



GISCO

AN ISO 9001 2008 COMPANY

Date: 06/09/2019

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

SUBJECT: ANNUAL REPORT FOR THE YEAR 2018-19

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 2018-19. Kindly take a note that the Annual General Meeting of the company will be held on 30th September, 2019.

You are requested to take the same on your record.

Thanking You.

Yours Sincerely,

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

K. B. Patel

MRS. KUNDANBEN PATEL
MANAGING DIRECTOR
(DIN: 03063504)

GOPAL IRON & STEELS CO. (GUJARAT) LTD.

REGD. OFFICE & WORKS

B-701, Nirman Complex, Opp. Havmor Restaurant, Navrangpura, Ahmedabad – 380009 Gujarat, India

Tel. 9099073258 E-mail: gisco_guj@yahoo.in Website: 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
2018-19**



➤ **BOARD OF DIRECTORS**

NAME OF THE DIRECTOR	DIN	DESIGNATION
MR. PRABHU PATEL	00287615	WHOLE TIME DIRECTOR
MR. NARESHBHAI PATEL	06793030	INDEPENDENT DIRECTOR
MR. RAKESHKUMAR MOGHARIYA	06798873	INDEPENDENT DIRECTOR
MRS. KUNDANBEN PATEL	03063504	MANAGING DIRECTOR

➤ **CFO : MR. BALDEVBHAI PATEL**

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

➤ **AUDITORS:**

STATUTORY AUDITOR: M/S. MEHUL KANANI & CO

328, 3RD FLOOR , SUPER DIAMOND MARKET
MINI BAZAR, VARACHHA ROAD , SURAT - 395006.

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

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

➤ **REGISTRAR & SHARE TRANSFER AGENT:**

BIGSHARE SERVICES PVT. LTD

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

25TH FLOOR, P. J. TOWERS, DALAL STREET,
FORT, MUMBAI - 400001



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT TWENTY-FIFTH ANNUAL GENERAL MEETING OF GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED WILL BE HELD AT REGISTERED OFFICE OF THE COMPANY AT B/701, NIRMAN COMPLEX B/H. NAVRANGPURA BUS STAND AHMEDABAD 380009 GJ INON 30TH SEPTEMBER, 2019 AT 05.00P.M. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2019, including the audited Balance Sheet as at March 31, 2019, 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 Director in place of Mrs. Kundanben Patel (DIN: 03063504), who retires by rotation, in terms of Section 152 (6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

3. APPOINTMENT OF STATUTORY AUDITOR OF THE COMPANY AND TO FIX THEIR REMUNERATION:

To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and Rules framed there under, as amended from time to time, pursuant to recommendation of the Audit Committee and Board of Directors, **M/S.KRUTESH PATEL & ASSOCIATES**, Chartered Accountants, (F.R.NO.100865W), be and are hereby appointed as Statutory Auditors of the company for the term of five financial years to hold office till the conclusion of the Annual General meeting for the Financial Year 2023-24 ,at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditor.”

SPECIAL BUSINESS:

4. REAPPOINTMENT OF MR. NARESH PATEL, AS A NON EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY FOR FIVE CONSECUTIVE YEARS:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

“RESOLVED THAT pursuant to the provisions of Sections 149 (10) , 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act, as amended from time to time, Mr. Naresh Patel (DIN: 06793030), a Director of the Company, who has submitted a declaration under Section 149(7) of the Companies Act, 2013 read with Regulation 25(8) of SEBI (LODR) Regulation, 2015 to the effect that he meets the criteria for independence as provided in Section 149(6) of the Act read with Regulation 16(b) of SEBI (LODR) Regulations, 2015 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a consecutive period of five (5) years with effect from 29thSeptember, 2019 .”

5. REAPPOINTMENT OF MR. RAKESHKUMAR MOGHARIYA AS A NON EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY FOR FIVE CONSECUTIVE YEARS:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149 (10) , 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act, as amended from time to time, Mr. Rakeshkumar Moghariya (DIN: 06798873), a Director of the Company, who has submitted a declaration under Section 149(7) of the Companies Act, 2013 read with Regulation 25(8) of SEBI (LODR) Regulation, 2015 to the effect that he meets the criteria for independence as provided in Section 149(6) of the Act read with Regulation 16(b) of SEBI (LODR) Regulations, 2015 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a consecutive period of five (5) years with effect from 29thSeptember, 2019 .”

PLACE: AHMEDABAD
DATE: 28/08/2019

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

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

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

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.
5. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, the Notice along with Explanatory Statement 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, **23RDAUGUST, 2019**. The Notice along with Explanatory Statement 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 **24TH September, 2019 to 30TH September, 2019**(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.**



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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 31st March, 2019 is uploaded on the Company's website www.gopaliron.in and may be accessed by the members.
13. Documents referred to in the Notice and the Explanatory Statement 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.
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. **23rd SEPTEMBER, 2019**, 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 "**27TH September, 2019(9.00am) and ends on 29th September, 2019 (5.00pm)**". Please note that e-



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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. **23rd SEPTEMBER, 2019**, 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. **23rd SEPTEMBER, 2019**, 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 02ND OCTOBER, 2019** and communicated to the BSE Limited where the shares of the Company are listed.



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EXPLANATORY STATEMENT

(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (The 'Act'), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 & 5 of the accompanying Notice:

Item No.4 & 5:

Pursuant to the recommendation of Nomination and Remuneration Committee the members of the Board of the Company had, vide their resolution passed at the Board Meeting of the Company held on **14th August, 2019** re appointed Mr. Naresh Patel and Mr. Rakeshkumar Moghariya as an Independent Director of the Company for the term of five consecutive years, is now being placed before the Members for their approval.

The brief profile and nature of expertise of the Director has been mentioned in the table of Information pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. The chairman further informed that he has submitted declaration under Section 149(7) of the Companies Act, 2013 to the effect that he fulfilled the conditions mentioned in Section 149(6) of the Companies Act, 2013 and is not disqualified to become Director of the Company under Section 164 of the Companies Act, 2013

The Board recommends enabling Special resolutions for shareholders' approval.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mr. Naresh Patel and Mr. Rakeshkumar Moghariya is concerned or interested, financial or otherwise, in the resolution set out at Item No.4 & 5 for the respective agenda of their reappointment.

PLACE: AHMEDABAD

DATE: 28/08/2019

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

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)	(2)	
Name of the Director	MR. KUNDANBEN PATEL	MR. NARESHBHAI PATEL	MR. RAKESHKUMAR MOGHARIYA
Director Identification Number (DIN)	03063504	06793030	06798873
Designation	Managing Director	Independent Director	Independent Director
Date of Appointment	31/10/2018	15/02/2014	15/02/2014
Date of Birth	30/11/1966	24/02/1965	22/02/1984
QUALIFICATION	Graduation.	Graduation	Graduation
Brief Profile/ Nature of expertise in specific functional areas	She is having good knowledge and skills in administrative & other work which is useful for the Company.	He is having good knowledge and experience of the industry as he is associated with the company since long.	He is having good knowledge of the working of the company and in other administrative area. His skills are beneficial to the company.
Names of other companies in which the person also holds the directorship	1. HARIGOPAL STEELS & METALS PRIVATE LIMITED	NA	NA
Names of companies in which the person also holds the membership of Committees of the Board	NA	NA	NA
Number of Equity Shares held in the Company & %	182690 (3.72%)	NA	NA
Relationship between directors	NA	NA	NA



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inter-se			
Details of remuneration	NA	NA	NA
Number of meetings of the board attended during the year	She was present in 7 meetings out of 10 meetings held during the year	He was present in 8 meetings out of 10 meetings held during the year.	He was present in all the 6 meetings out of 10 meetings held during the year



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THE INSTRUCTIONS FOR E-VOTING:

SECTION A - E-VOTING PROCESS:

- (i) The voting period begins on **27THSEPTEMBER, 2019 FROM 9:00 A.M. TO 29TH SEPTEMBER, 2019 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 **23rdSEPTEMBER, 2019** 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.
- (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 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:

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



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	<ul style="list-style-type: none">• 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.• 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.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none">• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (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 EVSN 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



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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.
- (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 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.
 - 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 and on approval of the accounts they would be able to cast their vote.



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- 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, under help section or write an email to helpdesk.evoting@cdslindia.com

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

- i.** The E-Voting period commences on **27THSEPTEMBER, 2019 (09:00 A.M.) and ends on 29TH SEPTEMBER, 2019 (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. **23rd SEPTEMBER, 2019** 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.gopaliron.in and on the website of CDSL <https://www.evotingindia.co.in> on or before **05.00 P.M. on 02nd OCTOBER, 2019** 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.



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- 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. They should also upload a scanned copy of the Board Resolution / Power of Attorney (POA) which they have issued in favor 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 under help section or write an email to helpdesk.evoting@cdslindia.com.



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 Second Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2019.

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 2018-19.
- **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:**
 1. The Company has disposed off all the piece and parcel of land along with plant & machineries situated at Plot No. 1401/2 GIDC Kerala Industrial Estate, Taluka - Dolka, Dist. Ahmedabad admeasuring 14105.28 sq. mtrs. and all the immovable property leasehold plot no. 1415 in Kerala Industrial Estate having Revenue



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Survey No. 215 & 216 at village Kerala, Taluka - Dholka, District – Ahmedabad admeasuring 1094 sq. mtrs. During the financial year 2018-19.

2. The registered office of the Company has been shifted out side the city / toen and village i.e. from 1401/2 GIDC KERALA INDUSTRIAL ESTATE, TA-DHOLKA AHMEDABAD - 382220 GJ IN to the premises situated at B/701, NIRMAL COMPLEX, B/H. NAVRANGPURA BAS STAND, AHMEDABAD- 380009 GUJARAT IN during the current financial year 2019-20.

No material events have occurred during the financial year 2018-19 which impact on the affairs of the Company.

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

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

(Amount Rs.)

PARTICULARS	2018-19	2017-18
Revenue from Operations	31188690	51939030
Other income	789263	36572
Total Income	31977953	51975602
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	-8049024	-28425733
Less: Depreciation	-	-
Profit/loss before Finance Costs, Exceptional items and Tax Expense	-8049024	-28425733
Less: Finance Cost	24810007	2869755
Profit/loss before Exceptional items and Tax Expense	-32859031	-31295488
Less: Exceptional Items	-134793121	-
Profit / (Loss) Before Tax	101934090	-41362625
Provision for Tax & Deferred Tax	-	1460045
Profit / (Loss) After Tax	101934090	-42822670
Other Comprehensive income (net of tax effect)	0	0
Total Comprehensive income	101934090	-42822670
Add : Balance as per last Financial Statement	-132191654	-89368984
Disposable Surplus	-	-
Less : Transfer to General Reserve	-	-
Dividend Paid (17-18)	-	-
Dividend Paid (16-17)	-	-
Dividend Distribution Tax (17-18)	-	-



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Dividend Distribution Tax (16-17)	-	-
Balance carried forward	-30257564	-132191654

3. **FINANCIAL SUMMERY:**

Your company achieved the net sales of Rs. 311.88 lakhs which has been decreased by 39.95% as compared to last 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.

