispat Limited | Transferor Company | April 2007 to March, 2022 | |
| Buildings | 11.27 | Hipoline Commerce Private Limited | Transferor Company | April, 2016 | Got the ownership by way of amalgamation of Hipoline Commerce Private Limited and the property is still in the name of transferor company |

Note:

In case of immovable properties acquired from Gallantt Ispat Limited and Hipoline Commerce Private Limited which got merged with the Company pursuant to National Company Law Tribunal Order dated September 22, 2021 and May 20, 2022, dates have been considered with effect from the merger set out in Note 46 to the Standalone financial statements. The values of the land & buildings have been given at cost.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment or intangible assets or both during the year. However, the Company has entered into the scheme of amalgamation and slump sale which has been approved and sanctioned by the Tribunal with effect from April 1, 2019 by Honorable National Company Law Tribunal, Kolkata Bench and Honorable National Company Law Tribunal, New Delhi Bench, vide their orders dated September 22, 2021 and May 20, 2022 respectively. Accordingly, all the property, plant and equipments and intangible assets have been taken at fair value with effect from April 1, 2019.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) (a) The inventory has been physically verified at reasonable interval by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the

books of accounts.

- (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 to the transferor

company Gallantt Ispat Limited (GIL) 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:

Details of Quarterly Return filed with SBI:

(₹ In lacs)

| Quarter Ended | Amount as per book of account | Amount as reported in the quarterly return / statement | Amount of difference |
|---------------|-------------------------------|--------------------------------------------------------|----------------------|
| 30.06.2021 | 16,112.83 | 14,962.42 | 1,150.41 |
| 30.09.2021 | 10,327.18 | 8,812.64 | 1,514.54 |
| 31.12.2021 | 8,009.24 | 7,770.01 | 239.23 |
| 31.03.2022 | 12,414.96 | 12,146.70 | 268.26 |

Details of Quarterly Return filed with HDFC Bank:

(₹ In lacs)

| Quarter Ended | Amount as per book of account | Amount as reported in the quarterly return / statement | Amount of difference |
|---------------|-------------------------------|--------------------------------------------------------|----------------------|
| 30.06.2021 | 28,774.00 | 22,954.00 | 5,820.00 |
| 30.09.2021 | 22,407.00 | 15,817.00 | 6,590.00 |
| 31.12.2021 | 23,429.00 | 18,552.00 | 4,877.00 |
| 31.03.2022 | 28,411.00 | 22,802.00 | 5,609.00 |

- iii) As per the information and explanation given to us, the company has not granted during the year, any loans, secured or unsecured to Companies, firms, LLPs or other parties, covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, clause (iii) of Paragraph 3 of the order is not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans granted, investments made, guarantees and securities provided, wherever applicable.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public in terms of the provisions of Section 73 to 76 of the Companies Act, 2013 and the Rules framed there under and the directives issued by the Reserve Bank of India. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi) We have broadly reviewed the books of account maintained by the Company, pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and cost records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.
- vii) (a) In our opinion and according to the information and explanations given to us, the Company is generally been regular in depositing with appropriate authorities undisputed statutory dues, as required under this clause and applicable to the Company during the year. There is no undisputed amount payable in respect of aforesaid statutory dues, outstanding for more than six months from the date they become payable as on March 31, 2022.

- (b) According to the information and explanations given to us, the statutory dues that have not been deposited with the appropriate authorities on account of any dispute for the amount mentioned below:

| Name of the Statute | Nature of the Dues | Amount (₹ in lacs) | Period | Forum where dispute is pending |
|---------------------------|--------------------|--------------------|------------------------------------------|-------------------------------------------------------------------------------------|
| Income Tax Act | Income Tax | 17.75* | 2008-09 to 2018-19 | Various appellate forums |
| Value Added Tax | VAT | 38.04* | 2007-08 | Jt. Commissioner of Appeal |
| Central GST | GST | 603.35 | 2014-15 2015-16 2016-17 2017-18 | Commission Appeal GST Central |
| Central GST and State GST | GST | 1,190.49 | 2020-21 2021-22 | Joint Comm. GST, Varanasi, Asstt Commissioner, Gorakhpur, DC First, SGST, Gorakhpur |

| | | | | |
|--------------------|-------------|----------|--------------------------|----------------------------------|
| Custom Act | Custom Duty | 264.94 | 2011-12 2012-13 | CESTAT, Ahmedabad |
| Central Excise Act | Excise Duty | 170.12 | 2010-11 | CESTAT, Ahmedabad |
| Central Excise Act | Excise Duty | 465.65 | 2008-09 to 2010-11 | Review Petition in Supreme Court |
| UP VAT Act 2008 | VAT | 9,255.64 | August 2011 to June 2017 | Govt. of UP |
| Income Tax Act | Income Tax | 881.44 | A.Y. 2015-16 | CIT(A), Kolkata |

*net of amount paid under protest

- viii) There were no transactions relating to the previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender. Hence reporting under clause 3(ix) (a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) 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) 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) 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, associates or joint ventures, if any.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix) (f) of the Order is not applicable.
- x) (a) To the best of our knowledge and belief and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi) (a) In our opinion and according to information and explanations given to us, no fraud by the company or on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, 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 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 explanations given to us, there are no instances of whistle-blower complaints received during the year by the company.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered Internal Audit Report issued to the company during the year and covering the period up to March 31, 2022 for the period under audit.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.
- xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any Non- Banking Financial or Housing Finance activities without a valid certificate of registration (CoR) from The Reserve Bank of India as per Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvii) The Company has not incurred any cash losses during the

financial year. However, there is a cash loss of ₹ 953.57 lakhs in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company during the year, and accordingly this clause is not applicable;

xvii) 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 towards Corporate Social Responsibility (CSR) on ongoing projects under sub-section (5) of Section 135 of the Companies Act, 2013 requiring a transfer to a special account in compliance with provision 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.

For **ALPS & Company**
Chartered Accountants
Firm's Registration No.313132E

(A.K. Khetawat)
Partner

Membership Number: 052751
UDIN: 22052751AJRTDT8197

Place: Kolkata

Date: May 26, 2022

Annexure C to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Gallantt Metal Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of

any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

Place: Kolkata
Date: May 26, 2022

For **ALPS & Company**
Chartered Accountants
Firm's Registration No.313132E
(A.K. Khetawat)
Partner
Membership Number: 052751
UDIN: 22052751AJRTDT8197

Balance Sheet as at 31st March 2022

(₹ in lacs)

| Particulars | Notes | As at 31.03.2022 | As at 31.03.2021 |
|----------------------------------------------------------------------------------------|-------|---------------------|---------------------|
| (I) ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Property, plant and equipment | 03 | 1,25,989.87 | 1,12,774.38 |
| (b) Capital work in progress | 03 | 35,871.33 | 27,669.39 |
| (c) Other Intangible Assets | 03 | 19,241.30 | 21,997.11 |
| | | 1,81,102.50 | 1,62,440.88 |
| (d) Financial assets | | | |
| (i) Investments | 04 | 142.98 | 6,015.92 |
| (ii) Other financial assets | 05 | 286.17 | 278.65 |
| (e) Other non-current assets | 06 | 1,353.22 | 1,110.85 |
| | | 1,82,884.87 | 1,69,846.31 |
| (2) Current Assets | | | |
| (a) Inventories | 08 | 33,139.26 | 24,142.47 |
| (b) Financial assets | | | |
| (i) Trade receivables | 09 | 15,702.86 | 13,274.79 |
| (ii) Cash and cash equivalent | 10 | 864.96 | 279.25 |
| (iii) Bank balances other than (ii) above | 11 | 473.33 | 873.95 |
| (iv) Loans | 12 | 446.33 | 416.93 |
| (v) Other financial assets | 13 | 24,408.76 | 24,395.19 |
| (c) Current Income tax assets (net) | | 1,153.76 | 1,919.27 |
| (d) Other current assets | 14 | 9,821.94 | 8,957.98 |
| | | 86,011.20 | 74,259.84 |
| TOTAL ASSETS | | 2,68,896.07 | 2,44,106.15 |
| (II) EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 15 | 8,132.23 | 8,132.23 |
| (b) Other equity | 16 | 2,00,179.71 | 1,82,405.74 |
| | | 2,08,311.95 | 1,90,537.97 |
| Liabilities | | | |
| (1) Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 17 | 9,889.47 | 9,867.19 |
| (b) Provisions | 18 | 585.82 | 508.25 |
| (c) Deferred tax liabilities / (Assets) (Net) | 7 | 1,633.63 | 456.32 |
| (d) Other Non Current Liability | 19 | 942.02 | 1,040.94 |
| | | 13,050.94 | 11,872.70 |
| (2) Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 20 | 28,766.34 | 28,966.04 |
| (ii) Derivative liabilities | 21 | - | 5.83 |
| (iii) Trade payables | 22 | | |
| Total outstanding dues of micro enterprises and small enterprises | | 5.80 | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 15,752.03 | 7,650.63 |
| (iv) Other financial liabilities | 23 | 429.03 | 662.49 |
| (b) Other current liabilities | 24 | 2,558.95 | 4,327.13 |
| (c) Provisions | 25 | 21.03 | 83.36 |
| | | 47,533.18 | 41,695.48 |
| TOTAL EQUITY AND LIABILITIES | | 2,68,896.07 | 2,44,106.15 |

See accompanying notes forming part of the financial statements

As per terms of our report attached

For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Date : May 26 , 2022

For and on behalf of the Board of Directors

Chandra Prakash Agrawal
Chairman & Managing Director

Dinesh R Agarwal
Whole-time Director

Sandip Kumar Agarwal
Chief Financial Officer

Arnab Banerji
Company Secretary

Statement of Profit and Loss for the year ended 31st March 2022

(₹ in lacs)

| Particulars | Notes | For Year ended 31.03.2022 | For Year ended 31.03.2021 |
|-----------------------------------------------------------------------------------------|-----------|------------------------------|------------------------------|
| (1) Revenue from operations | 26 | 3,01,737.60 | 2,10,514.42 |
| (2) Other income | 27 | 5,360.80 | 883.45 |
| (3) Total Revenue (1) + (2) | | 3,07,098.40 | 2,11,397.88 |
| (4) EXPENSES | | | |
| (a) Cost of materials consumed | 28 | 2,45,703.81 | 1,55,958.57 |
| (b) Purchase of stock in trade | | 657.22 | 923.89 |
| (c) Changes in inventories of finished products and work in progress | 29 | (5,082.95) | 1,567.95 |
| (d) Employee benefits expense | 30 | 7,203.60 | 6,363.90 |
| (e) Finance costs | 31 | 2,046.35 | 2,173.21 |
| (f) Depreciation expense | 32 | 9,209.26 | 6,751.68 |
| (g) Other expenses | 33 | 23,630.73 | 18,776.55 |
| Total Expenses (4) | | 2,83,368.02 | 1,92,515.76 |
| (5) Profit before tax (3) - (4) | | 23,730.38 | 18,882.12 |
| (6) Tax Expense | | | |
| (a) Current tax | | | |
| (i) Current tax for current period | | 4,146.17 | 3,299.08 |
| (ii) Mat Credit Entitlement | | (258.08) | (734.83) |
| (iii) Current tax for the previous years | | - | (53.16) |
| (b) Deferred tax | | | |
| (i) Deferred tax for current period | | 2,258.35 | 1,584.50 |
| Total tax expense (6) | | 6,146.45 | 4,095.59 |
| (7) Profit for the period (5) - (6) | | 17,583.93 | 14,786.53 |
| (8) Other comprehensive income | | | |
| (a) Items that will not be reclassified to statement of profit and loss | | | |
| (i) Remeasurement of the employees defined benefit plans | | 254.07 | 181.74 |
| (ii) Fair value changes of intrustrument in equity shares | | - | - |
| (b) Less : Income tax relating to items that will not be reclassified to profit or loss | | (57.76) | (63.03) |
| Total other comprehensive income (8) | | 196.31 | 118.71 |
| (9) Total comprehensive income for the period (7) + (8) | | 17,780.24 | 14,905.24 |
| (10) Earnings per equity share: (Face value of share of ₹ 10 each) | 35 | | |
| (a) Basic | | 21.62 | 18.18 |
| (b) Diluted | | 7.29 | 6.13 |

