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AN ISO 9001 : 2008 COMPANY

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

(CIN: L27101GJ1994PLC022876)

REGISTERED OFFICE:

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

**ANNUAL REPORT
2019-20**



ANNUAL REPORT 2019-20 AN ISO 9001 : 2008 COMPANY

➤ **BOARD OF DIRECTORS**

NAME OF THE DIRECTOR	DIN	DESIGNATION
MRS. KUNDANBEN PATEL	03063504	MANAGING DIRECTOR
MR. PRABHU PATEL	00287615	WHOLE TIME DIRECTOR
MR. NARESHBHAI PATEL	06793030	INDEPENDENT DIRECTOR
MR. RAKESHKUMAR MOGHARIYA	06798873	INDEPENDENT DIRECTOR
MR. PRAFFUL BURAD	08723049	ADDITIONAL- INDEPENDENT DIRECTOR

➤ **CFO : MR. BALDEVBHAI PATEL**

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

➤ **AUDITORS:**

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

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

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

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

➤ **REGISTRAR & SHARE TRANSFER AGENT:**

BIGSHARE SERVICES PRIVATE LIMITED

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

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

I. THE BOMBAY STOCK EXCHANGE LIMITED

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



NOTICE

NOTICE IS HEREBY GIVEN THAT TWENTY-SIXTH ANNUAL GENERAL MEETING OF GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED WILL BE HELD THROUGH VIDEO CONFERENCE/ OTHER AUDIO VISUAL MEANS ON 29TH DECEMBER, 2020 AT 12.00 P.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, 2020, including the audited Balance Sheet as at March 31, 2020, 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 MR. PRABHUBHAI PATEL(DIN: 00287615),who retires by rotation, in terms of Section 152 (6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **APPOINTMENT OF MR. PRAFFUL BURAD (DIN :08723049), AS A NON EXECUTIVE INDEPENDENT DIRETOR 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 **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section-149, 152(5), 161 and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), MR. PRAFFUL BURAD (DIN : 08723049), who was appointed as an additional director of the Company and who 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 as well as not having incurred any disqualifications and fulfilling all the criteria for being an Independent director of the company, be and is hereby appointed as a Non – Executive Independent Director of the Company for the term of (5) five Consecutive years with effect from 30th June, 2020.”

4. **REAPPOINTMENT OF MR. PRABHUBHAI PATEL (DIN: 00287615) AS A WHOLE TIME DIRETOR 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 196, 197, 203 and Other Applicable provision if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, **MR. PRABHUBHAI PATEL (DIN: 00287615)** be and is hereby reappointed as Whole Time Director of the Company for a consecutive period of 5 (five) years with effect from 10th September, 2020 at a remuneration as may be mutually agreed between MR. PRABHUBHAI PATEL and the Company.”

“**RESOLVED FURTHER THAT**, to give effect to this Resolution MR. KUNDANBEN BHAVESHBHAI PATEL (DIN: 03063504), Managing Director of the Company be and is hereby Authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all acts, deeds, things as may be necessary in its absolute discretion deem necessary, proper, desirable and to finalize any documents and Writings related thereto.”

**PLACE: AHMEDABAD
DATE: 05/12/2020**

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

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



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Businesses at the meeting, is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The detailed procedure for participation in the meeting through VC / OAVM is as per Note no. 24.
3. Pursuant to MCA Circular No. 14/2020 dated April 8, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint Authorised Representatives to attend the AGM through VC/ OAVM and participate thereat and cast their votes through e-voting.
4. The attendance of the members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Corporate members intending to authorise their representatives to participate and vote at the AGM are requested to send a duly certified copy of the board resolution authorizing their representatives to attend and vote on their behalf at the AGM.
6. The Members can join the AGM through VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice.
7. The Register of Directors and Key Managerial Personnel of the Company and their shareholding maintained under Section 170 of the Act, the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in the electronic mode upto the date of AGM of the Company and will also be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send the e-mail to gisco_guj@yahoo.in.
8. The Register of Members and the Share Transfer Books in respect of the Equity



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Shares will remain closed from Wednesday, December 23, 2020 to Tuesday, December 29, 2020 (both days inclusive) for the purpose of AGM.

9. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, and the MCA Circulars, the Company is providing facility of remote e-voting to its Members through Central Depository Services (India) Limited (“CDSL”) in respect of the business to be transacted at AGM. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL. Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. December 22, 2020, may cast their vote either by remote e-voting as well as e-voting system as on date of AGM. A person who is not a member as on the cut-off date should treat this Notice for information purpose only. The information with respect to voting process and other instructions regarding e-voting are detailed in Note no. 22.
10. The Notice of 26th AGM and the Annual Report of the Company for the year ended March 31, 2020 is uploaded on the Company’s website www.gopaliron.com and may be accessed by the members and will also be available on the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of CDSL. Copies of the above documents are being sent by electronic mode to the members whose email addresses are registered with the Company/ Depository Participant for communication purposes.
11. 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.
12. The Scrutinizer shall submit a consolidated Scrutinizer’s Report (votes casted during the AGM and votes casted through remote e-voting) of the total votes cast in favour of or against, if any, by 31-12-2020 to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting. The result declared along with the consolidated Scrutinizer’s Report shall be simultaneously placed on the Company’s website www.gopaliron.com and on the website of CDSL and communicated to the BSE Limited.
13. The resolution shall be deemed to be passed on the date of AGM, subject to the receipt of sufficient votes.
14. Members seeking any information or clarification on the accounts or any other matter to be placed at AGM are requested to send written queries to the



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Company on gisco_guj@yahoo.in atleast 10 days before the date of the meeting to enable the management to respond quickly.

15. SEBI vide its circular dated June 8, 2018 amended Regulation 40 of the Listing Regulation pursuant to which requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form. Members holding the shares in physical form are requested to dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical mode.
16. SEBI vide its circular dated April 20, 2018, directed all the listed companies to record the Income Tax PAN and bank account details of all their shareholders holding shares in physical form. All those shareholders who are yet to update their details with the Company are requested to do so at the earliest.
17. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH- 13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in demat form, the nomination form may be filed with the respective Depository Participant.
18. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
19. With a view to conserve natural resources, we request Members to update and register their email addresses with their Depository Participants (DPs) or with the Company, as the case may be, to enable the Company to send communications including Annual Report, Notices, Circulars, etc. electronically. Members holding shares in Physical mode may register their email id by providing necessary details like Folio No., Name of Member(s) and self attested scanned copy of PAN card or Aadhar Card by email to gisco_guj@yahoo.in.
20. Since the AGM will be held through VC / OAVM in accordance with the MCA Circulars, the route map, proxy form and attendance slip are not attached to the Notice.
21. The helpline number regarding any query / assistance for participation in the AGM through VC/OAVM are +91 76004 73828 / +91 90990 73258.
22. Voting process and instruction regarding remote e-voting:



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Section A: Voting Process

Members should follow the following steps to cast their votes electronically

Step 1: Open the web browser during the voting period and log on to the e-voting website [www. evotingindia.com](http://www.evotingindia.com).

Step 2: Click on “Shareholders” to cast your vote(s).

Step 3: Please enter User ID

- i. For account holders in CDSL: Your 16 digits beneficiary ID.
- ii. For account holders in NSDL: Your 8 Character DP ID followed by 8 digits Client ID.
- iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.

Step 4: Enter the Image Verification as displayed and Click on “Login”.

Step 5: 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. If you have forgotten the password, then enter the User ID and the image verification code and click on “FORGOT PASSWORD” and enter the details as prompted by the system.

Step 6: Follow the steps given below if you are first time user:

- i. holding shares in physical form
- ii. holding shares in demat form

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 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. The sequence number is printed on the Address sticker in case of the dispatch of the Annual Report through physical mode and mentioned in the covering e-mail in case of dispatch of soft copy.
DOB	Enter the Date of Birth (“DOB”) as recorded in your demat account or in the Company records in dd/mm/yyyy format.



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Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio no. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the Depository or Company, please enter the DP ID and Client ID / folio number in the Dividend Bank details field as mentioned in Step 3.
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Step 7: After entering these details appropriately, click on “SUBMIT” tab.

Step 8: 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.

Step 9: For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Step 10: Click on the EVSN for the GOPAL IRON & STEELS CO. (GUJ) LTD. on which you choose to vote.

Step 11: On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES / NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Step 12: Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

Step 13: 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.

Step 14: Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.