4. **DIVIDEND:**

Due to accumulated losses, the Board has not recommended any dividend to the Shareholders for the financial year 2018-19

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:**

Pursuant to the provisions Section 152(6) of the Companies Act, 2013, Mr. Kundanben Patel (DIN: 03063504), Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

The present term of appointment of Independent Directors of the Company is going to be expired at the forthcoming Annual General Meeting. The Board has, subject to the approval of the Members in the forthcoming AGM, proposed the re-appointment of following Independent Directors for another period of five years, with effect from 29th September, 2019:

SR. NO.	NAME OF DIRECTOR
1	MR. NARESH PATEL
2	MR. RAKESH MOGHARIYA

The Company has received declarations from all the Independent Directors 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

• **JUSTIFICATION FOR APPOINTMENT / REAPPOINTMENT OF INDEPENDENT DIRECTORS:**

The existing Independent Directors of the Company are engaged with the Company from so many years and having vast experience and profound knowledge with respect to workings of the Company. They also possess industry specific knowledge and skills which is beneficial for growth of the Company. The Company can reach higher level of growth in terms of business expansion and turnover under their guidance and leadership. Mrs. Kundanben Patel is also having good knowledge and skills in administrative & other work which is useful for the Company.

During the financial year 2018-19, Mrs. Kundanben Patel has been appointed as a Managing Director of the Company and Mr. Baldev Patel has been appointed as Chief Financial Officer of the Company. The company has appointed Ms. Dhruvi Patel as a whole time Company Secretary as well as Compliance Officer of the Company during the financial year 2018-19.

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 Directors 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 Obligation and Disclosure Requirements) Regulation, 2015.

7. **MEETINGS:**

During the year Ten (10) Board Meetings and Five Audit Committee Meetings were convened and held. The dates on which the said Board meetings were held:

1. 30.05.2018 (adjourn to 06.06.2018)
2. 14.08.2018
3. 31.10.2018
4. 14.11.2018
5. 06.12.2018
6. 15.12.2018
7. 27.12.2018
8. 14.02.2019 (adjourned to 21.02.2019)
9. 15.03.2019
10. 20.03.2019

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



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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:

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2019 forms part of this report as "**Annexure I**".

10. STATUTORY AUDITORS & AUDIT REPORT:

Pursuant to the provisions of Section 139 of the Companies Act, 2013, **M/S. MEHUL KAKANI & CO.**, Chartered Accountants (Firm Registration No. 133039W), have been appointed as statutory auditors of the company at the Annual General Meeting held in September 30, 2014 to hold office till the conclusion of the Annual General Meeting of the Company for the financial year 2018-19.

Accordingly, the term of existing auditor is completed in this AGM and the board of Directors of the Company has appointed **M/S.KRUTESH PATEL & ASSOCIATES**, Chartered Accountants, (F.R.NO.100865W), as a statutory auditor of the Company to hold office till the conclusion of AGM of financial year 2023-24 subject to the approval of shareholders at AGM.

The Auditors comments on your company's accounts for year ended March 31, 2019 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 2018-19, 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.



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12. INTERNAL FINANCIAL CONTROLS:

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 2018-19.

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 2018-19. The Report of the Secretarial Auditor for the FY 2018-19 is annexed to this report as “**Annexure II**”.

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:

SR. NO	QUALIFICATION	JUSTIFICATION OF BOARD
1.	100% (Hundred percent) shareholding of promoter and promoter group is not held 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 is holding shares in physical.
2	Not appointed Company Secretary as a Compliance Officer	The Company had not complied with the regulation of appointment of Company Secretary for the quarter of June , 2018 and September, 2018. However, the company had complied with the said regulation by appointing a Whole Time Company Secretary as a Compliance officer of the Company w.e.f. 27 th December, 2018.
3	Delay in submission of Financial Results by 7 days	The company had clarified to BSE that the delay in approval and submission of financial results was due



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		to adjournment of Board Meeting for the want of quorum. Further, the intimation for the said adjournment had been submitted to BSE.
4	Delay in submission of Annual Report to BSE	The Company had not submitted Annual Report for the financial year 2017-18 with in prescribed time. The Company has paid penalty of Rs. 40120/- to BSE and also uploaded Annual Report on BSE.
5	Dispatch of Annual Report to shareholders	The Company is yet to provide proof of dispatch of Annual Report to the Shareholders for the Financial Year 2017-18.
6	Non updation of Website of the Company	It has been observed that the Company has maintained a website of the Company. However, it has not been updated by the Company as per the requirement of Regulation - 46 of SEBI (LODR) Regulations, 2015.
7	The Auditor of the Company is not peer reviewed by ICSI	It has been observed that the statutory auditor of the Company who is issuing Limited Review Report and Audit Report on a quarterly and yearly basis is not peer reviewed by ICAI. However, the company has appointed new auditor w.e.f financial year 2019-20 which is peer reviewed by ICSI
8	Not Appointed internal auditor as per section 138 of the Companies Act, 2013 i.e. Internal Auditor needs to be appointed to conduct the internal audit of the functions and activities of the company	The Company has complied with the said requirement in current financial year i.e. 2019-20 by way of appointing an internal auditor for the company to conduct the internal audit of the functions and activities of the company
9	Non Compliance of regulation 19 of SEBI(Listing Obligation & Disclosure Requirement) Regulations,2015 with respect to appointment of all the non executive directors as a committee members.	Due to the resignation of one of the non executive director of the Company, the company has appointed Mrs. Kundanben Patel as a committee member to comply with the requirement of minimum three members in NRC. The Board undertakes to reconstitute the NRC in current financial year 2019-20. However, the Company is Voluntarily complying with the Corporate Governance Requirement.
10	Not made provisions for provident fund and other income tax related dues.	The Board has undertaken to take corrective measures with respect to the said qualification in current financial year 2019-20.



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11	Not provided Newspaper clippings as per Regulation 47(1) (a) and (b) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015	The Board has undertaken to take corrective measures with respect to the said qualification in current financial year 2019-20.
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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 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 in previous years which falls in the exempted category as per Section 73 of



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Companies Act, 2013. Also the company has accepted unsecured loan from promoter as a stipulation provided by bank at the time of borrowing funds, which is also exempt from the purview of 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.

17. CORPORATE GOVERNANCE:

The Company believes that good Corporate Governance is a continuous process and it is our continuous endeavor to achieve good governance, by way of a conscious and conscientious effort whereby ensuring the truth, transparency, accountability and responsibility in all our dealings with all our stakeholders.

A separate section on Corporate Governance Standards followed by your Company, as stipulated under Regulation 34(3) read with Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 is enclosed as Annexure to this Report. The Report on Corporate Governance also contains certain disclosures required under Companies Act, 2013.

A Certificate from **M/s. A. SHAH & ASSOCIATES**, Practicing Company Secretaries, conforming compliance to the conditions of Corporate Governance as stipulated under Regulations 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, is annexed to this Report.

18. 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 under investors/policy documents/Whistle Blower Policy link.

19. 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



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(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.

20. 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.

21. 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 III".

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:



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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 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 - IV**".

23. 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 V**" and forms part of this Report.

24. 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 VI**".
- 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.

25. 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 VII.

26. 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 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.



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27. 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 5 employees are 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.

28. CHANGE IN NATURE OF THE BUSINESS:

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

29. 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.

30. 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.

31. SIGNIFICANT OR MATERIAL EVENTS OCCURRED DURING THE FINANCIAL YEAR:

Following events has been occurred during the financial year 2018-19:

1. The Company has Sale/ Lease or Otherwise Dispose off all the piece and parcel of land along with plant & machineries situated at Plot No. 1401/2 GIDC Kerala Industrial Estate, Taluka - Dolka, Dist. Ahmedabad admeasuring 14105.28 sq. mtrs. and all the immovable property at leasehold plot no. 1415, Kerala Industrial Estate, Revenue Survey No. 215 & 216 at village Kerala, Taluka - Dholka, District - Ahmedabad admeasuring 1094 sq. mtrs of the Company constituting Substantial Undertaking of the Company.

32. SIGNIFICANT OR MATERIAL EVENTS OCCURRED AFTER THE BALANCESHEET DATE:

The Registered office of the Company has been shifted outside the local limit of town i.e. from 1401/2 GIDC KERALA INDUSTRIAL ESTATE, TA-DHOLKA AHMEDABAD - 382220 GJ IN to



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

the premises situated at B/701, NIRMAN COMPLEX, B/H. NAVRANGPURA BAS STAND, AHMEDABAD- 380009 GUJARAT IN as on 3rd May, 2019.

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.

33. 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 31st March, 2019, 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, 2019 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.

34. 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: 28/08/2019

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 I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

CIN	L27101GJ1994PLC022876
Registration Date	25/08/1994
Name of the Company	GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED
Category/Sub-category of the Company	Category- COMPANY LIMITED BY SHARES Sub-category - INDIAN NON-GOVERNMENT COMPANY
Address of the Registered office & contact details	B/701, Nirman Complex B/H. Navrangpura Bus Stand Ahmedabad Ahmedabad GJ 380009 IN TEL: 079-25830475 / 30919966, EMAIL- gisco_guj@yahoo.com
Whether listed company	YES, BSE LIMITED
Name, Address & contact details of the Registrar & Transfer Agent, if any. (Company has initiated steps to change Registrar and transfer Agent)	M/S. BIGSHARE SERVICES PVT. LTD 1ST FLOOR, BHARAT TIN WORKS BUILDING, OPP. VASANT OASIS, MAKWANA ROAD, MAROL, ANDHERI (EAST), MUMBAI, MAHARASHTRA, 400059 Tele: 022 - 40430200 / 62638200 Fax: 022 - 28475207 / 62638299

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	SALES COILS STRIP, M.S TUBE, M. S. Section	241	100%



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

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

Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year (as on April 1, 2018 i.e. on the basis of SHP of March 31, 2018)				No. of Shares held at the end of the year (as on March 31, 2019 i.e. on the basis of SHP of March 31, 2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters/Promoters Group									
(1) Indian									
a) Individual/HUF	2472049	200000	2672049	54.34	2472049	200000	2672049	54.34	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	2472049	200000	2672049	54.34	2472049	200000	2672049	54.34	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total:(A) (2):									-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2472049	200000	2672049	54.34	2472049	200000	2672049	54.34	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
j) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-



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g) FIIs	-	-	-	-	-	-	-	-	-
) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
i-1) Foreign Financial Institution	-	-	-	-	-	-	-	-	-
i-2) Trust	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2.Non-Institutions									
a) Bodies Corporate									
i) Indian	18102	500	18602	0.38	18000	500	18500	0.38	-
ii) Overseas									-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	198372	271200	469572	9.55	198774	271200	271200	9.56	(0.01)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1428677	269200	1697877	34.53	1428377	269200	269200	34.52	0.01
c) Others (specify)	-	-	-	-	-	-	-	-	-
NRI	58600	-	58600	1.19	58600	-	58600	1.19	-
Clearing Members	400	-	400	0.01	400	-	400	0.01	-
Sub-total (B)(2):-	1704151	540900	2245051	45.66	1704151	540900	2245051	45.66	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	1704151	540900	2245051	45.66	1704151	540900	2245051	45.66	-
C. Shares held by Custodian for GDRs & ADRs (C)									-
Grand Total (A+B+C)	4176200	740900	4917100	100	4176200	740900	4917100	100	-



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (as on April 1, 2018 i.e. on the basis of SHP of March 31, 2018)			Shareholding at the end of the year (as on March 31, 2019 i.e. on the basis of SHP of March 31, 2019)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	BHAVESH BHAI PATEL	876782	17.83	-	876782	17.83	-	-
2	BALDEVBHAI GOPALBHAI PATEL	460700	9.37	-	460700	9.37	-	-
3	KAILASBEN GOPALBHAI PATEL	213275	4.34	-	213275	4.34	-	-
4	VITHALBHAI P PATEL	200000	4.07	-	200000	4.07	-	-
5	KUNDANBEN BHAVESHBHAI PATEL	182690	3.72	-	182690	3.72	-	-
6	HARSHABEN BALDEVBHAI PATEL	140752	2.86	-	140752	2.86	-	-
7	SHARDABEN GOVINDBHAI PATEL	118850	2.42	-	118850	2.42	-	-
8	PRABHUBHAI LAXMANBHAI PATEL	79200	1.61	-	79200	1.61	-	-
9	GOVINDBHAI LAXMANBHAI PATEL	46000	0.94	-	46000	0.94	-	-
10	SHANTABEN RAMNIKBHAI PATEL	30000	0.61	-	30000	0.61	-	-
11	SHAH KUNAL BHARATBHAI	2500	0.05	-	2500	0.05	-	-
12	HIRENI BHAVESHBHAI PATEL	81800	1.64	-	81800	1.64	-	-



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

13	ASHLESHA KUNAL SHAH	4800	0.10	-	4800	0.10	-	-
14	JAINAL BHAVESHBHA I PATEL	28500	0.58	-	28500	0.58	-	-
15	KAUSHA BALDEVBHAI PATEL	23100	0.44	-	23100	0.44	-	-
16	HARSH PATEL	183100	3.72	-	183100	3.72	-	-

C) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name of the Promoter*	Date	Reason (if any increase / decrease during the year)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	N.A	N.A	N.A	N.A	N.A	N.A	N.A

*NOTE: There is 'No Change' in the shareholding of the Promoters during the F.Y 2018-19.

