



Date: 05.09.2022

To,  
Gen. Manager (DCS)  
**BSE Limited**  
P J Towers,  
Dalal Street, Fort,  
Mumbai-400001

**SUBJECT: ANNUAL REPORT FOR THE YEAR 2021-22 UNDER REGULATION 34 (1) OF SEBI  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015.**

Dear Sir,

With regards to captioned subject, and pursuant to Regulation 34(1) of Securities Exchange board of India (Listing Obligations and Disclosures requirements) Regulations, 2015, we hereby enclose herewith Annual Report for the F.Y 2021-22. Kindly take a note that the Annual General Meeting of the company will be held on **Thursday, 29<sup>th</sup> September, 2022 at 05.00 P.M.** at the registered office of the company.

You are requested to take the same on your record.

Thanking You.

Yours Sincerely,

**For, GOPAL IRON AND STEELS COMPANY (GUJARAT) LIMITED**

**MRS. KUNDANBEN PATEL**  
**MANAGING DIRECTOR**  
**(DIN: 03063504)**

**GOPAL IRON & STEELS CO. (GUJARAT) LTD.**

**REGD. OFFICE**

B-701, Nirman Complex, Opp. Havmor Restaurant, Navrangpura, Ahmedabad-380 009 Gujarat, India.  
Ph. +91 98250 96387, +91 90990 73258 • E-mail : gisco\_guj@yahoo.in • Website : [www.gopaliron.com](http://www.gopaliron.com)  
CIN : L27101GJ1994PLC022876



**GISCO**

**AN ISO 9001 : 2008 COMPANY**

**GOPAL IRON AND STEEL CO. (GUJARAT)  
LIMITED**

**(CIN: L27101GJ1994PLC022876)**

**REGISTERED OFFICE:**

**B/701, Nirman Complex, B/H.  
Navrangpura Bus Stand, Ahmedabad  
380009 GJ IN**

**ANNUAL REPORT  
2021-22**



**GISCO**

**ANNUAL REPORT 2021-22..... AN ISO 9001 : 2008 COMPANY**

➤ **BOARD OF DIRECTORS**

NAME OF THE DIRECTOR	DIN	DESIGNATION
MRS. KUNDANBEN PATEL	03063504	MANAGING DIRECTOR
MR. PRABHUBHAI PATEL	00287615	WHOLE TIME DIRECTOR
MR. MUKESH JANI	08986118	INDEPENDENT DIRECTOR
MR. RAKESHKUMAR MOGHARIYA	06798873	INDEPENDENT DIRECTOR
MR. PRAFFUL BURAD	08723049	INDEPENDENT DIRECTOR

➤ **CFO : MR. BALDEVBHAI PATEL**

➤ **COMPANY SECRETARY: MS. DHRUVI PATEL**

➤ **AUDITORS:**

**STATUTORY AUDITOR: M/S. KRUTESH PATEL & CO.**

Chartered Accountant

B- 310, GOPAL PALACE,OPP. OCEAN PARK,  
ABOVE HOTEL MAAN RESIDENCY,  
NEHRUNAGAR BRTS, AHMEDABAD- 380015,

**SECRETARIAL AUDITOR: M/S. A. SHAH & ASSOCIATES**

D – 413, SHIROMANI COMPLEX, OPP. OCEAN PARK,  
NEHRUNAGAR, AHMEDABAD – 380015

➤ **REGISTRAR & SHARE TRANSFER AGENT:**

BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (East), Mumbai,  
Maharashtra, 400059

➤ **STOCK EXCHANGES WHERE THE SHARES OF THE COMPANY ARE LISTED:**

**I. THE BOMBAY STOCK EXCHANGE LIMITED**

25<sup>TH</sup> FLOOR, P. J. TOWERS, DALAL STREET,  
FORT, MUMBAI – 400001



## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

### **NOTICE**

**NOTICE IS HEREBY GIVEN THAT TWENTY EIGHTH ANNUAL GENERAL MEETING OF GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED WILL BE HELD ON THURSDAY 29<sup>TH</sup> SEPTEMBER, 2022 AT 05.00 P.M. AT THE REGISTERED OFFICE AT B/701, NIRMAN COMPLEX B/H. NAVRANGPURA BUS STAND AHMEDABAD GJ 380009 INTO TRANSACT THE FOLLOWING BUSINESS:**

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2022, including the audited Balance Sheet as at March 31, 2022, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.
2. To appoint a Whole Time Director in place of MR. PRABHUBHAI PATEL (DIN: 00287615), who retires by rotation, in terms of Section 152 (6) of the Companies Act, 2013, and being eligible, offers herself for re-appointment.

**PLACE: AHMEDABAD  
DATE: 26/08/2022**

**BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, GOPAL IRON & STEELS CO. (GUJARAT) LIMITED**

**sd/-  
MRS. KUNDANBEN PATEL  
MANAGING DIRECTOR  
(DIN: 03063504)**

#### **NOTES:**

1. A Member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the company. Instrument of proxy in order to be effective must be received by the company not less than 48 hours before the meeting.
2. Information pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with regard to Directors seeking appointment / re-appointment is annexed hereto.
3. As a measure of economy, Annual Report will not be distributed at the Meeting. So, members are requested to bring their copy of Annual Report with them to the Annual General Meeting.
4. Members intending to require information about Accounts to be explained in the Meeting are requested to inform the Company at least 7 days in advance of the Annual General Meeting.



## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

5. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, the Notice is being sent to all the members, whose names appear in the Register of Members / List of Beneficial Owners, received from NSDL / CDSL as on close of business hours on, **2<sup>nd</sup> September, 2022**. The Notice is being sent to Members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding).
6. For Members whose email IDs are not registered, physical copies of the Notice are being sent by permitted mode. The Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
7. The Register of Members and Share Transfer Books of the Company will remain closed from **16<sup>TH</sup> September, 2022 to 29<sup>TH</sup> September, 2022** (both days inclusive).
8. Members are requested to quote Folio number in all their correspondences.
9. Members are requested to inform the company immediately the changes, if any, in their address specifying full address in Block Capital Letters with Pin code of the post office.
10. The Securities and Exchange Board of India (SEBI) has **mandated the submission of the Permanent Account Number (PAN) and updates of bank account details by every investor holding securities in physical or electronic mode with the Registrar and Share Transfer Agent.**
11. Since shares of the company are traded on the stock exchanges compulsorily in demat mode, members holding shares in physical mode are advised to get their shares dematerialized. Effective 1 April, 2019, SEBI has disallowed listed companies from accepting request for transfer of securities which are held in physical form. The shareholders who continue to hold shares in physical form after this date, will not be able to lodge the shares with company / its RTA for further transfer. Shareholders shall mandatorily convert them to demat form if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the company / RTAs.
12. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31<sup>st</sup> March, 2022 is uploaded on the Company's website [www.gopaliron.com](http://www.gopaliron.com) and may be accessed by the members.
13. Documents referred to in the Notice attached hereto are available for inspection by the shareholders at the Registered Office of the Company during business hours on any working day up to and including the date of the Annual General Meeting of the Company.



## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

14. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip at the Registration Counter at the AGM.
15. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 46 of SEBI (Listing Agreement and Disclosure Requirement) Regulations 2015, the Company is providing E-Voting facility to all the members whose names appear in the Register of Members/beneficial owners as on the Cut-Off Date i.e. **16<sup>TH</sup> SEPTEMBER, 2022**, who may cast their vote by electronic mode on all resolutions in respect of business set forth in the notice through e-voting services provided by CDSL, through their portal <http://www.evotingindia.com> in this regard, members are notified that (i) the company has completed the dispatch of Notice through permitted mode to all the members of the company individually along with the explanatory statement and (ii) Voting through electronic means shall commence from “**26<sup>TH</sup> September, 2022 (9.00am) and ends on 28<sup>th</sup> September, 2022 (5.00pm)**”. Please note that e-voting is optional. In case a member has voted through e-voting facility, he/ she is not allowed to vote in the Annual General Meeting.
16. The Member who transfers his/ her shares after the Cut-off date i.e. **16<sup>TH</sup> SEPTEMBER, 2022**, is not eligible to vote to the extent of transfer made by him/ her, on the Resolutions mentioned in the Notice.
17. Any person who acquires the Shares of the Company after dispatch of the Notice of the General Meeting and holding the Shares on the Cut-off Date i.e. **16<sup>TH</sup> SEPTEMBER, 2022**, may request to the Company on registered mail ID of the company to obtain the User ID & Password.
18. The Results of E-voting along with the Scrutinizer's Report shall be declared and placed on the Company's website and on the website of CDSL <https://www.evotingindia.co.in> on or before **05.00 P.M. on 1<sup>st</sup> OCTOBER, 2022** and communicated to the BSE Limited where the shares of the Company are listed.



## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

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**Information pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with regard to Directors seeking appointment / re-appointment as the forthcoming Annual General Meeting:**

Particulars	(1)
Name of the Director	MR. PRABHUBHAI PATEL
Director Identification Number (DIN)	00287615
Designation	WHOLE TIME DIRECTOR
Date of Appointment	25-08-1994
Date of Birth	28-04-1961
QUALIFICATION	Graduate
Brief Profile/ Nature of expertise in specific functional areas	He is a director of the Company since incorporation and having vast experience of more than 20 years in the iron & steel business.
Names of other companies in which the person also holds the directorship	NA
Names of companies in which the person also holds the membership of Committees of the Board	NA
Number of Equity Shares held in the Company & %	79200(1.61%) equity shares
Relationship between directors inter-se	NA
Details of remuneration	NA
Number of meetings of the board attended during the year	He was present in 6 meetings held during the year

PLACE: AHMEDABAD

DATE: 26/08/2022

BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, GOPAL IRON & STEELS CO. (GUJARAT) LIMITED

sd/-  
MRS. KUNDANBEN PATEL  
MANAGING DIRECTOR  
(DIN: 03063504)



## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

### THE INSTRUCTIONS FOR E-VOTING:

#### **SECTION A - E-VOTING PROCESS:**

- (i) The voting period begins on **26<sup>TH</sup>SEPTEMBER, 2022 FROM 9:00 A.M. TO 28<sup>TH</sup> SEPTEMBER, 2022 at 5:00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **16<sup>th</sup> SEPTEMBER, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID.
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)





## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

	<ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li></ul>
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- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the **EVSIN: 220826029** i.e. for the relevant Company Name i.e. **GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED** for voting on the relevant resolutions.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.



## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians:**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

### **SECTION B - COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS:**

- I. The E-Voting period commences on 26<sup>TH</sup> SEPTEMBER, 2022 (09:00 A.M.) and ends on 28<sup>TH</sup> SEPTEMBER, 2022(5:00 P.M.).** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Cut-off date i.e. 16<sup>th</sup> SEPTEMBER, 2022 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii.** The voting rights of shareholders shall be in proportion to their shares of the Paid -Up Equity Share Capital of the Company.
- iii.** M/s. A. SHAH & ASSOCIATES, Practicing Company Secretaries (Membership No.: FCS 4713; CP No: 6560) (Address: D- 413, Shiromani Complex, Opp. Ocean Park, S.M. Road, Satellite, Ahmedabad – 380 015, Gujarat, India) has been appointed as the Scrutinizer to scrutinize the e-Voting process.
- iv.** The Scrutinizer shall, on the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any and submit forth with to the Chairman of the Company.
- v.** The Results shall be declared along with the Scrutinizer's Report shall be placed on the Company's website [www.evotingindia.com](http://www.evotingindia.com) and on the website of CDSL <https://www.evotingindia.co.in> on or before **05.00 P.M. on 01<sup>ST</sup> OCTOBER, 2022** and communicated to the BSE Limited, where the shares of the Company are listed.
- vi.** The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.
- vii.** For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions given in the notice.
- viii.** Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates, link their account which they wish to vote on and then cast their vote. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). They should also upload a scanned copy of the Board Resolution / Power of Attorney (POA) which they have issued in favor



## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the vote.

- ix. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- x. The Members are requested to pay attention to the matter that once he / she has exercised his / her right then he / she shall not be allowed to change his / her vote subsequently in any case.
- xi. In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**PLACE: AHMEDABAD  
DATE: 26/08/2022**

**BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, GOPAL IRON & STEELS CO. (GUJARAT) LIMITED**

\_\_\_\_\_  
sd/-  
**MRS. KUNDANBEN PATEL  
MANAGING DIRECTOR  
(DIN: 03063504)**



# GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

## DIRECTORS' REPORT

To,

The Members,

**GOPAL IRON & STEEL CO. (GUJARAT) LIMITED**

Your Directors have pleasure in presenting their Twenty Eighth Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022.

### **1. STATE OF AFFAIRS OF THE COMPANY:**

Gopal Iron and Steels Co. (Gujarat) Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange in India. The company is engaged in the manufacturing of SS/MS bars, MS Sections, ERW Pipes and other iron and steel items. The company caters domestic market.