See accompanying notes forming part of the financial statements

As per terms of our report attached

For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Date : May 26 , 2022

For and on behalf of the Board of Directors

Chandra Prakash Agrawal
Chairman & Managing Director

Dinesh R Agarwal
Whole-time Director

Sandip Kumar Agarwal
Chief Financial Officer

Arnab Banerji
Company Secretary

Statement of Changes in Equity for the year ended 31st March 2022

(₹ in lacs)

A. Equity Share Capital

(1) For the year ended 31st March, 2022

| Balance at the beginning of the year | Changes in Equity Share Capital due to prior period errors | Restated Balance at the beginning of the year | Changes in Equity Share Capital during the year | Balance at the end of the year |
|--------------------------------------|------------------------------------------------------------|-----------------------------------------------|-------------------------------------------------|--------------------------------|
| 8,132.23 | - | 8,132.23 | - | 8,132.23 |

(2) For the year ended 31st March, 2021

| 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 |
|--------------------------------------|------------------------------------------------------------|-----------------------------------------------|-------------------------------------------------|--------------------------------|
| 8,132.23 | - | 8,132.23 | - | 8,132.23 |

B. Other Equity

For the year ended 31st March, 2022

| Particulars | Reserves and Surplus | | | | Remeasurement of defined benefit plans (Other Comprehensive Income) | Total |
|----------------------------------------------------|----------------------|------------------------|--------------------|-------------------|---------------------------------------------------------------------|-------------|
| | Capital Reserve | Share capital Suspense | Securities Premium | Retained Earnings | | |
| Balance at the beginning of the year | 1,11,147.23 | 15,995.86 | 1,050.00 | 54,046.63 | 166.02 | 1,82,405.74 |
| Changes in Accounting Policy / Prior Period Errors | - | - | - | - | - | - |
| Restated Balance | 1,11,147.23 | 15,995.86 | 1,050.00 | 54,046.63 | 166.02 | 1,82,405.74 |
| Add/(Less) : | | | | | | |
| Profit for the year | - | - | - | 17,577.65 | - | 17,577.65 |
| Other Comprehensive Income/(Loss) for the year | - | - | - | - | 196.31 | 196.31 |
| Transfer to Retained Earnings | - | - | - | - | - | - |
| Balance as at 31st March, 2022 | 1,11,147.23 | 15,995.86 | 1,050.00 | 71,624.28 | 362.34 | 2,00,179.71 |

For the year ended 31st March, 2021

| Particulars | Reserves and Surplus | | | | Remeasurement of defined benefit plans (Other Comprehensive Income) | Total |
|----------------------------------------------------|----------------------|------------------------|--------------------|-------------------|---------------------------------------------------------------------|-------------|
| | Capital Reserve | Share capital Suspense | Securities Premium | Retained Earnings | | |
| Balance at the beginning of the year | 1,11,147.23 | 15,995.86 | 1,050.00 | 39,260.11 | 47.31 | 1,67,500.50 |
| Changes in Accounting Policy / Prior Period Errors | - | - | - | - | - | - |
| Restated Balance | 1,11,147.23 | 15,995.86 | 1,050.00 | 39,260.11 | 47.31 | 1,67,500.50 |
| Add/(Less) : | | | | | | |
| Profit for the year | - | - | - | 14,786.53 | - | 14,786.53 |
| Other Comprehensive Income/(Loss) for the year | - | - | - | - | 118.71 | 118.71 |
| Transfer to Retained Earnings | - | - | - | - | - | - |
| Balance as at 31st March, 2021 | 1,11,147.23 | 15,995.86 | 1,050.00 | 54,046.63 | 166.02 | 1,82,405.74 |

See accompanying notes forming part of the financial statements

As per terms of our report attached

For and on behalf of the Board of Directors

For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(**A. K. Khetawat**)

Partner

Membership No.: 52751

Place : Kolkata

Date : May 26 , 2022

Chandra Prakash Agrawal
Chairman & Managing Director

Dinesh R Agarwal
Whole-time Director

Sandip Kumar Agarwal
Chief Financial Officer

Arnab Banerji
Company Secretary

Cash Flow Statement for the year ended 31st March 2022

(₹ in lacs)

| Particulars | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|---------------------------------------------------------------------|----------------------------------|----------------------------------|
| A. Cash Flow from Operating activities: | | |
| Profit for the period | 23,730.38 | 18,882.12 |
| <i>Adjustments for:</i> | | |
| Income tax expenses recognised in the statement of profit and loss | | |
| Depreciation expense | 9,209.26 | 6,751.68 |
| Interest income | (206.53) | (280.48) |
| Interest expenses | 1,751.39 | 1,903.79 |
| Remeasurement Gain / (Loss) on defined benefit plan | 254.07 | 181.74 |
| Net (Gain)/Loss on derivative instruments | (5.83) | 5.83 |
| (Profit)/loss on sale of property, plant & equipments | (945.44) | 7.68 |
| Liabilities/provision no longer required written back | (0.45) | (2.84) |
| Operating profit before working capital changes | 33,786.86 | 27,449.51 |
| <i>Adjustments for (increase)/decrease in operating assets</i> | | |
| Inventories | (8,996.79) | 1,816.42 |
| Trade receivables | (2,428.07) | (3,867.20) |
| Non-current financial assets | (7.52) | (120.53) |
| Other non-current assets | (265.78) | 63.47 |
| Current financial assets | 11.02 | (14.78) |
| Other current assets | (863.95) | (4,816.20) |
| <i>Adjustments for increase/(decrease) in operating liabilities</i> | | |
| Trade Payables | 8,107.20 | (1,955.43) |
| Current financial liabilities | (48.77) | 112.24 |
| Other current liabilities | (1,768.18) | 3,442.67 |
| Provisions | 15.68 | (835.75) |
| Cash generated from operations | 27,541.72 | 21,274.41 |
| Direct taxes paid | (4,145.88) | (3,940.53) |
| Net cash generated from operating activities | 23,395.84 | 17,333.87 |
| B. Cash Flow from Investing activities: | | |
| Purchase of property, plant and equipment | (28,534.46) | (13,255.94) |
| Sale of property, plant & equipment | 1,227.04 | 667.59 |
| Investment in Shares | 5,872.95 | (6,015.92) |
| Movement in loans and advances | (29.41) | (416.93) |
| Movement in fixed deposit held as margin | 400.63 | (522.61) |
| Interest received | 181.94 | 269.27 |
| Net cash (used in) investing activities | (20,881.32) | (19,274.54) |

Cash Flow Statement for the year ended 31st March 2022

(₹ in lacs)

| Particulars | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|-------------------------------------------------------------|----------------------------------|----------------------------------|
| C. Cash Flow from Financing activities: | | |
| Proceeds from long term borrowings | 22.28 | (9,891.40) |
| Proceeds from short term borrowings | - | 12,782.28 |
| Repayment of short term borrowings | (199.71) | - |
| Interest paid | (1,751.39) | (1,903.79) |
| Net cash (used in) financing activities | (1,928.82) | 987.10 |
| Net increase/(decrease) in cash and cash equivalents | 585.71 | (953.57) |
| Cash and cash equivalents as at 1st April | 279.25 | 1,232.82 |
| Cash and cash equivalents as at 31st March | 864.96 | 279.25 |

See accompanying notes forming part of the financial statements

1. Cash and cash equivalents represents cash, cheques on hand and balances with banks (Refer Note 10).
2. Figures in brackets represent outflows.

See accompanying notes forming part of the financial statements

As per terms of our report attached

For **ALPS & Co.**

Chartered Accountants

Firm Registration No : 313132E

(A. K. Khetawat)

Partner

Membership No.: 52751

Place : Kolkata

Date : May 26 , 2022

For and on behalf of the Board of Directors

Chandra Prakash Agrawal

Chairman & Managing Director

Dinesh R Agarwal

Whole-time Director

Sandip Kumar Agarwal

Chief Financial Officer

Arnab Banerji

Company Secretary

Notes on financial statements as at / for the year ended 31st March 2022

Note -01 General information

1.01 Corporate information

Gallantt Metal Limited ("the Company") is a public limited company domiciled in India incorporated under the provisions of the Companies Act. The registered office of the company is located in Delhi, India. The Company is listed on the Bombay Stock Exchange 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 Samakhali, Dist Kutch in the State of Gujarat (Gujarat Unit). Further, vide orders dated September 22, 2021 and May 20, 2022 passed by Honorable National Company Law Tribunal, Kolkata Bench and Honorable National Company Law Tribunal, New Delhi Bench respectively, Gallantt Ispat Limited, AAR Commercial Company Limited, Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie Credit & Finance Private Limited have amalgamated with Gallantt Metal Limited. Gallantt Ispat Limited was engaged in the business of manufacturing of Steel and Power. After amalgamation, the steel and power plant of Gallantt Ispat Limited located at Sahjanwa, Gorakhpur, Uttar Pradesh (Gorakhpur Unit) has been transferred to Gallantt Metal Limited.

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, 2022 were approved by the Board of Directors and authorised for issue on May 26, 2022.

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

Notes on financial statements as at / for the year ended 31st March 2022

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 25 years |
| Furniture and Fixtures | 10 years |
| Office Equipments | 5 to 10 years |
| Computers | 3 years |
| Motor Vehicles | 8 to 10 years |
| Rolls | 1 year |

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit and loss.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.02 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment (if any) losses. Amortisation is recognised at straight-line basis over their estimated useful lives.

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date. Subsequent to initial recognition, intangible assets with definite useful lives acquired

Notes on financial statements as at / for the year ended 31st March 2022

in a business combination are reported at cost, less accumulated amortisation and accumulated impairment losses. 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 recognized in the Statement of Profit and Loss.

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries and associates at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 01, 2016.

2.05 Inventories

Inventories which comprise raw materials, work-in-progress and finished products are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price, non refundable taxes and duties and other directly attributable costs incurred in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable.

Stores and spares are valued at cost comprising of purchase price, non refundable taxes and duties and other directly attributable costs after providing for obsolescence and other losses, where considered necessary.

Value of inventories are generally ascertained on the "FIFO (First in First out)" basis.

2.06 Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise cash on hand, bank balances and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Notes on financial statements as at / for the year ended 31st March 2022

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 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

Notes on financial statements as at / for the year ended 31st March 2022

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 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.

Notes on financial statements as at / for the year ended 31st March 2022

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.

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 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

Notes on financial statements as at / for the year ended 31st March 2022

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 it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to

be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights too set off current tax assets and current tax liabilities within that jurisdiction.

iii) Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as a deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

iv) Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.17 Earning Per Share

Basic Earnings per share is calculated by dividing the net profit / (loss) for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2A.1 Recent Indian Accounting Standard (Ind AS)

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

Notes on financial statements as at / for the year ended 31st March 2022

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 on financial statements as at / for the year ended 31st March 2022

(₹ in lacs)