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of the Shareholder*	Date	Reason (if any increase / decrease during the year)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	GANESHBHAI H KANANI	1/4/2018	At the beginning of the year	337900	6.87	337900	6.87
		31/03/2019	At the end of the year	-	-	337900	6.87
2.	SHARAD KANAYALAL SHAH	1/4/2018	At the beginning of the year	283537	5.77	283537	5.77
		31/03/2019	At the end of the year	-	-	283537	5.77
3.	R P PATEL	1/4/2018	At the beginning of the year	185100	3.76	185100	3.76
		31/03/2019	At the end of the year	-	-	185100	3.76
4.	ANITA P	1/4/2018	At the beginning	179000	3.64	179000	3.64



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

	JALAN		of the year				
		31/03/2019	At the end of the year	-	-	179000	3.64
5.	SURAJBEN GOPALBHAI PATEL	1/4/2018	At the beginning of the year	134500	2.74	134500	2.74
		31/03/2019	At the end of the year	-	-	134500	2.74
6.	MALUBHAI LAXMANBHAI PATEL	1/4/2018	At the beginning of the year	116075	2.36	116075	2.36
		31/03/2019	At the end of the year	-	-	116075	2.36
7.	MITA DIPAK SHAH	1/4/2018	At the beginning of the year	103150	2.10	103150	2.10
		31/03/2019	At the end of the year	-	-	103150	2.10
8.	HAFEEZ SORAB CONTRACTOR	1/4/2018	At the beginning of the year	79989	1.62	79989	1.62
		31/03/2019	At the end of the year	-	-	79989	1.62
9.	AJITH P MATHEW	1/4/2018	At the beginning of the year	56400	1.15	56400	1.15
		31/03/2019	At the end of the year	-	-	56400	1.15
	VANDANA GOYAL	1/4/2018	At the beginning of the year	54300	1.10	54300	1.10
		31/03/2019	At the end of the year	-	-	54300	1.10

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director and Key Managerial Personnel	Date	Reason (if any increase / decrease during the year)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	KUNDANBEN PATEL (MANAGING DIRECTOR)	1/4/2018	At the beginning of the year	182690	3.72	182690	3.72
		31/03/2019	At the end of the year	-	-	182690	3.72
2.	PRABHUBHAI PATEL (WTD)	1/4/2018	At the beginning of the year	79200	1.61	79200	1.61
		31/03/2019	At the end of the year	-	-	79200	1.61



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

3	NARESHBHAI PATEL (I.D)	1/4/2018	At the beginning of the year	-	-	-	-
		31/03/2019	At the end of the year	-	-	-	-
4	RAKESH MOGHARIYA (I.D)	1/4/2018	At the beginning of the year	-	-	-	-
		31/03/2019	At the end of the year	-	-	-	-
5	BALDEVBHAI PATEL (CFO)	1/4/2018	At the beginning of the year	460700	9.37	460700	9.37
		31/03/2019	At the end of the year	-	-	460700	9.37
6.	DHRUVI PATEL (CS)	1/4/2018	At the beginning of the year	-	-	-	-
		31/03/2019	At the end of the year	-	-	-	-

F)INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	244833119	16828634	-	261661753
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	244833119	16828634	-	261661753
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	244833119	4396251	-	249229370
Net Change	(244833119)	(4396251)	-	(249229370)
Indebtedness at the end of the financial year				
i) Principal Amount	-	12432383	-	12432383
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	12432383	-	12432383



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

IV. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		MRS. KUNDANBEN PATEL (MD)	MR. PRABHUBHAI PATEL (WTD)	
1	Gross salary	N.A	N.A	N.A
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A	N.A	N.A
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A	N.A	N.A
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	N.A	N.A	N.A
2	Stock Option	N.A	N.A	N.A
3	Sweat Equity	N.A	N.A	N.A
4	Commission - as % of profit - others, specify...	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A
	Total (A)	N.A	N.A	N.A
CEILING AS PER THE ACT			-	

B. Remuneration to other directors

1. Independent Directors

Sr. No.	Particulars of Remuneration	Name of Director		Total Amt
		Mr. Nareshbhai Patel	Mr. Rakeshkumar Moghariya	
1	-Fee for attending Board / Committee meetings (in Rs.)	-		-
2	- Commission	-		-
3	- Others, please specify	-		-
4	TOTAL (B1)	-		-



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

2. Other Non-Executive Directors

Sr. No.	Particulars of Remuneration	Name of Director	Total Amt
		NA	
1	-Fee for attending Board / Committee meetings (in Rs.)	-	-
2	- Commission	-	-
3	- Others, Remuneration	-	
4	TOTAL (B2)	-	-
5	TOTAL B = B(1) + B(2)		
6	TOTAL MANAGERIAL REMUNERATION		-
7	CEILING AS PER THE ACT	-	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No	Particulars of Remuneration	Key Managerial Personnel		
		Ms. Dhruvi Patel (CS)	Mr. Bhaveshbhai Patel (CFO)	Total
1	Gross salary	45000/-*	600000/-	645000/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	N.A	N.A	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961.	N.A	N.A	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	N.A	N.A	NIL
2	Stock Option	N.A	N.A	NIL
3	Sweat Equity	N.A	N.A	NIL
4	Commission- as % of profit	N.A	N.A	NIL
5	Others, please specify	N.A	N.A	NIL
	Total	45000/-*	600000/-	645000/-

* Ms. Dhruvi Patel has been appointed as a CS as on 27th December, 2018.



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

V. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NOT APPLICABLE		
Punishment			NOT APPLICABLE		
Compounding			NOT APPLICABLE		
B. DIRECTORS					
Penalty			NOT APPLICABLE		
Punishment			NOT APPLICABLE		
Compounding			NOT APPLICABLE		
C. OTHER OFFICERS IN DEFAULT					
Penalty			NOT APPLICABLE		
Punishment			NOT APPLICABLE		
Compounding			NOT APPLICABLE		

**PLACE: AHMEDABAD
DATE: 28/08/2019**

**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- II

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

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 31st March, 2019

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 31st March, 2019 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 31st March, 2019 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;



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

(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;

(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 is engaged in manufacturing of structural steel and bars, other specific laws applicable to the Company for the financial year under review are as under:

- A. The Factories Act, 1948
- B. Explosives Act, 1884
- C. Water (Prevention and Control of Pollution) Act, 1974
- D. Water (Prevention and Control of Pollution) Cess, 1974
- E. Air (Prevention and Control of Pollution) Act, 1981
- F. The Environment (Protection) Act, 1986
- G. Hazardous Waste (Management and Handling) Rules, 1989

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 33 (d) of The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 regarding submission of quarterly/yearly basis financial results by auditor who holds valid peer review certificate issued by Institute of Chartered Accountants in India.***



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- 2. The Company has complied with Section 203 (1) (ii) of Companies Act, 2013 and Regulation 6 (2) of The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 for appointment of Company Secretary as Key Managerial Personnel in the quarter December, 2018**
- 3. The Company has complied with the section 138 of the Companies Act, 2013 i.e. Internal Auditor needs to be appointed to conduct the internal audit of the functions and activities of the company for the current financial year 2019-20.**
- 4. 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.**
- 5. Company has not made contribution of provident fund to Employees Provident Fund Organization during the year 2018-19.**
- 6. With regards to compliance with provisions of Income tax Act and other statutory Act as applicable to the company, the auditor notes are self explanatory.**
- 7. The Company has not complied with Section 136 and Section 101 of the Companies Act, Regulation 36 of The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 regarding sending the annual report of 2017-18 to every member of the company.**
- 8. Company has yet to provide newspaper clippings as per Regulation 47(1) (a) and (b) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 for the quarters of the financial year 2018-19.**
- 9. The Composition of Nomination and Remuneration Committee of the Company is not as per regulation 19 of SEBI(Listing Obligation & Disclosure Requirement) Regulations,2015 with respect to appointment of all the non executive directors as a committee members.**
- 10. The Company is yet to comply with Regulation 46 of The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 regarding maintaining and updating a Functional Website for disseminating information to shareholders.**
- 11. There was delay in submission of Annual Report for the financial year 2017-18 as per Regulation 34 and delay in submission of financial results for the quarter ended on 31st December, 2018 as per regulation -33 of SEBI (LODR) Regulations, 2015 to BSE for which BSE has imposed the penalty and the company has paid the same and also uploaded Annual Report on BSE.**

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



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

further 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: 28/08/2019

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

____SD/-_____

MR. ANISH SHAH

PROPRIETOR

FCS No: 4713

C P No.: 6560

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

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, NIRMAN COMPLEX,
B/H. NAVRANGPURA BUS STAND,
AHMEDABAD 380009 GJ IN

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 to 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:28/08/2019

FOR, A. SHAH & ASSOCIATES
PRACTISING COMPANY SECRETARIES

____SD/-_____
MR. ANISH SHAH
PROPRIETOR
FCS No: 4713
C P No.: 6560



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

ANNEXURE - III

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,



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- Whole time director
- Chief financial Officer
- 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



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

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.

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



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- 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.
- 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 recommend 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.



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

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.

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) for public information.

PLACE: AHMEDABAD

DATE: 28/08/2019

**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

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 arms 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 Nature of relationship	MR. HARSH PATEL 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 2018-19
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 240000/- P.A
5	Date of approval by the Board	06.06.2018
6	Amount paid as advances, if any	N.A.

2. Details of contracts or arrangements or transactions:

Sr. No	Particulars	Details
1	Name(s) of the related party Nature of relationship	: HARIGOPAL STEELS METALPRIVATE LIMITED : Mr. Baldevbhai Patel & Mrs. Kundanben Patel, are director in the company.
2	Nature of contracts/arrangements/transaction	: Sale of goods
3	Duration of the	: 2018-19



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

	contracts/arrangements/transaction		
4	Salient terms of the contracts or arrangements or transaction including the value, if any	:	Rs. 994198/-
5	Date of approval by the Board	:	06.06.2018
6	Amount paid as advances, if any	:	N.A.