- **SEGMENT-WISE POSITION OF BUSINESS AND ITS OPERATIONS:** The Company is currently engaged in only one business i.e. SS/MS bars, MS Sections, ERW Pipes and other iron and steel items. Accordingly there is no segments of business activity of the Company
- **CHANGE IN STATUS OF THE COMPANY:** The status of the company has not been changed during the financial year 2021-22.
- **CHANGE IN THE FINANCIAL YEAR:** The company has not changed its financial year during the year.
- **CAPITAL EXPENDITURE PROGRAMMES:** Not Applicable
- **DETAILS AND STATUS OF ACQUISITION, MERGER, EXPANSION MODERNIZATION AND DIVERSIFICATION:** Not Applicable
- **DEVELOPMENTS, ACQUISITION AND ASSIGNMENT OF MATERIAL INTELLECTUAL PROPERTY RIGHTS:** Not Applicable
- **ANY OTHER MATERIAL EVENT HAVING AN IMPACT ON THE AFFAIRS OF THE COMPANY:** Not Applicable

No material events have occurred during the financial year 2021-22 which impact on the affairs of the Company.



## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

### 2. **FINANCIAL SUMMERY:** (Standalone)

The Board's Report is to prepared based on the standalone financial statements of the company.

(Amount in Lakhs)

<b>PARTICULARS</b>	<b>2021-22</b>	<b>2020-21</b>
Revenue from Operations	13.37	0
Other income	0	0
<b>Total Income</b>	<b>13.37</b>	<b>0</b>
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	<b>-16.26</b>	<b>-16.92</b>
Less: Depreciation	0	0
Profit/loss before Finance Costs, Exceptional items and Tax Expense	<b>-16.26</b>	<b>-16.92</b>
Less: Finance Cost	0.40	5.40
Profit/loss before Exceptional items and Tax Expense	<b>-16.67</b>	<b>-22.32</b>
Less: Exceptional Items	-	-
Profit / (Loss) Before Tax	<b>-16.67</b>	<b>-22.32</b>
Provision for Tax & Deferred Tax	-	-
Profit / (Loss) After Tax	<b>-16.67</b>	<b>-22.32</b>
Other Comprehensive income (net of tax effect)	0	0
<b>Total Comprehensive income</b>	<b>-16.67</b>	<b>-22.32</b>
<b>Add:</b> Balance as per last Financial Statement	<b>-402.64</b>	<b>-530.65</b>
Disposable Surplus	-	-
<b>Less:</b> Transfer to General Reserve	-	-
Dividend Paid (19-20)	-	-
Dividend Paid (18-19)	-	-
Dividend Distribution Tax (19-20)	-	-
Dividend Distribution Tax (18-19)	-	-
<b>Balance carried forward</b>	<b>-419.31</b>	<b>-402.64</b>

### 3. **FINANCIAL SUMMERY:**

Total Turnover of the Company during the year was **Rs. 13.37Lakhs** which was higher by as compared to Total Turnover of immediately preceding financial year. Despite the difficult external environment the company will strive to improve its performance in long term prospects based on actual pace of global economy and is hopeful to achieve growth in upcoming years.



## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

### 4. DIVIDEND:

Due to accumulated losses in the Company, the directors did not recommend any Dividend for the Year under review.

### 5. THE AMOUNTS, IF ANY, WHICH IT PROPOSES TO CARRY TO ANY RESERVES:

During the year the company has not transferred any amount to Reserves account.

### 6. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Your Company is having dynamic, qualified, experienced, committed and versatile professionals in the Management of the Company. The Composition of Board of Director during the financial year 2021-22 under review is as follows:

NAME OF KEY MANAGERIAL PERSONNEL	DESIGNATION
MRS. KUNDANBEN PATEL	MANAGING DIRECTOR
MR. PRABHUBHAI PATEL (*)	WHOLE TIME DIRECTOR
MR. MUKESH JANI	INDEPENDENT DIRECTOR
MR. RAKESHKUMAR MOGHARIYA	INDEPENDENT DIRECTOR
MR. PRAFFUL BURAD	INDEPENDENT DIRECTOR

The Board of Directors of your Company are fully committed to steering the organization for long-term success through setting of strategies, delegating responsibilities and providing an overall direction to the business, while effectively managing risks and ensuring high quality of governance by keeping the Company on the path of Sustainable growth and development.

\*In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. PRABHUBHAI LAXMANBHAI PATEL (DIN: 00287615), Whole Time Director of the Company retires by rotation at this ensuing Annual General Meeting and has offered himself for reappointment and .

Further, all the Directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

The Company has received declarations from all the Independent Director of the Company confirming that they meet with the criteria of independence as prescribed under sub-section 6 of Section 149 of the Companies Act, 2013 and under Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 and complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

### 7. MEETINGS:

During the year Six (6) Board Meetings and Four Audit Committee Meetings were convened and held. The dates on which the said Board meetings were held:

S.N.	BM	AC	SRC	NRC
1	27.05.2021	29.06.2021	30.06.2021	08.09.2021
2	29.06.2021	06.08.2021	30.09.2021	-
3	06.08.2021	12.11.2021	31.12.2021	-
4	08.09.2021	10.02.2022	31.03.2022	-
5	12.11.2021	-	-	-
6	10.02.2022	-	-	-

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### 8. COMMITTEES:

The company has several committees which have been established as a part of best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Board has constituted following Committees.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder's Relationship Committee

The details with respect to the compositions, powers, roles, terms of reference etc. of relevant committees are given in detail in the 'Report on Corporate Governance' of the company which forms part of this Annual Report.

### 9. EXTRACTS OF ANNUAL RETURN:

The Annual Return of the Company as on March 31, 2022 is available on the Company's website and can be accessed at ([www.gopaliron.com](http://www.gopaliron.com)).

### 10. STATUTORY AUDITORS & AUDIT REPORT:

Pursuant to the provisions of Section 139 of the Companies Act, 2013, **M/S.KRUTESH PATEL & ASSOCIATES**, Chartered Accountants, (F.R.NO.100865W), has been appointed as a statutory auditor





## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

of the Company to hold office till the conclusion of Annual General Meeting of the Company for the financial year 2023-24.

The Auditors comments on your company's accounts for year ended March 31, 2022 are self-explanatory in nature and do not require any explanation as per provisions of Section 134(3) (f) of the Companies Act, 2013.

### **11. DISCLOSURE OF REPORTING OF FRAUD BY AUDITORS UNDER SECTION 143(12):**

During the financial year 2021-22, the Statutory Auditor has not reported to the audit committee any instance of fraud committed against the Company by its employees or officers under section 143(12), the details of which need to be reported in Board's Report.

### **12. INTERNAL FINANCIAL CONTROLS:**

The Company has appointed M/S.KUNAL SHAH & CO., Chartered Accountant as Internal Auditor of the Company. Your company had laid down set of standards, processes and structure which enables to implement internal financial control across the organization and ensure that the same are adequate and operating effectively. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas.

### **13. COST RECORDS:**

Pursuant to Section-148 (1) of the Companies Act, 2013 read with Rule 3 of Companies (Cost Records and Audit) Rules, 2014, Company does not fall under the criteria for maintaining cost record for the financial year 2021-22.

### **14. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:**

Pursuant to Section 204 of the Companies Act, 2013, your company had appointed M/s. A. Shah & Associates, Practicing Company Secretaries, Ahmedabad, as its Secretarial Auditors to conduct the Secretarial Audit of the company for FY 2021-22. The Report of the Secretarial Auditor for the FY 2021-22 is annexed to this report as "Annexure I".

The Board of Directors of the Company has discussed the remarks as mentioned in Secretarial Audit Report at arm's length. The qualification raised by the Secretarial Auditor in its report and the justification of Board of Directors on the same are as follows:



## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

SR. NO	QUALIFICATION	JUSTIFICATION OF BOARD
1.	The Company is yet to comply with Regulation 31(2) of The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 for maintaining hundred percent of shareholding of promoter(s) and promoter group in dematerialized form.	The Company has taken steps to ensure that the physical shares held by promoter or promoter group are fully converted into DEMAT. However, still One shareholders of promoter group are holding shares in physical.
2	FormMR-1 is yet to be filed with ROC for reappointment of Mr. Prabhubhai Patel, Whole Time Director of the Company	The Company has not received SIGNED COPY OF necessary documents from Director and hence there was delay in filing form MR-1 with ROC.
3	The Company is not complied with Regulation 47 of SEBI(LODR) Regulation, 2015 as the Website of the company is yet not updated.	The company undertakes to comply with Regulation 47 by maintaining website of the Company in the current financial year.

### 15. **BOARD EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the 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. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the



## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

### 16. DEPOSITS:

Your company has not accepted any fixed deposits from the public within the provisions of Section 73 to 76 of the Companies Act, 2013. However, the company has accepted unsecured loan from director and relatives during the year which falls in the exempted category as per Section 73 of Companies Act, 2013. Hence, the disclosures required as per Rule 8(5)(v)&(vi) of the Companies (Accounts) Rules, 2014, read with Section 73 to 76 of the Companies Act, 2013 are not applicable to your Company.

An outstanding amount of unsecured loan as on 31st March, 2022 was **Rs.22,67,161/-**  
Details regarding an Unsecured Loan Taken and Repaid during the year are given below:

<u>SR. NO.</u>	<u>NAME OF DIRECTOR AND THEIR RELATIVES</u>	<u>OPENING BALANCE AS ON 01/04/2021</u>	<u>LOAN TAKEN (Rs.)</u>	<u>LOAN REPAID (Rs.)</u>	<u>OUTSTANDING AS ON 31/03/2022</u>
1.	Mr.BALDEVBHAI G PATEL	-	4378.50/-	-	4378.50/-
2.	Mr.Govindbhai L Patel	6,75,000/-			6,75,000/-
3.	Mr. Harsh Bhaveshbhai Patel	3,41,840/-	1,56,120 /-	57,800/-	4,40,160/-
4.	Mrs.Kundanben B. Patel	4,79,410.46/-			4,79,410.46/-
5.	Mr. Prabhubhai L. Patel	5,00,000/-			5,00,000/-
6.	M/S.SHREEJI ENTERPRISES- Mrs.Kkundanben Patel	59,771/-	1,50,000/-	-	2,09,771/-
	<b>TOTAL</b>	<b>20,56,021.46/-</b>	<b>3,10,498.5/-</b>	<b>57,800/-</b>	<b>23,08,720/-</b>

### 17. VIGIL MECHANISM:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.gopaliron.in](http://www.gopaliron.in) under investors/policy documents/Whistle Blower Policy link.



## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

### 18. CONSERVATION OF ENERGY&TECHNOLOGY ABSORPTION:

(a) Conservation of energy:

(i)	the steps taken or impact on conservation of energy	N.A
(ii)	the steps taken by the company for utilizing alternate sources of energy	N.A
(iii)	the capital investment on energy conservation equipment's	N.A

(b) Technology absorption:

(i)	the efforts made towards technology absorption	N.A
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	N.A
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	N.A
	(a) the details of technology imported	N.A
	(b) the year of import;	N.A
	(c) whether the technology been fully absorbed	N.A
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A
(iv)	the expenditure incurred on Research and Development	N.A

The efforts are being made for energy conservation to the new & Innovative means. The company always ready to keep itself updated with all latest technological innovation by way of constant communication and consulting expert. Efforts are being made to reduce the cost and to improve performance etc.

### 19. FOREIGN EXCHANGE EARNINGS / OUTGO:

As the Company has not carried out any activities relating to the export and import during the financial year. There is no foreign exchange expenses and foreign income during the financial year.

### 20. NOMINATION AND REMUNERATION POLICY:

The Board has on the recommendation of Nomination and Remuneration / Compensation Committee framed a policy on directors' appointment and remuneration of Directors including criteria for determining qualification, positive attributes, independence of directors and remuneration for Directors, Key Managerial Personnel and other employees. The policy is annexed to this report as "**Annexure II**".



## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

### **21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All related party transactions that were entered during the financial year were in ordinary course of the business of the company and were on arm's length basis. All such Related Party Transactions are placed before the Audit Committee for approval.

The policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions as approved by the Audit Committee and the Board of Directors has been uploaded on the website of the Company at [www.gopaliron.com](http://www.gopaliron.com) under investors/policy documents/Related Party Transaction Policy.

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 is disclosed in Form No. AOC-2 "Annexure - III".

### **22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

In terms of provisions of Section 134(3)(g), the Particulars of Loans, Guarantees or Investments under Section 186, is annexed hereto as "Annexure IV" and forms part of this Report.

### **23. PARTICULARS OF EMPLOYEES REMUNERATION:**

- A. The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197, of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as "Annexure V".
- B. The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not provided as no employees is paid remuneration of Rs. 8.5 Lac Per month if employed for part of the year and Rs. 1.02 crore Per Annum if employed for the whole year.

### **24. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The company does not fall under the purview of the section 135 of the Companies Act, 2013 which requires formulating a Corporate Social Responsibility Committee and adopting any activities as specified in Schedule VI.

### **25. HUMAN RESOURCES:**

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A



## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

### 26. **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

**Disclosure under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 every company having 10 or more employees engaged in the company during the financial year is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place received from any women employee.

There are only 3 employee is working in the Organization. Hence, there is no need to constitute committee and formulate policy in accordance with the section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. However, during the year no complaints were received by the Internal Complaints committee for sexual harassment from any of the women employees of the company.