| 03. Property, plant and equipment | | | | | | | | | | | | | | |
|-----------------------------------|---------------|-------------------|--------|---------------------|----------------------------------------|----------------|------------------------|-------------------|----------------|-----------|----------|--------------|----------------|-------------|
| | Freehold Land | Freehold Building | Roads | Plant and Machinery | Electrical installation and Equipments | Lab Equipments | Furniture and fixtures | Office Equipments | Motor Vehicles | Computers | Rolls | Other Assets | Railway Siding | Total |
| Cost or deemed cost | | | | | | | | | | | | | | |
| Balance at April 1, 2020 | 30,934.39 | 15,754.62 | 557.57 | 46,901.04 | 764.46 | 46.68 | 38.54 | 110.26 | 680.87 | 23.67 | 240.70 | 925.78 | 420.44 | 97,399.02 |
| Additions | 305.73 | 3,150.45 | 120.47 | 24,325.87 | 4.73 | - | 3.00 | 4.68 | 165.58 | 6.85 | 160.13 | - | - | 28,247.49 |
| Disposals | (510.64) | (127.68) | - | (114.15) | - | - | - | - | (13.57) | - | (240.70) | - | - | (1,006.73) |
| Balance at March 31, 2021 | 30,729.48 | 18,777.40 | 678.04 | 71,112.76 | 769.19 | 46.68 | 41.54 | 114.94 | 832.88 | 30.52 | 160.13 | 925.78 | 420.44 | 1,24,639.77 |
| Additions | 123.29 | 3,719.06 | 277.46 | 13,036.46 | 500.17 | - | 2.92 | 4.02 | 32.69 | 5.54 | 216.82 | 2,131.02 | - | 20,049.45 |
| Disposals | (127.73) | - | - | (2.12) | - | - | - | - | (204.54) | - | (160.13) | - | - | (494.52) |
| Balance at March 31, 2022 | 30,725.04 | 22,496.46 | 955.50 | 84,147.10 | 1,269.36 | 46.68 | 44.46 | 118.96 | 661.03 | 36.06 | 216.82 | 3,056.80 | 420.44 | 1,44,194.71 |
| Accumulated depreciation | | | | | | | | | | | | | | |
| Balance at April 1, 2020 | - | 1,061.76 | 250.21 | 5,825.55 | 483.83 | 24.50 | 20.63 | 50.22 | 146.99 | 6.12 | 98.79 | 83.30 | 50.03 | 8,101.93 |
| Depreciation expense | - | 567.87 | 64.49 | 2,978.54 | 41.78 | 3.56 | 3.35 | 18.96 | 91.89 | 4.28 | 186.79 | 83.35 | 50.05 | 4,094.92 |
| Disposals | - | (4.15) | - | (79.41) | - | - | - | - | (7.20) | - | (240.70) | - | - | (331.46) |
| Balance at March 31, 2021 | - | 1,625.48 | 314.70 | 8,724.69 | 525.62 | 28.06 | 23.98 | 69.18 | 231.68 | 10.40 | 44.88 | 166.65 | 100.07 | 11,865.39 |
| Depreciation expense | - | 764.76 | 75.20 | 5,058.90 | 75.67 | 2.96 | 3.24 | 16.64 | 81.01 | 5.95 | 199.67 | 218.32 | 50.05 | 6,552.36 |
| Disposals | - | - | - | (1.46) | - | - | - | - | (51.33) | - | (160.13) | - | - | (212.92) |
| Balance at March 31, 2022 | - | 2,390.23 | 389.90 | 13,782.12 | 601.29 | 31.02 | 27.22 | 85.82 | 261.37 | 16.35 | 84.42 | 384.97 | 150.12 | 18,204.84 |
| Carrying amount | | | | | | | | | | | | | | |
| Balance at March 31, 2021 | 30,729.48 | 17,151.92 | 363.34 | 62,388.07 | 243.58 | 18.62 | 17.55 | 45.76 | 601.20 | 20.12 | 115.25 | 759.13 | 320.37 | 1,12,774.38 |
| Balance at March 31, 2022 | 30,725.04 | 20,106.23 | 565.60 | 70,364.97 | 668.07 | 15.66 | 17.23 | 33.13 | 399.67 | 19.71 | 132.40 | 2,671.83 | 270.32 | 1,25,989.87 |

Note:

- 1 All property plant and equipment are given as collateral security to the bank for working capital loans by way of hypothecation on movable fixed assets including plant and machinery both present and future and equitable mortgage over immovable properties of the company viz. land and building situated in Kutch, Gujarat.
- 2 Depreciation is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013.
3. The Scheme of Amalgamation and Slump Sale has been approved and sanctioned by the Tribunal with effect from April 1, 2019 by Honorable National Company Law Tribunal, Kolkata Bench and Honorable National Company Law Tribunal, New Delhi Bench have, vide their orders dated September 22, 2021 and May 20, 2022 respectively. Accordingly, all the property, plant and equipment and intangible assets have been taken at fair value with effect from April 1, 2019.

Notes on financial statements as at / for the year ended 31st March 2022

(₹ in lacs)

| 03. Intangible Assets | | | |
|----------------------------------|-------------------|--------------------|------------------|
| | Computer Software | Brands / Trademark | Total |
| Cost or deemed cost | | | |
| Balance at April 1, 2020 | 45.16 | 27,462.26 | 27,507.42 |
| Additions | 0.98 | - | 0.98 |
| Disposals | - | - | - |
| Balance at March 31, 2021 | 46.14 | 27,462.26 | 27,508.40 |
| Additions | - | - | - |
| Disposals | - | - | - |
| Balance at March 31, 2022 | 46.14 | 27,462.26 | 27,508.40 |
| Accumulated depreciation | | | |
| Balance at April 1, 2020 | 9.40 | 2,746.22 | 2,755.62 |
| Depreciation expense | 9.45 | 2,746.22 | 2,755.67 |
| Disposals | - | - | - |
| Balance at March 31, 2021 | 18.85 | 5,492.44 | 5,511.29 |
| Depreciation expense | 9.59 | 2,746.22 | 2,755.81 |
| Disposals | - | - | - |
| Balance at March 31, 2022 | 28.44 | 8,238.66 | 8,267.10 |
| Carrying amount | | | |
| Balance at March 31, 2021 | 27.29 | 21,969.82 | 21,997.11 |
| Balance at March 31, 2022 | 17.70 | 19,223.60 | 19,241.30 |

| 03. Capital work - in - progress ageing schedule | | | | | |
|--------------------------------------------------|------------------|------------|-----------|-------------------|-----------|
| Particulars | Less than 1 year | 1 -2 years | 2-3 years | More than 3 years | Total |
| Project in Progress | | | | | |
| As at 31st March, 2022 | 27,213.12 | 8,658.21 | - | - | 35,871.33 |
| As at 31st March, 2021 | 9,860.92 | 11,801.18 | 4,895.58 | 1,111.71 | 27,669.39 |

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.

| 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 |
| | Land | 12.94 | Govind Mills Limited | Transferor Company | 22.10.2001 | Got the ownership of the property in the name of Transferee Company, by way of Amalgamation. |
| | Land | 3.00 | Govind Mills Limited | Transferor Company | 20.07.2000 | |
| | Land | 7.18 | Govind Mills Limited | Transferor Company | 13.07.2000 | |
| | Land | 1.78 | Govind Mills Limited | Transferor Company | 21.07.2000 | |
| | Land | 0.94 | Govind Mills Limited | Transferor Company | 16.02.2001 | |
| | Land | 0.94 | Govind Mills Limited | Transferor Company | 05.10.2001 | |
| | Land | 3.80 | Govind Mills Limited | Transferor Company | 30.03.2002 | |
| | Land | 2.70 | Govind Steel & Power Ltd | Transferor Company | 17.08.2004 | |
| | Land | 5.50 | Govind Steel & Power Ltd | Transferor Company | 17.08.2004 | |
| | Land | 3.57 | Govind Mills Limited | Transferor Company | 23.07.2001 | |
| | Land | 0.88 | Govind Mills Limited | Transferor Company | 19.09.2001 | |
| | Land | 0.47 | Govind Mills Limited | Transferor Company | 24.09.2001 | |
| | Land | 0.74 | Govind Mills Limited | Transferor Company | 16.10.2001 | |
| | Land | 0.12 | Govind Mills Limited | Transferor Company | 27.10.2001 | |
| | Land | 0.66 | Govind Mills Limited | Transferor Company | 19.11.2001 | |
| | Land | 2,544.90 | Gallantt Ispat Limited | Transferor Company | April'07 to Mar'22 | |
| | Building | 11347.41 | Gallantt Ispat Limited | Transferor Company | April' 07 to Mar' 22 | |
| | Building | 11.27 | Hipoline Commerce Pvt Ltd | Transferor Company | April' 16 | |

Note:

In case of immovable properties acquired from Gallantt Ispat Limited and Hipoline Commerce Private Limited which got merged with the Company pursuant to Honorable National Company Law Tribunal Order dated September 22, 2021 and May 20, 2022, dates have been considered with effect from the merger set out in Note 46 to the Standalone Financial Statements. The values of the land and buildings has been given at cost.

| 04. Investments in Subsidiaries and Associates | | | | | |
|------------------------------------------------|---------------------------------------------------------------------------|------------------|--------|------------------|----------------|
| | | As at 31.03.2022 | | As at 31.03.2021 | |
| | | Qty Nos. | Amount | Qty Nos. | Amount ` lakhs |
| | Investments in Equity Instruments (Fully paid up unless stated otherwise) | | | | |
| (a) | Unquoted Investments | | | | |
| | Investments in subsidiaries (carried at cost) | | | | |
| | Gallantt Industry Private Limited | - | - | 40,10,000 | 4,001.00 |
| | Gallantt Udhog Private Limited | - | - | 20,10,000 | 2,001.00 |
| (b) | Quoted Investments | | | | |
| | In Other Company at fair value through other comprehensive income | | | | |
| | Mukta Agriculture Ltd | 22,000 | 1.34 | 22,000 | 0.51 |
| | Cressanda Solutions Ltd | 6,87,307 | 130.80 | 6,87,307 | 3.37 |
| | Mystics Electronics Limited | 18,800 | 1.14 | 18,800 | 0.69 |
| | Matra Kaushal Enterprises Ltd. | 4,15,000 | 8.96 | 4,15,000 | 8.96 |
| | Shalimar Production Ltd | 70,000 | 0.74 | 70,000 | 0.39 |
| Total aggregate investments | | - | 142.98 | - | 6,015.92 |

Notes on financial statements as at / for the year ended 31st March 2022

(₹ in lacs)

| 04. Investments in Subsidiaries and Associates | | | | | |
|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------|-------------------------|-------------------|-------------------------|---------------------------|
| | | As at 31.03.2022 | | As at 31.03.2021 | |
| | | Qty Nos. | Amount | Qty Nos. | Amount ` lakhs |
| Investment in quoted instrument | | | | | |
| Aggregate carrying value | | | 142.98 | | 13.92 |
| Aggregate market value | | | 142.98 | | 6,015.92 |
| Investment in unquoted instrument | | | - | | 4,001.00 |
| Aggregate carrying value | | | | | |
| 05. Other non-current financial assets (Unsecured, Considered good) | | | | | |
| | | As at 31.03.2022 | | As at 31.03.2021 | |
| (a) | Security deposits | | 286.17 | | 270.11 |
| (b) | Capital Registration Charges | | - | | 8.54 |
| | Total non-current financial assets | | 286.17 | | 278.65 |
| 06. Other non-current assets | | | | | |
| (a) | Capital advances | | 337.72 | | 361.13 |
| (b) | Balance with Statutory / Government Authorities | | 1,015.50 | | 749.72 |
| | Total other non-current assets | | 1,353.22 | | 1,110.85 |
| 07. Deferred tax balances | | | | | |
| The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet: | | | | | |
| | Deferred tax assets | | 6,334.00 | | 5,881.38 |
| | Deferred tax liabilities | | (7,967.63) | | (6,337.70) |
| | Net deferred tax asset/(liability) | | (1,633.63) | | (456.33) |
| For Year ended 31.03.2022 | | | | | |
| Deferred tax (liabilities)/assets in relation to: | | | | | |
| Deferred Tax Liability | | | | | |
| | Written down value of Assets | | 7,967.63 | | 6,337.70 |
| | Other Provision | | - | | - |
| | | | 7,967.63 | | 6,337.70 |
| Deferred Tax Assets | | | | | |
| | Mat Credit entitlement | | 6,203.31 | | 5,760.18 |
| | Provision for retirement benefit | | 83.55 | | 75.75 |
| | Other Provision | | 47.14 | | 45.45 |
| | | | 6,334.00 | | 5,881.38 |
| 08. Inventories | | | | | |
| (a) | Raw materials | | 16,436.36 | | 13,231.13 |
| | Including in transit ₹ 5,274.00 lakhs (P.Y. ₹ 3,594.86 lakhs) | | | | |
| (b) | Work-in-progress | | 350.01 | | 38.00 |
| (c) | Finished products | | 10,047.30 | | 5,276.37 |
| (d) | Stores and spare parts | | 5,544.79 | | 5,596.97 |
| (e) | Land at real estate business | | 760.80 | | - |
| | Total inventories | | 33,139.26 | | 24,142.47 |

1. Inventories are pledged on pari passu first charge against short term loans from bank (refer note 20)
2. The mode of valuation of Inventories has been stated in note 02 point -05

09. Trade receivables (Current)

| | As at 31.03.2022 | As at 31.03.2021 |
|------------------------------------------------------------------|------------------|------------------|
| Trade receivables - Considered Good Secured | - | - |
| Trade receivables - Considered Good Unsecured | 15,702.86 | 13,274.79 |
| Trade Receivables which have significant increase in credit Risk | - | - |
| Trade Receivable- Credit Impaired | - | - |
| | 15,702.86 | 13,274.79 |

1. Trade receivables are pledged on pari passu first charge against short term loans from bank (refer note 20).

2 Trade receivables ageing schedule

| Particulars | Not due | Outstanding for following periods from due date of payments | | | | | Total |
|------------------------------------|---------|-------------------------------------------------------------|------------------|-------------|-------------|-------------------|-----------|
| | | Less than 6 months * | 6 months -1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed Considered Goods | | | | | | | |
| As at March 31, 2022 | | 11,291.87 | 384.26 | 118.81 | 3,907.92 | - | 15,702.86 |
| As at March 31, 2021 | | 9,816.7 | 304.64 | 3,153.45 | - | - | 13,274.79 |