3. Details of contracts or arrangements or transactions:

Sr. No	Particulars		Details
1	Name(s) of the related party	:	GOPAL STEELS SUPPLIERS
	Nature of relationship	:	Relative of Directors are partners in partnership firm.
2	Nature of contracts/arrangements/transaction	:	Sale of goods
3	Duration of the contracts/arrangements/transaction	:	2018-19
4	Salient terms of the contracts or arrangements or transaction including the value, if any	:	Rs. 776038/-
5	Date of approval by the Board	:	06.06.2018
6	Amount paid as advances, if any	:	N.A.

4. Details of contracts or arrangements or transactions:

Sr. No	Particulars		Details
1	Name(s) of the related party	:	GOPAL STEELS SUPPLIERS
	Nature of relationship	:	Relative of Directors are partners in partnership firm.
2	Nature of contracts/arrangements/transaction	:	Purchase of goods
3	Duration of the contracts/arrangements/transaction	:	2018-19
4	Salient terms of the contracts or arrangements or transaction including the value, if any	:	Rs. 3256800/-



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

5	Date of approval by the Board	:	06.06.2018
6	Amount paid as advances, if any	:	N.A.

5. Details of contracts or arrangements or transactions:

Sr. No	Particulars	:	Details
1	Name(s) of the related party	:	MRS. SURAJBEN GOPALBHAI PATEL
	Nature of relationship	:	RELATIVE OF MRS. KUNDANBEN PATEL, MANAGING DIRECTOR OF THE COMPANY.
2	Nature of contracts/arrangements/transaction	:	Leave & License agreement (payment of rent)
3	Duration of the contracts/arrangements/transaction	:	from 28 th March, 2019 to 26 th March, 2020
4	Salient terms of the contracts or arrangements or transaction including the value, if any	:	Rs. 10000/- p.m.
5	Date of approval by the Board	:	20TH MARCH, 2019
6	Amount paid as advances, if any	:	N.A.

PLACE: AHMEDABAD

DATE: 28/08/2019

**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

**(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	Secur ity
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)	Expected rate of return
N.	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)	Commission
N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

**PLACE: AHMEDABAD
DATE: 28/08/2019**

**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 VI

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 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial year 2018-19 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 2018-19 (IN Rs.)	% increase in Remuneration in the Financial Year 2018-19	Ratio of Remuneration of each Director / 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	4:1	N.A
2	MR. PRABHUBHAI PATEL- WTD	N.A	N.A	N.A	-
3	MR. RAKESH KUMAR MOGHARIYA – ID	N.A	N.A	N.A	-
4	MR. NARESBHAI PATEL – ID	N.A	N.A	N.A	-
5	MR. BALDEV PATEL (CFO)	600000/-	N.A	6.85:1	0.005
6	MS. DHRUVI PATEL PATEL – CS*	45000/-	N.A	Not applicable as the remuneration is only for last three months	0.00

*Ms. Dhruvi Patel has been appointed as a Company Secretary of the Company w.e.f. 27th December, 2018.

- (ii) The median remuneration of employees of the Company during the financial year was Rs. 87474/-



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- (iii) In the Financial year, there was increase of Rs. 29782/- in the median remuneration of employees;
- (iv) There were 5 permanent employees on the rolls of Company as on March 31, 2019;
- (v) Relationship between average increase in remuneration and company performance: - The Company has earned net profit in the financial year 2018-19 as compare to the accumulated losses in the financial year. The median remuneration to the employees has been increased by 49.83% as compare to last year.
- (vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company: The Company has earned net profit during the financial year 2018-19 as compare to the accumulated losses of the company in previous financial year. There is no change in the Remuneration to the KMP for the financial year 2018-19. .
- (vii) a) Variations in the market capitalization of the Company: The market capitalization as on January 18, 2019 was Rs. 29502600/- (Rs. 30387678/- as on January 31, 2018).
- b) Price Earnings ratio of the Company is Rs. 0.28 for the financial year 2018-19(Previous year NIL).
- c) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year- The Company had come out with last public offer in 22nd April, 1996. The closing price of the Company's equity shares on the BSE as January 18, 2019 was Rs. 6.00/- , representing 40% (BSE) Decrease over the last public offer price.
- (viii) There is no increase made in the salaries of employees other than the managerial personnel in the financial year i.e. 2018-19 and there is no increase in the managerial remuneration in financial year 2018-19.
- (ix) 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.
- (x) 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



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- (xi) 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: 28/08/2019

**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

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate governance is about maximizing shareholder value legally, ethically and on a sustainable basis. Corporate Governance helps to enhance stakeholders' value by focusing on long-term value creation without compromising on integrity, social obligations and regulatory compliances. The Corporate Governance philosophy is scripted as:

“As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success.”

The company believes in sustainable corporate growth that emanates from the top leadership down through the organization to the various stakeholders which is reflected in its sound financial system, enhanced market reputation and improved efficiency.

The Company believes that good Corporate Governance is a continuous process and it is our continuous endeavor to achieve good governance, by way of a conscious and conscientious effort whereby ensuring the truth, transparency, accountability and responsibility in all our dealings with our stakeholders, consumers, employees and the community at large.

The Board of Directors represents the interest of the Company's stakeholders, for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards.

The Company has adopted a Code of Conduct for Code of Conduct of Board of Directors and Senior Management. The Company's corporate governance philosophy has been further strengthened through Code Of Practices And Procedures For Fair Disclosure Of Unpublished Price Sensitive Information (“UPSI”) and Code of Conduct under Insider Trading to govern the conduct of insiders, connected persons and persons who are deemed to be connected persons on matters relating to Insider Trading.

As a Good Corporate Governance Practice the Company is voluntarily complying with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as applicable, with regard to corporate governance.



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II. BOARD OF DIRECTORS

A. Board Of Directors:

The names and category of Directors on the Board, their attendance at the Board meetings held during the year and also at the last Annual General Meeting, the number of Directorships held by them in other companies as on 31st March, 2019 are given below:

NAME OF DIRECTOR	CATEGORY	NO. OF BOARD MEETING	ATTENDED	LAST AGM ATTENDANCE	NO. OF DIRECTORSHIP IN OTHER COS.	NO. OF SHARES HELD	RELATIONSHIP OF DIRECTOR INTER SE
MRS. KUNDANBEN PATEL	MANAGING DIRECTOR	10	8	YES	1	182690	FATHER OF MS. JAINAL PATEL
MR. PRABHUBHAI PATEL	WHOLE TIME DIRECTOR	10	3	YES	0	79200	-
MR. NARESHBHAI PATEL	INDEPENDENT DIRECTOR	10	7	YES	0	-	-
MR. RAKESH MOGHARIYA	INDEPENDENT DIRECTOR	10	6	YES	0	-	-

None of the Directors of the company is holding directorship in any other listed Company as on 31st March, 2019.

10 Board Meetings were held during the year and the gap between two meetings did not exceed One Hundred Twenty Days. The necessary quorum was present for all the meetings except those meetings which are adjourned. The dates on which the said meetings were held:

1. 30.05.2018 (adjourn to 06.06.2018)
2. 14.08.2018
3. 31.10.2018
4. 14.11.2018
5. 06.12.2018
6. 15.12.2018
7. 27.12.2018
8. 14.02.2019 (adjourned to 21.02.2019)
9. 15.03.2019
10. 20.03.2019



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

None of the Directors of Board is a member of more than 10 Committees and no Director is the Chairman of more than 5 committees across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

INDEPENDENT DIRECTOR:

None of the Director of the Company is on the Board of more than 7 listed companies as an Independent Director. Further, none of the Director of the Company is acting as a Whole Time Director of any listed company as well as Independent Director in more than 3 listed companies.

None of the Directors of Board is a member of more than 10 Committees and no Director is the Chairman of more than 5 committees across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, all the independent directors of the Company met once during a year, without the attendance of non-independent directors and members of the Management. The meeting of Independent Directors of the Company was held on 28th February, 2019.

Web link where the policy of familiarization programmes imparted to independent directors is disclosed: www.gopaliron.com

The Board Of Directors of the Company has confirmed that in the opinion of the board, the independent directors of the Company fulfill the conditions as per the requirement of Companies Act, 2013 as well as SEBI(Listing Obligation and Disclosure Requirement) Regulations, 2015 and they are independent of the management.

B. PERFORMANCE EVALUATION:

On the bases of performance evaluation criteria laid down by the Nomination and Remuneration Committee & Pursuant to the provisions of the Companies Act, 2013, overall performance and contribution of independent directors and board as whole is evaluated by the board of directors of the company at its meeting held on 28th February, 2018 and framed the opinion that all the independent directors as well executive and nonexecutive director have performed their duty satisfactorily and making their best efforts for the advancement of the company.

The skills/expertise/competence of the board of directors fundamental for the effective functioning of the Company which are currently available with the Board:

Core skills/expertise/competence	Status
Global Business	The Competency with respect to mentioned



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

Strategy ,Planning and Marketing	criteria is available with the Company.
Governance	
Technology, Research & Development	
Management & Leadership	

C. **CODE OF CONDUCT:**

The Board has laid down code of conduct for all Board Members and Senior Managerial Personnel of the Company. The Code of Conduct is available on the website of the Company at www.gopaliron.com.

All Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct and a declaration to this effect signed by the Chief Executive Officer (CEO) has been obtained.

A declaration signed by Mrs. Kundanben Patel, Director of the company is attached herewith forming part of this Annual Report.

III. **AUDIT COMMITTEE:**

The Audit Committee comprises of 3 members out of which 2 are Non-Executive are independent directors. Accordingly, the Company has complied with the requirements of Regulation 18 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 relating to composition of Audit Committee.

The terms of reference of the Audit Committee includes following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- Significant adjustments made in the financial statements arising out of audit findings
- Compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as provided in Companies Act, 2013.



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GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

Additionally, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Committee met 5 times during the year 2018-19 and the attendance of members at the meetings was as follows:

NAME OF MEMBER	CATEGORY	STATUS	NO. OF MEETINGS ATTENDED /HELD	Date of meeting
Mr. Nareshbhai Patel	Non Executive-Independent Director	Chairman	5/5	1. 06.06.2018 2. 14.08.2018
Mrs. Kundanben Patel	Managing Director	Member	3/5	3. 14.11.2018 4. 15.12.2018
Mr. RakeshbhaiMoghariya	Non Executive-Independent Director	Member	5/5	5. 14.02.2019

* Mrs. Kundanben Patel has been appointed as a Committee member with effect from 31.10.2018.

The Audit Committee has reviewed financial condition and results of operations forming part of the management discussion and analysis, statement of significant related party transactions as submitted by the management, and other information as mentioned in part C Schedule II of SEBI (Listing Obligations and disclosure Requirement) Regulations, 2015.

The Chairman of the Audit Committee of the Company was present at the last Annual General Meeting of the Company held on September 28, 2018.

IV. NOMINATION AND REMUNERATION COMMITTEE:

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing obligation and Disclosure Requirement) Regulations 2015, the Nomination and Remuneration Committee comprises of 3 Directors out of which two are independent directors and one is managing



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

Director. The Chairman of the Committee is an Independent Director. Accordingly, the Company has not complied with the requirements of Regulation 19 of SEBI (Listing obligation and Disclosure Requirement) Regulations 2015 relating to composition of Nomination and Remuneration Committee w.r.t. appointment of all the non-executive directors as a committee members.