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Section B: Other instruction regarding remote e-voting:

- a) The voting period begins on December 26, 2020 from 09:00 A.M. and ends on December 28, 2020 upto 05:00 P.M. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut- off date i.e. December 22, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - b) Non – Individual Shareholders and Custodians (i.e. other than Individuals, HUF, NRI etc.) are additionally required to note and follow the instructions mentioned below:
 - They are required to log on to www.evotingindia.com and register themselves as Corporates.
 - 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, user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
 - c) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to upload the following in PDF Format in the system for the scrutinizer to verify the same
 - Copy of Board resolution (where institution itself is voting)
 - Power of Attorney issued in favour of the Custodian as well as the Board resolution of the Custodian
 - d) Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
 - e) 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 contact Mr. Rakesh Dalvi, Manager, CDSL, A Wing, 25th Floor, Marathon Futurex, Mafatnal Mills Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai - 400013 or write an email to helpdesk.evoting@cdslindia.com or calling on 022-23058738 or 022-23058543 or 022-23058542 during working hours on all working days.
- 23. Voting process and instruction regarding e-voting at AGM are as under:**
- The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.



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- Only those Members, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available in the AGM.
- Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

24. Instruction for members for attending the AGM through VC / OAVM are as under:

- Member will be provided with a facility to attend the AGM through VC/ OAVM through the CDSL e-voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/ OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.
- Members are encouraged to join the Meeting through Laptops / IPads for better experience. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- For ease of conduct, Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at gisco_guj@yahoo.in.
- The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at gisco_guj@yahoo.in. These queries will be replied to by the company suitably by email.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting. Further the shareholders will be required to allow the camera for participation in the meeting as speaker.

25. Details of the Directors seeking appointment / re- appointment at the 26th (Twenty Eighth) Annual General Meeting Pursuant to Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and as per Secretarial Standard

-2 are provided below:



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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. 3 & 4.

ITEM NO- 3:

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 **30th June, 2020**, appointed Mr. Prafful Burad, an additional director of the Company as an Non-Executive 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 Ordinary resolution for shareholders' approval.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except Mr. Prafful Burad is concerned or interested, financial or otherwise, in the resolution set out at Item No.3.

ITEM NO- 4:

The Board of Directors has reappointed MR. PRABHUBHAI PATEL, (DIN: 00287615) as a Whole Time Director of the Company for a consecutive period of 5 (five) years with effect from **10TH SEPTEMBER , 2020**, on the term and conditions of remuneration as may be mutually agreed by the company in consultation with MR. PRABHUBHAI PATEL, (DIN: 00287615), subject to the approval of shareholders in general meeting. Hence, the re appointment of MR. PRABHUBHAI PATEL, (DIN: 00287615) as a Whole Time Director of the Company for the term of five consecutive years with effect from **10TH SEPTEMBER , 2020** is now being placed before the Members for their approval.

The Board is confident that with his extensive business knowledge and expertise he would definitely enhance the Board's strength and dynamism. The Company will be



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benefited by the experience he gained from the same business activity since many years.

The Board recommends the enabling Special resolution for shareholders' approval.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives except MR. PRABHUBHAI PATEL, (DIN: 00287615) is concerned or interested, financial or otherwise, in the resolution set out at Item No.4.

**PLACE: AHMEDABAD
DATE: 05/12/2020**

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

SD/-

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



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

Particulars	(1)	(2)
Name of the Director	MR. PRABHUBHAI PATEL	MR. PRAFFUL BURAD
Director Identification Number (DIN)	00287615	08723049
Designation	WHOLE TIME DIRECTOR	INDEPENDENT DIRECTOR
Date of Appointment	25-08-1994	30-06-2020
Date of Birth	28-04-1961	03/04/1994
QUALIFICATION	Graduate	BACHELOR OF COMMERCE.
Brief Profile/ Nature of expertise in specific functional areas	He is a director of the Company since incorporation and having vast experience of more than 20 years in the iron & steel business.	Mr. Prafful Burad is currently engaged in the event Management Business as well as Steel Industries. Accordingly, his skills and expertise is beneficial to the growth of the Company. He is having good knowledge and experience in the industry.
Names of other companies in which the person also holds the directorship	NA	NA
Names of companies in which the person also holds the membership of Committees of the Board	NA	NA
Number of Equity Shares held in the Company & %	79200(1.61%) equity shares	NIL
Relationship between directors inter-se	NA	NA
Details of remuneration	NA	NA
Number of meetings of the board attended during the year	4	NA

PLACE: AHMEDABAD
 DATE: 05/12/2020

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

SD/-

MRS. KUNDANBEN PATEL
MANAGING DIRECTOR
(DIN: 03063504)



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

DIRECTORS' REPORT

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

Your Directors have pleasure in presenting their Twenty Second Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2020.

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 2019-20.
- **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 registered office of the Company has been shifted out side the city / town 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



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COMPLEX, B/H. NAVRANGPURA BAS STAND, AHMEDABAD- 380009 GUJARAT
IN during the financial year 2019-20.

- **IMPACT OF COVID -19:** Due to COVID 19 Pandemic the Company has stopped its Production and other Business Activities as on 22.03.2020 and till date the Company is not currently engaged into any of said operations. Once the Covid 19 Situation is under Control the Company would start with its BusinessActivities. We have adequate capital to meet business requirements. The Demand would increase as and when the situation is under control.

No material events have occurred during the financial year 2019-20 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	2019-20	2018-19
Revenue from Operations	35929343	31188690
Other income	660	789263
Total Income	35930003	31977953
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	-22807719	-32509249
Less: Depreciation	-	-
Profit/loss before Finance Costs, Exceptional items and Tax Expense	-22807719	-32509249
Less: Finance Cost	-	349782
Profit/loss before Exceptional items and Tax Expense	-22807719	-32859031
Less: Exceptional Items	-	-134793121
Profit / (Loss) Before Tax	-22807719	101934090
Provision for Tax & Deferred Tax	-	-
Profit / (Loss) After Tax	-22807719	101934090
Other Comprehensive income (net of tax effect)	0	0
Total Comprehensive income	-22807719	101934090
Add : Balance as per last Financial Statement	-30257564	-132191654
Disposable Surplus	-	-
Less : Transfer to General Reserve	-	-

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Dividend Paid (18-19)	-	-
Dividend Paid (17-18)	-	-
Dividend Distribution Tax (18-19)	-	-
Dividend Distribution Tax (17-18)	-	-
Balance carried forward	-53065283	-30257564

3. **FINANCIAL SUMMERY:**

Your company achieved the net sales of Rs. 359.29 lakhs which has been increased by 15.20% 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 2019-20.

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. Prabhubhai Patel (DIN: 00287615), Whole Time Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

The existing term of appointment of Mr. Prabhubhai Patel (DIN: 00287615) Whole Time Director of the Company has already been completed on 24th September, 2020. Accordingly the Board propose reappointment of him in its meeting held on 10th September, 2020 for the term five consecutive years subject to the approval of Shareholders in the forthcoming Annual General Meeting

Mr. Praful Burad (DIN :08723049) has been appointed as an additional director of the Company as on 30th June, 2020 as an Independent Director of the Company to hold the office till the conclusion of this AGM. Accordingly, the Board of Directors of the Company proposed reappointment of Mr. Praful Burad (DIN :08723049) in the forthcoming Annual General Meeting of the Company for the term of five consecutive years.

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

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

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.

JUSTIFICATION FOR APPOINTMENT / REAPPOINTMENT OF INDEPENDENT DIRECTORS:

Mr. PraffulBurad is currently engaged in the event Management Business as well as Steel Industries. Accordingly, his skills and expertise is beneficial to the growth of the Company. He is having good knowledge and experience in the industry. Accordingly it is advisable to continue his appointment as an Independent Director of the Company.

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.

7. MEETINGS:

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

S.N.	BM	AC
1	04.04.2019	22.05.2019
2	23.05.2019	14.08.2019
3	14.08.2019	14.11.2019
4	28.08.2019	13.02.2020
5	14.11.2019	-
6	13.02.2020	-

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

8. COMMITTEES:

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

The Board has constituted following Committees.

- Audit Committee
- Nomination and Remuneration Committee



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➤ 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, 2020 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.KRUTESH PATEL & ASSOCIATES**, Chartered Accountants, (F.R.NO.100865W), has been appointed as a statutory auditor of the Company to hold office till the conclusion of Annual General Meeting of the Company for the financial year 2023-24.

The Auditors comments on your company's accounts for year ended March 31, 2020 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 2019-20, the Statutory Auditor has not reported to the audit committee any instance of fraud committed against the Company by its employees or officers under section 143(12), the details of which need to be reported in Board's Report.

12. INTERNAL FINANCIAL CONTROLS:

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

13. COST RECORDS:

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



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record for the financial year 2019-20.