* Includes amount not yet due for payments

| 10. Cash and bank balances | As at 31.03.2022 | As at 31.03.2021 |
|---------------------------------------------------------------------------------------------|------------------|------------------|
| (a) Cash and cash equivalents | | |
| (i) Cash on hand | 39.13 | 102.26 |
| (ii) Balances with banks | | |
| (a) In current accounts | 10.55 | 8.99 |
| (b) In deposits accounts* | 815.28 | 168.00 |
| Total cash and cash equivalents | 864.96 | 279.25 |
| (i) * This represent deposits with original maturity of less than or equal to three months. | | |

| 11. Bank balance other than Cash and cash equivalents | | |
|-----------------------------------------------------------------------------------------------------------|---------------|---------------|
| In deposits accounts* | 471.43 | 871.47 |
| Earmarked balance with bank for unclaimed dividend | 1.90 | 2.48 |
| Total cash and bank balances | 473.33 | 873.95 |
| Included above | | |
| (i) Bank deposits for margin against letters of credit and Bank Guarantee | 1,286.71 | 1,039.47 |
| (ii) * This represent deposits with original maturity of more than three months but within twelve months. | | |

| 12. Current Financial Assets - Loans (Unsecured, considered good) | | |
|--------------------------------------------------------------------------|---------------|---------------|
| (a) Loan to related parties (refer note 38) | 409.79 | 381.49 |
| (b) Loans to other Body Corporates | 36.54 | 35.44 |
| | 446.33 | 416.93 |
| Loans - Considered Good Secured | - | - |
| Loans - Considered Good Unsecured | 446.33 | 416.93 |
| Loans which have significant increase in Credit Risk | - | - |
| Loans Credit Impaired | - | - |
| Details of loans under Section 186(4) of the Companies Act, 2013 | | |
| GL Steel and Power Limited | 275.55 | 254.90 |
| Ganesh Laxmi Processors Pvt Ltd | 134.24 | 126.59 |
| Charchit Creation Limited | 36.54 | 34.48 |
| Shahlon Creation Ltd. | - | 0.96 |

Notes on financial statements as at / for the year ended 31st March 2022

(₹ in lacs)

| 13. Other financial assets | | | |
|----------------------------|----------------------------------------------|------------------|------------------|
| | | As at 31.03.2022 | As at 31.03.2021 |
| (a) | Interest accrued on fixed deposits | 47.29 | 22.70 |
| (b) | Others | 6.41 | 4.10 |
| (c) | Incentive receivable from government (PICUP) | 24,352.58 | 24,352.58 |
| (d) | Loans & Advances | 2.48 | 15.81 |
| | Total other financial assets | 24,408.76 | 24,395.19 |

| 14. Other current assets | | | |
|--------------------------|------------------------------------------------------|-----------------|-----------------|
| (a) | Advance with public bodies | | |
| | i) Balance with Statutory and Government authorities | 750.21 | 491.19 |
| | ii) Advance to suppliers | 8,710.50 | 7,529.50 |
| | iii) Other advances and prepayments | | |
| | a) Prepayments | 62.88 | 111.02 |
| | b) Others | 298.34 | 826.29 |
| | Total other current assets | 9,821.94 | 8,957.98 |

| 15. Share capital | | | |
|-------------------|------------------------------------------------------------|-----------------|-----------------|
| (a) | Authorised: | | |
| | 8,30,00,000 (P.Y. 8,30,00,000) Equity Shares of ₹ 10 each | 8,300.00 | 8,300.00 |
| | Issued, Subscribed and fully paid up: | | |
| | 8,13,22,324 (P.Y. 8,13,22,324) Equity Shares of ₹ 10 each | 8,132.23 | 8,132.23 |
| | | 8,132.23 | 8,132.23 |

(b) Reconciliation of Number of Shares and amount outstanding at the beginning and end of the reporting period

| | For the period ended 31.03.2022 | | For the period ended 31.03.2021 | |
|----------------------------------------------|------------------------------------|------------------|------------------------------------|------------------|
| | No. of Shares | Amount ₹ lacs | No. of Shares | Amount ₹ lacs |
| Equity shares | | | | |
| Issued, subscribed and fully paid up: | | | | |
| At beginning and end of the year | 8,13,22,324 | 8,132.23 | 8,13,22,324 | 8,132.23 |
| Issued during the year | - | - | - | - |
| At end of the year | 8,13,22,324 | 8,132.23 | 8,13,22,324 | 8,132.23 |

(c) Rights, preferences and restrictions attached to shares

Equity Shares

- 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.
- The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.
- The Company for the period of five years immediately preceeding the date of balance sheet has not:
 - Allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.
 - Allotted fully paid up shares by way of bonus shares.
 - Bought back any class of shares.

(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 31.03.2022 | | For the period ended 31.03.2021 | |
|-------------------------------------|------------------------------------|-----------------|------------------------------------|-----------------|
| | No. of Shares | % of holding | No. of Shares | % of holding |
| Gallantt Ispat Limited | 3,94,62,895 | 48.53 | 3,94,62,895 | 48.53 |
| Lexi Exports Pvt. Limited | 1,19,30,679 | 14.67 | 1,19,30,679 | 14.67 |
| Richie Credit and Finance Pvt. Ltd. | 50,20,194 | 6.17 | 50,20,194 | 6.17 |
| Hipoline Commerce Pvt. Ltd. | 90,83,128 | 11.17 | 90,83,128 | 11.17 |

Share holding of Promoters

| Promoter Name | Shares held at March 31, 2022 | | | Shares held at March 31, 2021 | |
|--------------------------------------|-------------------------------|--------------------------|----------------------------------------------------------------|-------------------------------|--------------------------|
| | No. of Shares | Percentage of holding | Percentage change during the period ended March 31, 2022 | No. of Shares | Percentage of holding |
| GALLANTT ISPAT LIMITED | 3,94,62,895 | 48.53 | 0.00 | 3,94,62,895 | 48.53 |
| HIPOLINE COMMERCE PRIVATE LIMITED | 90,83,128 | 11.17 | 0.00 | 90,83,128 | 11.17 |
| ANUPAM AGARWAL | 8,896 | 0.01 | 0.00 | 8,896 | 0.01 |
| ASHUTOSH AGARWAL | 1,78,591 | 0.22 | 0.00 | 1,78,591 | 0.22 |
| BRIJ MOHAN JOSHI | 2,500 | 0.00 | 0.00 | 2,500 | 0.00 |
| CHANDRA PRAKASH AGARWAL | 28,00,000 | 3.44 | 0.00 | 28,00,000 | 3.44 |
| DINESH KUMAR AGARWAL | 23,07,251 | 2.84 | 0.00 | 23,07,251 | 2.84 |
| KARUNA JINDAL | 4,000 | 0.01 | 0.00 | 5,000 | 0.01 |
| KUSUM DEVI JALAN | 19,661 | 0.02 | 0.00 | 19,661 | 0.02 |
| NARAIN PRASAD AJITSARIA | 2,500 | 0.00 | 0.00 | 2,500 | 0.00 |
| NIDHI JALAN | 24,500 | 0.03 | 0.00 | 24,500 | 0.03 |
| NITIN KANDOI | 10,500 | 0.01 | 0.00 | 10,500 | 0.01 |
| OM PRAKASH JALAN | 65,279 | 0.06 | 0.00 | 49,279 | 0.06 |
| PREM PRAKASH AGARWAL | 15,995 | 0.02 | 0.00 | 15,995 | 0.02 |
| PREM PRAKASH AGRAWAL HUF | 32,500 | 0.04 | 0.00 | 32,500 | 0.04 |
| PRIYA AGARWAL | 1,00,000 | 0.12 | 0.00 | 1,00,000 | 0.12 |
| PRIYANKA DAS | 4,898 | 0.01 | 0.00 | 4,898 | 0.01 |
| SANTOSH KUMAR AGARWAL | 1,05,247 | 0.13 | 0.00 | 1,05,247 | 0.13 |
| SANTOSH KUMAR AGRAWAL HUF | 1,10,000 | 0.14 | 0.00 | 1,10,000 | 0.14 |
| SHARDA DEVI JALAN | 0 | 0.00 | 0.00 | 2,500 | 0.00 |
| SHRUTI KANDOI | 17,056 | 0.02 | 0.00 | 17,056 | 0.02 |
| SHYAMA AGRAWAL | 1,90,000 | 0.23 | 0.00 | 1,90,000 | 0.23 |
| SMRITI AGARWAL | 10,000 | 0.01 | 0.00 | 10,000 | 0.01 |
| SUBODH KUMAR JALAN | 10,000 | 0.01 | 0.00 | 10,000 | 0.01 |
| SUMESH KUMAR AGARWAL | 1,00,000 | 0.12 | 0.00 | 1,00,000 | 0.12 |
| UMA AGARWAL | 13,792 | 0.02 | 0.00 | 13,792 | 0.02 |

| 16. Other Equity | | As at 31.03.2022 | As at 31.03.2021 |
|------------------|---------------------------------------------------|--------------------|--------------------|
| a) | Share Capital Pending issue | 15,995.86 | 15995.86 |
| b) | Securities premium | 1,050.00 | 1,050.00 |
| c) | Retained Earnings | 71,624.28 | 54,046.63 |
| d) | Other Comprehensive Income | 362.34 | 166.02 |
| e) | Capital Reserve on account of amalgamation | 1,11,147.24 | 1,11,147.23 |
| | Total other equity | 2,00,179.71 | 1,82,405.74 |
| | Securities Premium | | |
| | Opening and closing balance | 1,050.00 | 1,050.00 |
| | Capital Reserve on account of amalgamation | | |
| | Opening and closing balance | 1,11,147.23 | 1,11,147.23 |
| | Retained Earnings | | |
| | Opening balance | 54,046.63 | 39,260.11 |
| | Profit for the period | 17,583.93 | 14,786.53 |
| | IT demand of earlier year | (6.28) | - |
| | Closing balance | 71,624.28 | 54,046.63 |
| | Other Comprehensive Income | | |
| | Opening Balance | 166.02 | 47.31 |
| | Other Comprehensive Income for the year | 254.07 | 181.74 |
| | Less : Tax impact on above | (57.76) | (63.03) |
| | Closing Balance | 362.34 | 166.02 |

Nature and purpose of reserve

Share capital pending issue: Pursuant to the Scheme of Amalgamation of Gallantt Ispat Limited, AAR Commercial Company Limited, Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie Credit & Finance Private Limited with the Company and Slump Sale of 18 MW Power Plant of Gallantt Ispat Limited to Gallantt Metal Limited (the "Scheme") as approved by the Honorable National Company Law Tribunal, Kolkata Bench and New Delhi Bench on September 22, 2021 and May 20, 2022 respectively, 6,54,96,896 Equity Shares inter-corporate shareholding held by the of Transferor Companies in the Company (Gallantt Metal Limited) shall stand cancelled. Further, shareholders of Transferor Companies shall be allotted 22,54,55,517 Equity Share of face value of ₹ 10/- as on the record date as fixed on June 07, 2022 in share entitlement ratio.