The terms of reference of the Committee inter alia, include the following:

- a) To 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 their appointment and removal
- b) To carry out evaluation of every director's performance.
- c) To formulate criteria for determining qualification, positive attributes & Independence of director
- d) To recommend to board policy relating to remuneration for the directors, KMP and employees.
- e) NRC shall while formulating policy ensure that,
 - a. The level & composition of remuneration is reasonable & sufficient to attract, retain & motivate directors of the quality required to run the company successfully.
 - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
 - c. Remuneration to directors, KMP and senior management involve balance between fixed & incentive pay reflecting short and long-term performance objective appropriate to the working of the co. & its goals.
- f) To devise a policy on Board diversity;
- g) To perform any other functions as may be assigned to Committee by the Board from time to time.

The Committee met two times during the year 2018-19 and the attendances of members at the meetings were as follows:

Name Of Member	Category	Status	No. Of Meetings Attended /Held	Date of Meeting
Mr. Naresh Patel	Non Executive-Independent Director	Chairman	2/2	1. 06.06.2018 2. 31.10.2018
Mr. RakeshMoghariya	Non Executive-Independent Director	Member	2/2	
Mrs. Kundanben Patel*	Non Executive- Independent Director	Member	1/1	

* Mrs. Kundanben Patel has been appointed as a Committee member with effect from 31.10.2018. No sitting fees are paid to any Director.



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GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

PERFORMANCE EVALUATION MECHANISM FOR INDEPENDENT DIRECTOR:

(1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

Performance evaluation of Independent Directors would done by the board on the basis of following criteria:

- Attendance in meeting
- Contribution in Board / Committee Meeting
- Improvement in Performance & Profitability
- Compliance of code of conduct
- 360 Degree performance Report
- Image building & Branding etc.

(2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

V. REMUNERATION OF DIRECTORS:

1. all pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity : No pecuniary Relationship or transactions with non executive directors.
2. criteria of making payments to non-executive directors.: NA
3. Disclosures with respect to remuneration:

DIRECTOR	Salary	perquisite	Bonus	Sitting fees	Total
MRS. KUNDANBEN PATEL(MD)	NA	NA	NA	NA	NA
MR. PRABHUBHAI PATEL(WTD)	NA	NA	NA	NA	NA
MR. RAKESH MOGHARIYA (ID)	NA	NA	NA	NA	NA
MR. NARESH PATEL(ID)	NA	NA	NA	NA	NA

VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

In compliance with Section 178 of the Companies Act, 2013 and, Regulation 20 of SEBI (Listing obligation and Disclosure Requirement) Regulations 2015 the Board has constituted Stakeholders Relationship Committee.

The Stakeholders' Relationship Committee comprises of following members:

1. Mr. Nareshbhai Patel - Chairman
2. Mr. RakeshMoghariya – Member
3. Mrs. Kundanben Patel – Member *

****Mrs. Kundanben Patel has been appointed as a member of SRC as on 01/04/2019.***



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

The role of the Committee is as under:

- To hear the complaint and grievances of various securities holders so as ensure that timely relief is extended to securities holders including shareholders in respect of their compliant. Additionally the Committee also looks into the shareholders' complaints, if any, related to non-receipt of balance sheet, non-receipt of declared dividend, revalidation of dividend warrants etc. and redress the same expeditiously.
- To consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

The Committee met four times during the year 2018-19 and the attendance of members at the meetings was as follows:

NAME OF MEMBER	CAPACITY	STATUS	NO. OF MEETINGS ATTENDED / HELD	Date of Meeting
Mr. Nareshbhai Patel	Non Executive-Independent Director	Chairman	4/4	1. 30.06.2018 2. 30.09.2018
Mr. RakeshMoghariya	Non Executive-Independent Director	Member	4/4	3.31.12.2018 4. 31.03.2019

All investors complains directly received by the company are recorded on the same date of receipt and resolved immediately.

During the Financial Year 2018-19, no Complaints were received from Shareholders and there were no pending complaints at the beginning of the year as well as at the end of the year.

COMPLIANCE OFFICER: Ms. Dhruvi Patel (CS)

VII. GENERAL BODY MEETING:

a. The details of last 3 Annual General Meetings (AGMs) of the Company are as under:

Financial Year	Date	Time	Venue
2017-18	27/09/2018	11.30 A.M.	1401/2, GIDC, KERALA IND. ESTATE BAVLA- BAGODARA RD., N.H. NO. 8, BAVLA AHMEDABAD.
2016-17	28/09/2017	10.00 A.M.	
2015-16	29/09/2016	10.00 A.M.	



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

b. SPECIAL RESOLUTION IN LAST 3 AGMS:

In AGM held on September 27, 2018, no Special Resolutions were passed.

In AGM held on September 28, 2017, no Special Resolutions were passed.

In AGM held on September 29, 2016, no Special Resolutions were passed.

c. PERSON WHO CONDUCTED THE POSTAL BALLOT EXERCISE:

The Company has duly passed following special resolutions by way of postal ballot concluded on 22ND January, 2019 during the financial year 2018-19, the results of which were announced on 24th January, 2019. Mr. Anish Shah (Membership No. FCS 4713) of M/s. A. Shah & Associates, Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

1- TO SALE / LEASE OR OTHERWISE DISPOSE OF LAND ALONGWITH PLANT & MACHINERY OF THE COMPANY CONSTITUTING SUBSTANTIAL UNDERTAKING

	Remote e-voting		Physical Ballot		Consolidated Voting results	
	Number of members who voted	Number of shares for which votes cast	Number of members Who voted (in person or by proxy)	Number of shares for which votes cast	Total Number of shares for which votes cast	% of total number of valid votes cast
Voted in favour of the resolution	15	1477147	2	343300	1820447	81.15%
Voted against the resolution	5	422889	0	0	422889	18.85%
Invalid Votes	0	0	0	0	0	0

2- TO SET LIMIT FOR RELATED PARTY TRANSCATIONS FOR PURCHASE & SALES OF GOODS:

	Remote e-voting		Physical Ballot		Consolidated Voting results	
	Number of members who voted	Number of shares for which votes cast	Number of members Who voted (in person or by proxy)	Total Number of members who voted	Total Number of shares for which votes cast	% of total number of valid votes cast
Voted in favour of the resolution	8	376505	2	343300	719805	62.99%
Voted against the resolution	5	422889	0	0	422889	37.01%
Invalid Votes	7	1100642	0	0	1100642	--



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The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder.

d. WHETHER ANY SPECIAL RESOLUTION IS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT; None of the businesses proposed to be transacted requires passing of a special resolution through postal ballot.

VIII. **MEANS OF COMMUNICATION:**

- **quarterly results;**

The Results of the Company were displayed on web site www.gopaliron.com and the same were also submitted to the Stock Exchanges after the conclusion of the Board Meeting. The official news releases are being placed on Company's website and simultaneously sent to Stock Exchanges where the shares of the Company are listed.

- **newspapers wherein results normally published;**

The financial results of the Company normally published in English as well as in regional language newspaper. Official news, releases, and presentation made to analysts, institutional investors etc. are displayed on the website of the Company www.gopaliron.com.

- **any website, where displayed;**

Company's website www.gopaliron.com contains a separate dedicated section namely "Investors" where all information relevant to shareholders' is available. The Annual Report of the Company is also available on the website of the Company www.gopaliron.com in a downloadable form. It also displays official news releases and presentations made to institutional investors or to the analysts, whenever it is made by the company.

IX. **GENERAL SHAREHOLDER INFORMATION:**

- **Annual General Meeting -**

Date: 30th September, 2019

Time: 05.00 P.M.

Venue: B/701, Nirman Complex, B/H. Navrangpura Bas Stand, Ahmedabad, Gujarat, 380009

Financial Year: 2018-19

- **Book Closure & Record Date:** As mentioned in the Notice of AGM



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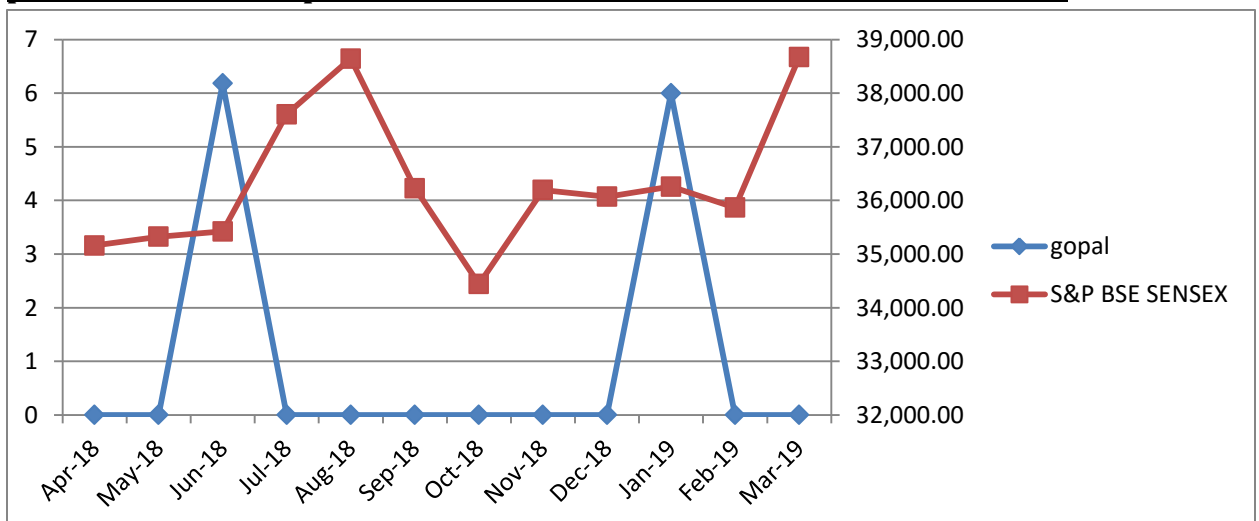
- **Dividend Payment Date:** Not Applicable
- **Listing Details & Stock Code along with Confirmation of payment of listing fees:**
At present, the equity shares of the Company are listed on the BSE Limited (BSE). The Company has already paid the listing fees for the year 2019-20 to the Stock Exchange.

Name of Stock Exchange	Stock Code
BSE Limited P J Towers, Dalal Street, Fort, Mumbai-400001	531913

- **Market price data- high, low during each month in last financial year;**

Month	Open	High	Low	Close
Apr 18	-	-	-	-
May 18	-	-	-	-
Jun 18	6.18	6.18	6.18	6.18
Jul 18	-	-	-	-
Aug 18	-	-	-	-
Sep 18	-	-	-	-
Oct 18	-	-	-	-
Nov 18	-	-	-	-
Dec 18	-	-	-	-
Jan 19	6.17	6.17	6.00	6.00
Feb 19	-	-	-	-
Mar 19	-	-	-	-

- **performance in comparison to broad-based indices such as BSE Sensex, :**



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- **In case the securities are suspended from trading, the directors report shall explain the reason thereof:** Not Applicable

- **Registrar to an issue and Share Transfer Agents:**

BIGSHARE SERVICES PVT. LTD

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai,
Maharashtra, 400059
Tel no. : 022 - 40430200 / 62638200

- **Share Transfer System:**

The share transfer work is handled by registrar and transfer agent for the company. Share Transfers are registered and dispatched within a period of fifteen days from the date of the lodgments if the transfer documents are correct and valid in all respects. The Company has obtained the half yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities as per the requirement of Regulation 40(9) & (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. These certificates have been submitted to the Stock Exchanges.