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 2019-20. The Report of the Secretarial Auditor for the FY 2019-20 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.	Regulation - 31(2) of SEBI(LODR) Regulations, 2015 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	Regulation- 13 of SEBI(LODR) Regulations, 2015 Non redressal of Investor Complaint in a timely manner for the Quarter ended on December, 2019	The Company had clarified to BSE that the shareholder has already withdrawn the complaint from the portal. Accordingly, the company was unable to redress the complaint. Further, the Company has paid penalty of Rs. 15,340/- on 25 th October, 2019 to BSE.
3	Regulation- 19 of SEBI(LODR) Regulations, 2015 Constitution of Nomination and Remuneration Committee is not as per Regulation- 19 of SEBI(LODR) Regulations, 2015	The Company is in process of appointment of one non-executive, Independent Director in the Company to meet with the requirement of Regulation- 19 of SEBI (LODR) Regulations, 2015. Further, the Company is voluntarily complying with Corporate Governance requirement.

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.

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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 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

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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

(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

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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:

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:



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- 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.

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

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.



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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 2019-20:

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

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

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

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, 2020, 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, 2020 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;



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- (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: 05/12/2020**

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

sd/-

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



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ANNEXURE I

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN As on financial year ended on 31.03.2020

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 Website: www.gopaliron.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%

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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, 2019 i.e. on the basis of SHP of March 31, 2019)				No. of Shares held at the end of the year (as on March 31, 2020 i.e. on the basis of SHP of March 31, 2020)				% 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)	-	-	-	-	-	-	-	-	-
) Venture Capital Funds	-	-	-	-	-	-	-	-	-

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f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
j) 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	18000	500	18500	0.38	14772	500	15272	0.31	(0.07)
ii) Overseas									-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	193443	271200	464643	9.45	194747	270700	465447	9.47	0.02
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1428377	269200	1697577	34.52	1428377	269200	1697577	34.52	0.00
c) Others (specify)	-	-	-	-	-	-	-	-	-
HUF	5331	0	5331	0.11	6568	0	6568	0.13	0.03
NRI	58600	-	58600	1.19	58600	-	58600	1.19	-
Clearing Members	400	0	400	0.01	1587	0	1587	0.03	0.02
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	100.00	4176700	740400	4917100	100.00	0.00

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B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (as on April 1, 2019 i.e. on the basis of SHP of March 31, 2019)			Shareholding at the end of the year (as on March 31, 2020 i.e. on the basis of SHP of March 31, 2020)			% 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	-	-



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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	01/04/2019	At the beginning of the year	337900	6.87	337900	6.87
		31/03/2020	At the end of the year	-	-	337900	6.87
2.	SHARAD KANAYALAL SHAH	01/04/2019	At the beginning of the year	283537	5.77	283537	5.77
		31/03/2020	At the end of the year	-	-	283537	5.77
3.	R P PATEL	01/04/2019	At the beginning of the year	185100	3.76	185100	3.76
		31/03/2020	At the end of the year	-	-	185100	3.76
4.	ANITA P	01/04/2019	At the beginning	179000	3.64	179000	3.64



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	JALAN		of the year				
		31/03/2020	At the end of the year	-	-	179000	3.64
5.	SURAJBEN GOPALBHAI PATEL	01/04/2019	At the beginning of the year	134500	2.74	134500	2.74
		31/03/2020	At the end of the year	-	-	134500	2.74
6.	MALUBHAI LAXMANBHAI PATEL	01/04/2019	At the beginning of the year	116075	2.36	116075	2.36
		31/03/2020	At the end of the year	-	-	116075	2.36
7.	MITA DIPAK SHAH	01/04/2019	At the beginning of the year	103150	2.10	103150	2.10
		31/03/2020	At the end of the year	-	-	103150	2.10
8.	HAFEEZ SORAB CONTRACTOR	01/04/2019	At the beginning of the year	79989	1.62	79989	1.62
		31/03/2020	At the end of the year	-	-	79989	1.62
9.	AJITH P MATHEW	01/04/2019	At the beginning of the year	56400	1.15	56400	1.15
		31/03/2020	At the end of the year	-	-	56400	1.15
10	VANDANA GOYAL	01/04/2019	At the beginning of the year	54300	1.10	54300	1.10
		31/03/2020	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 theyear	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	KUNDANBEN PATEL (MANAGING DIRECTOR)	01/04/2019	At the beginning of the year	182690	3.72	182690	3.72
		31/03/2020	At the end of the year	-	-	182690	3.72
2.	PRABHUBHAI PATEL (WTD)	01/04/2019	At the beginning of the year	79200	1.61	79200	1.61
		31/03/2020	At the end of the year	-	-	79200	1.61
3	NARESHBHAI PATEL (I.D)	01/04/2019	At the beginning of the year	-	-	-	-
		31/03/2020	At the end of the year	-	-	-	-

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

4	RAKESH MOGHARIYA (I.D)	01/04/2019	At the beginning of the year	-	-	-	-
		31/03/2020	At the end of the year	-	-	-	-
5	BALDEVBHAI PATEL (CFO)	01/04/2019	At the beginning of the year	460700	9.37	460700	9.37
		31/03/2020	At the end of the year	-	-	460700	9.37
6.	DHURUVI PATEL (CS)	01/04/2019	At the beginning of the year	-	-	-	-
		31/03/2020	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	-	12432383	-	12432383
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	12432383	-	12432383
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	4320462	-	4320462
Net Change	-	(4320462)	-	(4320462)
Indebtedness at the end of the financial year				
i) Principal Amount	-	8111921	-	8111921
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	8111921	-	8111921

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

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

	(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. RakeshkumarMoghariya	
1	-Fee for attending Board / Committee meetings (in Rs.)	-		-
2	- Commission	-		-
3	- Others, please specify	-		-
4	TOTAL (B1)	-		-

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.	Particulars of Remuneration	Key Managerial Personnel
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GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

No		Ms. Dhruvi Patel (CS)	Mr. Baldevbhai Patel (CFO)	Total
1	Gross salary			
	(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			

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: 05/12/2020

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

sd/-

MRS. KUNDANBEN PATEL
MANAGING DIRECTOR
(DIN: 03063504)




GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

ANNEXURE- 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, 2020

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, 2020 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 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.***

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- 2. The Composition of Nomination and Remuneration Committee of the Company was 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. However, it is complied with during the current financial year***
- 3. The Company has not redress the complaint of investor with in prescribed time for which, the Company has paid penalty of Rs. 15,340/- on 25th October, 2019 to 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 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:19/08/2020

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

_____sd/-_____

MR. ANISH SHAH

PROPRIETOR

FCS No: 4713

C P No.: 6560

(UDIN: F004713B000594698)

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part if 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: 19/08/2020

FOR, A. SHAH & ASSOCIATES
PRACTISING COMPANY SECRETARIES

_____sd/-_____
MR. ANISH SHAH
PROPRIETOR
FCS No: 4713
C P No.: 6560
(UDIN: F004713B000594698)



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,
- Whole time director

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- 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

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



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

APPOINTMENT OF INDEPENDENT DIRECTORS

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

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

APPOINTMENT OF KMP/SENIOR MANAGEMENT/OTHER EMPLOYEES

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

6. REMUNERATION OF DIRETORS, 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.

Remuneration of Other employees



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

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: 05/12/2020

**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 2019-20
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. KundanbenPatel,are director in the company.
2	Nature of contracts/arrangements/transaction	: Sale of goods
3	Duration of the	: 2019-20

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. 1091500/-
5	Date of approval by the Board	:	23.05.2019
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 Nature of relationship		MR. HARSH PATEL SON OF MRS. KUNDANBEN PATEL, MANAGING DIRECTOR OF THE COMPANY.
2	Nature of contracts/arrangements/transaction		Security Deposit for performance of the Contract of Supply of Goods or Provision of Services
3	Duration of the contracts/arrangements/transaction		FINANCIAL YEAR 2019-20
4	Salient terms of the contracts or arrangements or transaction including the value, if any		Rs. 1553190/-
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 Nature of relationship	:	MRS. HARSHABEN PATEL Relative of Directors
2	Nature of contracts/arrangements/transaction	:	Security Deposit for performance of the Contract of Supply of Goods or Provision of Services
3	Duration of the contracts/arrangements/transaction	:	FINANCIAL YEAR 2019-20

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

4	Salient terms of the contracts or arrangements or transaction including the value, if any	:	Rs. 80000/-
5	Date of approval by the Board	:	23.05.2019
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	:	MR. GOVINDBHAI L PATEL
	Nature of relationship	:	Relative of Directors
2	Nature of contracts/arrangements/transaction	:	Security Deposit for performance of the Contract of Supply of Goods or Provision of Services
3	Duration of the contracts/arrangements/transaction	:	FINANCIAL YEAR 2019-20
4	Salient terms of the contracts or arrangements or transaction including the value, if any	:	Rs. 675000/-
5	Date of approval by the Board	:	23.05.2019
6	Amount paid as advances, if any	:	N.A.