Securities Premium Account: The amount received in excess of face value of the equity shares is recognised in securities Premium Reserve. In case of equity-settled share-based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

Capital Reserve: The excess of fair value of net assets acquired over consideration paid in a common control transaction is recognised as capital reserve.

| 17. Non current Financial Liabilities -Borrowings | | As at 31.03.2022 | As at 31.03.2021 |
|---------------------------------------------------|-----------------------------------------------|------------------|------------------|
| A. Unsecured - at amortised cost | | | |
| (a) | Deferred VAT/CST Payable (Interest free Loan) | 9,889.47 | 9,867.19 |
| | | 9,889.47 | 9,867.19 |

1. These are carried at amortised cost.

| 18. Non-current Provisions | | | |
|----------------------------|-----------------------------------|---------------|---------------|
| (a) | Provision for employee benefits | 313.6269 | 236.0599 |
| (b) | Provision for Statutory Liability | 272.19 | 272.19 |
| | Total provisions | 585.82 | 508.25 |

| 19. Other Non-current Liabilities | | |
|-----------------------------------|------------------|------------------|
| | As at 31.03.2022 | As at 31.03.2021 |
| Deferred income (Capital subsidy) | 942.02 | 1,040.94 |
| | 942.02 | 1,040.94 |

| 20. Current Financial Liabilities -Borrowings | | |
|-----------------------------------------------|------------------|------------------|
| A. Secured - at amortised cost | | |
| (a) Repayable on demand | | |
| From banks | | |
| a) Cash credit | 11,091.16 | 7,269.69 |
| b) e-VFS from State Bank of India | 1,094.14 | - |
| c) Acceptance - Bill of Exchange | 4,564.38 | 2,846.15 |
| Total secured borrowings | 16,749.68 | 10,115.84 |
| B. Unsecured - at amortised cost | | |
| (a) Other loans | 12,016.66 | 18,850.20 |
| Total Unsecured borrowings | 12,016.66 | 18,850.20 |
| Total borrowings | 28,766.34 | 28,966.04 |

- The above working capital loan from bank is secured by first charge by hypothecation over all the current assets including stocks of raw materials, Stock in process, Finished Goods and book debts- present and future.
- The above working capital loan from bank is secured by collateral security by way of hypothecation on fixed assets including plant & machinery - both present and future and equitable mortgage over immovable properties of the company viz. land and building situated in Kutch, Gujarat.
- The above working capital loan from bank is secured by collateral security by pledge of 5,10,500 (P.Y. 5,10,500) equity share of the company held by promoters.
- The above working capital loans is guaranteed by the corporate guarantee of M/s Hipoline Commerce Pvt. Ltd.
- The above working capital loan is guaranteed by the personal guarantee of Sri C. P. Agrawal, Sri Dinesh R Agarwal and Sri Nitin Kandoi, Directors of the company.
- The above working capital loans from bank are bearing interest @ 7.80% (P.Y. 7.80% - 8.55%) on cash credit account and @ 5.50% - 7.00% (P.Y. 6.80% - 8.30%) on acceptance.
- The Company does not have any default as on the Balance Sheet date in repayment of loan or Interest.
- The Working Capital loan taken from the transferee company Gallantt Ispat Limited (GIL) from HDFC Bank is first secured by first charge by hypothecation over all the current assets including stocks of raw materials, stock in progress, Finished Goods and book debts – present and future. It is further secured by the personal guarantee of Sri C.P. Agrawal, Sri P.P. Agrawal, Sri S.K. Agrawal and Sri Nitin M. Kandoi.
- The Transferee Company M/s. Gallant Ispat Limited (GIL) is enjoying cash credit facility (CC) from HDFC Bank Ltd with sanction limit of ₹ 6,000 Lakhs.

| 21. Current Financial Liabilities -Derivative | | |
|-----------------------------------------------|------------------|------------------|
| | As at 31.03.2022 | As at 31.03.2021 |
| (a) Foreign currency forward contracts | - | 5.83 |
| Total derivative liabilities | - | 5.83 |

| 22. Current Financial Liabilities -Trade Payables | | As at 31.03.2022 | As at 31.03.2021 |
|---------------------------------------------------|----------------------------------------------------------------------------------------|------------------|------------------|
| (a) | Total outstanding dues to micro enterprises and small enterprises | 5.80 | - |
| (b) | Total outstanding dues of creditors other than micro enterprises and small enterprises | 15,752.03 | 7,650.63 |
| | Total Trade Payables | 15,757.83 | 7,650.63 |

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, 2022, to Micro, Small and Medium Enterprises on account of principal or interest.

Few intimations from suppliers have been received by the transferee company (Gallantt Ispat Limited) regarding the status under the Micro, Small and Medium Enterprises Development Act, 2006. During the year ended March 31, 2021 amount due to the Micro, Small and Medium Enterprises was paid within the appointed day as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

| 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 |
| As at March 31, 2022 | | | | | |
| Micro, Small and Medium Enterprise | 5.80 | - | - | - | 5.80 |
| Others | 12,096.31 | 155.72 | 3,500.00 | - | 15,752.03 |
| As at March 31, 2021 | | | | | |
| Micro, Small and Medium Enterprise | - | - | - | - | - |
| Others | 4,149.31 | 3,501.32 | - | - | 7,650.63 |

* Includes amount not yet due for payments

| 23. Current Financial Liabilities -Others | | As at 31.03.2022 | As at 31.03.2021 |
|-------------------------------------------|--------------------------------------------------|------------------|------------------|
| (a) | Creditors for accrued wages and salaries | 427.13 | 475.31 |
| (b) | Creditors for purchase of fixed assets | - | 184.70 |
| (c) | Unclaimed Dividend | 1.90 | 2.48 |
| | Total other current financial liabilities | 429.03 | 662.49 |

| 24. Other current liabilities | | | |
|-------------------------------|--------------------------------------------------|-----------------|-----------------|
| (a) | Advance received from customers | 647.17 | 1,629.06 |
| (b) | Employee recoveries and employer's contributions | 35.65 | 33.02 |
| (c) | Statutory dues | 1,069.79 | 2,229.20 |
| (d) | Other credit balances | 806.34 | 435.86 |
| | Total other current liabilities | 2,558.95 | 4,327.13 |

| 25. Current Provisions | | | |
|------------------------|---------------------------------|--------------|--------------|
| (a) | Provision for employee benefits | | |
| | i) Post retirement gratuity | 21.03 | 83.36 |
| | | 21.03 | 83.36 |

| 26. Revenue from operations | | |
|--------------------------------------|----------------------------------|----------------------------------|
| | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
| Sale of Products | | |
| (a) Sale of manufactured goods | 2,97,777.72 | 2,07,543.03 |
| (b) Sale of traded goods | 694.39 | 1,044.86 |
| (c) Other Operating Revenue | 3,265.49 | 1,926.53 |
| Revenue from Operations (Net) | 3,01,737.60 | 2,10,514.42 |

| 27. Other income | | |
|----------------------------------------------------------------------|-----------------|---------------|
| (a) Interest income from financial assets measured at amortised cost | | |
| i) From fixed deposits | 135.18 | 233.05 |
| ii) From Others | 71.35 | 47.43 |
| (b) Profit on sale of current investemnt | - | 0.74 |
| (c) Gain on foreign currency transactions (net) | 463.91 | 75.16 |
| (d) Gain on sale of fixed assets (net) | 986.71 | - |
| (e) Other non operating income | 22.54 | 12.66 |
| (f) Miscellaneous income | - | 514.42 |
| (g) Govt Incentives | 3,681.12 | - |
| Total other income | 5,360.80 | 883.45 |

| 28. Cost of materials consumed | | |
|------------------------------------------------|--------------------|--------------------|
| Raw materials & components consumed | | |
| (a) Opening stock | 13,220.11 | 13,789.29 |
| (b) Add: Purchases | 2,49,671.18 | 1,55,345.22 |
| | 2,62,891.29 | 1,69,134.51 |
| (c) Less: Closing stock | 17,187.48 | 13,220.11 |
| (d) Cost of land sold | - | 44.17 |
| Total raw materials consumed | 2,45,703.81 | 1,55,958.57 |

Notes:

- i) Manufactured goods consumed for own use ₹ 2,563.05 Lacs (P.Y. ₹ 518.10 Lacs) deducted from raw material consumed at cost price.

| 29. Changes in inventories of finished products and work in progress | | |
|----------------------------------------------------------------------|----------------------------------|----------------------------------|
| | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
| Inventories at the beginning of the year/period | | |
| (a) Finished products | 5,276.37 | 6,882.32 |
| (b) Work-in-progress | 38.00 | - |
| | 5,314.37 | 6,882.32 |
| Inventories at the end of the year/period | | |
| (a) Finished products | 10,047.30 | 5,276.37 |
| (b) Work-in-progress | 350.01 | 38.00 |
| | 10,397.31 | 5,314.37 |
| Net (increase)/decrease | (5,082.95) | 1,567.95 |

| 30. Employee Benefit Expenses | | |
|---------------------------------------------------------|-----------------|-----------------|
| (a) Salaries and wages, including bonus | 6,597.20 | 5,812.46 |
| (b) Company's contribution to provident and other funds | 460.83 | 418.91 |
| (c) Workmen and staff welfare expenses | 145.56 | 132.53 |
| Total employee benefits expense | 7,203.60 | 6,363.90 |

Notes on financial statements as at / for the year ended 31st March 2022

(₹ in lacs)

| 31. Finance costs | | |
|-----------------------------------------------------------------------|------------------------------------------|------------------------------------------|
| | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
| (a) Interest expense | 1,751.39 | 1,903.79 |
| (b) Other Borrowing costs | 236.33 | 269.43 |
| (c) Bank charges | 58.63 | - |
| Total finance costs | 2,046.35 | 2,173.21 |
| 32. Depreciation and amortisation expense | | |
| (a) Depreciation on assets | 9,308.18 | 6,850.59 |
| Less: Release from capital subsidy | (98.92) | (98.92) |
| Total depreciation expense | 9,209.26 | 6,751.68 |
| 33. Other expenses | | |
| (a) Consumption of stores, spare parts and loose tools | 4,719.92 | 3,930.70 |
| (b) Repairs to buildings | 45.11 | 47.91 |
| (c) Repairs to plant and machinery | 1,042.22 | 952.65 |
| (d) Repairs to others | 243.78 | 204.14 |
| (e) Power and fuel | 5,196.40 | 4,386.90 |
| (f) Other manufacturing expenses | 3,875.91 | 3,082.46 |
| (g) Rent | 17.86 | 14.40 |
| (h) Rates, taxes and licenses | 120.22 | 196.60 |
| (i) Insurance charges | 212.48 | 166.06 |
| (j) Freight and handling charges | 3,535.70 | 2,703.11 |
| (k) Commission and brokerage | 305.43 | 85.04 |
| (l) Selling expenses | 2,468.83 | 1,239.15 |
| (m) Loss on sale/discard of assets | 41.27 | 7.68 |
| (n) Corporate social responsibility expenses | 305.22 | 361.07 |
| (o) Other general expenses | 1,500.09 | 1,398.68 |
| Total Other expenses | 23,630.73 | 18,776.55 |
| Note: | | |
| 1. Auditor's Remuneration (included in other general expenses) | | |
| Audit Fee | 4.50 | 4.50 |
| Tax Audit Fee | 0.50 | 0.50 |
| Other Services (certification fee) | 0.50 | 0.50 |
| Out of pocket expenses | - | - |
| | 5.50 | 5.50 |
| 34. Income tax recognised in profit and loss | | |
| Current tax | | |
| Current Tax Expenses | 4,146.17 | 3,299.08 |
| Mat credit availed / (entitlement) | (258.08) | (734.83) |
| Income Tax Expenses | 3,888.10 | 2,564.25 |
| In respect of prior years | - | (53.16) |
| Income tax expenses including earlier year tax | 3,888.10 | 2,511.09 |
| Deferred tax | | |
| Deferred tax (assets / liabilities of the current year) | 2,258.35 | 1,584.50 |
| Deferred tax (assets) / liabilities in other comprehensive income | (57.76) | (63.03) |
| | 2,200.59 | 1,521.47 |
| Total tax expense | 6,088.69 | 4,032.57 |

| | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|----------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| The income tax expense for the year can be reconciled to the accounting profit (loss) as follows: | | |
| Profit before tax as per statement of Profit and Loss | 23,730.38 | 18,882.12 |
| Tax at special Rate | 974.70 | - |
| Accounting Profit before tax | 22,755.69 | 18,882.12 |
| Applicable Income Tax rate | 34.94% | 34.94% |
| Computed income tax expense | 7,951.75 | 6,598.17 |
| Tax at special Rate | 186.71 | - |
| Effect of income that is exempt from tax | (2,037.94) | (1,620.78) |
| Effect of expenses that are not deductible in determining taxable profit | 121.68 | 87.48 |
| Effect of timing difference of Depreciation | (2,389.03) | (2,554.24) |
| Effect of timing difference of liabilities | 54.93 | 53.62 |
| | 3,888.10 | 2,564.25 |
| Reconciliation of deferred tax (assets) / liabilities | | |
| Effect of written down value | 2,389.03 | 1,705.70 |
| Effect of timing difference of liability | (130.68) | (121.20) |
| Effect of timing difference of liability in other comprehensive income | (57.76) | (63.03) |
| | 2,200.59 | 1,521.47 |

35. Segment Reporting

Information reported to the Chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses based on products and services. Accordingly, directors of the Company have chosen to organise the segment based on its product and services as follows:

- Agro
- Iron and Steel
- Power
- Real Estate

Revenue and expenses directly attributable to segment are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as Unallocable expenses.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as Unallocable.