- **Distribution of shareholding:**

Distribution of shareholding as on 31st March, 2019:

SHAREHOLDING OF NOMINAL		NUMBER OF SHAREHOLDERS	PERCENTAGE OF TOTAL	SHARES	PERCENTAGE OF TOTAL
RS.	RS.				
1	500	658	71.5217	120573	2.4521
501	1000	136	14.7826	128882	2.6211
1001	2000	56	6.0870	93333	1.8981
2001	3000	16	1.7391	41496	0.8439
3001	4000	5	0.5435	17400	0.3539
4001	5000	7	0.7609	34055	0.6926
5001	10000	7	0.7609	49163	0.9998
10001	More than 10001	35	3.8043	4432198	90.1385
TOTAL		920	100	4917100	100

HAREHOLDING OF NOMINAL NUMBER OF



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GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- **Category wise details of Shareholders**

Particulars	No of Shares	Percentage
Promoters and Relatives	2672049	54.34
Public	2167551	44.08
Body Corporate	185000	0.38
NRI	58600	1.19
Clearing Member	400	0.00
Total	4917100	100.00

- **Dematerialization of shares and liquidity:**

4176200 (84.93 %) Equity Shares are in demat form as on March 31, 2019.

ISIN No.: (For Dematerialized Shares): **INE641H01018**

- **Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2019, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

- **Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

- **plant locations:** NA

- **Address for Correspondence** : B/701, Nirman Complex, B/H. Navrangpura
Bas Stand, Ahmedabad, Gujarat, 380009
TEL NO. 079-25830475 / 30919966,

- list of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad: **Not Applicable**

X. **DISCLOSURES:**

- **Management Discussion and Analysis:**

Annual Report has a detailed chapter on Management Discussions and Analysis.



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- **Related Party Transaction:**

There were no transactions with related parties, which are not in the ordinary course of business and not on arm's length basis.

There were no materially significant related party transactions that may have potential conflict with the interests of company at large, during the year.

The Company has received representation from Senior Management personnel that there was no material significant financial and commercial transaction entered into by them along with their relative where they have personal interest that may have a potential conflict with the interest of the Company at large.

The company has formulated a policy on dealing with Related Party Transactions; such policy has been disclosed of the company's website www.gopaliron.com. The details of Related Party transaction entered into by the Company during the year has been mentioned in Annexure- IV Form no. AOC-2 of Board Report.

- Neither any non-compliance nor any penalty, strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

- **Whistle Blower Policy (Vigil Mechanism):**

The Company established the Whistle Blower Policy (Vigil Mechanism). In line with the best Corporate Governance Practices; the Company has put in place a system through which the Directors or employees may report concerns about unethical and improper practices or Alleged Wrongful Conduct, without fear of reprisal. The functioning of the vigil mechanism is being monitored by the Audit Committee from time to time and no person has denied access to the Audit Committee for reporting any such misconduct.

The details of Whistle Blower Policy have been disclosed on the company's website www.gopaliron.com.

- **Accounting treatment:**

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



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GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- **Various policies Adopted by the company:**

Due to promulgation of Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, the company has adopted various other policies in line with the best Corporate Governance Practices.

Following other policies have been adopted by the company:

- Risk management policy
- Nomination and Remuneration policy
- Board Diversity policy
- Material Subsidiary policy
- Preservation of documents policy
- Corporate Social Responsibility policy

The details of the policies adopted have been disclosed on the company's website www.gopaliron.com.

- **Disclosure Of Commodity Price Risks And Commodity Hedging Activities:** Not Applicable
- **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** Not Applicable
- The certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been taken by the Company.
- There is no such matter or transactions for which the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the financial year 2018-19.
- **Total fees for all services paid by the listed entity on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Auditors fees bifurcation	Amount (In Rs.)
Audit fees	25000
Total	25000



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- **disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**
 1. number of complaints filed during the financial year : Nil
 2. number of complaints disposed of during the financial year : Nil
 3. number of complaints pending as on end of the financial year : Nil
- **Disclosures with respect to demat suspense account/ unclaimed suspense account :** Not Applicable as the Company has not declared any dividend to the shareholders.

**PLACE: AHMEDABAD
DATE: 28/08/2019**

**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 overall performance during the financial year 2018-19 has been satisfactory.

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:

The Company has achieved higher turnover as compare to the previous financial year and it further expects growth of the company in future. 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.

7. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Total turnover for the year ended 31st March, 2019 was Rs. 311.88 lakhs. This performance of the Company was mainly on account of improvement in manufacturing techniques and sales



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

promotion drive. Better working capital management was also one of the emphasis on which proper weightage was laid upon.

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:**

<u>Ratio</u>	<u>2018-19</u>	<u>2017-18</u>
Debtors Turnover	0.82	1.79
Inventory Turnover	1.1	1.29
Interest Coverage Ratio	-92.94	-0.16
Current Ratio	0.66	0.72
Debt Equity Ratio	6.93	-4.41
Operating Profit Margin (%)	-0.25	0.02
Net Profit Margin (%)	3.27	-0.82

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

<u>Ratio</u>	<u>2018-19</u>	<u>2017-18</u>
Return on Equity	0.19	1.94

Reason for deviation of above all Ratio – Loan taken by Company from Punjab National Bank has been settle under One Time Settlement Scheme. So the Debtors, Stock, Liabilities has been significantly change.



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. 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: 28/08/2019**

**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

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, 2019 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 is no significant changes in internal control over financial reporting during the year;
2. That there is 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 is 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: 28/08/2019

SD/-
MR. BALDVBHAI PATEL
CFO

SD/-
MRS. KUNDANBEN PATEL
MANAGING DIRECTOR



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

DECLARATION BY THE WHOLE TIME DIRECTOR OF THE COMPANY ABOUT CORPORATE GOVERNANCE

I, Mr. Prabhubhai Patel, Whole time Director of GOPAL IRON & STEEL CO. (GUJARAT) LTD hereby confirm pursuant to Regulation 26(3) and PART D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 that:

1. The Board of Directors of GOPAL IRON & STEEL CO. (GUJARAT) LTD has laid down a code of conduct has been placed on the company's website.
2. All the members of the board as well as senior management personal have complied with the said code of conduct for the year ended 31st March 2019.

PLACE: AHMEDABAD
DATE: 28/08/2019

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

____SD/-_____
MR. PRABHUBHAI PATEL
WHOLE TIME DIRECTOR
(DIN: 00287615)



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

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

CERTIFICATE OF COMPLAINE WITH CORPORATE GOVERNANCE

To,
The Members of
GOPAL IRON & STEELS CO. (GUJARAT) LIMITED

We have examined the compliance of the conditions of Corporate Governance by **M/S.GOPAL IRON & STEELS CO. (GUJARAT) LIMITED** ('the Company') for the year ended **March 31, 2019** as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

- **Management's Responsibility:**

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents.

- **Our Responsibility:**

Our examination was limited to review of procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended on 31st March, 2018.

- **Opinion:**

In our opinion and to the best of our information and explanations given to us, we certify that the Company is yet to comply with following regulations/conditions of Corporate Governance as stipulated Listing Agreement and SEBI Regulations:

1. The Composition of **Nomination & Remuneration committee** of the Company is **not** as per Regulation 19 of SEBI(Listing Obligation & Disclosure Requirement) Regulation, 2015 regarding appointment of all Non executive Directors in the as a committee members.



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ANNUAL REPORT 2018-19..... AN ISO 9001 : 2008 COMPANY

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

2. The Company is **yet to comply with clauses (b) to (i) of regulation 46 (2)** of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 with respect to updating the website of the company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

PLACE: AHMEDABAD

DATE: 28/08/2019

**FOR, M/S. A. SHAH & ASSOCIATES
PRACTICING COMPANY SECRETARIES**

sd/-
MR. ANISH B. SHAH
(COP NO. 6560)
(M. No.: 4713)



Independent Auditor's Report_

To the Members of

GOPAL IRON & STEEL CO. (GUJARAT) LTD

Ahmedabad

Opinion

We have audited the accompanying standalone financial statements of Gopal Iron & Steel Co. (Gujarat) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's 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 the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal



financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

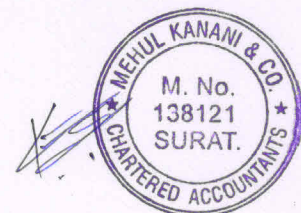


We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, , read with Rule 7 of the Companies (Accounts) Rules, 2014.



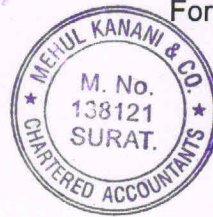
- e) on the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.



For, Mehul Kanani & Co.

Mehul Kanani

Proprietor

Membership Number :138121

Place: Surat

Date: 23/05/2019

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1(f) under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2019

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Gopal Iron & Steel Co. (Gujarat)(“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

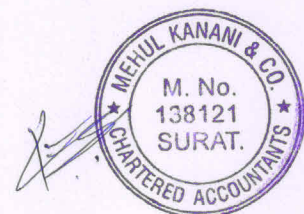


Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.



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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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, Mehul Kanani & Co.
Mehul Kanani

Proprietor
Membership Number :138121

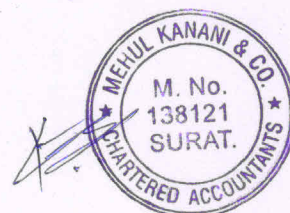
Place: Surat

Date: 23/05/2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gopal Iron & Steel Co. (Gujarat) of even date)

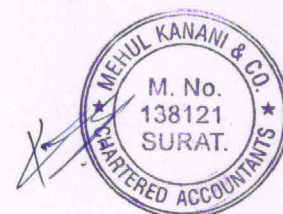
- 1)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - (c) The title deeds of immovable properties are held in the name of the company.
- 2)
 - (a) The management has conducted the physical verification of inventory at reasonable intervals.
 - b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.



- 5) The Company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- 6) As informed to us, the company is not required to maintain cost record as prescribed by the Central Government under sub-section (1) of Section 148 of the Act.
- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. except Provident Fund Interest Aggregating Rs. 8,70,695/-
- b) Gujarat Commercial Tax Department have raised a demand aggregating Rs. 50.65 Lacs (Rs. 66.53 Lacs) for the financial year 2002-2003 and 2008-2009 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. Central Excise Authorities have raised demand aggregating Rs. 33.53 Lacs (Rs. 33.53 Lacs) 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 Lacs (Rs. Nil) and shown as an asset under the head of "Short Term Loans and Advances".
- 8) Based on our review conducted as above, Earlier the Punjab National Bank had declared the Loan Account as NPA for the loans given to the company but in current year Company had paid the dues under OTS Scheme so now there is no any outstanding dues to the Bank. Company had already taken no due certificate from Bank.



- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.



- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.



For, Mehul Kanani & Co.

Mehul Kanani

A handwritten signature in blue ink, appearing to be "Mehul Kanani".

