

22ND ANNUAL REPORT 2020-2021



GYSCOAL

THE GLINT OF GROWTH

The Finest Steel has to go through the hottest fire

-Richard M Nixon



Strong

Staunch



Goal Oriented

GYSCOAL AT A GLANCE



Stainless Steel is the spine of Development itself, in 21st Century.

Gyscoal Alloys Limited (GAL) the Stainless Steel & Mild Steel Manufacturer was established in the late '90s. From an iron-ore and stainless scrap to manufacturing diverse structural products in stainless steel and Mild steel, Gyscoal has come a long way. The group has achieved for itself pre-eminent position in the value added product segment of the Indian Steel Industry. Initially Gyscoal has started with the trading of metals and gradually went on to manufacturing of the various kind of steel products like CTD bars and TMT bars and has acquired good expertise.

Under the proficient leadership of Mr. Viral Shah Managing Director of the group and under the brilliant direction of Mr. Zankarsinh Solanki the group has achieved perceptible heights in a very short duration. At present, the plant has the capacity to manufacture different grades of Stainless Steel products ranging between 200 series to 400 series.

Gyscoal Group adheres to the stringent quality control measures, aided by new generation process control,

inspection, qualified manpower and testing agency.

Good Well-Being Leads to Good Working Performance, which has remained the ethical code is followed by the company right from the incorporation till today.

In light of the above mentioned statement, Gyscoal holds a peculiar commitment towards its employees. Since the beginning, the company has believed in working towards the welfare of its employees. With discipline and determined focus the company has been able to achieve the same.

We don't just follow industrial law but also consider Employee's well-being as our foremost responsibility. We feel, people are our real strength and since there is a man behind each machine of ours, we value our people much more than just employees.

Besides this, Gyscoal also used to provide free housing, subsidized meals, free transport, medical benefits, recreational and other facilities for its workers at its manufacturing plant, Kukarwada.

With continual efforts, we attain a professional yet open & friendly environment amongst the employees. We believe in nurturing the inner talents of the employees by rendering them a correct anchor.

Proud Moments in the Corporate Journey of Gyscoal Alloys Limited.

- Gyscoal Alloys Limited is one of the Asian Companies to use latest Corex steel technology and production technique for manufacturing steel.
- In the Year 2013 Gyscoal was awarded as one of the Top 100 SME Award by the SME FROM 2013.
- Company has implemented a Quality Management System in accordance with ISO 9001:2015 for the scope of Sales & Marketing of Stainless Steels & Mild steel Ignor, Angle, Channels, Flats, Round, Square, Bright & Black Bars.

One Step ahead towards future Goals

We see a future that resembles our base Product-Stainless Steel enduring and hard to shake down, stronger than others, and Dominant on the basis of better quality. We will formulate and implement more innovative knowledge sharing methodologies with our existent and potential customer, and reinforce our brand equity. We will make concerted efforts to enhance the value experience of the customers. We will launch focus marketing initiatives for key customer segments. We will expand our global presence geographically, and in terms of quality and quantity, thus garnering competitiveness.

We will expand our capacities more than four-fold, and attain an optimal product mix of stainless steel and Mild-steel products. We will launch a new range of specialized products which are not easily available in the market and emerge as a comprehensive single window source that meets all qualitative product demands in the field. In sum, we will reinforce our core business to build sustainable foundation for future leadership. Simultaneously, we will ensure that we seize the first-mover advantage in any emerging scenario worldwide, offer new product solutions, foray into new business areas and forge new strategic associations, to widen the future base of our business.

Company's goal is not only to enhance shareholders value but also to increase the value of all the stakeholders attached with organization whether directly or indirectly in anyway. Company is also focusing well on the Environmental, Social and Governance related issues which may affect the operational activity in long-term.

Company Strives to follow all the applicable Laws and Regulations in true letter and spirit promoting the Corporate Governance.



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Corporate Information

Board of Directors

| | |
|------------------------|-------------------------|
| Mr. Viral Shah | Managing Director |
| Mr. Zankarsinh Solanki | Whole-time Director |
| Mr. Samirbhai Jani | Independent Director |
| Mr. Sunit Shah | Independent Director |
| Ms. Yashree Dixit | Independent Director |
| Ms. Dipali Shah | Non- Executive Director |

Senior Management

| | |
|-------------------|---|
| Mr. Vishal Parikh | Chief Financial Officer (Appointed w.e.f. 30th June 2020) |
| Ms. Hiral Patel | Company Secretary (Appointed w.e.f. 12 th November, 2020) |

Corporate Office

2nd Floor, Mrudul Tower,
B/h Times of India,
Ashram Road, Ahmedabad,
380009, Gujarat
Phone: 079- 66614508, 66610181
Fax: 079- 26579387
E-mail: info@gyscoal.com
Website: www.gyscoal.com
CIN- L27209GJ1999PLC036656

Registrar & Share Transfer Agents

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (W),
Mumbai – 400 083
Phone: +91- 22- 49186270 Fax: +91-22-49186060
Email: rnt.helpdesk@linkintime.co.in
LimitedWebsite: www.linkintime.co.in

Registered Office & Factory

Plot No.2/3 GIDC Ubkhal,
Kukarwada , Tal. Vijapur,
Dist., Mehsana -382830, Gujarat
Phone: 02763-252384
Fax: 079- 26579387

Auditors

Statutory

Saurabh R. Shah & Co.,
Chartered Accountants
F-8, Ganesh Plaza, Kalikund,
Dholka, Ahmedabad – 382225

Secretarial

Chirag Shah & Associates
808, Shiromani Complex,
Opp. Ocean Park, Satellite Road,
S M Road, Ahmedabad – 380015

Internal Auditor

Fenil P Shah and Associates,
Chartered Accountant

Bankers/Lenders

UCO Bank
State Bank of India

Listing of Securities

BSE Limited
National Stock Exchange of India

**GYSCOAL ALLOYS**
L I M I T E D

(CIN: L27209GJ1999PLC036656)

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting (AGM) of the Members of **GYSCOAL ALLOYS LIMITED** ("the Company") will be held on Wednesday, September 29, 2021 at 11:00 A.M through video conferencing mode /Other Audio Visual Means ("VC/OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 including audited Balance Sheet as at March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Zankarsinh Solanki (DIN 00014226), who retires by rotation, in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.
3. To appoint M/s. Ashok Dhariwal & Co., Chartered Accountants as Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the twenty seventh Annual General Meeting and to fix their remuneration:

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, as applicable including any amendments, modifications, variations, or re-enactments thereof, the Company hereby appoints M/s. Ashok Dhariwal & Co.; Chartered Accountant, (Firm Registration No. 100648W), as a Statutory Auditors of the Company for a term of 5 (five) consecutive years to conduct audit from the F.Y. 2021-22 to 2025-26, to hold office from the conclusion of this meeting until the conclusion of the 27th Annual General Meeting of the Company, on such remuneration as may be decided by the Board of Directors of the Company and auditor mutually in addition to reimbursement of out of pocket expenses incurred by them.

RESOLVED FURTHER THAT the Board of Directors or Audit Committee thereof, be and are hereby severally authorized to decide and finalize the terms and conditions of appointment, including the remuneration of the Statutory Auditors."

SPECIAL BUSINESS:**4. To approve re-appointment of Mr. Zankarsinh Solanki as a whole-time director:**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of members be and is hereby accorded to re-appoint Mr. Zankarsinh Solanki (DIN – 00014226) as a Whole-time Director, who is liable to retire by rotation, for a period of 5 (Five) years with effect from 1st April, 2021 on terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors and Nomination and Remuneration Committee to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Zankarsinh Solanki, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, the Company shall pay remuneration by way of salary, allowances, perquisites and other benefits to Mr. Zankarsinh Solanki, in respect of such financial year, as the Board of Directors may deem fit, subject to the limits and conditions prescribed in Schedule V to the Act for the time being in force.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To Increase Authorized Share Capital of the Company and consequential amendment in Memorandum of Association of the Company:

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the Rules framed thereunder, consent of the members of the Company be and is hereby accorded for increase in the Authorized Share Capital of the Company from present Rs. 27,00,00,000 (Rupees Twenty Seven crore) divided into 27,00,00,000 (Twenty Seven Crore) Equity Shares of Rs.1/- each to Rs. 50,00,00,000 (Rupees Fifty Crore) divided into 50,00,00,000 (Fifty Crore) Equity Shares of Rs. 1/- (Rupee One) each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place and stead the following:



“V. The Authorized Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crore) divided into 50,00,00,000 (Fifty Crore) equity shares of Rs. 1/- (Rupee One) each.”