6. Details of contracts or arrangements or transactions:

Sr. No	Particulars		Details
1	Name(s) of the related party	:	AMBICA BRIGHT STEEL INDUSTRIES
	Nature of relationship	:	Relative of Directors
2	Nature of contracts/arrangements/transaction	:	Financing Long Term Projects with the Company
3	Duration of the contracts/arrangements/transaction	:	FINANCIAL YEAR 2019-20
4	Salient terms of the contracts or arrangements or transaction including the value, if any	:	Rs. 3000000/-

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

5	Date of approval by the Board	:	23.05.2019
6	Amount paid as advances, if any	:	N.A.

7. 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: 05/12/2020

**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	Security
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: 05/12/2020**

**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 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial year 2019-20 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 2019-20 (IN Rs.)	% increase in Remuneration in the Financial Year 2019-20	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	N.A	As the Company has incurred loss comparison is not possible
6	MS. DHRUVI PATEL PATEL – CS	180000/-	N.A	N.A	

- (ii) The median remuneration of employees of the Company during the financial year was Rs. 240000/-
- (iii) In the Financial year, there was increase of Rs. 152526/- in the median remuneration of employees;
- (iv) There were 3 permanent employees on the rolls of Company as on March 31, 2020;

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- (v) Relationship between average increase in remuneration and company performance: - The Company has incurred net loss in the financial year 2019-20 as compare to the net profit in the previous financial year. The median remuneration to the employees has been increased as compare to last year.
- (vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company: The Company has incurred net loss during the financial year 2019-20 as compare to the net profit of Rs. 10,19,34,090/- in previous financial year. There is no change in the Remuneration to the KMP for the financial year 2019-20.
- (vii) a) Variations in the market capitalization of the Company: The market capitalization as on February 4, 2020 was Rs. 29404258/- (Rs.29502600/- as January 18, 2019).
- b) Price Earnings ratio of the Company is NIL for the financial year 2019-20 (Rs. 0.28 for the financial year 2018-19).
- 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 February 4, 2020 was Rs.5.98/- , representing 40.2% (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. 2019-20 and there is no increase in the managerial remuneration in financial year 2019-20.
- (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: 05/12/2020**

**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, 2020 are given below:

NAME OF DIRECTOR	CATEGORY	NO. OF BOARD MEETING	ATTEND ED	LAST AGM ATTENDANCE	NO. OF DIRECTORSHIP IN OTHER COS.	NO. OF SHARES HELD	RELATIONS HIP OF DIRECTOR INTER SE
MRS. KUNDANBEN PATEL	MANAGING DIRECTOR	6	6	YES	1	182690	-
MR. PRABHUBHAI PATEL	WHOLE TIME DIRECTOR	6	4	YES	0	79200	-
MR. NARESHBHAI PATEL	INDEPEND ENT DIRECTOR	6	4	YES	0	-	-
MR. RAKESH MOGHARIYA	INDEPEND ENT DIRECTOR	6	4	YES	0	-	-

None of the Directors of the company is holding directorship in any other listed Company as on 31st March, 2020.

Six (6) 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:

S.N.	BM	AC
1	04.04.2019	22.05.2019
2	23.05.2019	14.08.2019
3	14.08.2019	14.11.2019
4	28.08.2019	13.02.2020
5	14.11.2019	-
6	13.02.2020	-

None of the Directors of Board is a member of more than 10 Committees and no Director is the



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

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 13th February, 2020 and framed the opinion that all the independent directors as well executive and non-executive 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



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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
 - Significant adjustments made in the financial statements arising out of audit findings



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- 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.



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 4 times during the year 2019-20 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	4/4	1. 22.05.2019 2. 14.08.2019
Mrs. Kundanben Patel	Managing Director	Member	4/4	3. 14.11.2019 4. 13.02.2020
Mr. Rakeshbhai Moghariya	Non Executive-Independent Director	Member	4/4	

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 30, 2019.

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 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



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

Committee w.r.t. appointment of all the non-executive directors as a committee members during the financial year.

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 once during the year 2019-20 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	1/1	1. 14.08.2019
Mr. RakeshMoghariya	Non Executive-Independent Director	Member	1/1	
Mrs. Kundanben Patel	Non Executive- Independent Director	Member	1/1	

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.



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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

The role of the Committee is as under:

- To hear the complaint and grievances of various securities holders so as ensure that timely



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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 2019-20 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. 30.06.2019 2. 30.09.2019
Mr. Rakesh Moghariya	Non Executive-Independent Director	Member	4/4	3. 31.12.2019 4. 31.03.2020
Mrs. Kundanben Patel	Managing Director	Member	4/4	

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

During the Financial Year 2019-20, 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 (COMPANY SECRETARY)

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
2018-19	30/09/2019	05:00 P.M.	B/701, NIRMAN COMPLEX B, NAVRANGPURA BUS STAND AHMEDAB, 380009 GJ IN
2017-18	27/09/2018	11.30 A.M.	1401/2, GIDC, KERALA IND. ESTAT BAVLA- BAGODARA RD., N.H. NO. 8, BAVI
2016-17	28/09/2017	10.00 A.M.	



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

2015-16	29/09/2016	10.00 A.M.	AHMEDABAD.
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b. SPECIAL RESOLUTION IN LAST 3 AGMS:

In AGM held on September 30, 2019, following two Special Resolutions were passed:

- i. Reappointment of Mr. Naresh Patel, Independent Director of the Company for the term of five consecutive years
- ii. Reappointment of Mr. Rakesh Moghariya, Independent Director of the Company for the term of five consecutive years

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

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

c. PERSON WHO CONDUCTED THE POSTAL BALLOT EXERCISE; :NA

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



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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: 29/12/2020

Time: 12.00 p.m.

Venue: through VC/OAVM

Financial Year: 2019-20

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

- **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;**

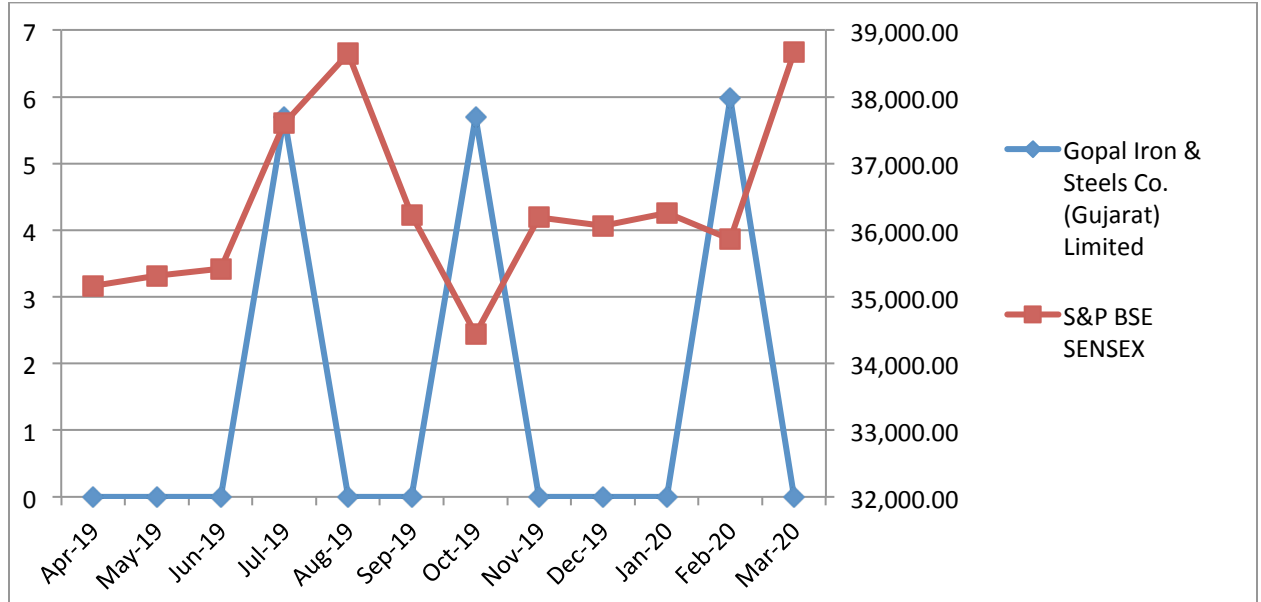
Month	Open	High	Low	Close
Apr 19	-	-	-	-
May 19	-	-	-	-
Jun 19	-	-	-	-
Jul 19	5.70	5.70	5.70	5.70
Aug 19	-	-	-	-
Sep 19	-	-	-	-
Oct 19	5.70	5.70	5.70	5.70
Nov 19	-	-	-	-
Dec 19	-	-	-	-
Jan 20	-	-	-	-
Feb 20	5.98	5.98	5.98	5.98
Mar 20	-	-	-	-