### 27. **BRIEF OF SHAREHOLDING PATTERN:**

The shareholding pattern for the financial year 2021-22, is as follows:

SR NO		No. of Shares held at the beginning of the year: 01/04/2021				No. of Shares held at the end of the year :31/03/2022				
	Category of Shareholder	Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	% Change
	<b>(A) (Shareholding of Promoter and Promoter Group)</b>									
	<b>Indian</b>									
1.	INDIVIDUAL / HUF	2472049	200000	2672049	54.34	2468774	200000	2668774	54.28	0.07
	<b>Total Shareholding</b>	<b>2472049</b>	<b>200000</b>	<b>2672049</b>	<b>54.34</b>	<b>2468774</b>	<b>200000</b>	<b>2668774</b>	<b>54.28</b>	<b>0.07</b>
	<b>(B) Public shareholding</b>									
2.	BODIES CORPORATE	14772	500	15272	0.31	14772	500	15272	0.31	-
3.	INDIVIDUAL	-	-	-	-	-	-	-	-	-
4.	(CAPITAL UPTO TO Rs. 1 Lakh)	196037	270700	466737	9.49	582388	270700	853088	17.35	7.86
5.	(CAPITAL GREATER THAN Rs. 1 Lakh)	1428377	269200	1697577	34.52	1084516	269200	1353716	27.53	-6.99
6.	ANY OTHERS (Specify)	-	-	-	-	-	-	-	-	-
7.	HINDU UNDIVIDED FAMILY	6640	0	6640	0.14	17021	0	17021	0.35	0.21
8.	CLEARING MEMBER	225	0	225	0.00	7019	0	7019	0.14	0.14
9.	NON-RESIDENT INDIANS (NRI)	-	-	-	-	-	-	-	-	-
10.	NON-RESIDENT INDIANS (REPAT)	58600	0	58600	1.19	2210	0	2210	0.04	-1.15
11.	IEPF	-	-	-	-	-	-	-	-	-
	<b>Total Public Shareholding</b>	<b>1704651</b>	<b>540400</b>	<b>2245051</b>	<b>45.66</b>	<b>1707926</b>	<b>540400</b>	<b>2248326</b>	<b>45.72</b>	<b>0.07</b>
	<b>GRAND TOTAL</b>	<b>4176700</b>	<b>740400</b>	<b>4917100</b>	<b>100.0</b>	<b>4176700</b>	<b>740400</b>	<b>4917100</b>	<b>100.0</b>	<b>0.07</b>



## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

### **28. DETAILS OF SUBSIDIARY JOINT VENTURE AND ASSOCIATES COMPANY**

During the year under review there is no Company which have become or ceased to be the Subsidiaries, joint ventures or associate companies.

### **29. CHANGE IN NATURE OF THE BUSINESS:**

There has been no change in the nature of business of the company during the year under review.

### **30. MANAGEMENT DISCUSSION AND ANALYSIS:**

As per the corporate governance norms, a separate section on Management Discussion and Analysis outlining the business of the Company is set out in Annexure forming part of this Report.

### **31. SIGNIFICANT OR MATERIAL ORDERS AGAINST COMPANY:**

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

### **32. SIGNIFICANT OR MATERIAL EVENTS OCCURRED DURING THE FINANCIAL YEAR:**

No significant and material events occurred during the financial year.

### **33. SIGNIFICANT OR MATERIAL EVENTS OCCURRED AFTER THE BALANCE SHEET DATE:**

No other Event has been occurred after the balance sheet date that representing the material changes and commitment that affecting the financial position of the company.

### **34. RISK MANAGEMENT**

Your Company has developed and implemented a Risk Management Policy which includes identification of elements of risk, if any, which in the opinion of the Board, may threaten the existence of the Company. Your Company has a risk identification and management framework appropriate to the size of your Company and the environment under which it operates. The process involves identifying both external and internal risks and the readiness to respond to extreme risks like calamities and disasters. Risks are being continuously identified in relation to business strategy, business continuity/contingency plans, operations and transactions, statutory / legal compliance, financial reporting, information technology system, cyber security and overall internal control framework.



## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

### **35. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to requirement under 134(3)(c) and Section 134(5) of the Companies Act, 2013 (Act), Directors, confirm that:

- (a) in the preparation of the annual accounts for the year ended on 31<sup>st</sup> March, 2022, the applicable accounting standards read with requirement set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and 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 year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively and
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **36. ACKNOWLEDGEMENT:**

Your Directors wish to place on record their gratitude and sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review.

Your Directors would like to express a profound sense of appreciation for the commitment shown by the employees in supporting the Company in its continued robust performance on all fronts.

**PLACE: AHMEDABAD  
DATE: 26.08.2022**

**BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, GOPAL IRON & STEELS CO. (GUJARAT) LIMITED**


sd/-  
**MRS. KUNDANBEN PATEL  
MANAGING DIRECTOR  
(DIN: 03063504)**




# GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

## ANNEXURE- I

**A.SHAH &ASSOCIATES**  
**PRACTICING COMPANY SECRETARIES**

 D/413,Shiromani Complex, Opp.  
Oceanic Park, Nehru Nagar  
Satellite Road, AHMEDABAD-380015

 **anishshahcs@gmail.com**

 **OFFICE: 079-26740953**  
**MOBILE : +91-997-890-9231**

## CS ANISH B. SHAH

 **B.COM, LLB, FCS**

**MR-3**

### **SECRETARIAL AUDIT REPORT**

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

**FOR THE FINANCIAL YEAR ENDED AS ON 31<sup>st</sup> March, 2022**

To, The Members,  
**GOPAL IRON & STEEL CO. (GUJARAT) LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S GOPAL IRON & STEEL CO. (GUJARAT) LIMITED** (Hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **M/S GOPAL IRON & STEEL CO. (GUJARAT) LIMITED** (books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper 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, minute books, forms and returns filed and other records maintained by **M/S GOPAL IRON & STEEL CO. (GUJARAT) LIMITED** for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

## GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

(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 (Listing Obligation and Disclosure Requirement) Regulation, 2015
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) 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;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- II. As the company has sold out its manufacturing units no other specific laws applicable to the Company for the financial year under review.

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with BSE Limited.

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

- 1. ***The Company is yet to comply with Regulation 31(2) of The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 for maintaining hundred percent of shareholding of promoter(s) and promoter group in dematerialized form.***
- 2. ***Form MR-1 is yet to be filed with ROC for reappointment of Mr. Prabhubhai Patel, Whole Time Director of the Company.***
- 3. ***The Company is not complied with Regulation 47 of SEBI(LODR) Regulation, 2015 as the Website of the company is yet not updated.***

### **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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the company there has been no material discrepancy in the business and no specific change in the nature of the Business.

**PLACE: AHMEDABAD**

**DATE:26.08.2022**

**FOR, A. SHAH & ASSOCIATES  
PRACTISING COMPANY SECRETARIES**

\_\_\_\_\_sd/-\_\_\_\_\_

**MR. ANISH SHAH**

**PROPRIETOR**

**FCS No: 4713**

**C P No.: 6560**

**(UDIN:F004713D000854496)**

***Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.***




# GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

## ANNEXURE-A


**A.SHAH &ASSOCIATES**  
**PRACTICING COMPANY SECRETARIES**

**CS ANISH B. SHAH**

 **B.COM, LLB, FCS**

 D/413,Shiromani Complex, Opp.  
Oceanic Park, Nehru Nagar  
Satellite Road, AHMEDABAD-380015

 **anishshahcs@gmail.com**

 **OFFICE: 079-26740953**  
**MOBILE : +91-997-890-9231**

TO,  
THE MEMBERS  
**GOPAL IRON AND STEELS COMPANY (GUJARAT) LIMITED**  
**B/701, NIRMAL COMPLEX,**  
**B/H. NAVRANGPURA BUS STAND,**  
**AHMEDABAD 380009 GJ**

Our Report of even date is to be read with this letter:

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. 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 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.

**PLACE: AHMEDABAD**  
**DATE:26.08.2022**

**FOR, A. SHAH & ASSOCIATES**  
**PRACTISING COMPANY SECRETARIES**

\_\_\_\_\_sd/-\_\_\_\_\_

**MR. ANISH SHAH**

**PROPRIETOR**

**FCS No: 4713**

**C P No.: 6560**

**(UDIN:F004713D000854496)**



# GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

## ANNEXURE – II

### NOMINATION AND REMUNERATION POLICY

#### 1. INTRODUCTION

**Part D of Schedule II of SEBI (Listing obligations and disclosure requirements) Regulation, 2015 provides that:**

*“The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of directors and recommend to the Board, a policy, relating to the remuneration for the directors, key managerial personnel and other employees.”*

**Section 178(2) & (3) of the Companies Act, 2013 provides that:**

*“The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board of directors their appointment and removal and shall carry out evaluation of every director’s performance.”*

Therefore, to ensure compliance with the aforesaid Act, and Regulations, the Nomination and Remuneration Committee (the ‘Committee’) the Board of directors of ‘Gopal Iron and Steel Company (Gujarat) Limited’ (the ‘Company’) has formulated a Nomination and Remuneration Policy (the ‘Policy’).

#### 2. OBJECTIVE

The objective of this Policy is to formulate the criteria for determining qualifications, positive attributes and independence for the appointment of a Director (Executive/Non-Executive/Independent) and recommend to the Board policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

#### 3. DEFINITIONS

**‘Company’** means ‘Gopal Iron and Steels Company (Gujarat) Limited’.

**‘Committee’** means ‘Nomination and Remuneration Committee’ as constituted by board from time to time.

**‘Regulations’** means ‘SEBI (Listing obligations and disclosure requirements) Regulation, 2015’

**‘Policy’** means ‘this policy’.

**‘Key Managerial Personnel’** means

- Chief Executive Officer or Managing Director or the Manager,
- Whole time director
- Chief financial Officer



## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

- Company secretary
- And such other officer as may be prescribed under the Act from time to time.

**‘Senior Management Personnel’** (SMP) means personnel of the Company who are members of the core management team, excluding Board of Directors and are one level below the Executive Director including Functional Head.

**‘Remuneration’** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

### **4. APPLICABILITY**

The Nomination and Remuneration Policy applies to the appointment and remuneration of Directors, Key Managerial Personnel and Company’s Senior Management and other employees.

This Nomination & Remuneration Policy shall apply to all future employment agreements with members of Company’s Senior Management, Key Managerial Personnel and Board of Directors. This Policy shall be of guidance for the Nomination & Remuneration Committee and Board of Directors.

### **5. APPOINTMENT CRITERIA**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.

A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient /satisfactory for the concerned position.

A person to be appointed as a Director should possess impeccable reputation for integrity, deep expertise and insights in sectors/areas relevant to the Company and ability to contribute to the Company’s growth.

#### **APPOINTMENT OF EXECUTIVE DIRECTOR**

For the purpose of appointment of Executive Directors, the Committee shall identify persons of integrity who possess relevant experience, domain expertise and leadership qualities and also ensure that the incumbent fulfills such other criteria with regard to age and qualifications as laid down under Companies Act or other applicable laws.

#### **APPOINTMENT OF NON- EXECUTIVE DIRECTORS**

The Non-Executive Directors shall be persons of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of finance, taxation, law, governance, marketing and general management.



## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

### **APPOINTMENT OF INDEPENDENT DIRECTORS**

In the case of appointment of Independent Directors, the Committee satisfies itself with regard to the independent nature of the Director and considers the incumbent's qualification, expertise and experience in the respective field and diversity of the Board while recommending to the Board the candidature for appointment as Director so as to enable the Board to discharge its function and duties effectively.

The Nomination & Remuneration Committee shall decide whether to extend or continue the term of appointment of the independent director, on the basis of report of performance evaluation of independent directors.

### **APPOINTMENT OF KMP/SENIOR MANAGEMENT/OTHER EMPLOYEES**

- To possess the required qualifications, experience, skills and expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working Environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.

## **6. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT**

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives/ Directors.

The appointment and remuneration of the Managerial Personnel shall be governed by Chapter XIII of the Companies Act, 2013 read with Schedule V and the Rules there under.

### **Reward Policies**

- **Attract and retain:** Remuneration packages are designed to attract high caliber executives in a competitive global market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.
- **Motivate and reward:** Remuneration is designed to motivate delivery of our key business strategies, create a strong performance orientated environment and reward achievement of meaningful targets over the short- and long-term.
- **The principal terms of non-monetary benefits:** The Executives will be entitled to customary non-monetary benefits such as company cars and company health care, telephone etc. In addition thereto in individual cases company housing and other benefits may also be offered.

### **Remuneration of Executive Directors**

- The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee and subsequently, the Board approves and adopts the same and wherever necessary forwards the same for the approval of the shareholders in the General Meetings of the Company.



## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

- Executive remuneration is evaluated annually against performance and a benchmark of software companies, which in size and function are similar to the Company.

The Total monthly remuneration of Managing Director/Whole-time Director shall be comprised, inter alia, as follows:

- Basic Salary
- House Rent Allowance
- Transport Allowance
- Conveyance Allowance
- Reimbursement of any out of pocket expenses incurred by the Directors in discharge of their functions/duties on behalf of the Company.

### **Annual Components:**

- Medical reimbursement
- Leave Travel Allowance

### **Remuneration of Non-Executive Directors**

The Non-Executive Directors (NEDs) are paid remuneration by way of Sitting Fees. The Articles of Association of the Company have entrusted the Board of Directors of the Company to decide the remuneration payable to the Non-Executive Directors of the Company within the limits permissible under the Companies Act, 2013 and Rules there under for each meeting of the Board of Directors or Committee Meetings attended by them irrespective of the number of days for which such meeting may continue consecutively.