RESOLVED FURTHER THAT any of the Directors of the Company or the Company Secretary or such other person as authorized by the Board, be and are hereby authorized severally to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By Order of the Board of Director,
Gyscoal Alloys Limited**

Sd/-

Date: August 12, 2021
Place: Ahmedabad

Viral M Shah
Chairman
(DIN – 00014182)

Registered office:

Plot No. 2/3 GIDC Ubkhal,
Kukarwada, Tal. Vijapur, Dist.
Mehsana Kukarwada Mahesana
GJ 382830 IN



GYSCOAL ALLOYS
L I M I T E D
(CIN: L27209GJ1999PLC036656)

NOTES:

1. The statement pursuant to Section 102 of the Companies Act, 2013, in respect of the SPECIAL BUSINESS to be transacted at the meeting is attached. The relevant details pursuant to regulations 26(4) and 36(3) of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and secretarial standard on general meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this annual general meeting are also annexed.
2. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020 and Circular no. 02/2021 dated January 13, 2021 (collectively "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively "SEBI Circulars"), have permitted companies to conduct AGM through video conferencing mode /Other Audio Visual Means ("VC/OAVM"), subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 22nd AGM of the Company is being convened and conducted through VC/OAVM.
3. Pursuant to the provisions of the Companies Act, 2013 ("Act") a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice.
4. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution / Authorization, etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting to the M/s. Link Intime India Private Limited, the Registrar and Transfer Agent, by email through its registered email address to rnt.helpdesk@linkintime.co.in or cs@gyscoal.com.
5. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the



Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

6. 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.
7. In case of joint holders, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the meeting.
8. In accordance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Integrated Report & Annual Accounts 2020-21 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. The Notice convening the AGM along with the Integrated Report & Annual Accounts 2020-21 will also be available on the website of the Company at www.gyscoal.com, websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and Notice of AGM can be accessed from the website of NSDL at www.evoting.nsdl.com.
9. For members who have not registered their email address and holding shares in physical mode, can get their email id registered in the system by writing to cs@gyscoal.com along with scanned signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any officially valid document (OVD) (eg.: Driving License, Election Identity Card, Passport, Aadhar) in support of the address of the Member. Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participants.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address with pin code, if any,, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to the Company at cs@gyscoal.com or Registrar & Share Transfer Agent M/s Link Intime India Private Limited at rnt.helpdesk@linkintime.co.in if the shares are held by them in physical form..
11. The members are requested to send all their communications to the Registrar & Share Transfer Agent M/s Link Intime India Private Limited, 506 TO 508, Amarnath Business Centre – 1, Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off, ChimanlalGirdharlal Rd, Sardar Patel Nagar, Ellisbridge, Ahmedabad, Gujarat 380006 or at the Share Division Office of the Company at 2nd Floor, Mrudul Tower, Behind Times of India, Ashram Rd, Shreyas Colony, Navrangpura, Ahmedabad, Gujarat 380009.



12. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form SH 13 in duplicate, duly filled in, to the RTA at the address mentioned in the Notes. The prescribed form in this regard may also be obtained from the RTA at the address mentioned in the Notes. Members holding shares in electronic form are requested to contact their Depository Participants directly for recording their nomination.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to Company or RTA.
14. In terms of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 securities of listed companies can only be transferred in dematerialized form with effect from 1st April, 2019. In view of the above, members are advised to dematerialize shares held by them in physical form.
15. For any communication, the shareholders may also send requests to the Company's investor email id: cs@gyscoal.com.
16. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
17. Brief resumes of Directors including those proposed to be appointed /re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, are provided in the Corporate Governance Report forming part of the Annual Report and also enclosed with this notice.
18. As per Rule 5 of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), information containing the names and the last known addresses of the persons entitled to receive the sums lying in the account referred to in Section 125 (2) of the Act, nature of amount, the amount to which each person is entitled, due date for transfer to IEPF fund, etc. is provided by the Company on its website and on the website of the IEPF. The concerned members are requested to verify the details of their unclaimed dividend, if any, from the said websites and lodge their claim with the Company's RTA or with the Company, before the unclaimed dividends are transferred to the IEPF. The members whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in form no. IEPF-5 available on www.iepf.gov.in.
19. The Board of Directors have appointed M/s. Chirag Shah & Associates, Practicing Company (Membership No. FCS 5545) as the Scrutinizer to scrutinize the e-Voting process in a fair and

transparent manner. The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL and RTA, and will also be displayed on the Company's website, www.Gyscoal.com

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

1. 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 from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
2. Members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on September 22, 2021, may cast their votes electronically. The remote e-voting period commences on Sunday, September 26, 2021 (9:00 a.m. IST) and ends on Tuesday, September 28, 2021 (5:00 p.m. IST). The e-voting module will be disabled by NSDL thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on September 22, 2021. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.
3. Members have the option to cast their vote on any of the resolutions using the remote e-Voting facility either during the period commences Sunday, September 26, 2021 (9:00 a.m. IST) and ends on Tuesday, September 28, 2021 (5:00 p.m. IST) or e-Voting during the AGM. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM.
4. The Members who have cast their vote by remote e-Voting prior to the AGM may attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote on such resolution again.
5. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-Voting then he / she can use his / her existing User ID and password for casting the vote. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date may follow steps mentioned herein under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."



6. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
7. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1: Access to NSDL e-voting System:

a) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal |



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

**Important note:**

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

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

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

b) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode is given below:

Process of Log-in to NSDL e-Voting website:

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

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

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID |



| | |
|--|---|
| | For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password':
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email IDs are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.



- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.
- **Details on Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

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

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

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Company by e-mail to cs@gyscoal.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download



section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), and AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@gyscoal.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@gyscoal.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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



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

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

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or can contact NSDL on evoting@nsdl.co.in / 1800 1020 990 and 1800 22 44 30.

Brief Profile of Directors Being Appointed/Re-appointed as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

| | |
|--|--------------------|
| Name of the Director | Zankarsinh Solanki |
| DIN | 00014226 |
| Date of Birth | 31/08/1977 |
| Date of first Appointment on the Board | 01/02/2002 |
| Names of Listed entities in which he/she also holds the directorship and the membership of committees of the board | Nil |

| | |
|---|---|
| Education Qualification | BE Electrical |
| Brief Resume of the Director including nature of expertise in specific function areas and their experience etc. | He is presently the Whole Time Director of the Company. He is having experience of more than 15 years in the steel & alloys business and has contributed significantly in the growth process of the company. He has a vast experience of entrepreneurial in establishing various ventures in steel and alloys Sectors. He has in-depth knowledge and experience in steel manufacturing as well as international sourcing and marketing. He handles all the production as well as marketing (domestic and international) related activities of the company. He Provides Guidance for the manufacturing of the products and having wide ranging contacts in the steel and alloys field, he brings in varied business deals for the company. |
| Number of Shares held in the Company: | 15,48,570 Equity Shares |
| Relationships between Directors inter-se | No other Directors are related to him. |

*Membership and Chairmanship of Audit Committee and Stakeholders Relationship Committee have been included.

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

Item No.3

To appoint M/s. Ashok Dhariwal & Co. (FRN: 100648W), Chartered Accountants as the Statutory Auditors of the Company:

M/s. Saurabh R Shah & Co., Chartered Accountants (Members Registration No. 127176W) were appointed as Statutory Auditors of the Company at the 17th AGM held on September 29, 2016 for a term of 5 (Five) consecutive years to conduct the audit of F.Y. 2016-2021. However, on the completion of one term, M/s. Saurabh R Shah & Co., Chartered Accountants not intended to re-appoint for second term due to dissolution of firm in near future. Hence, they intimated to the company their retirement from the office of statutory auditor and not offered themselves for re-appointment and requested the company to relieve them from the duties of statutory auditor w.e.f. June 17, 2021.

Based on the experience and competency of the Auditors, requirement of the Company and other relevant aspects and on the recommendation of Audit Committee, Board of Directors ('the Board') at their meeting held on June 17, 2021 appointed M/s. Ashok Dhariwal & Co.(FRN.: 100648W), Chartered Accountant as a Statutory Auditor of the Company for a term of 5 (Five) consecutive years commencing from F.Y. 2021-22 to 2025-26, subject to approval of shareholders at ensuing Annual General Meeting in place of retiring auditors M/s. Saurabh R Shah & Co., Chartered Accountants .

The Auditors have confirmed that they are eligible for appointment and their appointment, if made, would be within the prescribed limits and shall be in accordance with the conditions and criteria as prescribed under section 141 and other applicable provisions of the Act and Rules made thereunder and board confirmed their eligibility under the relevant provisions of Chapter X of the Companies Act, 2013 and rules made thereunder.

The proposed fee for the said appointment will be Rs.4, 00,000/- (Rupees Four Lakhs) (exclusive of taxes and reimbursement of out of pocket expenses at actuals) which is in line with the industry standards and is not materially different from the fee paid to the erstwhile auditors. The Audit Committee has taken into account the experience and expertise of the auditors and recommended them to the Board for appointment. The Board has accordingly appointed M/s. Ashok Dhariwal & Co. and recommending to the shareholders for their appointment a term of 5 (Five) consecutive years and who shall hold the office till the conclusion of 27th Annual General Meeting of the Company to be held in the year 2026.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

The Board of Directors recommend the Resolution at Item No. 3 of the accompanying Notice for the approval of the Members of the Company as an ordinary resolution.

Item No.4**To approve re-appointment of Mr. Zankarsinh Solanki as a whole-time director:**

The Members of the Company at the 17th Annual General Meeting held on September 29, 2016 approved the appointment of Mr. Zankarsinh Solanki (DIN – 00014226) as a Whole-time Director of the Company for a period of five years with effect from April 01, 2016. Mr. Zankarsinh Solanki has completed his present term on March 31, 2021.

The Board of Directors of the Company ('the Board'), on the recommendation of the Nomination & Compensation Committee, at the meeting held on June 17, 2021, re-appointed Mr. Zankarsinh Solanki as a Whole-time Director for the period of 5 (Five) years w.e.f. April 01, 2021.