The company's financing and income taxes are managed on a company level and are not allocated to operating segment.

(i) Segment revenue and results

Segment revenue

| | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|--------------------------------|----------------------------------|----------------------------------|
| Agro | 1,802.34 | 10,252.93 |
| Steel | 2,99,929.81 | 2,00,217.32 |
| Power | 37,827.89 | 24,774.38 |
| Real Estate | | 44.17 |
| Unallocated Other income (Net) | 5,360.80 | 883.45 |
| | 3,44,920.84 | 2,36,172.25 |
| Inter-segment revenue | 37,822.44 | 24,774.38 |
| Total | 3,07,098.40 | 2,11,397.87 |

Notes on financial statements as at / for the year ended 31st March 2022

(₹ in lacs)

| | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Segment Results | | |
| Agro | (57.25) | 241.94 |
| Steel | 11,563.39 | 11,194.00 |
| Power | 8,909.79 | 8,735.94 |
| Real Estate | | |
| Total Segment Result | 20,415.93 | 20,171.88 |
| Interest | 2,046.35 | 2,173.21 |
| Other unallocated expnses /(income) | (5,360.80) | (883.45) |
| Profit /(Loss) before taxes | 23,730.38 | 18,882.12 |
| (ii) Segment assets and liabilities | | |
| Segment assets | | |
| Agro | 704.95 | 1,943.43 |
| Steel | 1,37,619.70 | 1,11,869.89 |
| Power | 37,580.12 | 38,722.24 |
| Real Estate | 1,112.07 | 421.28 |
| Unallocated | 91,879.86 | 91,149.31 |
| Total segment assets | 2,68,896.70 | 2,44,106.15 |
| Segment liabilities | | |
| Agro | - | - |
| Steel | 60,584.76 | 53,568.18 |
| Power | - | - |
| Real Estate | - | - |
| Unallocated | - | - |
| Shareholders' Fund | 2,08,311.95 | 1,90,537.97 |
| Total liabilities | 2,68,896.71 | 2,44,106.15 |
| (iii) Customer contributing more than 10% of revenue | | |
| There is no customer who contribute more than 10% of the total revenue | | |

36. Earnings per share

| | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Basic and diluted earnings per share | | |
| The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows: | | |
| Profit for the year attributable to owners of the Company | 17,583.93 | 14,786.53 |
| Weighted average number of equity shares for the purposes of basic earnings per share | 8,13,22,324 | 8,13,22,324 |
| Basic earnings per share | 21.62 | 18.18 |
| Diluted earnings per share | 7.29 | 6.13 |

37. Employee Benefit plans

(i) Defined contribution plans

Provident fund

The contributions to the Provident Fund and Family Pension Fund of eligible employees are made to a Government administered Provident Fund i.e The Employees' Provident Fund and Miscellaneous Provision Act 1952 and there are no further obligations beyond making such contribution.

(ii) Defined benefit plans

Gratuity

The Company participates in the Employees' Group Gratuity-cum-Life Assurance Scheme of SBI Life Insurance Co. Ltd., a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time), or as per the Company's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

Assumed discount rates are used in the measurement of the present value of the obligation.

Amount recognised as expenses

Employer's Contribution to Provident Fund amounting to ₹ 188.16 lakhs (previous year ₹ 133.14 lakhs) has been included in Note 30 Employee Benefits Expenses.

Employer's Contribution to ESIC amounting to ₹ 44.88 lakhs (previous year ₹ 39.99 lakhs) has been included in Note 30 Employee Benefits Expenses.

Gratuity cost amounting to ₹ 227.79 lakhs (previous year ₹ 245.77 lakhs) has been included in Note 30 Employee Benefits Expenses.

(iii) The amount recognised in the Company's financial statements as at the year end as under:

| | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|----------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| 1. Movement in the present value of the defined benefit obligation | | |
| a) Opening defined benefit obligation | 695.16 | 641.48 |
| b) Current service cost | 179.31 | 190.42 |
| c) Interest cost | 46.27 | 43.75 |
| d) Actuarial (gains)/ loss on obligation | (156.60) | (180.05) |
| e) Benefits paid | (6.93) | (0.44) |
| f) Closing defined benefit obligation | 757.21 | 695.16 |
| 2. Movement in the fair value of the plan assets | | |
| a) Opening fair value of plan assets | 375.73 | 351.13 |
| b) Interest income on plan assets | 26.54 | 24.72 |
| c) Employer's contribution | 18.54 | - |
| d) Actuarial (gains)/ loss on Plan Assets | 8.69 | 0.32 |
| e) Benefits paid | (6.93) | (0.44) |
| f) Closing fair value of plan assets | 422.57 | 375.73 |
| 3. Components of defined benefit costs recognised in profit and loss | | |
| a) Current service cost | 179.31 | 190.42 |
| b) Interest expenses on defined benefit obligation | 46.27 | 43.75 |
| c) Interest (income) on plan assets | (26.54) | (24.72) |
| d) Defined benefit cost included in Profit & Loss Account | 199.04 | 209.45 |
| 4. Components of defined benefit costs recognised in other comprehensive income | | |
| a) Actuarial (gains)/ loss on obligation for the year | (156.60) | (180.05) |
| b) Return on plan assets (excluding interest income) | (8.69) | (0.32) |
| c) Total defined benefit cost recognised in OCI | (165.29) | (180.37) |
| 5. Amount recognised in the statement of financial position | | |
| a) Present value of obligation at the end of the year | 757.21 | 695.16 |
| b) Fair value of Plan Assets at the end of the year | (422.57) | (375.73) |
| c) Net defined benefit liability / (assets) | 334.64 | 319.43 |
| Of which Short term liability | 21.02 | 83.36 |

Notes on financial statements as at / for the year ended 31st March 2022

(₹ in lacs)

| | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|--------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------|
| 6. Estimated contribution to be made in next financial year | 21.02 | 83.36 |
| 7. Actuarial Assumptions | | |
| Discount Rate | 7.30% | 6.41% |
| Expected Rate of Return on plan Assets | | |
| Salary Escalation rate | 5.00% | 5.00% |
| Employee Turnover | | |
| Mortality | Indian Assured Lives Mortality (2012-14) Ultimate | Indian Assured Lives Mortality (2012-14) Ultimate |
| 8. Assets Information | | |
| Gratuity Fund (SBI Life) | 422.57 | 375.73 |
| Target allocation | 100% | 100% |

(iv) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| | For the year ended 31.03.2022 | | For the year ended 31.03.2021 | |
|----------------------------------------|----------------------------------|------------|----------------------------------|------------|
| | (Increase) | (Decrease) | (Increase) | (Decrease) |
| Discount Rate (0.5% movement) | 708.97 | 810.73 | 619.11 | 787.54 |
| Salary escalation rate (0.5% movement) | 809.25 | 709.41 | 757.49 | 634.71 |
| Withdrawal rate (1% movement) | 746.56 | 769.27 | 691.52 | 697.43 |

38. Related Party Disclosures

| | |
|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| (i) Related parties where control exists | |
| (ii) Related parties with whom transactions have taken place during the year | |
| Ganesh Laxmi Processors Private Ltd | (Company under common control) |
| GL Steel and Power Limited | (Company under common control) |
| Gallantt Industry Private Limited | Wholly owned subsidiary till October 25, 2021, thereafter Managing Director of the company is interested |
| Gallantt Udhyog Private Limited | Wholly owned subsidiary till October 25, 2021, thereafter Managing Director of the company is interested |
| (iii) Key Management personnel | |
| Mr. Chandra Prakash Agrawal | Chairman and Managing Director |
| Mr. Dinesh R Agarwal | Wholetime Director |
| Mr. Nitin Kandoi | Wholetime Director |
| Mr. Prashant Jalan | Director (Plant Operation) |
| Mr. Mayank Agrawal | CEO |
| Mr. Sandip Kumar Agarwal | Chief Financial Officer |
| Mr. Nitesh Kumar | Company Secretary |
| Mr. Amit Jalan | Chief Financial Officer |
| Mr. Arnab Banerji | Company Secretary |
| (iv) Relative of key management personnel | |
| Mr. P. P. Agrawal | (Brother of Mr. C.P. Agrawal) |
| Mr. S.K. Agrawal | (Brother of Mr. C.P. Agrawal) |
| Mrs. Savita Kumari | (Wife of Mr. Nitesh Kumar) |

Related party Transactions

| Name of the related party | Nature of transaction | 31st March, 2022 | 31st March, 2021 |
|-----------------------------------------|-----------------------|------------------|------------------|
| GL Steel and Power Limited | Loan given | - | 250.00 |
| | Interest income | 22.94 | 5.30 |
| Gallantt Industry Private Limited | Loan taken | 13,793.04 | 1,700.00 |
| | Loan taken (refund) | 7,907.16 | 1,700.00 |
| | Investment | - | 4,001.00 |
| | Sale of product | 2,529.84 | 1,169.66 |
| | Purchase of products | - | 14.03 |
| | Interest expenses | 146.95 | 5.79 |
| Gallantt Udhog Private Limited | Loan taken | 4,549.42 | - |
| | Loan taken (refund) | 2,246.43 | - |
| | Interest expenses | 51.57 | - |
| | Sale of product | 56.00 | 267.87 |
| | Investment | - | 2,001.00 |
| | Purchase of products | 347.42 | - |
| Ganesh Laxmi Processors Pvt. Ltd. | Sale of product | - | 32.16 |
| | Purchase of products | - | 2.13 |
| | Loan Given | - | 44.00 |
| | Loan return back | 5.75 | 2.00 |
| | Interest Income | 14.89 | 11.30 |
| Mr. Chandra Prakash Agrawal | Remuneration | 61.20 | 60.00 |
| Mr. Dinesh R Agarwal | Remuneration | 25.20 | 280.36 |
| Mr. Nitin Kandoi | Remuneration | 36.00 | 36.00 |
| Mr. Prashant Jalan | Remuneration | 7.04 | 5.38 |
| Mr. Mayank Agrawal | Remuneration | 18.00 | 18.00 |
| Mr. Sandip Kumar Agarwal | Remuneration | 17.53 | 16.28 |
| Mr. Nitesh Kumar | Remuneration | 19.05 | 20.20 |
| Mr. Amit Jalan | Remuneration | 12.65 | 10.78 |
| Mr. Arnab Banerji | Remuneration | 5.70 | 5.11 |
| Mr. P.P. Agrawal | Remuneration | 36.00 | 36.00 |
| Mr. S.K. Agrawal | Remuneration | 36.00 | 36.00 |
| Mrs. Savita Kumari | Remuneration | 6.95 | 7.28 |
| Outstanding Balance | | | |
| GL Steel and Power Limited | Loan given | 275.55 | 254.90 |
| Gallantt Industry Private Limited | Loan taken | 5,885.88 | - |
| Gallantt Udhog Private Limited | Loan taken | 2,302.99 | - |
| Gallantt Udhog Private Limited | Sale | - | 267.86 |
| Ganesh Laxmi Processors Private Limited | Loan Given | 134.24 | 126.59 |

39. Capital management

The Company manages its capital to ensure that entities will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Company consists of net debt and the total equity of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, long term-term borrowings, short-term borrowings, less cash and short-term deposits.

Gearing Ratio

The gearing ratio at end of the reporting period was as follows

| | As at 31.03.2022 | As at 31.03.2021 |
|------------------------------------------|------------------|------------------|
| Debt | | |
| Current borrowings | (28,766.34) | (28,966.04) |
| Long term borrowings | (9,889.47) | (9,867.19) |
| Current Maturity of long term borrowings | - | - |
| Cash and bank balances | 1,338.29 | 1,153.20 |
| Net debt | (37,317.53) | (37,680.03) |
| Total equity | 2,08,311.95 | 1,90,537.97 |
| Equity share capital | 8,132.23 | 8,132.23 |
| Other equity | 2,00,179.71 | 1,82,405.74 |
| Net debt to equity ratio | (0.18) | (0.20) |

40. 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:

| | Currency | As at 31.03.2022 | As at 31.03.2021 |
|------------------------------|----------|------------------|------------------|
| Financial Liabilities | | | |
| Hedged | | | |
| | USD | - | - |
| | INR | - | - |
| Unhedged | | | |
| Trade Payable | USD | 46.17 | 1.66 |
| | INR | 3,509.05 | 122.11 |
| Financial Assets | | | |
| Hedged | | | |
| Trade Receivable | USD | - | 10.71 |
| | INR | - | 776.68 |
| Unhedged | | | |
| | USD | - | - |
| | INR | - | - |

Interest rate risk management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's short-term debt obligations with floating interest rates.