Proprietor

Membership Number :138121

Place: Surat

Date: 23/05/2019

Gopal Iron & Steels Co. (Gujarat) Limited

Balance Sheet as at 31-03-2019

Particulars	Note	31-03-2019 Rs.	31-03-2018 Rs.
I Assets			
Non Current Assets			
(a) Property, plant and equipment			
(i) Tangible Assets	3	76789638	109727820
Non-current financial assets			
(a) Loans, non-current	4	4910762	4910762
Current Assets			
(a) Inventories	5	34422702	66841650
Current financial asset			
(a) Trade Receivables	6	25537751	93154355
(b) Cash and Cash Equivalents	7	780209	89486
(c) Loans, current	4	7520676	8278284
Total (I)		149961741	283002357
II Equity and Liabilities			
Equity			
Equity attributable to owners of parent			
(a) Equity share capital	8	49171000	49171000
(b) Other equity	9	-30257564	-132191654
Non Current Liabilities			
Financial liabilities			
(a) Borrowings, non-current	10	12432383	118109564
Deferred Tax Liabilities (Net)	11	15122635	15122635
Current Liabilities			
Financial liabilities			
(a) Borrowings, current	12	0	143552189
(b) Trade Payables	13	4574191	14017998
Other Current Liabilities	14	98919096	75220625
I Total		149961741	283002357
Summary of Significant Accounting Policies Notes to the Financial Statements	2.1	0	0

As per Separate Report of even date Annexed

For Mehul Kanani & Co.
Chartered Accountants

sd/-
(Mehul Kanani)
Proprietor

Place: Ahmedabad
Date : 23/05/2019

For and on behalf of Board of Directors
Gopal Iron & Steels Co. (Guj) Limited

sd/-
(Kundanben Patel)
Managing Director
(DIN - 06979778)

sd/-
(Prabhubhai Patel)
Director
(DIN - 00287615)

sd/-
(Baldevbhai Patel)
C.F.O

sd/-
(Dhruvi Patel)
Company Secretary

Gopal Iron & Steels Co. (Gujarat) Limited
Statement of Profit and Loss for the year ended on 31-03-2019

Particulars		Note	31-03-2019 Rs.	31-03-2018 Rs.
I	Revenue from Operations	15	31188690	51939030
II	Other Income	16	789263	36572
III	Total Revenue (I + II)		31977953	51975602
IV	Expenses			
	(a) Cost of Raw Materials Consumed	17	27719793	49745413
	(b) Purchase of stock in trade		-	-
	(c) (Increase) / Decrease in Stock-in-Trade & Work-in-Progress	18	10048319	-276413
	(d) Employee Cost	19	1167297	1413629
	(e) Finance Costs	20	349782	26931643
	(f) Depreciation and Amortization		-	-
	(g) Power & Fuel	21	741786	2587063
	(h) Other Expenses	22	24810007	2869755
	Total Expense (IV)		64836984	83271090
V	Profit before Exceptional and Extra Ordinary Items and Tax (III-IV)		-32859031	-31295488
VI	Exceptional Items		-134793121	-
VII	Profit before Extraordinary Items (V-VI)		101934090	-31295488
VIII	Extraordinary Items		-	10067137
IX	Profit before Tax (VII-VIII)		101934090	-41362625
X	Tax Expenses			
	(1) Current Tax		-	1460045
	(2) Deferred Tax		-	-
XI	Profit / (Loss) for the period from continuing operations (IX - X)		101934090	-42822670
XII	Profit / (Loss) from discontinuing operations			
XIII	Tax expense of discontinuing operations			
	Other Comprehensive Income			
	A (i) Items that will not be reclassified to Profit or Loss			
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
	B. Items that will be reclassified to profit or loss in subsequent periods:			
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss		-	-
XVII	Total Comprehensive Income for the period (XV + XVI) comprising Profit / (Loss) and other comprehensive income for the period		101934090	-42822670
XVIII	Paid up Equity Share Capital		49171000	49171000
	Face value of Equity Share Capital		10	10
	Reserve excluding Revaluation Reserve		-31257564	-133191654
XIX	Earnings Per Shares (For Continuing Operation)			
	(a) Basic		20.73	-8.71
	(b) Diluted		20.73	-8.71
XX	Earnings Per Shares (For discontinued Operation)			
	(a) Basic		-	-
	(b) Diluted		-	-
XXI	Earnings Per Shares (For discontinued & Continuing Operation)			
	(a) Basic		20.73	-8.71
	(b) Diluted		20.73	-8.71

To facilitate Comparison , figures of previous periods has been rearranged, where ever necessary.

As per Separate Report of even date Annexed

BY ORDER OF THE BOARD OF DIRECTORS ,
For Gopal Iron & Steels Co. (Gujarat) Limited

For Mehul Kanani & Co.
Chartered Accountants

sd/-
(Mehul Kanani)
Proprietor

sd/-
(Kundanben Patel)
Managing Director
(DIN - 06979778)

Place: Ahmedabad
Date : 23/05/2019

sd/-
(Prabhubhai Patel)
Director
(DIN - 00287615)

sd/-
(Baldevbhai Patel)
C.F.O

sd/-
(Dhruvi Patel)
Company Secretary

Gopal Iron & Steels Co. (Guj) Limited

Cash Flow Statement for the year ended on 31st March 2019

(In Rs.)

	Particulars	31-03-2019	31-03-2018
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax	101934090	-41362625
	Adjustment For		
	- Depreciation and Amortization	0	-
	- Credit Balance Written Off	107731301	0
	- Profit on Sale of Fixed Assets	27061819	10067137
	- Financial and Interest Charges	349782	2869755
	Operating Profit before Working Capital Changes	-32509248	-28425733
	Adjustment For Changes in Working Capital		
	- Trade Payables	98287491	-707334
	- Long Term Provisions	0	-193366
	- Short Term Provisions	0	0
	- Other Current Liabilities	23698471	25861132
	- Decrease (Increase) in Inventories	32418948	328172
	- Trade Receivables	67616604	11955485
	- Long Term Loans and Advances	0	-24566
	- Short Term Loans and Advances	757608	4147173
	Cash Generated from Operations	190269874	12940963
	- Taxes Paid	0	-1460045
	Net Cash Flow from operating activities - A	190269874	11480918
B	CASH FLOW FROM INVESTING ACTIVITIES		
	- Purchase of Fixed Assets and Others		-9180
	- Sale of Fixed Assets and Others	60000000	8000000
	- Interest Received		0
	Net Cash used in investing activities - B	60000000.35	7990820
C	CASH FLOW FROM FINANCING ACTIVITIES		
	- Proceeds (-Payment) from Long Term Borrowings	-105677181	-12816742
	- Proceeds from Non Current Investments		0
	- Proceeds (-Payment) from Short Term Borrowings	-143552189	-4159106
	- Financial and Interest Charges	-349782	-2869755
	Net Cash used in Financing Activities - C	-249579152	-19845603
	Net (-) Decrease in Cash & Cash Equivalents (A+B+C)	690723	-373864
	Cash & Cash Equivalents as at 31-03-2018 (Note 7)	89486	463350
	Cash & Cash Equivalents as at 31-03-2019 (Note 7)	780209	89486

Note

The Cash Flow Statement has been prepared under the Indirect Method as set out in AS 3 on Cash Flow Statements issued by Companies (Accounting Standard) Rules, 2006.

As per Separate Report of even date Annexed

For and on behalf of Board of Directors
Gopal Iron & Steels Co. (Guj) Limited

For Mehul Kanani & Co.
Chartered Accountants

sd/-
(Mehul Kanani)
Proprietor

Place: Ahmedabad
Date : 23/05/2019

sd/-
(Kundanben Patel)
Managing Director
(DIN - 06979778)

sd/-
(Prabhubhai Patel)
Director
(DIN - 00287615)

sd/-
(Baldevbhai Patel)
C.F.O

sd/-
(Dhruvi Patel)
Company Secretary

Gopal Iron & Steels Co. (Gujarat) Limited

Notes to financial statements for the year ended 31st March, 2019

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 Revised Schedule VI to The Companies Act, 1956, 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

Note - 3 Property, plant and equipment

Sr	Name of Assets	Gross Block (At Cost)				Depreciation Block				Net Block as on	
		Opening Balance	Addition	Deduction	Closing Balance	Opening Balance	Addition	Deduction	Closing Balance	As on 31/03/2019	As on 31/03/2018
1	Land (Lease Hold)	2467337	0	2467337	0	0	0	0	0	0	2467337
2	Furniture & Fixtures	406448	0	406448	0	301662	0	301662	0	0	104786
3	Office Equipment	1000099	0	1000099	0	967127	0	967127	0	0	32972
4	Electric Installation	7416736	0	7416736	0	6564182	0	6564182	0	0	852554
5	Plant & Machinery	60064023	0	0	60064023	45925861	0	0	45925861	14138162	14138162
6	Vehicles	8463296	0	0	8463296	6215007	0	0	6215007	2248289	2248289
7	Factory Building	14741087	0	14741087	0	8709821	0	8709821	0	0	6031266
8	Other Building	2332130	0	2332130	0	705887	0	705887	0	0	1626243
9	Electric Installation (Tube)	997978	0	997978	0	528248	0	528248	0	0	469730
10	Plant & Machinery (Tube)	85027365	0	0	85027365	24704226	0	0	24704226	60323139	60323139
11	Factory Building (Tube)	25215852	0	25215852	0	3862558	0	3862558	0	0	21353294
12	Laboratory Equipments	129930	0	0	129930	49882	0	0	49882	80048	80048
Total as on 31-03-2019		208262281	0	54577667	153684614	98534461	0	21639485	76894976	76789638	109727820
Total as on 31-03-2018		244491101	9180	36238000	208262281	116705323	0	18170862	98534461	109727820	127785778

Notes Gopal Iron & Steels Co. (Gujarat) Limited**As at**
31/03/2019**As at**
31/03/2018**4 Loans, non-current**

Long Term Loans and Advances (Non Current)		
Capital Advances (Unsecured, considered good)	4000000	4000000
Security Deposits	910762	910762
Total	4910762	4910762

Short Term Loans and Advances (Current)

Advances to Suppliers (Unsecured, considered good)	0	1050000
Advance / Income Tax Payment	794583	79118
Balance with Statutory / Government Authorities	6726093	7149166
Total	7520676	8278284

5 Inventories

(Physical verification done by Management)

Raw Materials and Spares	25501200	47871829
Work-in-Progress	787748	2034405
Finished Goods	8112868	13791004
Scrap and Waste	20886	3144412
Total	34422702	66841650

6 Trade Receivables

(Unsecured, but considered good)

Outstanding for more than 6 months	16142413	73113412
Other Debts	9395338	20040943
Total	25537751	93154355

7 Cash and Cash Equivalents

Cash on Hand	34195	2419
Balance with Bank Of India	5133	25218
Balance with The Karnavati Co-Op Bank Limited	740881	61849
Total	780209	89486

Notes	Gopal Iron & Steels Co. (Gujarat) Limited	As at <u>31/03/2019</u>	As at <u>31-03-2018</u>
8	Equity share capital		
	Authorized Shares		
	6000000 (6000000) Equity Shares of Rs. 10/- each	60000000	60000000
		<u>60000000</u>	<u>60000000</u>
	Subscribed and Fully Paid up Share Capital		
	4917100 (4917100) Equity Shares of Rs. 10/- each	49171000	49171000
	Total	<u>49171000</u>	<u>49171000</u>

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

	No.	Rs.	No.	Rs.
At the beginning of the period	4917100	49171000	4917100	49171000
Add / Less during the year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Out standing at the end of the period	<u>4917100</u>	<u>49171000</u>	<u>4917100</u>	<u>49171000</u>

Terms / Rights attached to issued Equity Shares

The Company has only one class of Equity Shares having at Par value of Rs. 10/- per Share. Each holder of Equity Shares is entitled to one vote per Share.