The Company has received from Mr. Zankarsinh Solanki (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013, and (iii) Notice of interest in Form MBP-1 in terms of section 184 (1), and other applicable provisions of the Companies Act, 2013.

The terms and conditions of his appointment are as follows:

- a. Period of Appointment Five years from 1st April, 2021 to ending on 31st March, 2026.
- b. Remuneration Details: Monthly Salary Maximum 60000/- (Rupees Sixty Thousand Only) including Bonus, cash allowances and Incentives with the authority granted to the Board of Directors to determine the salary and grant such increases from time to time within the aforesaid limit. Other facilities, if any It includes Company's Contribution to Provident Fund, Provision for Gratuity, Encashment of Leave Salary, as per the rules of the Company. These shall not be included in computation of above limits of remuneration. Minimum Remuneration Notwithstanding anything herein above stated, wherein any financial year, the Company incurs loss or its profits are inadequate, the Company shall pay to Shri Zankarsinh Solanki, the remuneration by way of Salary, Bonus and Other Allowances not exceeding the limits specified under Schedule V to the Companies Act, 2013 (including any statutory modifications or reenactment (s) thereof, for the time being in force), or such other limits as may be prescribed by the Government from time to time.
- c. Termination: Mr. Zankarsinh Solanki can be terminated by either party giving 3 months' notice in writing of such termination.
- d. Duties and Responsibilities: Mr. Zankarsinh Solanki shall be responsible for entire commercial assignments as applicable under various statutes and shall perform such duties which may be entrusted to him, subject to superintendence, control and guidance of Board of Directors.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force) for the appointment of Mr. Zankarsinh Solanki as a Whole- Time director w.e.f. April 01, 2021.



None of the other Directors and key managerial personnel or their relatives, except Mr. Zankarsinh Solanki, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 4 for the approval of members.

Item No.5

To Increase Authorized Share Capital of the Company and consequential amendment in Memorandum of Association of the Company:

The Authorized Share Capital of the Company is Rs. 27, 00, 00,000/- (Rupees Twenty Seven Crores only) divided into 270000000 (Twenty Seven Crores) Equity Shares of Rs.1/- (Rupee One) each.

Considering the increased fund requirements of the Company, the Board at its Meeting held on August 12, 2021, had accorded its approval for increasing the Authorized Share Capital from Rs. 27,00,00,000/- (Rupees Twenty Seven Crores only) to Rs. 50,00,00,000 (Rupees Fifty Crore only) by creation of 23,00,00,000 (Twenty Three Crore) additional equity share of Rs.1/- each (Rupee One), subject to shareholders approval.

It is therefore proposed to increase the Authorized Share Capital of the Company from Rs. 27,00,00,000/- (Rupees Twenty-Seven Crores only) to Rs. 50,00,00,000 (Rupees Fifty Crore only) equity share of Rs.1/- each ranking paripassu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company.

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorized Share Capital.

Pursuant to section 61 of the Companies Act, 2013, the proposed increase in Authorized Capital and the consequential changes in Clause V of the Memorandum will require the approval of the Members of the Company.

The resolution is therefore proposed at Item No. 5 of the Notice to increase the Authorized Share Capital of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested in this resolution.

The Directors recommend the resolution at Item No.5 of the accompanying Notice for the approval of the Members of the Company.

Date: August 12, 2021
Place: Ahmedabad

**By Order of the Board of Director,
Gyscoal Alloys Limited**

Sd/-

Viral Shah
Chairman

GYSCOAL ALLOYS LIMITED

(CIN: L27209GJ1999PLC036656)

Plot No. 2/3 GIDC Ubkhal, Kukarwada,
Tal. Vijapur, Dist. Mehsana Kukarwada
Mahesana GJ 382830 IN



DIRECTOR'S REPORT

To
The Members,
Gyscoal Alloys Limited

Your Directors are pleased to present the **22nd Annual Report** on business and operations of the company together with the Audited Financial Statements for the financial year ended March 31, 2021.

Financial Highlights

The Company's financial performances for the year under review along with previous year's figures are given hereunder:

| Particulars | (Rs. In Lakhs) | | | |
|--|----------------|----------|--------------|----------|
| | Standalone | | Consolidated | |
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| Total Revenue | 1281.52 | 7,347.75 | 1281.52 | 7,347.75 |
| Operational Expenses | 9445.61 | 7763.36 | 9445.61 | 7763.36 |
| Earning/ Loss Before Finance Cost, Depreciation and Tax (EBIDTA) | (8164.09) | (415.61) | (8164.09) | (415.61) |
| Less: Finance Cost | 617.33 | 596.33 | 617.33 | 596.33 |
| Less: Depreciation & Amortization Cost | 454.46 | 553.95 | 454.46 | 553.95 |



| | | | | |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Earning/Loss Before Taxation | (9235.88) | (1565.89) | (9235.88) | (1565.89) |
| Less: Tax Expenses | (1786.46) | (197.03) | (1786.46) | (197.03) |
| Other Comprehensive Income | 47.24 | 7.00 | 47.24 | 7.00 |
| Earnings/Loss After Tax (EAT) | (7,402.18) | (1,361.86) | (7,402.18) | (1,361.86) |

Review of Business Operations

Your Company has posted Revenue from operations (Net) for the current year standalone and Consolidated at Rs. 1281.52 Lakhs which was at Rs. 7347.75 Lakhs during the previous year. The loss before interest, depreciation, tax and exceptional items for the current year standalone and Consolidated stands at Rs. 8164.09 Lakhs which were at Rs. 415.61 Lakhs during the previous year. Standalone and Consolidated Net Loss after tax of Rs. 7402.18 Lakhs as compared to previous year Net Loss after Tax of Rs. 1,361.86 Lakhs.

The Consolidated Financial Statements for the financial year 2020-21 of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and form part of this Annual Report.

Impact of COVID19

The outbreak of corona virus (Covid-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The company has evaluated impact of this pandemic on its business operations. Based on the review and current Indicators of future economic conditions, as on current date, the Company has concluded that the impact of Covid-19 is not material based on these estimates. Due to the nature of pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

Dividend

On account of losses incurred for the year under review and keeping in mind the need to conserve resources, your Directors did not recommend any dividend on Equity Shares for the year ended March 31, 2021.

Transfer to Reserves

Your company does not propose to transfer any amount to the 'Reserves' for the year ended March 31, 2021.

Share Capital

The Company's authorized share capital during the financial year ended March 31, 2021, remained at Rs. 27,00,00,000 (Rupees Twenty Seven Crores only) consisting of 270000000 (Twenty Seven Crores) equity shares of Rs. 1/- (Rupee One) each.

The paid up Equity Share Capital of the Company as on March 31, 2021, remained at Rs. 15,82,75,560 (Rupees Fifteen Crores Eighty Two Lakhs Seventy Five Thousand Five Hundred Sixty only) consisting 15,82,75,560 (Fifteen Crores Eighty Two Lakhs Seventy Five Thousand Five Hundred Sixty) Equity Shares of Rs. 1/-(Rupee One) each.

During the year there is no change in shares capital of the Company.

Subsidiary, Joint Venture & Associate Companies & Consolidated Financial Statement

The Company has prepared Consolidated Financial Statements in accordance with the Indian Accounting Standards (Ind AS) and as per Schedule III to the Companies Act, 2013. Except where otherwise stated, the accounting policies are consistently applied.

The Board has reviewed the affairs of the Company's associates during the year at regular intervals. In accordance with section 129(3) of the Companies Act, 2013, the Company has prepared Consolidated Financial Statements of the Company and its Associates forms part of this Annual Report. In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Associates companies in Form AOC-1 is provided as "**Annexure A**" to this report.

During the year under review, there were no Companies which have become or ceased to become subsidiary, associate or joint venture of your Company.

In accordance with third proviso to Section 136 of the Act, the Annual Report of your Company, contains inter alia the audited Standalone and Consolidated Financial Statements.

Deposits from Public

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 or any other applicable provision(s), if any.

Particulars of Loans, Advances, Guarantees and Investments

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of the Listing Regulations, disclosure on particulars relating to Loans, Advances, Guarantees and Investments are provided as part of the financial statements.

Listing on stock exchanges

The Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited. The Company had paid Annual Listing fees to both the stock exchanges for the Financial Year 2021-22 within the stipulated time.

Conservation of energy, research and development, technology absorptions and foreign exchange earnings and outgo

The relevant information on conservation of energy, technology absorption, foreign exchange earnings & outgo as required to be disclosed in term of Section 134(3)(m) of the Companies Act, 2013 together with the Companies (Accounts of Companies) Rules, 2014 is annexed to this report as "**Annexure B**".

Directors and Key Managerial Personnel

During the year under review, based on recommendation of Nomination and Remuneration Committee, the Board of directors have appointed Mr. Sunit Shah (DIN: 08074335), Ms. Yashree Dixit (DIN: 07775794) in its Board Meeting held on June 30, 2020 as an Additional Non-Executive Independent Director on board for a term of 5 (Five) consecutive years w.e.f. June 30, 2020. Appointment of Mr. Sunit Shah and Ms. Yashree Dixit regularized by the Shareholders as a Non-Executive Independent Director at their 21st Annual General Meeting (AGM) held on September 29, 2020.