### **Payment of Sitting Fees**

The Directors may receive Sitting Fees for attending Board meeting as per the provisions of the Companies Act, 2013. The amount of Sitting Fees, as recommended by Nomination and Remuneration Committee and approved by Board of Directors, shall be subject to the limits as per Companies Act, 2013 and rules made there under and any other enactment for the time being in force.

### **Remuneration of KMP and Senior Management Personnel**

While determining the remuneration of Key Managerial Personnel and Senior Management, the following factors are analyzed by the Committee:

- The performance and contributions of Key Managerial Personnel and Senior Management to the growth of the Company, Relative position in the organization and length of service.
- Company's performance and past remuneration paid to KMP/Senior Management.
- Limits prescribed by any Acts, rules or regulations.

### **Remuneration of Other employees**

Apart from the Directors, KMPs and Senior Management Personnel, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and market conditions.





## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.

The annual increments to the remuneration paid to the employees shall be determined based on the appraisal carried out by the HODs of various departments. Decision on Annual Increments shall be made on the basis of this appraisal

### **7. POLICY REVIEW**

The Nomination and Remuneration Committee shall review the Policy, from time to time, as and when any changes are to be incorporated in the Policy due to change in Act/Rules/Regulations or as may be felt appropriate by the Committee to ensure the effectiveness of the Policy. The Committee will discuss any revisions that may be required, and recommend any such revisions to the Board of Directors for their consideration and approval.

### **8. DISCLOSURE**

The policy will be uploaded on Company's website (**[www.gopaliron.com](http://www.gopaliron.com)**) for public information.

**PLACE: AHMEDABAD**

**DATE: 26.08.2022**

**BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, GOPAL IRON & STEELS CO. (GUJARAT) LTD**

\_\_\_\_\_sd/-\_\_\_\_\_  
**MRS. KUNDANBEN PATEL**  
**MANAGING DIRECTOR**  
**(DIN: 03063504)**

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**GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

**ANNEXURE - III**

**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions:

Sr. No.	Particulars		Details
1	Name(s) of the related party	:	MR. HARSH PATEL
	Nature of relationship	:	SON OF MRS. KUNDANBEN PATEL, MANAGING DIRECTOR OF THE COMPANY.
2	Nature of contracts/arrangements/transaction	:	Payment of Remuneration
3	Duration of the contracts/arrangements/transaction	:	FINANCIAL YEAR 2021-22
4	Salient terms of the contracts or arrangements or transaction including the value, if any	:	Rs. 20,000/- P.M. (Salary paid in f.y.2021-22 for only 3 months i.e. Rs.60,000/- only)
5	Date of approval by the Board	:	27.05.2021
6	Amount paid as advances, if any	:	N.A.

**PLACE: AHMEDABAD  
DATE: 26.08.2022**

**BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, GOPAL IRON & STEELS CO. (GUJARAT) LTD**

\_\_\_\_sd/-\_\_\_\_  
**MRS. KUNDANBEN PATEL  
MANAGING DIRECTOR  
(DIN: 03063504)**

**GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

**ANNEXURE – IV**

**(Pursuant to sub-section (2) of section 186 of the Act and Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014)**

❖ **Detailsof Loans:**

Sr. No	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of BR	Date of SR (if reqd)	Rate of Interest	Securi ty
1	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

❖ **Details of Investments:**

Sr. No	Date of investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of BR	Date of SR (if reqd)	Expecte d rate of return
N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

❖ **Details of Guarantee / Security Provided:**

Sr. No	Date of providing security/guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Commis sion
N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

**PLACE: AHMEDABAD**

**DATE: 26.08.2022**

**BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, GOPAL IRON & STEELS CO. (GUJARAT) LTD**

\_\_\_\_\_sd/-\_\_\_\_\_  
**MRS. KUNDANBEN PATEL**  
**MANAGING DIRECTOR**  
**(DIN: 03063504)**

**GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

**ANNEXURE V**

**DETAILS PERTAINING TO REMUNERATION 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**

(i) The percentage increase in remuneration of each Director & Chief Financial Officer during the Financial year 2021-22 ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial year 2021-22 (IN Rs. )	% Increase in Remuneration in the Financial Year 2021-22	Ratio of Remuneration of each Director /KMP to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	MRS. KUNDANBEN PATEL – MD	N.A	N.A	N.A	N.A
2	MR. PRABHUBHAI PATEL- DIRECTOR	N.A	N.A	N.A	-
3	MR. RAKESH KUMAR MOGHARIYA – ID	N.A	N.A	N.A	-
4	MR. MUKESH JANI – ID	N.A	N.A	N.A	-
5	MR. PRAFFUL BURAD – ID				
6	MR. BALDEV PATEL (CFO)	1,50,000	N.A	N.A	As the Company has not paid full year remuneration as well as salary hence, comparison is not possible
7	MS. DHARUVI PATEL PATEL – CS	1,35,000	N.A	N.A	

(ii) The median remuneration of employees of the Company during the financial year was Rs. 1,35,000/-

(iii) In the Financial year, there was no change in the median remuneration of employees;



## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

- (iv) There were 3 permanent employees on the rolls of Company as on March 31, 2022;
- (v) Average percentile increase 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 any exceptional circumstances for increase in the managerial remuneration: NIL
- (vi) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- (vii) 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 – Not Applicable; and
- (viii) It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**PLACE: AHMEDABAD**

**DATE: 26.08.2022**

**BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, GOPAL IRON & STEELS CO. (GUJARAT) LTD**

\_\_\_\_\_sd/-\_\_\_\_\_  
**MRS. KUNDANBEN PATEL**  
**MANAGING DIRECTOR**  
**(DIN: 03063504)**

# **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **1. OVERALL REVIEW ON INDUSTRY STRUCTURE & DEVELOPMENTS:**

Gopal Iron and Steels Co. (Gujarat) Limited (the company) is engaged in the manufacturing of SS/MS bars, MS Sections, ERW Pipes and other iron and steel items. The company caters domestic market.

The Company during the year was **Rs. 13,37,000/-** which was higher by as compared to Total Turnover of immediately preceding financial year.

### **2. OPPORTUNITY & THREATS:**

Competition in the industry can be treated as a threat to the company. The Company needs to lower the cost of manufacturing to cope up with the increasing competition and to earn optimum profit and growth of the Company.

### **3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:**

Based on the guiding principle given in Accounting Standard - 17 on Segment Reporting (issued by the Institute of Chartered Accountants of India) the Company's Primary Business is manufacturing of SS / MS Bars, MS Section, ERW Pipers and other Iron & Steel Items, which have similar risks and returns. Accordingly, there are no separate reportable segments as primary segment is concerned.

### **4. BUSINESS OUTLOOK:**

Total Turnover of the Company during the year was **Rs. 13,37,000/-** which was higher by as compared to Total Turnover of immediately preceding financial year. The constant efforts of the Company and Research and Developments will lead the Company to the higher level.

### **5. RISK & CONCERN:**

The building, plant and machinery, vehicle and stocks of the company are adequately insured.

### **6. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

Considering the size of the company, your company has adequate system of internal control to provide reasonable assurance that assets are safeguarded and protected from unauthorized use or deposition.



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## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

### **7. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

Total Turnover of the Company during the year was **Rs. 13,37,000/-** which was higher by as compared to Total Turnover of immediately preceding financial year. Despite the difficult external environment the company will strive to improve its performance in long term prospects based on actual pace of global economy and is hopeful to achieve growth in upcoming years.

### **8. HUMAN RESOURCE DEVELOPMENT:**

Your Company treats its “Human Resources” as one of its most significant assets. The Company continues its focus on retention through employee engagement initiatives and provides a holistic environment where employees get opportunities to realize their potential. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement. The Company’s Health and Safety Policy commits to provide a healthy and safe work environment to all employees.

### **9. DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR, INCLUDING:**

<b><u>Ratio</u></b>	<b><u>2021-22</u></b>	<b><u>2020-21</u></b>
Debtors Turnover	0.12	0.00
Inventory Turnover	0	0.00
Interest Coverage Ratio	0.02	-3.13
Current Ratio	1.56	1.76
Debt Equity Ratio	72.71	56.77
Operating Profit Margin (%)	Not applicable	Not applicable
Net Profit Margin (%)	Not applicable	Not applicable

### **10. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:**

Apart from the reversal of deferred tax liability, there is no major change in the net worth.



## **GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED**

### **11. BUSINESS ENVIRONMENT:**

The Company is working under good business environment which is the utmost important for the effectiveness as well as efficiency of the personnel of the Company.

### **12. ACCOUNTING TREATMENT:**

The company has followed accounting treatment as prescribed in Indian Accounting Standard applicable to the company.

### **13. CAUTIONARY STATEMENT:**

Statements in this report on management Discussion and analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially from those expressed or implied. Important factors that could make a different to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibilities in respect of forward looking statements which may be amended or modified in future on the basis of subsequent developments, information of event.

**PLACE: AHMEDABAD  
DATE: 26/08/2022**

**BY ORDER OF THE BOARD OF DIRECTORS,  
FOR, GOPAL IRON & STEELS CO. (GUJARAT) LTD**

\_\_\_\_sd/-\_\_\_\_\_  
**MRS. KUNDANBEN PATEL  
MANAGING DIRECTOR  
(DIN:03063504)**



**GISCO**



# GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

## CEO/CFO CERTIFICATION

To,  
Board of Directors  
GOPAL IRON & STEELS CO. (GUJARAT) LTD

I, Mrs. Kundanben Patel, Managing Director and Mr. Baldevbhai Patel, CFO of GOPAL IRON & STEELS CO. (GUJARAT) LTD, to the best of our knowledge and belief, hereby certify that:

(a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. 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) To the best of our knowledge and belief, no transaction entered into by the Company during the years which are fraudulent, illegal or volatile 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 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:

1. That there are no significant changes in internal control over financial reporting during the year;
2. That there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. That there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

PLACE: AHMEDABAD  
DATE: 26/08/2022

\_\_\_\_SD/-\_\_\_\_\_  
MR. BALDEVBHAI PATEL  
CFO

\_\_\_\_SD/-\_\_\_\_\_  
MRS. KUNDANBENPATEL  
MANAGING DIRECTOR



# Independent Auditor's Report

To,  
The Members of  
Gopal Iron and Steel Co (Guj) Limited,  
Ahmedabad

- **OPINION**

We have audited the accompanying Standalone financial statements of M/s. **Gopal Iron and Steel Co (Guj) Limited** ("the Company") which comprises the Balance Sheet as at **March 31, 2022**, the Statement of Profit and Loss, statement of changes in the 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit/loss, statement of change in equity and its cash flows for the year ended on that date.

- **BASIS OF OPINION**

We conducted our audit by the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

- **EMPHASIS OF MATTER**

The Accompanying financial statements are prepared by management assuming that the Company will continue as a going concern. The Company has suffered recurring losses from the operations. Further, it has disposed of all its plant and machinery and other major fixed assets and discounted its operations. It raises substantial doubt about the ability of the company to continue as a going concern. The Management plan regarding this has been discussed in note 38 of accompanying statements. The Financial statement does not include any adjustments which might results from this uncertainty.

Our opinion is not modified in respect of this matter.

- **KEY AUDIT MATTER**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2022. 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 matters. For each key matter, our description of how our audit addressed the matter is provided in that context.

We have determined that there are no key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. Accordingly, our audit included the performance of procedure designed to respond to our risk of material mistaken of the Standalone financial statements. The result of our audit procedure provides the basis for our audit opinion on the standalone financial statement.

- **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditors' report thereon. Our opinion on the Standalone 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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

- **RESPONSIBILITY OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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, (changes in equity)[iv] and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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

- **AUDITORS RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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 auditors' 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.

As part of an audit in accordance with SAs, we exercise professional judgement 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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.

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 le, 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 for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

• **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

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 A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for our audit.

- a. 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
- b. The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c. In our opinion, those above standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d. Based on the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- e. Concerning the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- f. Concerning the other matters to be included in the Auditor's Report by 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:
  1. The Company does not have any pending litigations which would impact its financial position.
  2. The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable material losses.
  3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For, Krutesh Patel & Associates  
Chartered Accountants**

**Date: 19<sup>TH</sup> May 2022  
Place: Ahmedabad**

**SD/-  
Krutesh Patel  
Partner  
Mem. No. 140047  
UDIN: 22140047AJGGVU3552**

## Annexure – A – Report under CARO, 2016

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of plant, property and Equipment's.  
  
(b) The Company has a regular programme for physical verification in a phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
(c) According to information and explanations given by the management, the title deeds/lease deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.  
  
(d) The Company has not revalued Property, Plant and Equipment's or intangible assets during the year.  
  
(e) According to information and explanations given by the management, No proceeding has been initiated or pending against the company for holding any property under the Benami Transactions (Prohibition) Act, 1988 or rules made thereunder.
2. (a) The management has conducted physical verification of inventory at reasonable intervals during the year, and no material discrepancies were noticed on such physical verification.  
  
(b) During any time of the year, the Company has sanctioned working capital limit in excess of Rupees Five Crore in aggregate, from banks or financial institutions on the basis of security of current assets.  
  