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



- **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;**



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Distribution of shareholding as on 31st March, 2020:

SHAREHOLDING OF NOMINAL		NUMBER OF SHAREHOLDERS	PERCENTAGE OF TOTAL	SHARE AMOUNT	PERCENTAGE OF TOTAL
RS.	RS.				
1	5000	656	71.4597	1207350	2.4554
5001	10000	136	14.8148	1288820	2.6211
10001	20000	56	6.1002	931710	1.8948
20001	30000	16	1.7429	414960	0.8439
30001	40000	5	0.5447	174000	0.3539
40001	50000	7	0.7625	340550	0.6926
50001	100000	7	0.7625	491630	0.9998
100001	999999999	35	3.8126	44321980	90.1385
TOTAL		918	100.00	49171000	100

- Category wise details of Shareholders**

Particulars	No of Shares	Percentage
Promoters and Relatives	2672049	54.34
Public	2163024	43.99
Body Corporate	15272	0.31
NRI	58600	1.19
Clearing Member	1587	0.03
HUF	6568	0.13
Total	4917100	100.00

- Dematerialization of shares and liquidity:**

4176700 (84.94 %) Equity Shares are in demat form as on March 31, 2020.

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, 2020, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

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



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

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.

- **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.



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- **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.

- **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



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- 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 2019-20.
- **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/-

- **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: 05/12/2020

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

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

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

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 2019-20 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.



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GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

7. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Total turnover for the year ended 31st March, 2020 was Rs. 359.29 lakhs. This performance of the Company was mainly on account of improvement in manufacturing techniques and sales 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>2019-20</u>	<u>2018-19</u>
Debtors Turnover	0.51	0.82
Inventory Turnover	2.08	1.1
Interest Coverage Ratio	---	-92.94
Current Ratio	2.09	0.66
Debt Equity Ratio	---	6.93
Operating Profit Margin (%)	-9.09%	-0.25
Net Profit Margin (%)	-63.48%	3.27

1. 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>2019-20</u>	<u>2018-19</u>
Return on Equity	---	0.19



GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

Reason for deviation of above all Ratio –

During the year, the company has not paid any interest. Hence, interest coverage ratio is not applicable. Further, the net worth of the company is negative. Hence, it is not possible to complete Debt Equity Ratio and Return on Equity Ratio.

The Company has sold its plant and machinery during the year and incurred heavy loss of Rs. 1.95 cr on it. It is the main reasons for variations in all the other ratios.

10. 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.

11. 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: 05/12/2020**

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

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

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

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, 2020 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: 05/12/2020

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 2020.

PLACE: AHMEDABAD
DATE: 05/12/2020

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, 2020** 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, 2020.



GISCO

GOPAL IRON AND STEELS CO. (GUJARAT) LIMITED

- **Opinion:**

In our opinion and to the best of our information and explanations given to us, we certify that the Company is yet to complied 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.

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: 19/08/2020

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

_____SD/-_____

MR. ANISH B. SHAH
(COP NO. 6560)
(M. No.: 4713)
(UDIN: F004713B000594821)



Independent Auditor's Report

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

- **OPINION**

We have audited the accompanying Standalone financial statements of M/s. **Gopal Iron and Steel Co (Guj) Limited** ("the Company") which comprises the Balance Sheet as at **March 31, 2020**, the Statement of Profit and Loss, statement of changes in the Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit/loss, statement of change in equity and its cash flows for the year ended on that date.

- **BASIS OF OPINION**

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

- **Explanatory Paragraph**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

- **EMPHASIS OF MATTER**

We draw your attention to Note No. 38 of the Statement, which describes the uncertainties and the possible effects of COVID-19 pandemic on the operations of the Company.

Our opinion is not modified in respect of the both matters.

- **KEY AUDIT MATTER**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each key matter, our description of how our audit addressed the matter is provided in that context.

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

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditors' report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)[iv] and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

- a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- b. The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c. In our opinion, those above standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d. Based on the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- e. Concerning the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- f. Concerning the other matters to be included in the Auditor's Report by Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
1. The Company does not have any pending litigations which would impact its financial position.
 2. The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable material losses.
 3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

**Date: 30 June 2020
Place: Ahmedabad**

**Krutesh Patel
Partner
Mem. No. 140047
UDIN: 20140047AAAABS3133**

Annexure - A - Report under CARO, 2016

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme for physical verification in a phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to information and explanations given by the management, the title deeds/lease deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.
2. The management has conducted physical verification of inventory at reasonable intervals during the year, and no material discrepancies were noticed on such physical verification.
3. (a) The Company has not granted loans to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the other provisions of this clause shall be treated as not applicable.
4. In our opinion and according to the information and explanations provided to us, provisions of section 185 and 186 of the Companies Act 2013 and in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
5. The Company has not accepted any new deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).
6. The Central government has not stipulated for the maintenance of Cost records u/s 148(1) of Companies Act, 2013.
7. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Goods and Services Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.

(b) According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales-Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

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

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

8. In our opinion and according to the information and explanations provided by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
9. In our opinion and according to the information and explanations provided by the management, the Company has utilised the monies raised by way of debt instruments and term loans for the purposes for which they were raised. There was no Initial Public Offer or further public offer made by the company during the year.

10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
11. According to the information and explanations provided by the management, the managerial remuneration has been paid/provided per the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order do not apply to the Company and hence not commented upon.
13. According to the information and explanations provided by the management, transactions with the related parties comply with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
14. According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
15. According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
16. According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 do not apply to the Company.

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

**Date: 30 June 2020
Place: Ahmedabad**

**Krutesh Patel
Partner
Mem. No. 140047
UDIN: 20140047AAAABS3133**

Annexure – B – Report on Internal Financial Controls

[Under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)]

We have audited the internal financial controls over financial reporting of Gopal Iron and Steel Co (Guj) Limited (“the Company”) as of 31st March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

• **AUDITORS’ RESPONSIBILITY**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

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

• **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial control system

over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Date: 30 June 2020
Place: Ahmedabad**

**Krutesh Patel
Partner
Mem. No. 140047
UDIN: 20140047AAAABS3133**

GOPAL IRON STEELS CO.(GUJARAT) LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Note No.	As At 31st March, 2020	As At 31st March, 2019
<u>I. ASSETS</u>			
<u>(1) Non-Current Assets</u>			
(a) Property, Plant & Equipments	1	22,54,579	7,67,89,638
(b) Capital Work-in-Progress			
(c) Other Tangible Assets			
(d) Biological Assets other than bearer Plants			
(e) Deferred Tax Assets (Net)			
(f) Financial Assets			
(i) Loans	2	49,10,762	49,10,762
(ii) Other Financial Assets		0	0
(g) Other Non-Current Assets			
Total Non-Current Assets		71,65,341	8,17,00,400
<u>(2) Current Assets</u>			
(a) Inventories	3	0	3,44,22,702
(b) Financial Assets			
(i) Investments			
(ii) Trade Receivables	4	1,83,48,373	2,55,37,751
(iii) Cash & Cash Equivalents	5	1,81,325	7,80,209
(iv) Bank Balances other than (iii) above			
(v) Loans			
(vi) Other Financial Assets	6	48,63,627	75,20,676
(c) Other Current Assets			
(d) Assets classified as held for sale			
Total Current Assets		2,33,93,326	6,82,61,338
Total Assets		3,05,58,667	14,99,61,741
<u>II. EQUITY AND LIABILITIES</u>			
<u>Equity</u>			
(a) Equity Share Capital	7	4,91,71,000	4,91,71,000
(b) Other Equity	8	-5,30,65,283	-3,02,57,564
Total Equity		-38,94,283	1,89,13,436
<u>Liabilities</u>			
<u>(1) Non-Current Liabilities</u>			
(a) Financial Liabilities			
(i) Borrowings	9	81,11,921	1,24,32,383
(ii) Other Financial Liabilities		0	0
(b) Provisions		0	0
(c) Other Non-Current Liabilities		0	0
(d) Deferred Tax Liabilities		1,51,22,635	1,51,22,635
Total Non-Current Liabilities		2,32,34,556	2,75,55,018
<u>(2) Current Liabilities</u>			
(a) Financial Liabilities			
(i) Borrowings		0	0
(ii) Trade Payables			
A. Total Outstanding dues of MSME Payables			
B. Total Outstanding dues of other than MSME Payables	10	66,86,233	45,74,191
(iii) Other Financial Liabilities	11	0	9,47,18,536
(b) Provisions	12	45,32,159	42,00,560
(c) Current Tax Liabilities		0	0
(d) Other Current Liabilities			
Total Current Liabilities		1,12,18,392	10,34,93,287
Total Liabilities		3,44,52,948	13,10,48,305
Total Equity & Liabilities		3,05,58,667	14,99,61,741