In the opinion of the Board, all our Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity and being eligible, offered himself to be appointed as an Independent Director of the Company for a term of 5 (Five) consecutive years.

Ms. Sarojben Shah (DIN: 08777385) appointed by Board of Directors based on recommendation of Nomination and Remuneration Committee at their meeting held on June 30, 2020 as an Additional Non-Executive - Non Independent Director and she resigned on August 24, 2020 due to pre-occupancy.

Ms. Dipali Shah (DIN:08845576) appointed by Board of Directors based on recommendation of Nomination and Remuneration Committee at their meeting held on August 24, 2020 as an Additional Non-Executive - Non Independent Director and regularized by the Shareholders at their 21st AGM held on September 29, 2020.

Ms. Nilam Relwani stepped down as an Independent Director from the Board with effect from June 25, 2020.

Mr. Zankarsinh Solanki resigned as a Chief Executive Officer (CFO) of the Company with effect from the end of the day on June 30, 2020 due to Pre-occupancy and personal reasons. Further, Board based on recommendation of Nomination and Remuneration Committee appointed Mr. Vishal Parikh as a CFO of the Company w.e.f. June 30, 2020.

Ms. Yashaswini Pandeya, Company Secretary and Compliance Officer resigned with effect from October 01, 2020. Board based on recommendation of Nomination and Remuneration Committee at their meeting held on November 12, 2020, appointed Ms. Hiral Patel as a Company Secretary and Compliance Officer of the Company w.e.f. November 12, 2020.

As per provision of the Section 152(6) of the Act, Mr. Zankarsinh Solanki (DIN 00014226), Whole-Time Director, retires by rotation at the ensuing AGM and, being eligible, offers himself for re-appointment.

Meetings of the Board, Committees & Compliance to Secretarial Standards

- **Meeting of the Board and Committees**

The Board met 6 (Six) time during the year on June 30, 2020, July 31, 2020, August 24, 2020, September 15, 2020, November 12, 2020 and February 13, 2021. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days.

Pursuant to the requirements of Schedule IV to the Companies Act, 2013 and Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on February 13, 2021.

Details of the meeting of the Committees are provided in the Corporate Governance Report.

During the year under the review, the Company has complied with the provisions of Secretarial Standard 1 (relating to meeting of the Board of Directors) and Secretarial Standard 2 (relating to General Meetings).

- **Composition of Committees**

The Company have 3 (Three) Committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee. A detailed note on the composition of the board and other committees are provided in the Corporate Governance Report.

- **Audit Committee**

As required under section 177 (8) of the Companies Act, 2013 and Listing Regulations, the composition of the Audit Committee is mentioned herein below:

| Name of Member | Designation |
|--------------------|---------------------------|
| Mr. Samirbhai Jani | Chairman to the Committee |
| Mr. Viral Shah | Member |
| Ms. Yashree Dixit* | Member |

*During the year Ms. Yashree Dixit become member of Audit Committee on June 30, 2020.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board and Nomination and Remuneration Committee had laid down the process and criteria for annual performance evaluation of the Board, its Committees and Individual Directors. The evaluation criteria, inter-alia, covered various aspects of the Board functioning including its composition, attendance of Directors, participation levels, bringing specialized knowledge for decision making, smooth functioning of the Board and effective decision making.

The performance of individual Directors was evaluated on parameters such as level of engagement and contribution, independence of judgment and safeguarding the interest of the Company, etc. The Directors expressed their satisfaction with the evaluation process.

Remuneration of Directors and Employees

A Statement pursuant to section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & remuneration of Managerial Personnel) Rules, 2014 is attached as “Annexure C”.

Policy on Directors' Appointment, Payment of Remuneration and discharge of their duties

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to Section 178(3) of the Companies Act, 2013.

The philosophy for remuneration of Directors, Key Managerial Personnel and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The Remuneration Policy of the Company is aligned to this philosophy.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company. Details of the Remuneration Policy are given in the Corporate Governance Report, which is a part of this report and is also available on website of the Company www.gyscoal.com.

Auditors

- **Statutory Auditor**

M/s. Saurabh R Shah & Co., Chartered Accountants (FRN. 127176W), were appointed as The Statutory Auditors of the company at the 17th AGM held on September 29, 2016 for a term of 5 (Five) consecutive years to hold the office till the conclusion of the 22nd AGM to conduct statutory audit of F.Y. 2016-2021.

However, on the completion of one term, M/s. Saurabh R Shah & Co., Chartered Accountants not intended to get re-appoint for second term due to dissolution of firm in near future. Hence, they intimated to the company their retirement from the office of statutory auditor and not offered themselves for re-appointment and requested the company to relieve them from the duties of statutory auditor w.e.f. June 17, 2021.

Based on the experience and competency of the Auditors, requirement of the Company and other relevant aspects and on the recommendation of Audit Committee, Board of Directors ('the Board') at their meeting held on June 17, 2021 appointed M/s. Ashok Dhariwal & Co.(FRN.: 100648W), Chartered Accountant as a Statutory Auditor of the Company for a term of 5 (Five) consecutive years commencing from F.Y. 2021-22 to 2025-26, subject to approval of shareholders at 22nd Annual General Meeting in place of retiring auditors M/s. Saurabh R Shah & Co., Chartered Accountants .

The Auditor's Report for the financial year ended March 31, 2021, does not contain any qualification, reservation or adverse remark. The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The report is enclosed with the financial statements in this annual report.

- **Internal Auditor**

The Company has re-appointed M/s Fenil P Shah, Ahmedabad as Internal Auditors in board meeting dated 17th June 2021 as Internal Auditors to carry out the internal audit of the Company for the financial year 2021-22. The Internal Auditors' Reports are regularly reviewed by the Senior Management and the Audit Committee of the Board for its implementation and effectiveness.

- **Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies appointment and Remuneration of Managerial Personnel] Rules, 2014, M/s. Chirag Shah & Associates, Practicing Company Secretaries, Ahmedabad, were appointed as a Secretarial Auditors of the Company by the Board at their meeting held on July 31, 2020 to conduct the Secretarial Audit of the Company for the Financial year 2020-21. The secretarial audit report in the prescribed form MR-3 is attached herewith as **“Annexure D”**.

Certain remarks in the Secretarial Audit Report do not have material impact on financial performance of the Company. The views of the Management on each such remark are given hereunder:

1. As per Regulation 17 (1) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') The Company was not having six directors on the Board of the Company from April 01, 2020 to June 29, 2020. NSE has imposed fine of Rs. 4,50,000 to the company.

The said non-compliance was cured by appointing Mr. Sunit Shah and Ms. Yashree Dixit as an Independent Director and Ms. Saroj Shah as a Non-Executive Non-Independent Director w.e.f. June 30, 2020. The fine of Rs. 2,00,000 was paid by the Company. However, Company has applied for waiver of fine and matter is pending before NSE. The delay in compliance was occurred due to COVID-19 crisis and lockdown, the process of selecting capable, expertise and experience got delayed.

2. As per Regulation 17 (1A) of Listing Regulations Company has appointed on Director who has attained the age of seventy-five years, is continuing to be on the Board without a Special Resolution passed. During the period from June 30, 2020 to August 24, 2020. NSE has imposed fine of Rs. 1,12,000 to the company.

Ms. Sarojben Shah was appointed as an Additional Non-Executive Director w.e.f. June 30, 2020 and will hold the office till the conclusion of ensuing Annual General Meeting ("AGM") to be held on September 29, 2020 i.e. the Board had approved her appointment as per section 161 of the Act subject to approval of the members at ensuing AGM through passing Special Resolution, but before the conduct of AGM, she tendered her resignation on August 24, 2020.

The fine of Rs. 1,12,000 has been paid in total payment of penalty of Rs. 2,00,000 and also applied for waiver of fine and matter is pending before NSE.

3. As per Regulation 18 (1) (a) & 18 (1)(b) of Listing Regulations the audit committee was not having minimum three directors as members and was not having two-thirds of the members of audit committee as an independent director. During the Period from February 08, 2020 to June 30, 2020 the Audit Committee was comprised of 2 directors.

The said non-compliance was cured by appointing Ms. Yashree Dixit as an Independent Director w.e.f. June 30, 2020. Before end of quarter company has duly complied with the provision of Regulation 18 (1) (a) & 18 (1)(b) of Listing Regulations.

4. As per Regulation 19 (1) (a) of Listing Regulations Nomination and remuneration Committee was not having minimum three directors as members. During the Period from February 08, 2020 to June 30, 2020 the Nomination and remuneration Committee was comprised of 2 directors.

The said non-compliance was cured by appointing Ms. Yashree Dixit and Mr. Sunit Shah as an Independent Director w.e.f. June 30, 2020. Before end of quarter company has duly complied with the provision of Regulation 19 (1) (a) of Listing Regulations.

Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014 the Company does not require to appoint Cost auditor and conduct audit for the financial year 2020-21.

Employees Stock Option Schemes

During the year under review, your company has not declared or granted any Employee Stock Options to the Directors or Employees of the Company.

Declaration by Independent Directors and statement on compliance of Code of Conduct

During the year under review, all Independent Directors have given their declarations stating that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) Listing Regulations and have also complied the Code for Independent Directors as prescribed in Schedule IV to the Companies Act, 2013. In opinion of the Board, they fulfill the conditions of independence as specified in the Companies Act, 2013 and Rules made thereunder and Listing Regulations.