(c) In our opinion and according to the information and explanations provided to us, the Quarterly statements filed by the company with banks are in agreement with books of accounts materially.
3. The Company has not made any investments or provided guarantee or security or granted loans to Companies, Partnership Firms, LLP or any other party or promoters or related parties as defined under Section 2(76) of Companies Act, 2013 during the year.
4. In our opinion and according to the information and explanations provided to us, provisions of section 185 and 186 of the Companies Act 2013 and in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
5. The Company has not accepted any new deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order do not apply to the Company.

6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities, and are of the opinion that the said provisions are not applicable to the company.

7. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Goods and Services Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.

(b) According to the information and explanations provided to us, no undisputed amounts payable in respect of Employees' State Insurance, Income-Tax, Service Tax, Sales-Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The Company has not deposited the Provident fund of Rs. 35,600/- yet.

(c) The following demand of tax liability has been disputed by the company.

<b>Nature of Liability</b>	<b>Amount Disputed in INR</b>	<b>Period</b>	<b>Forum where dispute is pending</b>
Gujarat Sales Tax Act, 1969	Rs. 29.11 Lakhs	2002-03	Pending before Gujarat High Court
Central Excise	Rs. 33.53 Lakhs	1998-99 & 1999-2000	Pending before Gujarat High Court

No transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961,

9. (a) In our opinion and according to the information and explanations provided by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(b) In our opinion and according to the information and explanations provided by the management, the Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

10. In our opinion and according to the information and explanations provided by the management, the Company has utilised the monies raised by way of debt instruments and term loans for the purposes for which they were raised.

11. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(b) The Auditor has not filed any report under sub-section (12) of section 143 of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) The Auditor has not received any whistle blower complaint during the year.

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order do not apply to the Company and hence not commented upon.
13. According to the information and explanations provided by the management, transactions with the related parties comply with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
14. (a) The Company has an internal audit system commensurate with the size and nature of business of the Company.
- (b) The reports of internal auditors were considered by the statutory auditor of the company.
15. According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
16. According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 do not apply to the Company.
17. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
18. There is no resignation of the Statutory Auditor during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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
20. Provisions of Section 135(5) of Companies Act, 2013 are not applicable to the company.
21. The Consolidated financial statements are not applicable to the company.

**For, Krutesh Patel & Associates  
Chartered Accountants**

**Date: 19<sup>th</sup> May 2022  
Place: Ahmedabad**

**Sd/-  
Krutesh Patel  
Partner  
Mem. No. 140047  
UDIN: 22140047AJGGVU3552**



## **Annexure – B – Report on 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 Gopal Iron and Steel Co (Gui) Limited (“the Company”) as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **• MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 my /our audit opinion on the Company’s internal financial control system over financial reporting.

#### **• MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

- **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

- **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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.

**For, Krutesh Patel & Associates  
Chartered Accountants**

**Date: 19<sup>th</sup> May 2022  
Place: Ahmedabad**

**Sd/-  
Krutesh Patel  
Partner  
Mem. No. 140047  
UDIN: 22140047AJGGVU3552**

**GOPAL IRON STEELS CO.(GUJARAT) LIMITED**  
**GOPAL IRON AND STEEL CO (GUJ) LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2022**

(Rs. In Lacs)

Particulars	Note No.	As At 31st March, 2022	As At 31st March, 2021
<b><u>I. ASSETS</u></b>			
<b><u>(1) Non-Current Assets</u></b>			
(a) Property, Plant & Equipments	1	22.55	22.55
(b) Capital Work-in-Progress			
(c) Other Tangible Assets			
(d) Biological Assets other than bearer Plants			
(e) Deferred Tax Assets (Net)			
(f) Financial Assets			
(i) Loans	2	40.80	40.80
(ii) Other Financial Assets		0.00	.
(g) Other Non-Current Assets			
<b>Total Non-Current Assets</b>		<b>63.35</b>	<b>63.35</b>
<b><u>(2) Current Assets</u></b>			
(a) Inventories	3	0.00	0.00
(b) Financial Assets			
(i) Investments			
(ii) Trade Receivables	4	136.39	131.52
(iii) Cash & Cash Equivalents	5	0.15	0.09
(iv) Bank Balances other than (iii) above			
(v) Loans			
(vi) Other Financial Assets	6	60.78	59.25
(c) Other Current Assets			
(d) Assets classified as held for sale			
<b>Total Current Assets</b>		<b>197.32</b>	<b>190.86</b>
<b>Total Assets</b>		<b>260.67</b>	<b>254.21</b>
<b><u>II. EQUITY AND LIABILITIES</u></b>			
<b><u>Equity</u></b>			
(a) Equity Share Capital	7	491.71	491.71
(b) Other Equity	8	-419.31	-402.64
<b>Total Equity</b>		<b>72.40</b>	<b>89.07</b>
<b><u>Liabilities</u></b>			
<b><u>(1) Non-Current Liabilities</u></b>			
(a) Financial Liabilities			
(i) Borrowings	9	53.09	50.56
(ii) Other Financial Liabilities		0.00	0.00
(b) Provisions		0.00	0.00
(c) Other Non-Current Liabilities		0.00	0.00
(d) Deferred Tax Liabilities		5.86	5.86
<b>Total Non-Current Liabilities</b>		<b>58.95</b>	<b>56.42</b>
<b><u>(2) Current Liabilities</u></b>			
(a) Financial Liabilities			
(i) Borrowings		0.00	0.00
(ii) Trade Payables			
A. Total Outstanding dues of MSME Payables			
B. Total Outstanding dues of other than MSME Payables	10	15.75	29.75
(iii) Other Financial Liabilities	11	58.35	47.19
(b) Provisions	12	55.23	31.79
(c) Current Tax Liabilities		0.00	0.00
(d) Other Current Liabilities			
<b>Total Current Liabilities</b>		<b>129.33</b>	<b>108.73</b>
<b>Total Liabilities</b>		<b>188.28</b>	<b>165.15</b>
<b>Total Equity &amp; Liabilities</b>		<b>260.67</b>	<b>254.21</b>

Significant Accounting Policies

Notes to Accounts referred to above and notes attached there to form an integral part of Balance Sheet.

This is the Balance sheet referred to in our Report of even date.

**FOR KRUTESH PATEL & ASSOCIATES**

Chartered Accountants

sd/-

**KRUTESH PATEL**

Partner

Membership No. 140047

Firm Reg. No. 100865W

Place : **Ahmedabad**

Date : 19th May 2022

**FOR GOPAL IRON & STEELS CO.(GUJ)LIMITED**

sd/-

**KUNDANBEN PATEL**

Mg. Director

DIN-03063504

sd/-

**DHRUVI PATEL**

Company Secretary

sd/-

**RAKESHKUMAR MOGHARIYA**

Director

DIN - 06798873

sd/-

**BALDEVBHAI PATEL**

CFO

**GOPAL IRON STEELS CO.(GUJARAT) LIMITED**

**GOPAL IRON AND STEEL CO (GUJ) LIMITED  
PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

(Rs. In Lacs)

Particulars	Note No.	Year Ended 31st March, 2022	Year Ended 31st March, 2021
I Revenue from Operations	13	13.37	0.00
Less : Duties & Taxes		0.00	0.00
		13.37	0.00
II Other Income	14	0.00	0.00
<b>III. Total Revenue (I+II)</b>		<b>13.37</b>	<b>0.00</b>
IV <u>Expenses:</u>			
Purchase of Stock in Trade		12.26	0.00
Cost of Materials Consumed & Direct Expenses	15	0.00	0.00
Changes in Inventories of Finished Goods work in progress &	16	0.00	0.00
Employee Benefit Expense	17	2.87	10.56
Financial Costs	18	0.41	5.40
Depreciation and Amortization Expense	19	0.00	0.00
Other Administrative Expenses	20	14.51	6.36
<b>Total Expenses (IV)</b>		<b>30.04</b>	<b>22.32</b>
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)		-16.67	-22.32
VI Exceptional Items			
VII Profit before Extraordinary Items and Tax (V-VI)		<b>-16.67</b>	<b>-22.32</b>
VIII Extraordinary Items			
IX Profit Before Tax (VII-VIII)		-16.67	-22.32
X <u>Tax Expense:</u>			
- Current Tax		0.00	0.00
- Excess Provision Write Back ( Earlier Year )		0.00	0.00
- Deferred Tax		0.00	0.00
XI Profit (Loss) from the Period from Continuing Operations (I>		<b>-16.67</b>	<b>-22.32</b>
XII Profit (Loss) from Discontinuing Operations		0.00	0.00
XIII Tax expense of Discontinuing Operations		0.00	0.00
XIV Profit (Loss) from Discontinuing Operation (XII-XIII)		0.00	0.00
XV Profit (Loss) for the Period (XI+XIV)		<b>-16.67</b>	<b>-22.32</b>
XVI Earning per Equity Share:			
(1) Basic		-0.34	-0.45
(2) Diluted		-0.34	-0.45
Significant Accounting Policies	29		

Notes to Accounts referred to above and notes attached there to form an integral part of Profit & Loss Statement  
This is the Balance sheet referred to in our Report of even date

**FOR KRUTESH PATEL & ASSOCIATES**  
Chartered Accountants

**sd/-**  
**KRUTESH PATEL**  
Partner  
Membership No. 140047  
Firm Reg. No. 100865W

**FOR GOPAL IRON & STEELS CO.(GUJ)LIMITED**

**sd/-**  
**KUNDANBEN PATEL**  
Mg. Director  
DIN-03063504

**sd/-**  
**RAKESHKUMAR MOGHARIYA**  
Director  
DIN - 06798873

**sd/-**  
**DHRUVI PATEL**  
Company Secretary

**sd/-**  
**BALDEVBHAI PATEL**  
CFO

Place : **Ahmedabad**  
Date : 19th May 2022

**GOPAL IRON & STEELS CO. (GUJARAT) LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022**

(Rs. In Lacs)

	PARTICULARS	As at on 31st March 2022	AS AT 31ST MARCH 2021
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax and extraordinary items	-16.67	-22.32
	Adjustment for :		
	Prior Period Adjustment	0	-2
	Credit Balance Write off	0	0.004
	Loss/(profit) on Sale of Asset	0	0
	Financial and Interest Charges	0.41	0
		0.41	-1.99
	Operating Profit before working capital changes	-16.26	-24.31
	Adjustment for :		
	Inventories	0	0
	Trade and other Receivables	-4.86	51.96
	Other Financial Assets (Current)	-1.54	-10.61
	Trade Payables (Other than MSME)	-14	-37.11
	Other Financial Liabilities (Current)	-11.16	47.19
	Provisions (Current Liabilities)	23.44	-9.29
		14.2	42.13
	<b>Cash Generated from Operations</b>	-2.06	17.82
	Less: Direct Taxes Paid	0	0
	<b>Net Cash Inflow From Operating Activities</b>	-2.06	17.82
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant & Equipments	0	0
	Sale of Property, Plant & Equipments	0	0
	<b>Net Cash Outflow from Investing Activities</b>	0	0
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Borrowing (Non-Current Financial Liabilities)	2.53	-30.56
	Other Financial Liabilities (Non-Current)	0	0
	Financial Interest & Charges	-0.41	0
	<b>Net Cash Outflow from Financing Activities</b>	#VALUE!	-19.54
	<b>Net Inflow of Cash &amp; Cash Equivalents(A+B+C)</b>	0.05	-1.72
	Cash & Cash Equivalents as at (Opening Bal.)	0.09	1.81
	Cash & Cash Equivalents as at (Closing Bal.)	0.15	0.09

As per our Report of even date

**FOR KRUTESH PATEL & ASSOCIATES**

Chartered Accountants

sd/-

**KRUTESH PATEL**

Partner

Membership No. 140047

Firm Reg. No. 100865W

**FOR GOPAL IRON & STEELS CO.(GUJ)LIMITED**

sd/-

**KUNDANBEN PATEL**

Mg. Director

DIN-03063504

sd/-

**RAKESHKUMAR MOGHARIYA**

Director

DIN - 06798873

sd/-

**DHRUVI PATEL**

Company Secretary

sd/-

**BALDEVBHAI PATEL**

CFO

Place : **Ahmedabad**

Date : 19 May 2022

## GOPAL IRON & STEELS CO. (GUJARAT) LIMITED

NOTE NO. 1 PROPERTY, PLANT & EQUIPMENTS AS AT 31ST MARCH, 2022

(Rs. In Lacs)

		Gross Block			Depreciation					Net Block	
Sr. No.	Particulars	Balance as at 01/04/2021	Additions	Deduction	Balance as at 31/03/2022	Balance as on 01/04/2021	Deduction	Depreciation for the Year	Balance as on 31/03/2022	WDV as on 31/03/2022	WDV as on 31/03/2021
1	Vehicles	84.63	0.00	0.00	84.63	62.15	0.00	0.00	62.15	22.48	22.48
2	Office Equipments	0.06	0.00	0.00	0.06	0.00	0.00	0.00	0.00	0.06	0.06
	<b>Total of Current Year</b>	<b>84.69</b>	<b>0.00</b>	<b>0.00</b>	<b>84.69</b>	<b>62.15</b>	<b>0.00</b>	<b>0.00</b>	<b>62.15</b>	<b>22.54</b>	<b>22.54</b>
	<b>Total of Previous Year</b>	<b>84.69</b>	<b>0.00</b>	<b>0.00</b>	<b>84.69</b>	<b>62.15</b>	<b>0.00</b>	<b>0.00</b>	<b>62.15</b>	<b>22.54</b>	<b>22.54</b>