Significant Accounting Policies

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

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

FOR KRUTESH PATEL & ASSOCIATES
Chartered Accountants

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

Place : **Ahmedabad**
Date : 30th June, 2020

FOR GOPAL IRON & STEELS CO.(GUJ)LIMITED

SD/- KUNDANBEN PATEL Mg. Director DIN-06979778	SD/- PRABHUBHAI PATEL Chairman DIN - 00287615
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SD/- DHRUVI PATEL Company Secretary	SD/- BALDEVBHAI PATEL CFO
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PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	Note No.	Year Ended 31st March, 2020	Year Ended 31st March, 2019
I Revenue from Operations	13	3,59,29,343	3,11,88,690
Less : Duties & Taxes		0	0
		3,59,29,343	3,11,88,690
II Other Income	14	660	7,89,263
III. Total Revenue (I+II)		3,59,30,003	3,19,77,953
IV Expenses:			
Purchase of Stock in Trade		9,03,750	0
Cost of Materials Consumed & Direct Expenses	15	0	2,84,61,579
Changes in Inventories of Finished Goods work in progress and :	16	3,44,22,702	1,00,48,319
Employee Benefit Expense	17	10,17,475	11,67,297
Financial Costs	18	0	3,49,782
Depreciation and Amortization Expense	19	0	0
Other Administrative Expenses	20	2,23,93,795	2,48,10,006
Total Expenses (IV)		5,87,37,722	6,48,36,984
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)		-2,28,07,719	-3,28,59,031
VI Exceptional Items			-13,47,93,121
VII Profit before Extraordinary Items and Tax (V-VI)		-2,28,07,719	10,19,34,090
VIII Extraordinary Items			
IX Profit Before Tax (VII-VIII)		-2,28,07,719	10,19,34,090
X Tax Expense:			
- Current Tax		0	0
- Excess Provision Write Back (Earlier Year)		0	0
- Deferred Tax		0	0
XI Profit (Loss) from the Period from Continuing Operations (IX-X)		-2,28,07,719	10,19,34,090
XII Profit (Loss) from Discontinuing Operations		0	0
XIII Tax expense of Discontinuing Operations		0	0
XIV Profit (Loss) from Discontinuing Operation (XII-XIII)		0	0
XV Profit (Loss) for the Period (XI+XIV)		-2,28,07,719	10,19,34,090
XVI Earning per Equity Share:			
(1) Basic		-4.64	20.73
(2) Diluted		-4.64	20.73

Significant Accounting Policies

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Notes to Accounts referred to above and notes attached there to form an integral part of Profit & Loss Statement

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

FOR KRUTESH PATEL & ASSOCIATES
Chartered Accountants

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

FOR GOPAL IRON & STEELS CO.(GUJ)LIMITED

SD/-
KUNDANBEN PATEL
Mg. Director
DIN-06979778

SD/-
PRABHUBHAI PATEL
Chairman
DIN - 00287615

SD/-
DHRUVI PATEL
Company Secretary

SD/-
BALDEVBHAI PATEL
CFO

Place : **Ahmedabad**
Date : 30th June, 2020

GOPAL IRON & STEELS CO. (GUJARAT) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

	PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax and extraordinary items	-2,28,07,719	10,19,34,090
	Adjustment for :		
	Prior Period Adjustment	-2,00,000	0
	Credit Balance Write off	444	-10,77,31,301
	Loss/(profit) on Sale of Asset	0	-2,70,61,819
	Financial and Interest Charges	0	3,49,782
		<u>-1,99,556</u>	<u>-13,44,43,338</u>
	Operating Profit before working capital changes	-2,30,07,275	-3,25,09,248
	Adjustment for :		
	Inventories	3,44,22,702	3,24,18,948
	Trade and other Receivables	71,89,378	6,76,16,604
	Other Financial Assets (Current)	26,57,049	7,57,608
	Trade Payables (Other than MSME)	21,12,042	9,82,87,491
	Other Financial Liabilities (Current)	-9,47,18,536	2,36,98,471
	Provisions (Current Liabilities)	3,31,599	0
		<u>-4,80,05,767</u>	<u>22,27,79,122</u>
	Cash Generated from Operations	<u>-7,10,13,042</u>	<u>19,02,69,874</u>
	Less: Direct Taxes Paid	0	0
	Net Cash Inflow From Operating Activities	<u>-7,10,13,042</u>	<u>19,02,69,874</u>
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant & Equipments	-6,290	0
	Sale of Property, Plant & Equipments	5,49,99,556	6,00,00,000
	Net Cash Outflow from Investing Activities	<u>5,49,93,266</u>	<u>6,00,00,000</u>
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Borrowing (Non-Current Financial Liabilities)	-43,20,462	-10,56,77,181
	Other Financial Liabilities (Non-Current)	0	-14,35,52,189
	Financial Interest & Charges	0	-3,49,782
	Net Cash Outflow from Financing Activities	<u>-43,20,462</u>	<u>-24,95,79,152</u>
	Net Inflow of Cash & Cash Equivalents(A+B+C)	<u>-2,03,40,238</u>	<u>6,90,722</u>
	Cash & Cash Equivalents as at 01.04.2019 (Opening Bal.)	7,80,209	89,486
	Cash & Cash Equivalents as at 31.03.2020 (Closing Bal.)	1,81,325	7,80,209

As per our Report of even date

FOR KRUTESH PATEL & ASSOCIATES

Chartered Accountants

SD/-

KRUTESH PATEL

Partner

Membership No. 140047

Firm Reg. No. 100865W

FOR GOPAL IRON & STEELS CO.(GUJ)LIMITED

SD/-

KUNDANBEN PATEL

Mg. Director

DIN-06979778

SD/-

PRABHUBHAI PATEL

Chairman

DIN - 00287615

SD/-

DHRUVI PATEL

Company Secretary

SD/-

BALDEVBHAI PATEL

CFO

Place : **Ahmedabad**

Date : 30th June, 2020

GOPAL IRON & STEELS CO. (GUJARAT) LIMITED

NOTE NO. 1 PROPERTY, PLANT & EQUIPMENTS AS AT 31ST MARCH, 2020

Sr. No.	Particulars	Gross Block			Depreciation				Net Block		
		Balance as at 01/04/2019	Additions	Deduction	Balance as at 31/03/2020	Balance as on 01/04/2019	Deduction	Depreciation for the Year	Balance as on 31/03/2020	WDV as on 31/03/2020	WDV as on 31/03/2019
1	Plant & Machinery	6,00,64,023	-	6,00,64,023	-	4,59,25,861	4,59,25,861	-	-	-	1,41,38,162
2	Vehicles	84,63,296	-	-	84,63,296	62,15,007	-	-	62,15,007	22,48,289	22,48,289
3	Plant & Machinery (Tube)	8,50,27,365	-	8,50,27,365	0	2,47,04,226	2,47,04,226	-	-	0	6,03,23,139
4	Laboratory Equipments	1,29,930	-	1,29,930	-	49,882	49,882	-	-	-	80,048
5	Office Equipments	-	6,290	-	6,290	-	-	-	-	6,290	-
	Total of Current Year	15,36,84,614	6,290	14,52,21,318	84,69,586	7,68,94,976	7,06,79,969	-	62,15,007	22,54,579	7,67,89,638
	Total of Previous Year	20,82,62,281	-	5,45,77,667	15,36,84,614	9,85,34,461	2,16,39,485	-	7,68,94,976	7,67,89,638	10,97,27,820

Notes to Accounts Forming Integral Part of the Balance Sheet as at 31st March, 2020

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

Sr. No.	Particulars	As At 31st March, 2020	As At 31st March, 2019
1	Capital Assets	40,00,000	40,00,000
2	Security Deposit		
	(a) Unsecured, Considered Good	9,10,762	9,10,762
3	Loans & Advances to related parties		
4	Other Loans & Advances		
	(a) Loan to Staff Members	0	0
	(b) Advances to Staff Members	0	0
	Total in `	49,10,762	49,10,762