In terms of provisions of Listing Regulations, the Board of Directors of the Company have laid down a Code of Conduct ("Code") for all Board Members and Senior Management Personnel of the Company. The Board Members and senior management personnel of the Company have affirmed compliance with the Code. The Managing Director of the Company has given a declaration to the Company that all Board Members and senior management personnel of the Company have affirmed compliance with the Code.

Familiarization Programme for Directors

The Company believes that a Board, which is adequately informed/familiarized with the Company and its affairs can contribute significantly to effectively discharge its fiduciary duty as director of the company and that fulfils stakeholders' aspirations and societal expectations. In this regard, the Directors of the Company are updated on changes/developments in the domestic/global industry scenario in the sector which affect the business of the Company, to enable them to take well informed and timely decisions. The Company believes that the Board be continuously empowered with the knowledge of the latest developments in the Company's business and the external environment affecting the industry as

a whole. The details of familiarization programs have been disclosed on the website of the Company www.gyscoal.com.

Human Resource Development

Your Company believes that Human Resources play a vital role in achieving its corporate goal. Hence, the Company continues to invest on hiring the best talent from other industries, developing and retaining the available talent to ensure a sustainable talent supply within the organization. The Company provides various opportunities to the employees to develop their skills to take up higher responsibilities in the organization.

Vigil Mechanism process (Whistle Blower Policy)

As per the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has devised a vigil mechanism named Whistle Blower Policy for escalating system of ethical concerns etc. and to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy are available on the website of the Company at www.gyscoal.com and also given in the Corporate Governance Report.

Directors Responsibility Statement

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors had 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 at the end of the financial year and of the loss of the Company for that period;
- c) the Directors had 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 for the year ended March 31, 2021 on a 'going concern' basis;
- e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and 22nd Annual Report 2020-21

external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2020-21.

Internal Control Systems and their Adequacy

The Company has an Internal Control System, commensurate with the size and nature of its business operations. The Company has appointed an external audit firm for internal audit of the Company.

The Company has appointed M/s. Fenil P Shah as Internal Auditors to carry out the internal audit. The Internal Auditor reviews the adequacy of internal control system in the Company and its compliance with operating systems and policies & procedures. Based on the report of internal auditor, the account department undertakes corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee on quarterly basis. The Internal Auditors' Reports are regularly reviewed by the Senior Management and the Audit Committee for its implementation and effectiveness. The details in respect of internal financial control and their adequacy are also included in the Management Discussion and Analysis Report, which is a part of this report.

Risk Management

Risk is an integral part of any business and therefore, Risk Management is an important function that the business management has to perform to ensure sustainable business growth. The Company has a Risk Management framework in place to identify, assess, monitor and mitigate various risks to the business. This framework seeks to minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The framework also defines the risk management approach across the company at various levels.

The Company does not fall under the ambit of top 100 listed entities, determined on the basis of market capitalization as at the end of the immediately preceding financial year. Hence, compliance under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

Management Discussion and Analysis Report & Corporate Governance

The Management Discussion and Analysis Report on the Industry and business operations of the Company, as required under Listing Regulations are set out in **"Annexure-E"** forming part to this Report.

As prescribed under Regulation 34 (3) read with Schedule V of the Listing Regulations, a separate section on corporate governance practices implemented by the Company, along with the Compliance Certificate from the Secretarial Auditors regarding compliance of conditions of corporate governance as stipulated in Listing Regulations are set out in **"Annexure F"** forming part to this Annual report.

Corporate Social Responsibility

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of Section 135 of Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 does not applicable to the Company.

Related Party Transactions

During the year under review, all related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company or which requires the approval of the shareholders. Since all related party transactions entered into by the Company were in ordinary course of business and were on arms' length basis, Form AOC-2 is not applicable to the Company. The details of the transactions with Related Party are provided in the note of the standalone audited financial statements in accordance with the Accounting Standards.

All Related Party Transactions are placed before the Audit Committee and the Board on quarterly basis. Omnibus approval of audit committee and board are obtained for the transactions which are forecasted and are repetitive in nature. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at www.gyscoal.com.

Material Changes

There have been no material changes and commitments affecting the financial position of the Company between the end of financial year of the Company to which the financial statements relate and date of this report.

Significant and Material orders passed by the Regulators or Courts

During the financial year under review, no significant or material orders were passed by any Regulatory/ Statutory Authorities or the Courts or tribunals which would impact the going concern status of the Company and its future operations.

Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government

During the year under review, the Statutory Auditors and Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors as prescribed under Section 143(12) of the Companies Act, 2013 and rules made thereunder.

Disclosure

- Your Company strongly believes in providing a safe and harassment free workplace to all its employees. The Company continuously endeavors to create and provide an environment that enables women employees to work without fear of prejudice, gender bias and sexual harassment and/or any such orientation in implicit or explicit form. For this purpose, the Company has in place 'Policy of Protection of Women against Sexual Harassment at Work Place' and also formed Complaint Redressal Committees at various administrative units/ Offices. During the year under review, no cases of sexual harassment against women employees at any of its work place were filed under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders which prohibits trading in securities of the company by directors and employees while in possession of Unpublished Price Sensitive Information in relation to the Company. The said code is available on the website of the Company at www.gyscoal.com.
- During the Year under review, company has complied with Secretarial Standards as applicable to the company.
- The Company has maintained cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.
- Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, a copy of the Annual Return is available on the Company's website at www.gyscoal.com. By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's report.

ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**For and on behalf of Board of Directors,
Gyscoal Alloys Limited**

Sd/-

Viral Shah

Chairman and Managing Director

Date: August 12, 2021

Place: Ahmedabad



ANNEXURE -A

FORM AOC - 1

*(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)***Statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures****Part "B": Associates and Joint Ventures****(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)****(INR in Lakhs)**

| Name of Associates/Joint Ventures | Goldman Hotels and Resort Private Limited (CIN: U55101DL2016PTC307912) (Associate Company) |
|--|---|
| Latest audited Balance Sheet Date | March 31, 2021 |
| Shares of Associate/Joint Ventures held by the company on the year end | |
| <ul style="list-style-type: none"> No. of Equity Share Capital | 2600 |
| <ul style="list-style-type: none"> Amount of Investment in Associates | 0.26 (Company has written off whole investment in associates against losses) |
| <ul style="list-style-type: none"> Extend of Holding % | 26 |
| Description of how there is significant influence | Due to Percentage of stake of the Company |
| Reason why the associate/joint venture is not consolidated | NA |
| Net worth attributable to Shareholding as per latest audited Balance Sheet | Nil |
| Profit / (Loss) for the year (for the F Y 2020-21) <ul style="list-style-type: none"> Considered in Consolidation Not Considered in Consolidation | Nil |

**For and on behalf of Board of Directors,
Gyscoal Alloys Limited
Sd/-**

Date: August 12, 2021
Place: Ahmedabad

**Viral Shah
Chairman**

ANNEXURE -B

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

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

A. Conservation of Energy :

| Sr. No. | Particulars | Particulars |
|---------|--|---|
| 1. | Steps taken or impact on conservation of energy | The Company has adopted several energy conservation measures besides what had been carried out earlier. The Company continued to focus on initiatives that enable improved efficiency in energy use and has deployed several technological interventions to conserve energy. Periodical testing is being taken for each unit of power supply to verify that the energy consumed is minimized. Company has installed Solar panel to save the energy. By Preventing wastage / minimization of energy usage by relentless optimization of process parameters to achieve lower values of fuel / energy consumption. Company studying available potential of recovered energy from various sources and doing a cost-benefit analysis of practices required. By Reduced oxygen venting losses through better demand and supply management. Your company is using LED lights in offices to save power and energy. The Company is using renewal energy through power trading to reduce overall energy cost. |
| 2. | Steps taken by the company for utilizing alternate sources of energy | |
| 3. | Capital investment on energy conservation equipments. | |

B. Technology Absorption:

| | |
|---|---|
| Efforts made towards technology absorption | Continuous endeavor to improve Product Quality & Process Yield. |
| Benefits derived like product improvement, cost reduction, product development or import substitution | The Company is able to market its value added products in Domestic as well as International Market. The company is able to cater its customers' requirements through innovation in Technology/ process. |

| | |
|---|--|
| in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) | The Company has not imported any technology since last three financial year. |
| • the details of technology imported; | N.A. |
| • Year of import | N.A. |
| • Whether the technology been fully absorbed | N.A. |
| • if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | N.A. |
| the expenditure incurred on Research and Development | Nil |

C. FOREIGN EXCHANGE EARNING AND OUTGO:

| Particulars | (INR in Lakhs) | |
|------------------------------|----------------|---------|
| | 2020-21 | 2019-20 |
| Foreign Exchange earnings | 3900.83 | 1406.20 |
| Total Foreign Exchange outgo | 62.00 | 258.49 |

**For and on behalf of Board of Directors,
Gyscoal Alloys Limited**

Sd/-

Date: August 12, 2021
Place: Ahmedabad

Viral Shah
Chairman

ANNEXURE C

Details Pertaining to Employees as Required under Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Persons) Rules, 2014.