**GOPAL IRON STEELS CO.(GUJARAT) LIMITED**

**GOPAL IRON AND STEEL CO (GUJ) LIMITED**  
**Notes to Accounts Forming Integral Part of the Balance Sheet as at 31st March, 2022**

(Rs. In Lacs)

**NOTE NO. 2 LOANS (NON-CURRENT FINANCIAL ASSETS)**

Sr. No.	Particulars	As At 31st March, 2022	As At 31st March, 2021
1	Capital Assets	40.00	40.00
2	Security Deposit		
	(a) Unsecured, Considered Good	0.80	0.80
3	Loans & Advances to related parties		
4	Other Loans & Advances		
	(a) Loan to Staff Members	0.00	0.00
	(b) Advances to Staff Members	0.00	0.00
<b>Total in `</b>		<b>40.80</b>	<b>40.80</b>

**NOTE NO. 3 INVENTORIES**

Sr. No.	Particulars	As At 31st March, 2022	As At 31st March, 2021
1	Raw Material	0	0
2	Finished Goods	0	0
3	Scrap Material	0	0
4	Work-in-Progress	0	0
		0	0
<b>Total in `</b>		<b>0</b>	<b>0</b>

**NOTE NO. 4 TRADE RECEIVABLES**

Sr. No.	Particulars	As At 31st March, 2022	As At 31st March, 2021
	More Than 3 Years	120.61	131.52
	More Than 2 Years Less Than 3 Years	0.00	0.00
	More Than 1 Year Less Than 2 Years	0.00	0.00
	More Than 6 Months Less Than 1 Year	0.00	0.00
	Less Than 6 Months	15.78	0.00
<b>Total in `</b>		<b>136.39</b>	<b>131.52</b>

**NOTE NO. 5 CASH & CASH EQUIVALENT**

Sr. No.	Particulars	As At 31st March, 2022	As At 31st March, 2021
1	Cash-in-Hand		
	Cash Balance	0.02	1568.94
<b>Sub Total (A)</b>		<b>0.01</b>	<b>0.01</b>
2	Bank Balance		
	in Current / CC / OD Accounts	0.14	0.08
<b>Total in ` (A+B)</b>		<b>0.15</b>	<b>0.09</b>

**NOTE NO. 6 OTHER FINANCIAL ASSETS (CURRENT)**

Sr. No.	Particulars	As At 31st March, 2022	As At 31st March, 2021
1	Loans & Advances to Related Parties	0.00	0.00
2	Other : (a) Advances to Suppliers	1.00	0.00
	(Advance Recoverable in Cash or in Kind or for value to be considered Good)		
	(b) Advance Income Tax & TDS	7.95	7.95
	(c) Balances with Statutory / Government Authorities	51.83	51.30
	(d) Interest Receivable	0.00	0.00
	(e) Discount on Purchase Receivable	0.00	0.00
<b>Total in `</b>		<b>60.78</b>	<b>59.25</b>

**GOPAL IRON STEELS CO.(GUJARAT) LIMITED**

**GOPAL IRON AND STEEL CO (GUJ) LIMITED**

**NOTE NO. 7 EQUITY SHARE CAPITAL**

(Rs. In Lacs)

<b>(a)</b>			
<b>Sr. No.</b>	<b>Particulars</b>	<b>As At 31st March, 2022</b>	<b>As At 31st March, 2021</b>
1	<b>Authorized Capital</b> 60,00,000 Equity Shares of ` 10 each	600.00	600.00
		<b>600.00</b>	<b>600.00</b>
2	<b>Issued, Subscribed &amp; Paid Up Capital</b> 49,17,100 Equity Shares of ` 10 each fully Paid up	491.71	491.71
	<b>Total in `</b>	<b>491.71</b>	<b>491.71</b>

**(b) Details of Shareholding of Promoters**

<b>Sr. No.</b>	<b>Particulars</b>	<b>As at 31st March, 2022</b>		<b>As at 31st March, 2021</b>	
		<b>No. of shares</b>	<b>% held</b>	<b>No. of shares</b>	<b>% held</b>
1	Bhaveshbhai Gopalbhai Patel	876782	17.83%	876782	17.83%
2	Baldevbhai Gopalbhai Patel	460700	9.37%	460700	9.37%
3	Ganeshbhai Harjibhai	337900	6.87%	337900	6.87%
4	Sharad Kanaiyalal Shah	283537	5.77%	283537	5.77%

**(c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period**

<b>Particulars</b>	<b>31st March, 2022</b>	<b>31st March, 2021</b>
Equity Shares Outstanding at the Beginning of Year (Nos)	4917100	4917100
Equity Shares Outstanding at the Beginning of Year (Rs)	49171000	49171000
Shares Issued in the Year	0	0
<b>Equity Shares Outstanding at the End of Year (Nos)</b>	<b>4917100</b>	<b>4917100</b>
<b>Equity Shares Outstanding at the End of Year (Rs)</b>	<b>49171000</b>	<b>49171000</b>

**(d) Rights Attached with Equity Shares**

The Company has only one class of equity shares with voting rights having a par value of ` 10 per share.

In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**NOTE NO. 8 OTHER EQUITY**

<b>Sr. No.</b>	<b>Particulars</b>	<b>As At 31st March, 2022</b>	<b>As At 31st March, 2021</b>
1	Capital Reserve (State Cash Subsidy)	10.00	10.00
2	Surplus (Profit & Loss Account)	-429.31	-412.64
	Balance brought forward from previous year	-412.64	-540.65
	Add: Profit for the period	-16.67	-22.31
	Add: Reversal of Deferred Tax Liability	0.00	145.36
	Add: GIDC Charges	0.00	4.96
	<b>Total in `</b>	<b>-419.31</b>	<b>-402.64</b>

**Nature of Reserves**

- Security Premium**  
Securities premium account comprises of premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.
- General Reserve**  
The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items
- Revaluation Reserve**  
Revaluation reserve is towards revaluation of the factory land. It will not be classified to Profit and loss account subsequently.



**GOPAL IRON STEELS CO.(GUJARAT) LIMITED**  
**GOPAL IRON AND STEEL CO (GUJ) LIMITED**

**NOTE NO. 9 BORROWINGS (NON-CURRENT FINANCIAL LIABILITIES)**

(Rs. In Lacs)

Sr. No.	Particulars	As At 31st March, 2022	As At 31st March, 2021
1	Loans From Directors	9.79	17.14
2	Loans From Others	13.29	0.00
3	Advance for Long Term Project	30.00	30.00
4	Security Deposit	0.00	0.00
5	Amount Held in trust		3.42
<b>Total in `</b>		<b>53.08</b>	<b>50.56</b>

- a Loans from directors are unsecured and payable on demand. The Company has not paid any interest on the said amount  
b Inter-corporate deposits are unsecured and payable on demand. It carries interest rate of 10% payable annually. The interest is  
c The Company has not defaulted on the payment of interest during the current year

**NOTE NO. 10 TRADE PAYABLES (OTHER THAN MSME)**

Sr. No.	Particulars	As At 31st March, 2022	As At 31st March, 2021
1	Less Than 1 Year	4.08	3.42
2	More Than 1 Year Less than 2 year	0.00	0.00
3	More than 2 Year Less than 3 year	0.00	0.00
4	More Than 3 Years	11.67	26.33
<b>Total in `</b>		<b>15.75</b>	<b>29.75</b>

**NOTE NO. 11 OTHER FINANCIAL LIABILITIES (CURRENT)**

Sr. No.	Particulars	As At 31st March, 2022	As At 31st March, 2021
1	Advance From Customers (Repayable in Cash or Kind)	11.16	0.00
2	Advance for Sale of Fixed Asset		
3	Payables on Purchase of Fixed Assets	47.18	47.18
<b>Total in `</b>		<b>58.34</b>	<b>47.18</b>

**NOTE NO. 12 PROVISIONS (CURRENT)**

Sr. No.	Particulars	As At 31st March, 2022	As At 31st March, 2021
1	<b>Provision for Employee Benefits</b>		
	Provision for Bonus	0.00	0.00
	Provision for Leave Encashment	8.08	8.08
	Provision for Salary & Wages	18.59	16.92
	Provision for PF	0.36	0.36
<b>Sub Total (1)</b>		<b>27.03</b>	<b>25.36</b>
2	<b>Other</b>		
	Audit Fees Payable	0.00	0.25
	Other Expenses Payable	26.79	0.93
	Statutory Liabilities Payable	1.40	5.24
<b>Sub Total (2)</b>		<b>28.19</b>	<b>6.42</b>
<b>Total in ` (1+2)</b>		<b>55.22</b>	<b>31.78</b>

**GOPAL IRON STEELS CO.(GUJARAT) LIMITED**

**NOTE NO. 13 REVENUE FROM OPERATIONS**

(Rs. In Lacs)

Sr. No.	Particulars	As At 31st March, 2022	As At 31st March, 2021
1	Domestic & Integrated Sales	13.37	0.00
2	Job Work Services (Fabrication)	0.00	0.00
<b>Total in `</b>		<b>13.37</b>	<b>0.00</b>

**NOTE NO. 14 OTHER INCOME**

Sr. No.	Particulars	As At 31st March, 2022	As At 31st March, 2021
1	Rent Income	0	0
2	Miscellaneous Income	0	0
<b>Total in `</b>		<b>0</b>	<b>0</b>

**NOTE NO. 15 CHANGE IN INVENTORIES**

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Opening Stock		
	Finished Goods	0	0
	Work in Progress	0	0
	Scrap Material	0	0
	Raw Material & Spares	0	0
<b>Sub Total (A)</b>		<b>0</b>	<b>0</b>
2	Closing Stock		
	Finished Goods	0	0
	Work in Progress	0	0
	Scrap Material	0	0
	Raw Material & Spares		
<b>Sub Total (B)</b>		<b>0</b>	<b>0</b>
<b>Total in ` (A-B)</b>		<b>0</b>	<b>0</b>

**NOTE NO. 16 CONSUMPTION OF RAW MATERIAL**

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
	Opening Stock	0	0
	Purchase	0	0
		0	0
	Direct Expense		
	Power & Fuel		
	Less: Closing Stock		
<b>Sub Total (A)</b>		<b>0</b>	<b>0</b>

**GOPAL IRON STEELS CO.(GUJARAT) LIMITED**

**NOTE NO. 17 EMPLOYEE BENEFIT EXPENSES**

(Rs. In Lacs)

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Salaries, Wages & Bonus	2.86	10.20
2	Contribution to PF & Other Funds	0.00	0.35
3	Other Welfare Expense	0.00	0.00
<b>Total in `</b>		<b>2.86</b>	<b>10.55</b>

**NOTE NO. 17.1 DIRECTOR REMUNERATION**

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Remuneration	0	4.8
2	Contribution to PF	0	0
<b>Total in `</b>		<b>0</b>	<b>4.8</b>

**NOTE NO. 18 FINANCE COST**

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Interest Expense	0.40	5.40
<b>Total in `</b>		<b>0.40</b>	<b>5.40</b>

**NOTE NO. 19 DEPRECIATION & AMORTISED COST**

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
1	Depreciation	0	0
<b>Total in `</b>		<b>0</b>	<b>0</b>

**NOTE NO. 20 OTHER ADMINISTRATIVE EXPENSES**

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
-	Advertisement	0.30	0.36
-	Insurance Expenses	0.00	0.45
-	Fees & Subscription Expenses	4.23	4.05
-	Office & General Expenses	0.56	0.08
-	Professional and Consultancy Fees	6.15	1.41
-	Bank Charges	0.06	0.00
-	Rates & Taxes	3.20	0.00
<b>Total in `</b>		<b>14.50</b>	<b>6.35</b>

**NOTE NO. 20.1 AUDITOR REMUNERATION**

Sr. No.	Particulars	As at 31 March 2022	As at 31 March 2021
	Statutory Audit Fees	0.25	0.25
<b>Total in `</b>		<b>0.25</b>	<b>0.25</b>

**Gopal Iron & Steels Co. (Gujarat) Limited**  
**Notes to financial statements for the year ended 31<sup>st</sup> March, 2022**

**1      Corporate Information**

Gopal Iron and Steels Co. (Gujarat) Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange in India. The company is engaged in the manufacturing of SS/MS bars, MS Sections, ERW Pipes and other iron and steel items. The company caters domestic market.

**2      Basis of Preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles. In applying the accounting policies considerations have been given to prudence, substance over form and materiality.

**2.1    Summary of Significant Accounting Policies**

**(A)    Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**(B)    Tangible fixed assets**

Fixed Assets are stated at cost of acquisition and installation, net of CENVAT, VAT and GST less accumulated depreciation. Borrowing costs incurred during the period of construction/acquisitions of assets are added to the cost of Fixed Assets. Major expenses on modification / alterations increasing efficiency / capacity of the plant are also capitalized.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**(C) Depreciation on Tangible Fixed Assets**

Depreciation on tangible fixed assets has not been provided for the financial year.

**(D) Borrowing Costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(E) Impairment of Tangible Assets**

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An impairment loss is recognised in the accounts to the extent the carrying amount exceeds the recoverable amount.

**(F) Income taxes**

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred tax is recognized, on difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is an unabsorbed depreciation or carry forward loss, deferred tax assets are recognised only to the extent there is reasonable certainty of realization in future. Such assets are reviewed at each balance sheet date to reassess realization.