In the event of Liquidation, the holders 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.

Details of Shareholders holding more than 5% Shares in the Company

	No.	Rs.	No.	Rs.
Equity Shares of Rs. 10/- each Fully paid up				
- Bhaveshbhai Gopalbhai Patel	876782	17.83%	876782	17.83%
- Baldevbhai Gopalbhai Patel	460700	9.37%	460700	9.37%
- Ganeshbhai Harjibhai	337900	6.87%	337900	6.87%
- Sharad Kanaiyalal Shah	283537	5.77%	283537	5.77%

As per records of the Company, including its register of Shareholders / Members and other declarations received from Shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of Shares.

Notes *Gopal Iron & Steels Co. (Gujarat) Limited*

	As at <u>31/03/2019</u>	As at <u>31/03/2018</u>
9 Other equity		
Capital Reserve		
State Cash Subsidy	1000000	1000000
Profit & Loss Account		
Balance as per Last Balance Sheet	-133191654	-90368984
Add : Profit for the year	<u>101934090</u>	<u>-42822670</u>
	-31257564	-133191654
Total	<u>-30257564</u>	<u>-132191654</u>

10 Borrowings, non-current

Secured

Term Loan from Punjab National Bank	0	40942738
Term Loan from Punjab National Bank	0	40733168
Term Loan from Punjab National Bank (Funded Interest)	0	9877830
Term Loan from Punjab National Bank (Funded Interest)	0	9727194
	<u>0</u>	<u>101280930</u>
Less :		
Current Maturities	<u>0</u>	<u>0</u>
	0	101280930

Unsecured

- From Directors	605513	3792754
- From Shareholder and Relatives	11826870	13035880
Total	<u>12432383</u>	<u>118109564</u>

Term Loan from Punjab National Bank are taken during the Financial Year 2010-2011 and carries Interest.

Term Loan from Punjab National Bank secured by first charge on all Plant and Machinery, movable and immovable fixed assets both present and future save and except asset acquired under Hire Purchase agreement.

Hire Purchase Loan secured against hypothecation of Motor Cars acquired under Hire Purchase Agreement.

11 Deferred Tax Liabilities (Net)

Deferred Tax Liabilities	15122635	15122635
Fixed Assets : Impact of difference between Tax Depreciation and Depreciation Charged for the period.		
Total	<u>15122635</u>	<u>15122635</u>

12 Borrowings, current

Secured

Working Capital Loan from Bank	0	143552189
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Secured by first charge on Stocks and Bookdebts present and future and first charge on immovable fixed assets both present and future save and except asset acquired under Hire Purchase agreement.

Working Capital Loan is repayable on demand and carries Interest.

Total	<u>0</u>	<u>143552189</u>
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Notes Gopal Iron & Steels Co. (Gujarat) Limited

	As at <u>31/03/2019</u>	As at <u>31/03/2018</u>
13 Trade Payables		
Trade Payables for Goods	1814789	8022503
Trade Payables for Others	2759402	5995495
Total	<u>4574191</u>	<u>14017998</u>
14 Other Current Liabilities		
Statutory Liabilities Payable	1278828	3064127
Unpaid Expenses	2921732	1979664
Unpaid Bank Interest	0	65409363
Advance for Sale of Fixed Asset	90000000	0
Payables on Purchase of Fixed Assets	4718536	4718536
Advance from Customer	0	48935
Total	<u>98919096</u>	<u>75220625</u>
15 Revenue from Operations		
Sale of Products	30580048	49741687
Job Charges	608642	2197343
Total	<u>31188690</u>	<u>51939030</u>
16 Other Income		
Rent Income	600000	0
Discount received and Balances Written off	0	36572
Other Incomes	189263	0
Total	<u>789263</u>	<u>36572</u>
17 Cost of Raw Materials Consumed		
Inventory at the beginning of the year	126000	253778
Add : Purchases for the year	<u>27659993</u>	<u>49617635</u>
	27785993	49871413
Less : Inventory at the end of the year	<u>66200</u>	<u>126000</u>
Cost of Materials Consumed for the year	27719793	49745413
Total	<u>27719793</u>	<u>49745413</u>

Notes *Gopal Iron & Steels Co. (Gujarat) Limited*

As at
31/03/2019 As at
31/03/2018

18 (Increase) / Decrease in Stock-in-Trade & Work-in-Progress

Inventory at the end of the year		
- Finished Goods	8112868	13791004
- Work-in-Progress	787748	2034405
- Scrap	20886	3144412
	8921502	18969821
Inventory at the beginning of the year		
- Finished Goods	13791004	14623806
- Work-in-Progress	2034405	762690
- Scrap	3144412	3306912
	18969821	18693408
Total	10048319	-276413

19 Employee Cost

Salary, Wages and Bonus	1035866	1265080
Contribution to Provident and Other Funds	130697	140382
Other welfare expenses	734	8167
Total	1167297	1413629

20 Finance Costs

To Bank	0	26931643
To Statutory Authorities	349782	0
Total	349782	26931643

21 Power & Fuel

- Fuel, Coal and Power Consumed	741786	2587063
Total	741786	2587063

22 Other ExpensesManufacturing Expenses

- Stores and Spares Consumed	22316924	297260
- Repairs and Maintenance Expenses	0	10600
- Other Manufacturing Expenses	12808	66773

Administrative Expenses

- Conveyance Expenses	45016	360156
- Insurance Charges	181272	62690
- Telephone Expenses	19069	66103
- Professional and Consulting Fees	294087	183513
- Office Expenses	12683	129138
- Bank Charges	7441	0
- Donation	0	11111
- Stationery, Printing and Xerox	15949	2340
- Payment to Auditors	25000	0
- Miscellaneous Expenses	0	203397
- Licence, Renewal and Filing Fees	353755	477564
- Postage Expenses	10664	670
- Paid against PF Demand	761299	0
- Penalty under PF	19793	0
- Repairs to Shed Building	0	4000
- Repairs to office Equipments	0	42593
- Repairs to Vehicles	67217	81377
- Security Charges	86370	0
- Bad Debts Written off	0	255345

Selling and Distribution Expenses

- Advertisement Expenses	40659	55897
- Other Carriages	0	19228
- Brokerage Charges	540000	540000

Total	24810007	2869755
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Gopal Iron & Steels Co. (Gujarat) Limited

Notes to financial statements for the year ended 31st March 2019

(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 have raised a demand aggregating Rs. 50.65 Lacs (Rs. 50.65 Lacs) for the financial year 2002-2003 and 2009-2010 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 Lacs (Rs. 33.53 Lacs) 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 Lacs (Rs. Nil) 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

Based on the information available with the company there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2019. Hence the disclosure relating to amounts unpaid as at the year end together interest paid / payable under this act have not been given.

(26) Payment to Auditors (In Rs.)

	31-03-2019	31-03-2018
For Statutory Audit	25000	25000
Total	25000	25000

(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

Bhaveshbhai Gopalbhai Patel
Prabhubhai Laxmanbhai Patel
Jainal Bhaveshbhai Patel

Details of Relatives of Key Management Personnel

Baldev Gopalbhai Patel	Kundan Bhaveshbhai Patel
Govind Laxmanbhai Patel	Jainal Bhaveshbhai Patel
Hitesh Ramniklal Patel	Gopalbhai Naranbhai Patel
Harsha Baldevbhai Patel	Surajben Gopalbhai Patel
Harshad Malubhai Patel	Hireni Bhaveshbhai Patel
Vijay Ramniklal Patel	Darshan Dashrathbhai Patel
Harsh Bhaveshbhai Patel	Dhanjibhai Ramjibhai Patel

Details of Enterprises owned or significantly influenced by key management personnel

Harigopal Steels and & Metals Private Limited
Gopal Steel Suppliers
Parul Steel Industries
Zalawad Steel Corporation
The Lotus Primary School
The Lotus Girls High School

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

		31-03-2019	31-03-2018
1	Managerial Remuneration paid to Key Personnel and their Relatives	667200	802585
2	Gross Loans from Key Personnel and their Relatives	4959035	2839498
3	Gross Loans repaid to Key Personnel and their Relatives	9355287	15656240
4	Loans payable to Key Personnel and their Relatives	11826870	13028634
5	Purchase of Goods	3256800	6145311
	Sale of Goods	1770236	42033232

The above loan amount brought in by the promoters by way of Unsecured Loans in pursuance of stipulations of the Bank for the finance and it is exempted under Section 73 to 76 of the Companies Act, 2013.

- (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).

As per attached report of even date

For Mehul S. Kanani & Co.
Chartered Accountants

(Mehul S. Kanani)
Proprietor

Place: Ahmedabad
Date: 23/05/2019

For and behalf of Board of Directors
Gopal Iron & Steels Co. (Guj) Limited

(Kundanben Patel)
Managing Director
(DIN - 06979778)

(Prabhubhai Patel)
Director
(DIN - 00287615)

(Baldevbhai Patel)
C.F.O

(Dhruvi Patel)
Company Secretary

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, Nirman Complex, B/H. Navrangpura Bus Stand, Ahmedabad 380009 GJ IN** on 30TH day of September, 2019 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:



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GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

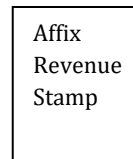
Signature:

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 30th day of September, 2019 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
Ordinary Business			
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, 2019		
2.	Appointment of a director in place of Mrs. Kundanben Patel (DIN: 03063504), who retires by rotation and being eligible, seeks re-appointment.		
3.	Appointment of M/s. KRUTESH PATEL & ASSOCIATES, Chartered Accountant as a Statutory Auditor of the Company for the term of five financial years.		
Special Business			
4.	Reappointment of Mr. Nareshbhai Patel as an Independent Director of the Company for the term of five financial year		
5.	Reappointment of Mr. Rakeshkumar Moghariya as an Independent Director of the Company for the term of five financial year		

Signed this.....day of, 2019.

Signature of Shareholder



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.

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: GOPAL IRON & STEEL CO. (GUJARAT) LIMITED				
Registered office: B/701, Nirman Complex, B/H. Navrangpura Bus Stand, Ahmedabad 380009 GJ IN				
BALLOT PAPER				
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, 2019			
2.	Appointment of a director in place of Mrs. Kundanben Patel (DIN: 03063504), who retires by rotation and being eligible, seeks re-appointment.			
3.	Appointment of M/s. KRUTESH PATEL & ASSOCIATES, Chartered Accountant as a Statutory Auditor of the Company for the term of five financial years.			
4.	Reappointment of Mr. Nareshbhai Patel as an Independent Director of the Company for the term of five financial year			
5.	Reappointment of Mr. Rakeshkumar Moghariya as an Independent Director of the Company for the term of five financial year			

PLACE: AHMEDABAD

DATE:

Signature of the shareholder



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GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

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

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 25th Annual General Meeting of the Company to be held on 30th SEPTEMBER, 2019 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:

EVEN (E-voting event number)	User ID :	Password / Sequence No:

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

GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

COMMENCEMENT OF REMOTE E-VOTING	END OF REMOTE E-VOTING
27 th SEPTEMBER, 2019 (09.00 A.M.)	29 th SEPTEMBER, 2019 (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 30th SEPTEMBER, 2019.

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



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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