- (i) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

| Sr.No | Name of Director | Remuneration of Director for FY 2020-21 (INR in Lacs) | Ratio of remuneration |
|-------|---|---|-----------------------|
| 1 | Mr. Viral Shah-Managing Director | Nil | NIL |
| 2 | Mr. Zankarsinh Kishorsinh Solanki- Whole Time Director and CFO* | 3.84 | 2.79 |

* Mr. Zankarsinh Kishorsinh Solanki Resigned as a CFO w.e.f. June 30, 2020.

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

| Sr. No | Name of Director/KMP and Designation | Remuneration of Director/KMP for FY 2020-21 (INR In Lacs) | % increase in Remuneration in the FY 2020-21 |
|--------|---|---|--|
| 1 | Mr. Viral Shah-Managing Director* | Nil | NA |
| 2 | Mr. Zankarsinh Kishorsinh Solanki-Whole Time Director and Chief Financial Officer (CFO)** | 3.84 | -21.22 %** |
| 3 | Mr. Vishal Parikh, CFO*** | 4.72 | NA |
| 4 | Ms. Yashaswini Pandey, Company Secretary (CS)**** | 1.76 | -24.74% |
| 5 | Ms. Hiral Patel, CS***** | 1.75 | |

* Mr. Viral Shah, Chairman and MD, has abstained from receiving remuneration from the Company and hence not stated.

**Mr. Zankarsinh Kishorsinh Solanki Resigned as CFO w.e.f. June 30, 2020. In the F.Y. 2019-20 salary includes salary as a WTD and CFO. Hence, salary of F.Y. 2019-20 is more than salary of F.Y. 2020-21.

*** Mr. Vishal Parikh appointed as CFO w.e.f. June 30, 2020.

**** Ms. Yashaswini Pandey resigned as C.S. w.e.f. October 01, 2020.

*****Ms. Hiral Patel appointed as C.S. w.e.f. November 12, 2020.

Note: % increase in ratio of C.S. is taken based on designation and not on the basis of candidate.

- (iii) The median remuneration of employees of the Company was Rs. 1.38 lakh.

- (iv) Percentage increase in the median remuneration of employees in the financial year: 34.26%

(v) Number of permanent employees on the rolls of company:

There were 46 permanent employees on the rolls of Company as on March 31, 2021.

(vi) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The Average percentile increase in the salaries of employees other than the managerial personnel in the F.Y. 2020-21 is 38.37%. The average percentile decrease in remuneration of managerial personnel during the F.Y. 2020-21 is 26.29 % as Managing Director has not taken remuneration during the current financial year.

(vii) Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company:

The Company affirms that the remuneration is as per the Nomination and Remuneration Policy of the Company.

(viii) The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Having regard to the provisions of Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the Members excluding such information. However, the said information is available for inspection by the Members at the registered office of the Company during its working hours up to the date of ensuing Annual General Meeting. Further, any Member interested in obtaining such information may obtain it by writing to the Company Secretary at: cs@gyscoal.com.

(ix) Details of remuneration:

The details of employees of the company who have drawn remuneration of more than the amount prescribed under the Section 197(12) of the Companies Act, 2013 and rules made thereunder are provided herein below:

| Name of Employee | Mr. Zankarsinh Solanki | Mr. Vishal Parikh |
|--|---|--|
| Designation | Whole-Time Director | Chief Financial Officer |
| Remuneration received | 3.84 Lakhs | 4.72 Lakhs |
| Remuneration received | | |
| Nature of Employment | Whole-Time | Whole-Time |
| Qualification and experience of Employee | BE Electrical Experience: - He is having experience of more than 15 years in the steel & alloys business and has contributed significantly in the growth | He has completed PG Diploma in International Business Management and Bachelor of Commerce. |

| | | |
|--|--|---|
| | process of the company. He has a vast experience of entrepreneurial in establishing various ventures in steel and alloys Sectors. He has in-depth knowledge and experience in steel manufacturing as well as international sourcing and marketing. He handles all the production as well as marketing (domestic and international) related activities of the company. He Provides Guidance for the manufacturing of the products and having wide ranging contacts in the steel and alloys field, he brings in varied business deals for the company. | He has passed Inter level of Chartered Accountancy course. He has more than 18 years of work experience in the field of Finance and management. |
| Date of commencement of employment | February 01, 2002 | June 30, 2020 |
| Age of Employee | 43 Years | 44 Years |
| Last Employment held by employee | NA | Sanghi Industries Limited |
| Percentage of Equity Shares held in the Company | 0.98% | - |
| whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager | NA | NA |

**For and on behalf of Board of Directors,
Gyscoal Alloys Limited**

Sd/-

**Viral Shah
Chairman**

Date: August 12, 2021

Place: Ahmedabad



ANNEXURE D

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Gyscoal Alloys Limited
Plot No. 2/3 GIDC Ubkhal,
Kukarwada, Tal. Vijapur,
Dist. Mehsana Kukarwada
Mahesana-382830

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gyscoal Alloys 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 our opinion thereon.

Based on our verification of the Company’s 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 by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, 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. The physical Inspection or Verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- (i). The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii). The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the audit period);
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: Not Applicable to the Company during the audit period
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: - Not Applicable to the Company during the audit period
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: - Not Applicable to the Company during the audit period
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: -Not Applicable to the Company during the audit period)
 - i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- (vi). Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

As per Management representation there are no other specific acts applicable to the company.

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

- a. Secretarial Standards issued by the Institute of Company Secretaries of India; -Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with Stock Exchange(s): -

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc ***except Regulation 17(1)(c), 17(1A), 18(1)(a), 18(1)(b), 19(1)(a), 20(2A) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2018 and Section 177, 178 of the Companies Act, 2013.***

We further report that, the Board of Directors of the *Company hasn't been duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors upto 30th June, 2020.*

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. In Certain cases, the shorter notice was given for board meeting and the consent of all directors were taken for the same.

Majority decision is carried through while the dissenting members' views, if any, 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.

Date: August 12, 2021

Place: Ahmedabad

For, Chirag Shah and Associates

Sd/-

Chirag Shah

Membership No.: 5545

CP No.: 3498

UDIN : F005545C000774192

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

**‘Annexure A’**

To,
The Members
GYSCOAL ALLOYS LIMITED

Our Secretarial Audit Report of even date is to be read along with this letter.

Management’s Responsibility

- a) It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor’s Responsibility

- b) Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- c) We believe that audit evidence and information obtain from the Company’s management is adequate and appropriate for us to provide a basis for our opinion.
- d) Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

- e) 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: August 12, 2021

For, Chirag Shah and Associates

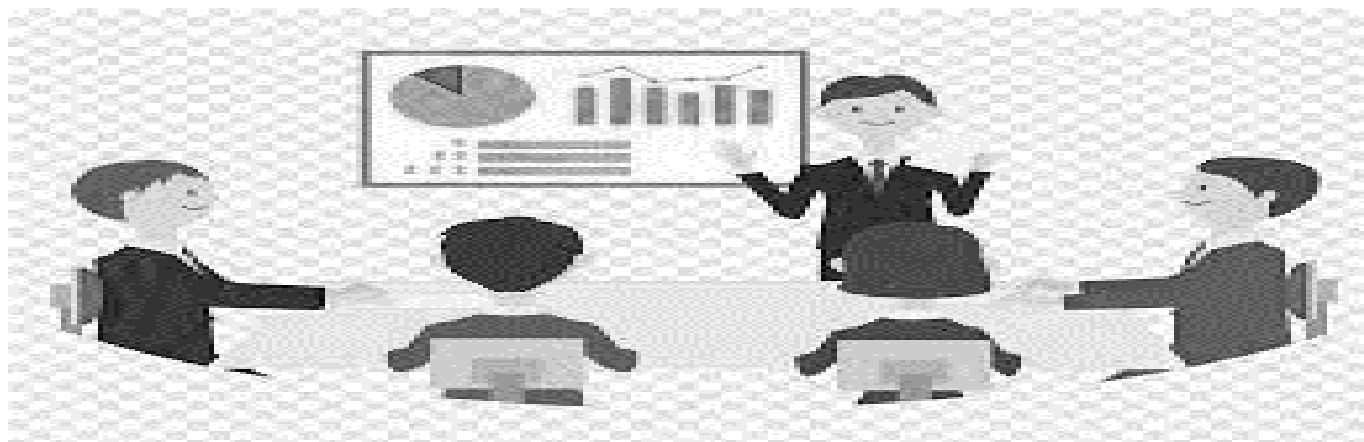
Sd/-

Chirag Shah

Membership No.: 5545

CP No.: 3498

ANNEXURE E

**MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT****SCENARIO OF STEEL INDUSTRY:****Global economy overview:**

The year 2020 was an exceptional one for the world economy, as it grappled with the COVID-19 outbreak and the resultant challenges to public health, lockdowns and a near closure of international borders for an extended period. Trade was massively disrupted, affecting global supply chains, and governments across the world focused on health infrastructure and ancillary priorities. Global GDP contracted by 3.5% in 2020 as governments in both developed and emerging economies took measures to contain the spread of the COVID-19 virus. While the decline was sharper than the global financial crisis in 2009, but the scale of the fiscal response to the COVID-19 crisis was unprecedented and three times bigger than 2008-09 financial crisis. The response by policy makers prevented a collapse that would have been at least three times worse, and the medium-term losses for the global economy are expected to be smaller than the global financial crisis.

World crude steel production for the 64 countries reporting to the World Steel Association (worldsteel) was 169.2 million tonnes (Mt) in March 2021, a 15.2% increase compared to March 2020.