**(G) Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**(H) Inventories**

Raw materials and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the stores and spares are determined on FIFO basis. Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty and is determined on First-in-First-out basis.

Waste is valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**(I) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

**(J) Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that the company will comply with the conditions attached to them, and the grant / subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Such grants are deducted in reporting the related expense. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds.

**(K) Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based

on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

**(L) Employee benefits**

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, etc, and the expected cost of bonus, ex-gratia is recognized in the period in which the employee renders the related service.

Post-Employment Benefits

(i) Defined Contribution Plans

The contribution paid / payable under the scheme is recognized during the period in which the employees render the related services.

(ii) Defined Benefit Plan

The employee's gratuity fund scheme is company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined on estimate basis.

**(M) Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the number of equity shares outstanding during the period.

**(N) Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**(O) Measurement of EBITDA**

As permitted by the Guidance note on the Schedule III to The Companies Act, 2013, the company has to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the company does not include depreciation and amortization expense, finance cost and tax expense.

## Gopal Iron & Steels Co. (Gujarat) Limited

### Notes to financial statements for the year ended 31<sup>st</sup> March 2022

- (23) In the opinion of the Board of Directors Current Assets, Loans and Advances are approximately of the same value if realized in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

(24) Contingent Liabilities

- (a) Gujarat Commercial Tax Department has raised a demand aggregating Rs. 29.11 Lakhs (Rs. 5.65 Lakhs) for the financial year 2002-2003 which has been disputed by the Company, as it is of the opinion that the same shall be quashed in the appeal preferred by the company. Hence no provision for this disputed Sales Tax demand has been made.
- (b) Central Excise Authorities have raised demand aggregating Rs. 33.53 Lakhs (Rs. 33.53 Lakhs) for the financial year 1998-1999 and 1999-2000 which has been disputed by the Company, as it is of the opinion that the same shall be quashed in the appeal preferred by the company. However, company has paid under protest Rs. 36.24 Lakhs (Rs. 36.24 Lakhs) and shown as an asset under the head of "Short Term Loans and Advances".

(25) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

The information regarding suppliers holding permanent registration certificate as a small-scale industrial undertaking or as an ancillary industrial undertaking issued by the Directorate of Industries of the state is not available. In the absence of such information, the amount and interest due as per the Interest on delayed payments to Small and Ancillary Industries Act, 2006 is not ascertainable. There is no claim for payment of interest under the law above.

Disclosures under Section 22 of Micro, Small and Ancillary Industries Act, 2006 can be considered on receiving relevant information from suppliers who are covered under the act is received.

(26) Payment to Auditors (In Rs.)

	31-03-2022	31-03-2021
For Statutory Audit	25,000	25,000
<b>Total</b>	<b>25,000</b>	<b>25,000</b>

(27) Gratuity and other post-employment benefit plan

The Company has various schemes for Long-term benefits such as Provident Fund, Pension Fund, Gratuity and Leave Encashment. In case of funded schemes, the funds are recognized by the Tax authorities and administered through separate trust. The company's defined contribution plans are Provident Fund and Pension Scheme since the company has no further obligation beyond making the contributions. The company's defined benefit plans include Gratuity and Leave Encashment.

The company operates defined benefit plan, viz., gratuity, for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on



departure @ 15 days of last drawn salary for each completed year of service. As actuarial valuation using the projected unit method is not received yet for the year end, the company has made provision for gratuity based on the premium demanded by LIC of India, which accordingly to the company is more or less adequate. Adjustments, if any will be made on receipt of the valuation report.

(28) Segment information

Based on the guiding principle given in Accounting Standard - 17 on Segment Reporting (issued by the Institute of Chartered Accountants of India) the Company's Primary Business is manufacturing of SS / MS Bars, MS Section, ERW Pipers and other Iron & Steel Items, which have similar risks and returns. Accordingly, there are no separate reportable segments as primary segment is concerned.

(29) Balances of Sundry Creditors, Sundry Debtors, Advances, Deposits, Secured and Unsecured Loans are as per the book and subject to confirmation and reconciliation from respective parties.

(30) Disclosure in respect of Related Parties Pursuant to AS - 18

(a) Details of Key Management Personnel

Kundanben Bhaveshbhai Patel
Prabhubhai Laxmanbhai Patel
Baldev Gopalbhai Patel

Details of Relatives of Key Management Personnel

Govind Laxmanbhai Patel
Prabhubhai I Patel
Shreeji Enterprises
Harsh Bhaveshbhai Patel

Details of Enterprises owned or significantly influenced by key management personnel

Hari Gopal Steels and & Metals Private Limited
Parul Steel Industries
Hari Gopal Agro Enterprise

(b) During the year the following transactions (In Rs.) were carried out with related parties in the ordinary course of business:

		31-03-2022	31-03-2021
1	Managerial Remuneration paid to Key Personnel and their Relatives	2,10,000	8,40,000
2	Gross Loans from Key Personnel and them Relatives	3,10,499	29,57,541
3	Gross Loans repaid to Key Personnel and them Relatives	57,800	57,99,441
4	Loans payable to Key Personnel and their Relatives	23,08,720	20,56,021
5	Purchase of Goods Sale of Goods	8,80,200 13,12,329	NIL NIL
6	Payment of Rent	NIL	NIL

## GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

(31) There are no amounts due to be credited to Investor Education and Protection Fund.

(32) Earning in Foreign Exchange at F.O.B. Value: Rs. Nil (Rs.Nil).

(33) Expenses in Foreign Currency at CIF Value: Rs. Nil (Rs.Nil).

(34) Value of Imports on CIF basis accounted for during the year: Rs. Nil (Rs.Nil).

**(A) The Carrying value and fair value of financial assets/liability by each category are as follows**

The notes referred to above form an integral part of Accounts. (Rs. in Lakhs)

Particulars	Carrying amount of financial assets/liabilities		Fair Value of the financial assets/ liabilities	
	As of March 31, 2022	As of March 31, 2021	As of March 31, 2022	As of March 31, 2021
<b>Financial assets/liabilities at amortised cost</b>				
1. Non-Current				
Trade Receivables	136.39	131.52	136.39	131.52
Loans & Advances	40.80	40.80	40.80	40.80
2. Current Assets				
Trade and Other Receivables	0.00	0.00	0.00	0.00
Cash and Cash Equivalents	0.15	0.09	0.15	0.09
Loans and Advances	60.80	59.25	60.80	59.25
Other financial assets				
<b>Financial Liabilities at Amortized Cost</b>				
1. Current				
Trade Payables	15.75	29.75	15.75	29.75
Borrowings	53.08	50.56	53.08	50.56
2. Non-Current				
Other Financial Assets/liability	Nil	Nil	Nil	Nil

The Management assessed fair value of Cash and Cash equivalent, trade receivables, trade payables, borrowings and other current and non-current assets and liabilities approximate their carrying amounts largely due to the short term maturity of these instruments.

(35) There is no contingent liability outstanding on 31 March 2022 and 31 March 2021.

**(36) Financial risk management:**

The Company has exposure to the following risks arising from financial instruments: -

- Credit risk;
- Liquidity risk;
- Market risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all

## GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework about the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

### a) 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 investment securities. 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 establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. Trade receivables The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also influence credit risk assessment. 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

Summary of Companies Exposure to credit risk as follows.

Particulars	At 31st March 2022	At 31st March 2021
Past dues not impaired	Nil	Nil
Not past dues not impaired	1,36,38,915	1,31,52,431
<b>Total in `</b>	<b>1,36,38,915</b>	<b>1,31,52,431</b>

Expected credit loss assessment The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue

Cash and cash equivalents

As at the year end, the Company held cash and cash equivalents of `15,388/- (previous year `9,751/-).

The cash equivalents are held with banks.

Other financial assets

Other financial assets are neither past due nor impaired.

### b) 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. The Company enjoys an overdraft limit from the bank.

The Company invests its surplus funds in bank fixed deposit which carry no/low mark to market risks. The Company monitors funding options available in the debt and capital markets to maintain financial flexibility.

Exposure to liquidity risk

## GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

### c) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long-term debt. We are exposed to market risk primarily related to interest rate change. However, it does not constitute a significant risk. Hence, sensitive analysis is not given

#### (i) Currency risk

The Company is exposed to currency risk on account of its operations with other countries. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent periods and may continue to vary in the future. However, the overall impact of foreign currency risk on the financial statement is not significant.

Exposure to Currency risk Following is the currency profile of non-derivative financial assets and financial liabilities:

Particulars	Amount as on 31.03.2022 (\$)	Amount as on 31.03.2021 (\$)
Financial Assets		
Cash and Cash Equivalents	Nil	Nil
Trade Receivables	Nil	Nil
Other Current Assets	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
Financial Liabilities		
Trade Payables	Nil	Nil
Current Borrowings	Nil	Nil
Other current financial liabilities	Nil	Nil
<b>Net Exposure</b>	<b>Nil</b>	<b>Nil</b>

#### Sensitivity analysis

A possible strengthening (weakening) of the Indian Rupee against US dollars at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit (Loss) for FY 2021-22		Profit (Loss) for FY 2020-21	
	Strengthening	Weakening	Strengthening	Weakening
USD	Nil	Nil	Nil	Nil

### d) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest-bearing financial assets or borrowings because of fluctuations in the interest rates if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest-bearing borrowings will fluctuate because of fluctuations in the interest rates. Exposure to interest rate risk Company's interest rate risk arises from borrowings and finance lease obligations. The interest rate profile of the Company's interest-bearing borrowings is as follows:

## GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

Particulars	As on 31.03.2022	As on 31.03.2021
Non-Current Borrowings		
- Fixed Rate Borrowings	Nil	Nil
- Variable Rate Borrowings	Nil	Nil
Current Borrowings		
- Fixed Rate Borrowings	Nil	Nil
- Variable Rate Borrowings	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

### Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

### Cash flow sensitivity analysis for variable-rate instruments

A possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant.

Particulars	Profit (Loss) for FY 2021-22		Profit (Loss) for FY 2020-21	
100 bps Movement	Increase	Decrease	Increase	Decrease
Variable Rate Borrowings	Nil	Nil	Nil	Nil

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarized above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

### (e) Commodity rate risk

The Company's operating activities involve the purchase and sale of Iron and Steel, whose prices are exposed to the risk of fluctuation over short periods. Commodity price risk exposure is evaluated and managed through procurement and other related operations, policies. As of March 31, 2022, and March 31, 2021, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

### (37) Capital Management

For the Company's capital management, capital includes issued capital and all other equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the capital policy of the company to safeguard the Company's ability to remain a going concern and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. To maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to the shareholders, return capital to shareholders or issue new shares. The current capital structure is through equity with no financing through borrowings. The company is not subject to any externally imposed capital requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended on 31 March 2022 and 31 March 2021.

(38) The Company has discontinued its business due to continuous loss. However, the management of the Company determined to restart its operations after finding suitable opportunities in future. Hence, the accompanying financial statements are prepared following the principals of going concern.

32. There are no immovable properties whose title deeds are not held in the name of company.

33. The Company has not revalued its Property, Plant and Equipments during the year.

34. No Loans and Advances are granted to Directors, KMPs, Promoters and related parties as defined under Companies Act, 2013.

## **GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED**

35. There is no capital in progress during the year.
36. There is no intangible assets during the development.
37. There are no proceedings being initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
38. The Quarterly statements filed by the Company with Bank for current assets agree with books of accounts. No material disagreement is found.
39. The Company is not declared as willful defaulter by the Bank or financial institutions or any other lender.
40. The Company does not have any transactions with companies struck off under Section 248 of Companies Act, 2013.
41. There is no registration or satisfaction of charge yet to be registered with Registrar of Companies.
42. The provisions of Section 2(87) read with Companies (Restriction on Number of Layers) Rules, 2017 is not applicable to the company.
43. Ratio Analysis

- Current Ratio

The current ratio indicates a company's overall liquidity position. It is widely used by banks in making decisions regarding the advancing of working capital credit to their clients. Both of these numbers can be found in a Company's balance sheet.

Current Ratio = Total Current Assets/Total Current Liabilities

Current Ratio for FY 2021-22 is 1.53 times (PY – 1.76) times. There is no material change during the year.

- Debt Equity Ratio

Debt-to-equity ratio compares a Company's total debt to shareholders equity. Both of these numbers can be found in a Company's balance sheet.

Debt Equity Ratio = Total Debt\*100/Share Holder's Equity.

Debt Equity Ratio for FY 2021-22 is 73.33% (PY – 56.77%). The fall in ratio is due to reduction in Shareholder's fund.

- Debt Service Coverage Ratio

Debt Service coverage ratio is used to analyses the firm's ability to payoff current interest and instalments.

Debt Service Coverage Ratio = Earnings available for Debt Service/Debt Service

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

Debt service = Interest & Lease Payments + Principal Repayments. No repayments is considered for loan repayable on demands.

"Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.

The Debt Service Coverage Ratio for FY 2021-22 is Nil (PY – 2020-21 Nil times). The improvement in ratio is due to reduction in interest cost due to interest subsidy and improvement in net profit.

## **GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED**

- Return on Equity (ROE)

It measures the profitability of equity funds invested in the Company. The ratio reveals how profitability of the equity-holders' funds have been utilized by the Company. It also measures the percentage return generated to equity-holders. The ratio is computed as:

$$\text{ROE} = \text{Net Profit after Taxes-Preference Dividend (if any)} \times 100 / \text{Shareholder's Equity}$$

The Return on Equity for FY 2021-22 is (23.03) % (PY 2020-21- (25.05)%). There is no significant change in the ratio.