Interest rate sensitivity analysis

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

2. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, 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:

| (₹ in lacs) | | |
|-------------|------------------|------------------|
| Particulars | As at 31.03.2022 | As at 31.03.2021 |
| Others | 15,702.86 | 13,274.79 |
| | 15,702.86 | 13,274.79 |

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 31.03.2022 | Carrying amount | Less than 1 month | 1 to 5 years | > 5 years |
|-----------------------------|-----------------|-------------------|--------------|-----------|
| Short term borrowings | 28,766.34 | 28,766.34 | - | - |
| Long term borrowings | 9,889.47 | - | - | 9,889.47 |
| Derivative liabilities | - | - | - | - |
| Trade payables | 15,757.83 | 12,102.11 | 3,655.72 | - |
| Other financial liabilities | 429.03 | 429.03 | - | - |
| As at 31.03.2021 | | | | |
| Short term borrowings | 28,966.04 | 28,966.04 | - | - |
| Derivative liabilities | 5.83 | 5.83 | - | - |
| Trade payables | 7,650.63 | 4,149.31 | 3,501.32 | - |
| Other financial liabilities | 662.49 | 662.49 | - | - |

41. 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 31.03.2022 | As at 31.03.2021 |
|----------------------------------|------------------|------------------|
| Financial Assets: | | |
| Investment - Non-current | 142.98 | 6,015.92 |
| Security deposits - Non-current | 286.17 | 278.65 |
| Trade receivables | 15,702.86 | 13,274.79 |
| Cash and cash equivalents | 864.96 | 279.25 |
| Other bank balances | 473.33 | 873.95 |
| Loan - Current | 446.33 | 416.93 |
| Other Financial Assets-Current | 24,408.76 | 24,395.19 |
| Total | 42,325.39 | 45,534.69 |
| Financial Liabilities | | |
| Borrowings - Current | 28,766.34 | 28,966.04 |
| Trade payable | 15,757.83 | 7,650.63 |
| Derivative financial liabilities | - | 5.83 |
| Other financial liabilities | 429.03 | 662.49 |
| Total | 44,953.20 | 37,284.99 |

42. Commitments

| | As at 31.03.2022 | As at 31.03.2021 |
|------------------------------------------------------------------------------------------------|------------------|------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 414.13 | 157.81 |

43. Contingent liabilities

| | | | |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| (i) | Curtailling the assured benefit of exemption granted to New Industrial unit in Kutch, Gujarat. The Company is entitled to exemption for 100% of the duty paid in Cash after utilization of CENVAT Credit for 5 years from the date of Commercial Production. Hon'ble Supreme Court has granted the verdict against the Company in April, 2020, Company has filed review petition for the same that has also been dismissed | 1,040.44 | 1,040.44 |
| (ii) | Commissioner of Central excise, Kutch Commissionerate issued Show Cause Notice on excise duty liability on sales tax incentive availed by the company. | 170.12 | 170.12 |
| (iii) | Commissioner, Central GST (Audit) issued show cause notice on wrong avaiement of CENVAT credit on imported coal. Case is pending befor Hon'ble CESTAT. | 603.35 | 603.35 |
| (iv) | Benefit on import of coal from AIFTA Preferential Tariff denied by the Kandla custom. We have preferred appeal to Commissioner of Custom. (₹ 39.03 lacs has been paid against the same) | 39.03 | 39.03 |
| (v) | Disputed liability in respect of sales tax (₹ 42.00 lacs has been paid against the same). | 80.04 | 80.04 |
| (vi) | Income Tax demand raised by the department from A.Y 2008-09 to 2018-2019 that has been disputed by the company in various forum of Income Tax department. | 17.75 | 17.75 |
| (vii) | Claim against the company not acknowledged debt in respect of disputed liability of freight with railway. Case is pending in Hon'ble Highcourt, Gujarat. | 161.45 | 161.45 |
| (viii) | Hon'ble High court of Gujarat has declared collection of green cess by the State Act ultra vires the constitution and the same is therefor void and ordered to refund the green cess collected. We had applied for refund. | 25.56 | 25.56 |
| (ix) | Various SCN issued by CGST and SGCT, varanasi and Gorakhpur for wrong avilment of input credit for that reply already been submitted by the company. | 1,190.49 | 1,190.49 |
| (x) | SCI issued by the additional director CGST / SGST Gorakhpure u/s 129(3), compnay has filed appeal against the same and also deposited amount of ₹ 3.96 lakhs | 3.96 | - |

Notes:

- The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.
- It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

- The Company has established this 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 1st June, 2006 and which have been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30th November, 2006 and amended from time to time. The said scheme provides following financial incentives besides other benefits to the Industries established in the State after June 01, 2006. Company has complied with

Notes on financial statements as at / for the year ended 31st March 2022

all the formalities required in this regard and has been declared an eligible unit under the scheme; as such the company is entitled to get the following financial incentives:

- a) Capital investment subsidy, additional capital investment subsidy and infrastructure subsidy @35% on fixed capital investment.
- b) Reimbursement of freight paid on raw materials subject to maximum of 65% of the fixed capital investment.
- c) Amount 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 vid its order dated March 22, 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 ₹ 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 June 30, 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 petition no. 8886/2011, however, ₹ 1,572.39 Lakhs have already been deposited before the said stay order.

Further as the GST act has replaced the VAT and CST w.e.f. 01.07.2017, Company has paid total amount of ₹ 34,576.94 Lakhs as GST to the Government from 01.07.2017 to 31.03.2022. Out of this, deposited amount of ₹ 14,347.72 Lakhs relates to old unit covered under this scheme which is eligible to be converted as interest free loan. Thus, an amount of ₹ 14,347.72 Lakhs is refundable as interest free loan.

45. The Company has expanded capacities of its units under attraction of financial incentives and other benefits of a scheme of State Government of Uttar Pradesh notified vide Government Order No. 1457/77-6-12-08-(M)/12 T.C.VII dated 23.01.2013 as amended from time to time. The said scheme provides refund of 80% of the amount of cash paid as SGST, as well as interest subsidy equivalent @ 5% per annum paid on term loan. This expansion has been declared eligible under this scheme, hence eligible for:

- a) refund of 80% of the amount of cash paid as SGST on account of sales from expanded capacities. Company has paid an amount of ₹ 18,936.06 Lakhs in cash as SGST for the period from December 01, 2017 to March 31, 2022 and company has filed its claim for release of subsidy from time to time for ₹ 15,148.85 Lakhs but disbursement and payment by State Government is subject to settlement and verification of claim as per their calculation, as such final effect of same is being given in accounts as and when they are settled, however, company has been sanctioned an amount of ₹ 3,157.25 Lakhs as SGST refund on 31st March, 2020 against the said claim, which was accounted for in 2019-20 and an amount of ₹ 3,681.12 Lakhs as SGST refund on 04th February, 2022 against the said claim, which was accounted for in 2021-22.
- b) ₹ 334.21 Lakhs claimed as interest subsidy, out of this ₹ 182.14 Lakhs has been refunded by State Government on 31st March, 2020 which was accounted for in 2019-20. Further as term loan has been paid

Notes on financial statements as at / for the year ended 31st March 2022

in full, no further interest subsidy will be allowed in this account.

46. Business Combinations during the year

Amalgamation of Companies

At their meeting held on January 18, 2020, Board of Directors of the Company has approved the Scheme of Amalgamation and Slump Sale providing for the Amalgamation of Gallantt Ispat Limited (Transferor Company No. 1 or GIL), AAR Commercial Company Limited (Transferor Company No. 2 or AAR), Hipoline Commerce Private Limited (Transferor Company No. 3 or HIPOLINE), Lexi Exports Private Limited (Transferor Company No. 4 or LEXI) and Richie Credit and Finance Private Limited (Transferor Company No. 5 or RICHIE) (together referred to as the "Transferor Companies") with Gallantt Metal Limited ("Transferee Company" or "GML") and for the Slump Sale of 18 MW Power Plant Undertakings of Gallantt Ispat Limited to the Transferee Company and their respective shareholders and Creditors ("Scheme") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013. In accordance with the Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "LODR") Company had filed the draft Scheme of Amalgamation and Slump Sale with the BSE Limited (formerly Bombay Stock Exchange Limited) and the National Stock Exchange of India Limited (hereinafter together referred to as the "Stock Exchanges") for obtaining an 'observation letter' or a 'no-objection letter', before filing such scheme. Further, Transferor Company No. 2 and the Transferee Company had also filed this application with the Stock Exchanges under Regulation 37 of LODR.

Brief details of the Scheme are as under:

- GIL, AAR, HIPOLINE, LEXI and RICHIE all are TRANSFEROR COMPANIES and GML is TRANSFEE COMPANY.
- The Transferee Company is a listed Company. GIL and AAR are also Listed Companies.
- Upon the Scheme becoming effective in lieu of the amalgamation no consideration will be due to the Transferor Companies and in consideration of the amalgamation of the Transferor Companies with the Transferee Company pursuant to the Scheme including the consequential extinguishment of the of the shareholding in Transferor Companies, the Transferee Company shall without further application, issue and allot as given below equity shares in the Transferee Company to the equity shareholders of the Transferor Companies whose names appear in the Register of Members of the Transferor Companies on the Record Date:
 - 13 (Thirteen) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 14 (Fourteen) equity shares of ₹ 1/- each fully paid up held by such member in GIL.
 - 5 (Five) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 1 (One) equity share of ₹ 10/- each fully paid up held by such member in AAR.
 - 9 (Nine) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 2 (Two) equity shares of ₹ 10/- each fully paid up held by such member in HIPOLINE.
 - 84 (Eighty-Four) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 1 (One) equity share of ₹ 10/- each fully paid up held by such member in LEXI.
 - 101 (One Hundred One) equity shares of the nominal value of ₹ 10/- fully paid up in the Transferee Company for every 2 (Two) equity shares of ₹ 10/- each fully paid up held by such member in RICHIE.
- Transferor Companies GIL and AAR and Transferee Company GML are under the Jurisdiction of the Registrar of Companies, Delhi and Haryana and Transferor Companies, HIPOLINE, LEXI and RICHIE are under the jurisdiction of the Registrar of Companies, West Bengal.
- Pursuant to the Scheme 18 MW Power Plant Undertakings of GIL will be sold and transferred to the Transferee Company through Slump Sale at a consideration of ₹ 35 Crores payable in cash.
- "Appointed Date of Slump Sale" means the open of business hours on April 01, 2019
- "Appointed Date" means the open of business hours on April 01, 2019 after the completion of the slump sale.

Company has appointed BSE Limited as designated Stock Exchange for coordinating with the SEBI in respect of the said Scheme and matters connected therewith. Vide its letters dated November 12, 2020 and November 23, 2020, BSE Limited and National Stock Exchange of India Limited respectively have issued Observation letters (hereinafter referred to as the "Observation Letters").

Post getting the observation Letters as above, Companies filed application with the Honorable National Company Law Tribunal, Principal Bench, New Delhi (hereinafter referred to as the "NCLT Delhi") together with other petitioner

Notes on financial statements as at / for the year ended 31st March 2022

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

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

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

Honorable National Company Law Tribunal, Kolkata Bench and Honorable National Company Law Tribunal, New Delhi Bench have, vide their orders dated September 22, 2021 and May 20, 2022 respectively, approved the Scheme. Certified copy of the Order of Honorable National Company Law Tribunal, Kolkata Bench was filed with the Registrar of Companies, West Bengal on November 05, 2021.

Further, certified true copy of the Order passed by Honorable National Company Law Tribunal is to be filed with the Registrar of Companies, Delhi and Haryana.

Gallantt Ispat Limited was engaged in the business of and is a pioneer in the Steel power and Agro sector and has gained its presence and is having its footprints spanning across Uttar Pradesh, Bihar, Jharkhand and Delhi NCR.

AAR Commercial Company Limited is engaged in the business of investing in Industrial Enterprises and advancing of loan and internments as permitted by the Memorandum of Association of the Company but is not carrying out Banking activities. AAR has plan to develop and complete real estate project. It is exploring further opportunities and has in the meantime deployed its funds in Investment in securities of the GIL. GIL inter alia engaged in the business of real estate and is also exploring opportunities in the real estate sector. AAR holds major portion (17.62%) of the equity share capital of GIL. GIL and GML are under same Promoter Group. Thus, the amalgamation may ensure focused management in a single combined entity thereby resulting in efficiency of management and maximizing overall shareholder value.