NOTE NO. 3 INVENTORIES

Sr. No.	Particulars	As At 31st March, 2020	As At 31st March, 2019
1	Raw Material	0	2,55,01,200
2	Finished Goods	0	81,12,868
3	Scrap Material	0	20,886
4	Work-in-Progress	0	7,87,748
		0	0
	Total in `	0	3,44,22,702

NOTE NO. 4 TRADE RECEIVABLES

Sr. No.	Particulars	As At 31st March, 2020	As At 31st March, 2019
1	Outstanding for more than six months		
	(a) Unsecured, Considered Good	1,12,48,119	16142413
2	Others		
	(a) Unsecured, Considered Good	71,00,254	93,95,338
	Total in `	1,83,48,373	2,55,37,751

NOTE NO. 5 CASH & CASH EQUIVALENT

Sr. No.	Particulars	As At 31st March, 2020	As At 31st March, 2019
1	Cash-in-Hand		
	Cash Balance	27,569	34,195
	Sub Total (A)	27,569	34,195
2	Bank Balance		
	in Current / CC / OD Accounts	1,53,756	7,46,014
	Total in ` (A+B)	1,81,325	7,80,209

NOTE NO. 6 OTHER FINANCIAL ASSETS (CURRENT)

Sr. No.	Particulars	As At 31st March, 2020	As At 31st March, 2019
1	Loans & Advances to Related Parties	0	0
2	Other : (a) Advances to Suppliers	0	0
	(Advance Recoverable in Cash or in Kind or for value to be considered Good)		
	(b) Advance Income Tax & TDS	7,94,583	7,94,583
	(c) Balances with Statutory / Government Authorities	40,69,044	67,26,093
	(d) Interest Receivable	0	0
	(e) Discount on Purchase Receivable	0	0
	Total in `	48,63,627	75,20,676

NOTE NO. 7 EQUITY SHARE CAPITAL

(a)

Sr. No.	Particulars	As At 31st March, 2020	As At 31st March, 2019
1	Authorized Capital 60,00,000 Equity Shares of ₹ 10 each	6,00,00,000	6,00,00,000
		6,00,00,000	6,00,00,000
2	Issued, Subscribed & Paid Up Capital 49,17,100 Equity Shares of ₹ 10 each fully Paid up	4,91,71,000	4,91,71,000
	Total in ₹	4,91,71,000	4,91,71,000

(b) Details of Shareholders holding more than 5% shares of the Company :

Sr. No.	Particulars	As at 31st March, 2020		As at 31st March, 2019	
		No. of shares	% held	No. of shares	% held
1	Bhaveshbhai Gopalbhai Patel	8,76,782	17.83%	8,76,782	17.83%
2	Baldevbhai Gopalbhai Patel	4,60,700	9.37%	4,60,700	9.37%
3	Ganeshbhai Harjibhai	3,37,900	6.87%	3,37,900	6.87%
4	Sharad Kanaiyalal Shah	2,83,537	5.77%	2,83,537	5.77%

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

Particulars	Current Year	Previous Year
Equity Shares Outstanding at the Beginning of Year (Nos)	49,17,100	49,17,100
Equity Shares Outstanding at the Beginning of Year (Rs)	4,91,71,000	4,91,71,000
Shares Issued in the Year	-	-
Equity Shares Outstanding at the End of Year (Nos)	49,17,100	49,17,100
Equity Shares Outstanding at the End of Year (Rs)	4,91,71,000	4,91,71,000

(d) Rights Attached with Equity Shares

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

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

NOTE NO. 8 OTHER EQUITY

Sr. No.	Particulars	As At 31st March, 2020	As At 31st March, 2019
1	Capital Reserve (State Cash Subsidy)	10,00,000	10,00,000
2	Surplus (Profit & Loss Account)	-5,40,65,283	-3,12,57,564
	Balance brought forward from previous year	-3,12,57,564	-13,31,91,654
	Add: Profit for the period	-2,28,07,719	10,19,34,090
		0	
	Total in ₹	-5,30,65,283	-3,02,57,564

Nature of Reserves

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

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

Sr. No.	Particulars	As At 31st March, 2020	As At 31st March, 2019
1	Loans From Directors	15,95,540	6,05,513
2	Loans From Others	0	51,51,888
3	Advance for Long Term Project	30,00,000	30,00,000
4	Security Deposit	20,47,740	22,06,341
5	Amount Held in trust	14,68,641	14,68,641
	Total in `	81,11,921	1,24,32,383

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

NOTE NO. 10 TRADE PAYABLES (OTHER THAN MSME)

Sr. No.	Particulars	As At 31st March, 2020	As At 31st March, 2019
1	Sundry Creditors for Material/Supplies	45,46,461	18,14,789
2	Sundry Creditors for Others	21,39,772	27,59,402
	Total in `	66,86,233	45,74,191

NOTE NO. 11 OTHER FINANCIAL LIABILITIES (CURRENT)

Sr. No.	Particulars	As At 31st March, 2020	As At 31st March, 2019
1	Advance From Customers (Repayable in Cash or Kind)	0	0
2	Advance for Sale of Fixed Asset		9,00,00,000
3	Payables on Purchase of Fixed Assets		47,18,536
	Total in `	0	9,47,18,536

NOTE NO. 12 PROVISIONS (CURRENT)

Sr. No.	Particulars	As At 31st March, 2020	As At 31st March, 2019
1	Provision for Employee Benefits		
	Provision for Bonus	0	0
	Provision for Leave Encashment	8,08,166	8,08,166
	Provision for Salary & Wages	25,75,243	20,09,871
	Provision for Gratuity	0	0
	Sub Total (1)	33,83,409	28,18,037
2	Other		
	Audit Fees Payable	25,000	25,000
	Other Expenses Payable	6,800	78,695
	Statutory Liabilities Payable	11,16,950	12,78,828
	Sub Total (2)	11,48,750	13,82,523
	Total in ` (1+2)	45,32,159	42,00,560

NOTE NO. 13 REVENUE FROM OPERATIONS

Sr. No.	Particulars	2019-2020	2018-2019
1	Domestic & Integrated Sales	3,59,25,003	3,05,80,048
2	Job Work Services (Fabrication)	4,340	6,08,642
	Total in `	3,59,29,343	3,11,88,690

NOTE NO. 14 OTHER INCOME

Sr. No.	Particulars	2019-2020	2018-2019
1	Rent Income	0	6,00,000
2	Miscellaneous Income	660	1,89,263
	Total in `	660	7,89,263

NOTE NO. 15 CHANGE IN INVENTORIES

Sr. No.	Particulars	2019-2020	2018-2019
1	Opening Stock		
	Finished Goods	81,12,868	1,37,91,004
	Work in Progress	7,87,748	20,34,405
	Scrap Material	20,886	31,44,412
	Raw Material & Spares	2,55,01,200	0
	Sub Total (A)	3,44,22,702	1,89,69,821
2	Closing Stock		
	Finished Goods	0	81,12,868
	Work in Progress	0	7,87,748
	Scrap Material	0	20,886
	Raw Material & Spares	0	0
	Sub Total (B)	0	89,21,502
	Total in ` (A-B)	3,44,22,702	1,00,48,319

NOTE NO. 16 CONSUMPTION OF RAW MATERIAL

Sr. No.	Particulars	2019-2020	2018-2019
	Opening Stock	0	1,26,000
	Purchase	0	2,76,59,993
		0	2,77,85,993
	Direct Expense		
	Power & Fuel		7,41,786
	Less: Closing Stock		-66,200
	Sub Total (A)	0	2,84,61,579

NOTE NO. 17 EMPLOYEE BENEFIT EXPENSES

Sr. No.	Particulars	2019-2020	2018-2019
1	Salaries,Wages & Bonus	10,20,000	10,35,866
2	Contribution to PF & Other Funds	-2,525	1,30,697
3	Other Welfare Expense	0	734
Total in `		10,17,475	11,67,297

NOTE NO. 17.1 DIRECTOR REMUNERATION

Sr. No.	Particulars	2019-2020	2018-2019
1	Remuneration	4,77,600	4,77,600
2	Contribution to PF	57,312	57,312
Total in `		5,34,912	5,34,912

NOTE NO. 18 FINANCE COST

Sr. No.	Particulars	2019-2020	2018-2019
1	Statutories Authorities	0	3,49,782
Total in `		0	3,49,782