- Inventory Turnover Ratio

This ratio also known as stock turnover ratio and it establishes the relationship between the cost of goods sold during the period or sales during the period and average inventory held during the period. It measures the efficiency with which a Company utilizes or manages its inventory.

$$\text{Inventory Turnover Ratio} = \text{Sales} / \text{Average Inventory}$$

$$\text{Average Inventory} = (\text{Opening Inventory} + \text{Closing Inventory}) / 2$$

Inventory Turnover Ratio for FY 2021-22 is Nil times (PY 2020-21 – Nil times). There is no significant change in this ratio during the year.

- Trade receivable Turnover Ratio

It measures the efficiency at which the firm is managing the receivables.

$$\text{Trade Receivable Turnover Ratio} = \text{Net Credit Sales} / \text{Average Accounts Receivable}$$

Net credit sales consist of gross credit sales minus sales return.

$$\text{Trade receivables includes sundry debtors and bill's receivables Average trade debtors} = (\text{Opening} + \text{Closing balance}) / 2$$

Trade Receivable Turnover Ratio is 0.10 times in FY 2021-22 (PY – Nil times).

- Trade Payables Turnover Ratio

It indicates the number of times sundry creditors have been paid during a period. It is calculated to judge the requirements of cash for paying sundry creditors. It is calculated by dividing the net credit purchases by average creditors

$$\text{Trade Payables Turnover Ratio} = \text{Net Credit Purchases} / \text{Average Trade Payables}$$

Net credit purchases consist of gross credit purchases minus purchase return.

$$\text{Average trade Payables} = (\text{Opening} + \text{Closing balance}) / 2$$

Trade Payable Turnover Ratio is 0.54times in FY 2021-22 (PY – Nil times). The improvement is due to reduction in trade payables.

## **GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED**

- Net Capital Turnover Ratio

It indicates a company's effectiveness in using its working capital. The working capital turnover ratio is calculated as follows: Net Sales divided by the average amount of working capital during the same period.

$$\text{Net Capital Turnover Ratio} = \text{Net Sales} / \text{Working Capital}$$

Net Sales shall be calculated as total sales minus sales returns. Working capital shall be calculated as current assets minus current liabilities.

Net Capital Turnover Ratio is 0.20 times in FY 2021-22 (PY 2020-21 – Nil times). There is no significant change during the year.

- Net Profit Ratio

It measures relationship between Net profit and Sales of the business.

$$\text{Net profit Ratio} = \text{Net profit} / \text{Sales}$$

Net profit shall be after tax.

Net sales shall be calculated as total sales minus sales returns.

Net profit for FY 2021-22 is -124.67% (PY -2020-21 Nil). There is no significant change in the ratio during the year.

- Return on Capital Employed

Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders. Higher the ratio, more efficiently is the capital being employed by the company to generate returns.

$$\text{Return on Capital Employed} = \text{Earning Before Interest and Taxes} * 100 / \text{Capital Employed}$$

$$\text{Capital Employed} = \text{Tangible Net worth} + \text{Total Debt} + \text{Differed Tax Liability}$$

The return on Capital Employed for FY 2021-22 is -12.69% (PY 2020-21 – -15.34%). There is no significant change in the ratio during the year.

- Return on Investments

Return on investment (ROI) is a financial ratio used to calculate the benefit an investor will receive in relation to their investment cost. The higher the ratio, the greater the benefit earned. The one of widely used method is Time Weighted Rate of Return (TWRR) and the same should be followed to calculate ROI. It adjusts the return for the timing of investment cash flows and its formula / method of calculation is commonly available. However, the same is given below for quick reference:



## **GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED**

$$ROI = \{MV(T1) - MV(T0) - \text{Sum } [C(t)]\}$$

$$\frac{\{MV(T0) + \text{Sum } [W(t) * C(t)]\}}{T1 - T0}$$

where,

T1 = End of time period

T0 = Beginning of time period

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t) = Cash inflow, cash outflow on specific date

W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as  $[T1 - t] / T1$

Investors may calculate ROI applying the above formula for their investments.

44. There is no scheme has been approved under section 230 to 237 of Companies Act, 2013 during the year.

45. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

46. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**As per attached report of even date**

**For, Krutesh Patel & Associates  
Chartered Accountants**

**For Gopal Iron & Steel Co (Guj) Limited**

**sd/-**

**Krutesh Patel**

**Partner**

**Membership No - 140047**

**Firm Reg No - 100865W**

**sd/-**

**Kundanben Patel**

**Mgt. Director**

**DIN - 06979778**

**sd/-**

**RakeshkumarMoghari**

**Director**

**DIN - 06798879**

**sd/-**

**Dhruvi Patel**

**Company Secretary**

**sd/-**

**Baldevbhai Patel**

**CFO**

**Date: 19<sup>th</sup> May 2022**

**Place: Ahmedabad**

**GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED**  
**B/701, Nirman Complex, B/H. Navrangpura Bus Stand, Ahmedabad 380009 GJ IN**

**ATTENDANCE SLIP**

Name of the attending Member (In Block Letters): \_\_\_\_\_

Folio No/ DPID / Client ID : \_\_\_\_\_

Name of the Proxy : \_\_\_\_\_

(To be filled in if the Proxy attends instead of the Member)

No. of Shares held: \_\_\_\_\_

(In words) \_\_\_\_\_

I hereby record my presence at Annual General Meeting of the Company at **B/701, NirmanComplex, B/H. Navrangpura Bus Stand, Ahmedabad 380009 GJ IN** on 29<sup>TH</sup> day of September, 2022 and at any adjournment thereof.

\_\_\_\_\_  
Signature of Shareholder / Proxy

**Form No. MGT-11**

**Proxy form**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

CIN: **L27101GJ1994PLC022876**

Name of the company: **GOPAL IRON & STEEL CO. (GUJARAT) LIMITED**

Registered office: **B/701, Nirman Complex, B/H. Navrangpura Bus Stand, Ahmedabad 380009 GJ IN**

Name of the member(s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: .....

Address:

E-mail Id:

Signature: .....

2. Name: .....

Address:

E-mail Id:

Signature: .....



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## GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Annual General Meeting of the company, to be held on 29<sup>th</sup> day of September, 2022 At 05.00 P.M. at **B/701, Nirman Complex, B/H. Navrangpura Bus Stand, Ahmedabad 380009 GJ IN** and at any adjournment thereof in respect of such resolutions as are indicated below:

SR. NO.	RESOLUTION	FOR	AGAINST
<b>Ordinary Business</b>			
1.	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended March 31, 2022		
2.	Appointment of a Whole Time Director in place of MR. PRABHUBHAI PATEL (DIN: 00287615), who retires by rotation and being eligible, seeks re-appointment.		

Signed this 29<sup>th</sup> day of September, 2022.

\_\_\_\_\_  
Signature of Shareholder

Affix  
Revenue  
Stamp

\_\_\_\_\_  
Signature of Proxy holder(s)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**



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# GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

## Form No. MGT-12

### Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: <b>GOPAL IRON &amp; STEEL CO. (GUJARAT) LIMITED</b>					
Registered office: <b>B/701, Nirman Complex, B/H. Navrangpura Bus Stand, Ahmedabad 380009 GJ IN</b>					
<b>BALLOT PAPER</b>					
Sr. No.	Particulars		Details		
1.	Name of the First Named Shareholder (In block letters)				
2.	Postal address				
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)				
4.	Class of Share		Equity Shares		
I hereby exercise my vote in respect of Ordinary/ Special Resolutions enumerated below by recording my assent or dissent to the said resolution in the following manner:					
Sr. No.	Particulars of Item		No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended March 31, 2022.				
2.	Appointment of a director in place of MR. PRABHUBHAI PATEL (DIN: 00287615), who retires by rotation and being eligible, seeks re-appointment.				

**PLACE: AHMEDABAD**

**DATE:**

\_\_\_\_\_  
Signature of the shareholder

**GOPAL IRON & STEEL CO. (GUJARAT) LIMITED**

**B/701, Nirman Complex,  
B/H. Navrangpura Bus Stand,  
Ahmedabad 380009 GJ IN  
TEL: +079-25830475 / 30919966,  
EMAIL- gisco\_guj@yahoo.com  
www.gopaliron.in;  
CIN: L27101GJ1994PLC022876**



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## **GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED**

Name of the Sole / First Named Member:

Address of Sole / First Named Member:

Registered Folio no :

DPID /Client ID :

Number of shares held :

Dear Member,

### **SUBJECT: PROCESS AND MANNER FOR AVAILING REMOTE E-VOTING FACILITY**

Pursuant to provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management & Administration) Amendment Rules, 2015, and Regulation 44 of SBEI LODR Regulations 2015, the Company is pleased to offer remote e-voting facility to the members to cast their votes electronically as an alternative to participation at the 28<sup>th</sup> Annual General Meeting of the Company to be held on **29<sup>th</sup> SEPTEMBER, 2022 at B/701, Nirman Complex, B/H. Navrangpura Bus Stand, Ahmedabad 380009 GJ IN** The Company has engaged the services of Central Depository Services (I) Limited ("CDSL") to provide remote e-voting facilities. Remote e-voting means the facility to cast votes by a Member using electronic voting system from a place other than the venue of the AGM. The remote e-voting facility is available at the link <https://www.evotingindia.com>.

The electronic voting particulars are set out below:

<b>EVEN (E-voting event number)</b>	<b>User ID:</b>	<b>Password / Sequence No:</b>
220826029		

The remote e-voting facility will be available during the following voting period:

<b>COMMENCEMENT OF REMOTE E-VOTING</b>	<b>END OF REMOTE E-VOTING</b>
26 <sup>th</sup> SEPTEMBER, 2022(09.00 A.M.)	28 <sup>th</sup> SEPTEMBER, 2022(5.00 P.M.)

Please read the instructions printed below before exercising the vote. These details and instructions form integral part of the Notice for the Annual General Meeting to be held on 29<sup>th</sup> SEPTEMBER, 2022.

**MEMBERS ARE REQUESTED TO FOLLOW THE INSTRUCTIONS FOR REMOTE E-VOTING AS MENTION IN THE ANNUAL REPORT.**



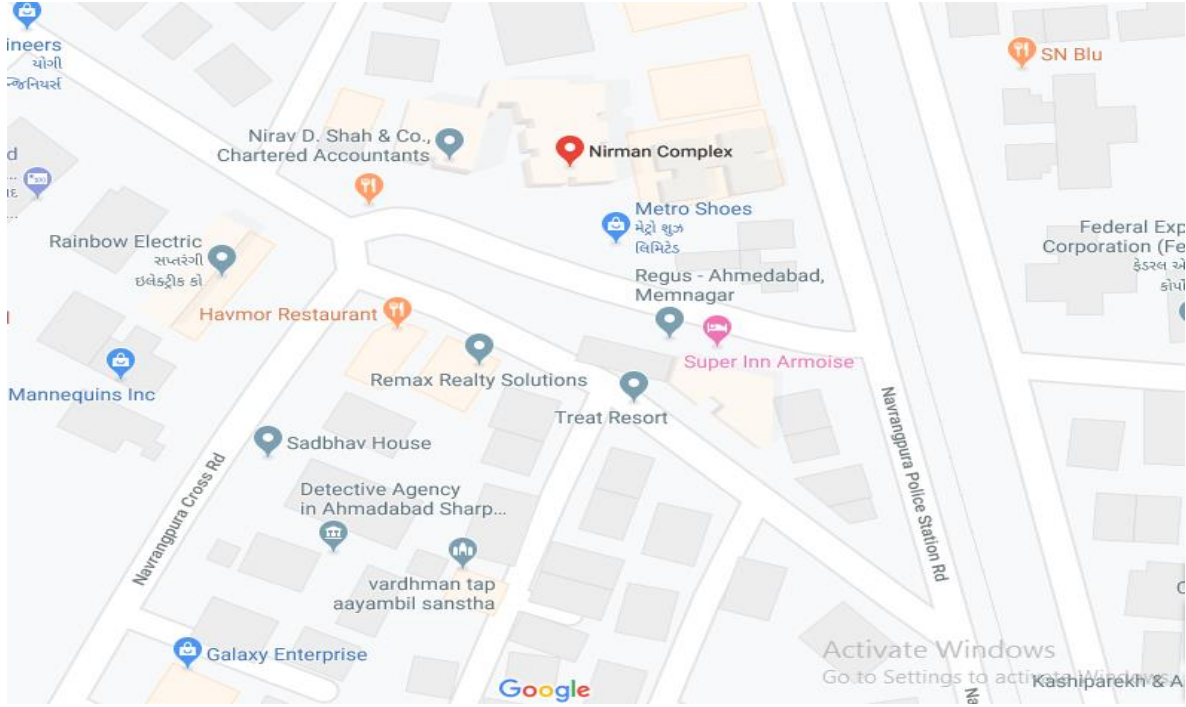
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# GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

## ❖ ROUTE MAP FOR AGM

### GOPAL IRON & STEELS CO. (GUJARAT) LIMITED

**B/701, Nirman Complex,  
B/H. Navrangpura Bus Stand,  
Ahmedabad 380009 GJ IN**



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