During FY21, export of finished steel from India was higher by 29.1% at 10.78 million tonnes as compared to export during FY20, mainly driven by China. Share of export to Italy rose to 22% in March 2021 from 12% in March 2020. Share of export to Spain and Hong Kong rose to 5% and 10%, respectively from just under 1% in March 2020. India was net exporter of finished steel during FY21 with net trade surplus of six million tonnes.

Import of finished steel at 4.8 mt was lower by 29.8% over the previous year.

Global crude steel production was 486.9 Mt in the first three months of 2021, up by 10.0% compared to the same period in 2020. Asia and Oceania produced 356.9 Mt of crude steel in the first quarter of 2021, an increase of 13.2% over the first quarter of 2020. The EU (27) produced 37.8 Mt of crude steel in the

first quarter of 2021, up by 3.1% compared to the same quarter of 2020. North America's crude steel production in the first three months of 2021 was 28.1 Mt, a decrease of 5.2% compared to the first quarter of 2020. The CIS produced 26.2 Mt of crude steel in the first quarter of 2021, an increase of 3.1% over the first quarter of 2020.

China's produced 94.0 Mt of crude steel in March 2021, an increase of 19.1% compared to March 2020. India estimates 10 Mt of crude steel production in March 2021. Japan estimates 8.3 Mt of crude steel production in March 2020. South Korea produced 6.1 Mt of crude steel in March 2021. While China is forecasted to continue its rapid growth in 2021, Latin America and the Eurozone is expected to lag behind. US saw overall GDP decline of 3.5%. India's economy rebounded quickly from one of the world's longest and most stringent lockdowns, which also came with steepest fall in GDP in Q2. Real GDP grew by 0.4% in Q3FY2021 after a contraction in the previous two quarters. Real GDP is estimated to have contracted by ~8% in FY 2020-21.

Steel Industry in India

India was the world's second largest steel producer in 2021. India surpassed Japan to become the world's second largest steel producer in 2021 with crude steel production of 10 million tonnes (MT). The Indian steel industry is modern with state-of-the-art steel mills. It has always strived for continuous modernisation of older plants and up-gradation to higher energy efficiency levels. The National Steel Policy, 2017 envisage 300 million tonnes of production capacity by 2030-31. According to Indian Steel Industry Analysis in FY21, the production of crude steel and finished steel stood at 102.49 MT and 94.66 MT, respectively. According to CARE Ratings, crude steel production is expected to reach 112-114 MT (million tonne), an increase of 8-9% YoY in FY22. The consumption of finished steel stood at 93.43 MT in FY21.

As per Indian Steel Association (ISA), steel demand will grow by 7.2 per cent in 2019-20 and 2020-21. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

India's steel industry has also suffered the production loss due to lockdown last year and recovered gradually since then, initially driven by export followed by gradual recovery in domestic demand. Strong rebound in manufacturing and infrastructure development activity has led to a sharp rise in both production and consumption of steel in India. In 2021, India's steel demand is expected to grow by 20% over 2020, taking the demand higher than the pre-pandemic level of 103 MnT, driven by strong infrastructure spending and sustained demand of automotive and consumer durables. India's production of crude steel and finished steel fell by 5.9% to 103 million tonnes and 7.3% to 95.1 million tonnes in FY21, impacted by the Covid-19 pandemic which hampered production mainly in Q1FY21. However, the domestic steel industry made a quick recovery in the second half of FY21 riding on the back of higher international steel demand and revival in domestic demand. By Q2 domestic crude steel production reached 96% of pre-covid levels and by Q3 production was 7.5% higher YoY. In Q4FY21, crude steel production increased by 7.4% as manufacturer's ramp up output in a seasonally strong quarter. Moreover, Q4FY20 output was impacted by lockdown imposed by the central government to

curtail spread of covid-19 thereby resulting in lower production in March 2020. Consumption of finished fell by 6.7% in FY21.

In January 2021, the Ministry of Steel, Government of India, signed a Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India-Japan Steel Dialogue.

Under the Union Budget 2021-22, the government allocated Rs. 39.25 crore (US\$ 5.4 million) to the Ministry of Steel.

India's current steel producing capacity of is ~140 mtpa and the figure is anticipated to rise to 300 mtpa by 2030-31.

Outlook, Risks and concerns:

Your company is mainly focusing on R & D and manpower and the intelligence. Apart from the risk on account of interest rate and regulatory changes, business of the company are exposed to certain operating business risks, which is mitigated by regular monitoring and corrective actions.

Steel demand is expected to be strong due to recovery in manufacturing businesses around the world and global fiscal stimulus supporting infrastructure projects. The outlook for 2021 is expected to be positive because of the unprecedented fiscal stimulus provided by the governments across Europe, the US, Japan, Korea, Russia and China. These stimulus packages are expected to spur growth in these nation's respective infrastructure sectors, boosting steel demand. China is expected to grow by 5% in 2021 with continuation of healthy demand conditions especially in the first half of 2021. Steel demand in key emerging economies (like India, Turkey) and Europe is expected to witness double digit recovery while Asia and Middle-East are likely to grow by 5%.

Political and geopolitical developments, such as a reduction in government stimulus programmes, policies to cut emissions and trade wars, could increase pressure on the steel sector.

The key opportunities boosting the steel demand are as follows:

- Government's focus on strengthening the domestic manufacturing base under the flagship "Atmanirbhar Bharat" programme. The Production Linked Incentive scheme has been introduced to boost the manufacturing sector in industries like automobile & auto components, consumer durables, solar equipment, telecom, etc. These are expected to boost steel consumption.
- Government has announced an investment of over Rs. 1 trillion in infrastructure over the next 5 years. This would be a key growth driver not only for steel industry but will also be a multiplier of growth across the sectors, boosting steel demand from sectors such as transportation, real estate and infrastructure.
- In June 2021, Minister of Steel & Petroleum & Natural Gas Mr. Dharmendra Pradhan addressed the webinar on 'Making Eastern India a manufacturing hub with respect to metallurgical industries', organised by the Indian Institute of Metals. In 2020, 'Mission Purvodaya' was launched to accelerate development of the eastern states of India (Odisha, Jharkhand, Chhattisgarh, West Bengal and the northern part of Andhra Pradesh) through establishment of an integrated steel hub in Kolkata, West Bengal. Eastern India has the potential to add >75% of the country's incremental steel capacity. It is expected that of the 300 MT capacity by 2030-31, >200 MT can come from this region alone.

- In January 2021, the Ministry of Steel, Government of India, signed a Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India–Japan Steel Dialogue.
- Government introduced Steel Scrap Recycling Policy to reduce import.
- An export duty of 30% has been levied on iron ore[^] (lumps and fines) to ensure supply to domestic steel industry.
- Government of India's focus on infrastructure and restarting road projects is aiding the demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.

However, the downside to these opportunities are as follows:

- Resurgence of infections leading to fresh lockdowns, both localised as well as regional / national level resulting in disruption in economic activity.
- Heavy dependence of agriculture sector on monsoon. In last 2 years, a normal monsoon has supported the growth in agriculture sector.
- Slower recovery in contact-based services, which is an integral part of Indian economy and affects lives & livelihood of service sector.

Overview of the Company and its Business:

Gyscoal Alloys Limited is engaged in the business of manufacturing of Stainless Steel and Mild Steel Long Products from scrap since 1999. The plant for the production activities & registered office of the Company is located at Ubkhal, Kukarwada, Vijapur – Taluka, Mehasana– District. The Corporate office of the company is situated at 2nd Floor, Mrudul Tower, Near Times of India, Ashram Road, Ahmedabad.

The Company has the capacity to manufacture all grades of Stainless Steel Products from 200 series to 400 series. The products are primarily used in the construction in chemical plants, Pharmaceutical plants, building construction, railways and other sectors for structural purpose. The Company's products adhere to high quality standards and it has got ISO 9001:2015 certification for "the manufacture and supply of stainless steel and mild steel based angles, flats, round, bright and ingots" from TUV SUD. The Company has also been successful in producing goods according to needs and specifications of its domestic & foreign buyers.

Your Company has got ISO 9001:2000 certification from BSI Management Systems and got ISO 9001:2008 certification for the manufacture and supply of stainless steel and mild steel based angles, flats, round, bright, twisted bars, billets and ingots adhering to IS 2062 & IS 1786 from BSI Management Systems.

Segment-wise or product-wise performance:

The Company is operating in only one segment i.e. S. S. Products. The company mainly manufactures SS Angles, SS Flats & SS Rounds and the % wise breakup of the products of the total turnover of the company is as under:-

S.S. ANGLE BARS 27%

S.S. FLAT BARS 20%

S.S. ROUND BARS 40%

As per World Steel Association top 10 steel producing Countries are China produced 94.0 Mt in March 2021, up 19.1% on March 2020. India produced 10.0 Mt, up 23.9%. Japan produced 8.3 Mt, up 4.6%. The United States produced 7.1 Mt, up 1.0%. Russia is estimated to have produced 6.6 Mt, up 9.4%. South Korea produced 6.1 Mt, up 4.7%. Germany is estimated to have produced 3.6 Mt, up 10.4%. Turkey produced 3.4 Mt, up 9.2%. Brazil produced 2.8 Mt, up 4.1%. Iran is estimated to have produced 2.6 Mt, up 10.7%.