NOTE NO. 19 DEPRECIATION & AMORTISED COST

Sr. No.	Particulars	2019-2020	2018-2019
1	Depreciation	0	0
Total in `		0	0

NOTE NO. 20 OTHER ADMINISTRATIVE EXPENSES

Sr. No.	Particulars	2019-2020	2018-2019
1	Advertisement	72,702	40,659
2	Auditor Remuneration	25,000	25,000
3	Brokerage Charges	5,40,000	5,40,000
4	Vehicles Repairs	44,296	67,217
5	Conveyance Expenses	0	45,016
6	Insurance Expenses	42,112	1,81,272
7	Fees & Subscription Expenses	15,25,029	3,53,755
8	Office & General Expenses	30,488	12,683
9	Professional and Consultancy Fees	1,66,420	2,94,087
10	Postage & Telegram	13,636	10,664
11	Paid against PF Demand	0	7,61,299
12	Penalty under PF/BSE	70,820	19,793
13	Bank Charges	698	7,441
13	Rates & Taxes	1,79,941	0
14	Rent Expense	1,20,000	0
15	Stores & Spares Consumed	0	2,23,16,924
16	Other Manufacturing Expense	0	12,808
17	Stationery & Printing Expenses	3,300	15,949
18	Security Charges	18,000	86,370
19	Telephone Expenses	0	19,069
20	Loss on Sale of Fixed Assets	1,95,41,353	0
Total in `		2,23,93,795	2,48,10,006

NOTE NO. 20.1 AUDITOR REMUNERATION

Sr. No.	Particulars	2019-2020	2018-2019
	Statutory Audit Fees	25,000	25,000
Total in `		25,000	25,000

Gopal Iron & Steels Co. (Gujarat) Limited

Notes to financial statements for the year ended 31st March, 2020

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

Notes to financial statements for the year ended 31st March 2020

(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. 29.11Lakhs (Rs.50.65 Lakhs) for the financial year 2002-2003 which has been disputed by the Company, as it is of the opinion that the same shall be quashed in the appeal preferred by the company. Hence no provision for this disputed Sales Tax demand has been made.

(b) Central Excise Authorities have raised demand aggregating Rs. 33.53 Lakhs (Rs. 33.53 Lakhs) for the financial year 1998-1999 and 1999-2000 which has been disputed by the Company, as it is of the opinion that the same shall be quashed in the appeal preferred by the company. However, company has paid under protest Rs. 36.24 Lakhs (Rs. 36.24 Lakhs) and shown as an asset under the head of "Short Term Loans and Advances".

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

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

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

(26) Payment to Auditors (In Rs.)

	31-03-2020	31-03-2019
For Statutory Audit	25,000	25,000
Total	25,000	25,000

(27) Gratuity and other post-employment benefit plan

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

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

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

(28) Segment information

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

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

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

(a) Details of Key Management Personnel

Kundanben Bhaveshbhai Patel
Prabhubhai Laxmanbhai Patel
Baldev Gopalbhai Patel

Details of Relatives of Key Management Personnel

Govind Laxmanbhai Patel	Bhikhabhai Kuvarjibhai Patel
Bhikhiben Hargovindbhai Patel	Gopalbhai Naranbhai Patel
Harsha Baldevbhai Patel	Surajben Gopalbhai Patel
Shreeji Enterprises	Hireni Bhaveshbhai Patel
Harsh Bhaveshbhai Patel	Prabhubhai I Patel

Details of Enterprises owned or significantly influenced by key management personnel

Hari Gopal Steels and & Metals Private Limited
Gopal Steel Suppliers

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

		31-03-2020	31-03-2019
1	Managerial Remuneration paid to Key Personnel and their Relatives	8,40,000	840000
2	Gross Loans from Key Personnel and them Relatives	3,51,095	4959035
3	Gross Loans repaid to Key Personnel and them Relatives	26,74,358	9355287
4	Loans payable to Key Personnel and their Relatives	49,91,921	13203559
5	Purchase of Goods	0	3256800
	Sale of Goods	10,91,500	1770236
6	Payment of Rent	1,20,000	Nil

GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

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

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

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

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

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

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

Particulars	Carrying amount of financial assets/liabilities		Fair Value of the financial assets/ liabilities	
	As of March 31, 2020	As of March 31, 2019	As of March 31, 2020	As of March 31, 2019
Financial assets/liabilities at amortised cost				
1. Non-Current				
Trade Receivables	183.43	Nil	183.43	Nil
Loans & Advances	49.10	Nil	49.10	Nil
2. Current Assets				
Trade and Other Receivables	0.06	255.78	0.06	255.78
Cash and Cash Equivalents	1.81	7.80	1.81	7.80
Loans and Advances	48.64	75.23	48.64	75.23
Other financial assets	Nil	Nil	Nil	Nil
Financial Liabilities at Amortized Cost				
1. Current				
Trade Payables	66.86	92.95	66.86	92.95
Borrowings	81.12	124.32	81.12	124.32
2. Non-Current				
Other Financial Assets/liability	Nil	Nil	Nil	Nil

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

(35) There is no contingent liability outstanding on 31 March 2020 and 31 March 2019.

(36) Financial risk management:

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

- Credit risk;
- Liquidity risk;
- Market risk

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

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

GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

employees understand their roles and obligations.

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

a) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. Trade receivables The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also influence credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business

Summary of Companies Exposure to credit risk as follows.

Particulars	At	At
	31st March 2020	31st March 2019
Past dues not impaired	Nil	Nil
Not past dues not impaired	18348373	25537751
Total in `	18348373	25537751

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

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

Cash and cash equivalents

As at the year end, the Company held cash and cash equivalents of ` 181,325/- (previous year ` 780,209/-). The cash equivalents are held with banks.

Other financial assets

Other financial assets are neither past due nor impaired.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company enjoys an overdraft limit from the bank.

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

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross

GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

The details of contractual maturities of significant liabilities as on 31 March 2020 are followed.

Particulars	Carrying Amount	Less than one year	1-3 years	3-5 years	Amount (₹)	
					More than five years	Total
Trade Payable (See Note 10)	6686233	1589772	5096461	0.00	0.00	6686233
Borrowings(See Note 9)	8111921	0.00	8111921	0.00	0.00	8111921
Total	14798154	1589772	13208302	0.00	0.00	14798154

c) Market Risk

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

(i) Currency risk

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

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

Particulars	Amount as on 31.03.2020 (\$)	Amount as on 31.03.2019 (\$)
Financial Assets		
Cash and Cash Equivalents	Nil	Nil
Trade Receivables	Nil	Nil
Other Current Assets	Nil	Nil
Total	Nil	Nil
Financial Liabilities		
Trade Payables	Nil	Nil
Current Borrowings	Nil	Nil
Other current financial liabilities	Nil	Nil
Net Exposure	Nil	Nil

Sensitivity analysis

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

Particulars	Profit (Loss) for FY 2019-20		Profit (Loss) for FY 2018-19	
	Strengthening	Weakening	Strengthening	Weakening
1% Movement				
USD	Nil	Nil	Nil	Nil

d) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is

GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

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

Particulars	As on 31.03.2020	As on 31.03.2019
Non-Current Borrowings		
- Fixed Rate Borrowings	Nil	Nil
- Variable Rate Borrowings	Nil	Nil
Current Borrowings		
- Fixed Rate Borrowings	Nil	Nil
- Variable Rate Borrowings	Nil	Nil
Total	Nil	Nil

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable-rate instruments

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

Particulars	Profit (Loss) for FY 2019-20		Profit (Loss) for FY 2018-19	
	Increase	Decrease	Increase	Decrease
100 bps Movement				
Variable Rate Borrowings	Nil	Nil	Nil	Nil

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

(e) Commodity rate risk

The Company's operating activities involve the purchase and sale of Iron and Steel, whose prices are exposed to the risk of fluctuation over short periods. Commodity price risk exposure is evaluated and managed through procurement and other related operations, policies. As of March 31, 2020, and March 31, 2019, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

(37) Capital Management

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

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

No changes were made in the objectives, policies or processes for managing capital during the years ended on 31 March 2020 and 31 March 2019.

GOPAL IRON AND STEEL CO. (GUJARAT) LIMITED

- (38) Due to outbreak of COVID-19 globally and in India, the company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they arise.

After lifting of lockdown, the operations of the company have returned to normal. However, the extent to which the COVID-19 pandemic will impact the company's financial performance is dependent on future developments, which are highly uncertain including among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the company. Given the uncertainty over the potential macro-economic conditions the impact of COVID-19 pandemic may be different from that estimate as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future.

As per attached report of even date

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

For Gopal Iron & Steel Co (Guj) Limited

**Krutesh Patel
Partner
Membership No - 140047
Firm Reg No - 100865W**

**Kundanben Patel Rakeshkumar Moghari
Mgt. Director Director
DIN - 06979778 DIN - 06798879**

**Dhruvi Patel Baldevbhai Patel
Company Secretary CFO**

**Date: 30 June 2020
Place: Ahmedabad**