Hipoline Commerce Private Limited is a Non-Banking Financial Company and is forming part of the Promoter and Promoter Group of Transferee Company and it holds 11.17% shareholding in the Transferee Company i.e. GML. Amalgamation of HIPOLINE with GML may result in clarifying and making transparent the shareholding of the Transferee Company. The amalgamation may bring in advantages of synergy in operations and economies of scale. The pooling of resources of companies may create strong financial structure and facilitate resource mobilisation and achieve better cash flows.

Lexi Exports Private Limited and Richie Credit and Finance Private Limited holds 14.671% and 6.173% shareholding respectively in the Transferee Company under the Public Category. Amalgamation of LEXI and RICHIE with the Transferee Company may result in clarifying and making transparent the shareholding of the Transferee Company. Also, the amalgamation may bring in advantages of synergy in operations and economies of scale. The pooling of resources of companies may create strong financial structure and facilitate resource mobilisation and achieve better cash flows.

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(₹ in lacs)

The Company has made determination of fair values of the identified assets and liabilities for the purpose of purchase price allocation. The fair value of the identifiable assets and liabilities as at the date of acquisition were as under:

| Particulars | Gallantt Ispat Limited | AAR Commercial Company Limited | Hipoline Commerce Private Limited | Lexi Exports Private Limited | Richie Credit and Finance Private Limited | Total |
|------------------------------------------------------|------------------------|--------------------------------|-----------------------------------|------------------------------|-------------------------------------------|--------------------|
| Non-Current Assets: | | | | | | |
| Property, Plant and Equipment | 68,545.61 | - | 11.27 | - | - | 68,556.88 |
| Capital Work In Progress | 6,007.30 | - | - | - | - | 6,007.30 |
| Intangible Assets | 27,509.23 | - | - | - | - | 27,509.23 |
| Financial Assets | | | | | | |
| (i) Investments | 19,510.46 | 16,566.34 | 4,750.18 | 5,898.53 | 2,482.33 | 49,207.82 |
| (ii) Other Financial Assets | 0.68 | - | - | - | - | 0.68 |
| Other Non-Current Assets | 63.94 | 8.54 | - | - | - | 72.48 |
| Deferred Tax Assets/ (Liabilities) | 3,366.36 | - | 221.97 | - | - | 3,588.32 |
| Current Income Tax Assets | 209.21 | - | - | - | - | 209.21 |
| Current Assets: | | | | | | |
| Inventories | 13,109.12 | - | 57.22 | - | - | 13,166.34 |
| Financial assets | | | | | | |
| (i) Trade Receivables | 7,470.10 | - | - | - | - | 7,470.10 |
| (ii) Cash and Cash Equivalent | 3,588.28 | 1,658.32 | 3.86 | 3.76 | 11.44 | 5,265.65 |
| iii) Bank balances other than (ii) above | 245.32 | - | - | - | - | 245.32 |
| (iv) Loans | - | 25.78 | - | 41.21 | 59.34 | 126.34 |
| (v) Other Financial Assets | 24,509.51 | 0.51 | - | - | - | 24,510.02 |
| Other current assets | 2,757.33 | 10.93 | 137.32 | 0.34 | 4.65 | 2,910.57 |
| Total assets | 1,76,892.44 | 18,270.42 | 5,181.81 | 5,943.83 | 2,557.76 | 2,08,846.27 |
| Non-Current Liabilities: | | | | | | |
| Financial liabilities | | | | | | |
| (i) Borrowings | 11,584.66 | - | - | - | - | 11,584.66 |
| Provisions | 71.02 | - | 24.47 | 0.10 | 0.22 | 95.81 |
| Other Non Current Liability | 1,241.96 | - | - | - | - | 1,241.96 |
| Current Liabilities: | | | | | | |
| (i) Borrowings | 12,565.58 | - | - | 4.65 | 1.75 | 1,2571.98 |
| ii) Trade Payables | 600.84 | - | - | - | - | 600.84 |
| (iii) Other Financial Liabilities | 1.29 | 2.54 | - | - | - | 3.83 |
| Provisions | - | - | - | - | 0.29 | 0.29 |
| Other current liabilities | 2,292.52 | - | 102.65 | 0.24 | 0.20 | 2,395.61 |
| Total Liabilities | 28,357.87 | 2.54 | 127.12 | 4.99 | 2.46 | 28,494.98 |
| Total Identifiable Net Assets at Fair Value | 14,8534.57 | 18,267.88 | 5,054.70 | 5,938.84 | 2,555.30 | 18,0351.29 |
| Purchase Consideration paid for Equity shares | | | | | | 33,899.07 |
| Interholding Adjustment on Investment | | | | | | 35,305.00 |
| Non-Controlling Interests | | | | | | - |
| Capital Reserve arising on Acquisitions | | | | | | 1,11,147.22 |

Notes on financial statements as at / for the year ended 31st March 2022

(₹ in lacs)

- (a) The determination of the fair value of the transferee company: Gallantt Ispat Limited and AAR Commercial Company Limited is based on the average of the valuation under three approaches i. e. Cost Approach, Market Approach and Income Approach using Discounted cash flow method. However, the fair value of the transferee company: Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie Credit and Finance Private Limited is based on Cost Approach.

47. Corporate Social Responsibility Contribution (CSR Expenses)

| Particulars | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|-----------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| 1 Gross amount required to be spent by the company during the year | 340.94 | 304.36 |
| 2 Amount spent during the year on | | |
| (i) Construction/acquisition of any fixed assets | 225.00 | - |
| (ii) On purpose other than (i) above | 80.22 | 361.07 |
| 3 Shortfall at the end of the year | NIL | (56.71) |
| 4 Total of previous year shortfall | (67.59) | (10.88) |
| 5 Excess contribution in CSR at the end of the year and previous year | 31.87 | 67.59 |
| 6 Reason for shortfall | NIL | NIL |
| 7 Nature of CSR activities | Health, Education and Nutrition and safety | Health, Education and Nutrition and safety |

48. Disclosure pertaining to Micro, Small & Medium Enterprises Development Act, 2006, as per information available with the company.

| Particulars | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|-------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Principal amount outstanding as at year end | 5.80 | - |
| Interest due on above and unpaid as at year end | - | - |
| Interest paid to the supplier | - | - |
| Payments made to the supplier beyond the appointed day during the year | - | - |
| Interest due and payable for the year of delay | - | - |
| Interest accrued and remaining unpaid as at end of year | - | - |
| Amount of further interest remaining due and payable in succeeding year | - | - |

49. 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 | 409.79 | 91.81% |

50. 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, 2021 | State Bank of India | Inventory and Receivables | 16,112.83 | 14,962.42 | 1,150.41 |
| | HDFC Bank Limited | Inventory and Receivables | 28,774.00 | 22,954.00 | 5,820.00 |
| Q-2 September, 2021 | State Bank of India | Inventory and Receivables | 10,327.18 | 8,812.64 | 1,514.54 |
| | HDFC Bank Limited | Inventory and Receivables | 22,407.00 | 15,817.00 | 6,590.00 |

Notes on financial statements as at / for the year ended 31st March 2022

(₹ in lacs)

| 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-3 December, 2021 | State Bank of India | Inventory and Receivables | 8,009.24 | 7,770.01 | 239.23 |
| | HDFC Bank Limited | Inventory and Receivables | 23,429.00 | 18,552.00 | 4,877.00 |
| Q-4 March, 2022 | State Bank of India | Inventory and Receivables | 12,414.96 | 12,146.70 | 268.26 |
| | HDFC Bank Limited | Inventory and Receivables | 28,411.00 | 22,802.00 | 5,609.00 |

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.

51. Subsequent Events

Honorable National Company Law Tribunal, New Delhi Bench has, vide its order dated May 20, 2022, has passed an order sanctioning the Scheme of Amalgamation and Slump Sale providing for Slump Sale of 18 MW Power Plant of Gallantt Ispat Limited to Gallantt Metal Limited and thereafter Amalgamation of Gallantt Ispat Limited, AAR Commercial Company Limited, Hipoline Commerce Private Limited, Lexi Exports Private Limited and Richie Credit and Finance Private Limited with Gallantt Metal Limited (Transferee Company) and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 (the Scheme). Certified true copy of the Order as above is to be filed with the Registrar of Companies, Delhi and Haryana.

Except the above, there are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

52. Balances under Trade receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

53. FINANCIAL RATIOS:

| Sr. No. | Financial Ratio | Numerator | Denominator | 2021-2022 | 2020-2021 | % age variance | Remarks for variation more than 25% |
|---------|----------------------------------|-----------------------------------------------|---------------------------|-----------|-----------|----------------|-------------------------------------|
| (a) | Current Ratio | Current assets | Current liabilities | 1.81 | 1.78 | 1.60 | Not Applicable |
| (b) | Debt Equity Ratio | Total debt | Shareholders Equity | 0.291 | 0.281 | 3.45 | Not Applicable |
| (c) | Debt Service Coverage Ratio | Earning before interest, depreciation and tax | Debt service | 13.63 | 10.91 | 24.89 | Not Applicable |
| (d) | Return on Equity Ratio | Net Profit after tax | Average Equity | 8.82 | 7.76 | 13.62 | Not Applicable |
| (e) | Inventory Turnover Ratio | Revenue from operation | Average inventory | 38.96 | 34.31 | 13.54 | Not Applicable |
| (f) | Trade Receivables Turnover Ratio | Revenue from operation | Average trade receivables | 20.60 | 21.31 | (3.34) | Not Applicable |
| (g) | Trade Payables Turnover Ratio | Purchase | Average trade payable | 21.33 | 20.92 | 1.96 | Not Applicable |

Notes on financial statements as at / for the year ended 31st March 2022

| Sr. No. | Financial Ratio | Numerator | Denominator | 2021-2022 | 2020-2021 | % age variance | Remarks for variation more than 25% |
|---------|----------------------------|---------------------------------|-------------------------|----------------|-----------|----------------|-------------------------------------|
| (h) | Net Capital Turnover Ratio | Revenue from operation | Average working capital | 7.76 | 6.41 | 21.10 | Not Applicable |
| (i) | Net Profit Ratio | Net Profit after tax | Net Sales | 5.89 | 7.09 | (16.89) | Not Applicable |
| (j) | Return on Capital employed | Earning before interest and tax | Capital employed | 11.64 | 10.40 | 11.94 | Not Applicable |
| (k) | Return on Investment | Income generated from revenue | Average Investment | Not Applicable | | | |

54. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent on September 28, 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.
55. In view of the partial lockdown across the country due to COVID 19 pandemic, manufacturing operations of the Company across all its locations were slowed down temporarily during April - May, 2021 in compliance with the directives/orders issued by the relevant authorities. The financial results for the year ended March 31, 2022 were little impacted by disruptions owing to COVID - 2019. The Company has made an assessment of the recoverability and carrying value of its assets comprising property, plant and equipments, inventories, receivables and other current and non-current assets as of March 31, 2022 and on the basis of evaluation, has concluded that no material adjustments are required in the financial results. The Company has and is taking all the necessary steps and precautionary measures to ensure smooth functioning of its operations and to ensure the safety and well-being of all its employees. Given the criticalities associated with nature, condition and duration of COVID - 19, the impact assessment on the Company's financial statements will be continuously made and provided for as required.
- Your Company stands by the society and community in times of despair. Apart from the above, the company has distributed wheat and other food items at the Gorakhpur division and adjacent and nearby areas especially at villages nearby its plant. The Company has also supplied face masks and sanitizers to these villages.
- The Company strictly follows all precautions and guidelines prescribed by the Government particularly towards adhering to safety measures in respect of its employees.
56. The Company has not disclosed or surrendered any income during the year in the tax assessment under the Income Tax Act, 1961, such as, search or survey or any other relevant provisions of the Income Tax Act, 1961 and therefore details is required for any transaction not recorded in the books of accounts.
57. 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.
58. 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.
59. 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 **ALPS & Co.**
Chartered Accountants
Firm Registration No : 313132E
(A. K. Khetawat)
Partner
Membership No.: 52751
Place : Kolkata
Date : May 26 , 2022

For and on behalf of the Board of Directors

Chandra Prakash Agrawal
Chairman & Managing Director

Dinesh R Agarwal
Whole-time Director

Sandip Kumar Agarwal
Chief Financial Officer

Arnab Banerji
Company Secretary

GALANTI
advance

THE REAL
HERO





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