As per World Steel Association India's crude and finished steel production as well as consumption of finished steel during May 2021 was significantly higher than the corresponding month of last year due to low base effect, but was lower than those during earlier years. Crude steel production at 8.5 million tonnes (mt) was 36% higher in May 2021 than in May 2020 but was 11% lower compared with May 2019. Finished steel production stood at 7.8 mt in May 2021 higher than 5.5 mt in May 2020 and lower than 9 mt in May 2019. Consumption of finished steel rose by 52% yoy in May 2021 but when compared with May 2019 was down 17%.

On a month on month basis, steel production showed marginal improvement after falling sharply in April 2021 due to localised lockdowns and diversion of oxygen for medical purposes. Crude steel production was higher by 2.7% m-o-m in May 2021 after falling by 17.2% mom in April 2021. Finished steel production also increased by 2% m-o-m after declining by 21.6% in April 2021. Consumption of finished steel continued to report m-o-m fall for the fifth consecutive month ended May 2021.

Internal control systems and their adequacy:

Internal Financial Control that encompass the policies, processes and monitoring systems for assessing and mitigating operational, financial and compliance risks and control over related party transactions, substantially exist. Your Company has appropriate internal control system for business processes, with regards to efficiency of operations, financial reporting, compliance with applicable laws and regulations. In the Company, the Board of Directors is responsible for ensuring the adequacy and effective monitoring of internal financial controls. The Internal Audit Program is designed in consultation with the Statutory Auditors to ensure accuracy and reliability of accounting data and is monitored by the Audit Committee. Audit observations and recommendations are reported to the Audit Committee, which monitors the implementation of the said recommendations. The Company's internal audit team also carries out extensive audits throughout the year, across all functional areas.

Industrial relations & human resource management:

The Company believes that human resource is the most important assets of the organization. It is not shown in the corporate balance sheet, but influences appreciably the growth, progress, profits and the shareholders' values. During the year your company continued its efforts aimed at improving the HR policies and processes to enhance its performance. The vision and mission of the company is to create culture and value system and behavioral skills to insure achievement of its short and long term objectives.

The Company as at year end has 69 employees on its role and continues to attract talent both from within and outside India to further its business interests. Industrial relations continue to be cordial.

Financial performance with respect to operational performance

Key Financial Ratio

| Particulars | 2020-21 | 2019-20 |
|---|----------|---------|
| Return on Net Worth (%) | (563.37) | -44.38 |
| Return on Capital Employed (%) | (703.30) | -51.03 |
| Basic EPS (after exceptional items) (₹) | -4.68 | -0.86 |
| Debtors Turnover | 0.32 | 0.67 |
| Inventory Turnover | 1.07 | 2.93 |
| Interest coverage ratio | -13.96 | -1.63 |
| Current ratio | 0.46 | 0.94 |
| Debt Equity ratio | -2.28 | 7.71 |
| Operating profit margin (%) | -672.53 | -13.20 |
| Net profit margin (%) | -577.61 | -18.53 |

Details of significant changes in key financial ratios:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness. Credit risk arises primarily from financial assets such as trade receivables, cash and cash equivalent and other financial assets. In respect of trade receivables, credit risk is being managed by the company 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 ensures that sales of products are made to customers with appropriate creditworthiness. All trade receivables are also reviewed and assessed for default on a regular basis. Credit risk arising from cash and cash equivalent and other financial assets is limited as the counterparties are banks and mainly Government companies respectively. The Company has made assessment of Allowance for Credit Loss in respect of Trade Receivables for the first time. The Company has analysed its trade receivables for aging analysis and grouped them accordingly and then applied year wise percentage to calculate the amount of Allowance for Credit Loss in respect of the same. The Company has made provision of Rs.6209.05 Lacs and the same has been charged to statement of profit and loss under the head of Other Expenses.

FINANCIAL PERFORMANCE OF THE COMPANY:

- **Total Revenue:**

Your Company recorded a total income of Rs.1281.52 lakhs, out of which income from the operations was Rs. 1258.33 lakhs during the current year as compared to the previous year total income of Rs.7347.75 lakhs. Company has recorded negative revenue as compared to previous financial year due to outbreak of Global Pandemic COIVD '19 and national and lockdown in first quarter of the year.

- **Expenditure:**

During the year, total expenditure of your company has been increased by 17.91% to INR 10,517 Lakhs in FY 2020-21 as against INR 8914 Lakhs in during the previous FY 2019-20. During the current financial year your company incurred Operational expenses is of INR 9445.61 Lakhs.

- **Employee benefits expenses:**

During the Year under review, the Employee benefits expenses decreased by 52.86% from INR 458.91 Lakhs in F.Y. 2019-20 as compared to INR 216.31 Lakhs in the current Financial Year. The employee benefit expenses have been decreased as employee left the organization during first quarter of F.Y. 2020-21 due to COVID19 pandemic.

- **Finance Cost:**

The finance cost is slightly increased from INR 596.33 Lakhs in F.Y. 2020-21 to INR 617.33 Lakhs as compared to the previous Financial Year 2019-20.

- **Net Profit/(Loss):**

During the year your Company incurred loss by 4.43% to INR 7402.18 Lakhs in F.Y. 2020-21 against previous year loss of INR 1361.86 Lakhs. Net loss rose as factory and offices during first quarter of current financial year was closed due to nationwide lockdown due to COVID19 and non-availability of labor for long time due to pandemic. Hence, production was hampered. Earnings Before Interest, Depreciation, Tax and Amortization (EBIDTA) was Rs. 9445.21 Lakhs in the Financial Year 2020-21.

- **Non-Current Assets:**

The non-current assets have increased by 32.84 % from INR 4054.78 Lakhs to INR 5386.76 Lakhs as compared to the previous Financial Year 2019-20.

- **Current Assets:**

The current assets have been reduced by more than half percentage from INR 14345.63 Lakhs to INR 6069.33 Lakhs as compared to the previous Financial Year 2019-20.

- **Non-Current Liabilities:**

The non-current liabilities increased to INR 3192.36 Lakhs from INR 771.42 Lakhs as compared to the previous Financial Year 2019-20.

- **Current Liability:**

The current liabilities have decreased by 12.88 % to INR 13278.02 Lakhs from INR 15241.1 Lakhs as compared to the previous Financial Year 2019-20.

**CAUTIONARY STATEMENT:**

Certain statements made in this Report relating to the Company's outlook, estimates, predictions etc. may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ from such estimates, whether express or implied. Several factors that could make a difference to Company's operations include climatic conditions and economic conditions affecting demand and supply, changes in Government regulation tax regimes, natural calamities, etc. over which the Company does not have any direct control.

**For and on behalf of Board of Directors,
Gyscoal Alloys Limited**
Sd/-

Date: August 12, 2021
Place: Ahmedabad

Viral Shah
Chairman

ANNEXURE F

**REPORT ON CORPORATE GOVERNANCE**

Corporate Governance Report for the year ended March 31, 2020, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

1. Company’s Governance Philosophy:

Corporate Governance is based on the principal of truth, transparency, accountability, equity and responsibility in all our dealings with our employees, shareholders, customers, suppliers, government, lenders and community at large. The Company believes that better corporate governance can be achieved through increased transparency in its operations and has taken and will continue to take various measures towards achievement of good corporate governance. It is a tool to judge and evaluate the standards and ethics of Corporate Management. At the heart of Company’s Corporate Governance policy is the ideology of transparency and openness in the effective working of the management and Board. It is believed that the imperative for good Corporate Governance lies not merely in drafting a code of Corporate Governance but in practicing it. Strong leadership and effective corporate governance practices have been significant contributors to the Company’s growth story.

A report is in compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (“SEBI”) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “SEBI Regulations”) is given below:

2. Board of Directors:

The business of the Company is conducted under the directions of the Board. The Managing Director and Whole Time Directors look into the day-to-day business affairs of the Company. The Board formulates strategies, regularly reviews the performance of the Company and ensures that the projected targets and agreed objectives are met on a consistent basis. The Board has constituted various committees, which guide the matters delegated to them in accordance with their terms of

reference. The Board of Directors and its Committees provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company.

The Board of Directors ("the Board") meets at least once in a quarter to review the performance and financial results of the Company. The Chairman/Managing Director briefs the Directors at every Board Meeting on overall business performance and general industry trend globally. All major decisions/approvals are taken at the Board Meeting. Any Board member may bring up any matter for consideration of the Board, in consultation with the Chairman.

• Key Board Skill, Expertise and Competencies

In order to effectively discharge its duties, it is necessary that collectively the Board holds the appropriate balance of skills and experience. The Board seeks a complementary diversity of skills and experience across its members. The table below summarizes the key qualifications, skills and Competencies which are taken into consideration while nominating a person to serve on the Board for the effective functioning of the Company and which are currently available with the Board:

| Skills / Expertise / Competencies | Detail for such Skills / Expertise / Competencies |
|---|--|
| Knowledge | Understanding of the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates. |
| Strategic Leadership | Significant leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives. |
| Financial expertise | Qualification and / or experience in accounting and/or finance coupled with ability to analyze the key financial statements; critically assess financial viability and performance; contribute to financial planning; assess financial controls and oversee capital management and funding arrangements. |
| Diversity | Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective. |
| Corporate Governance, risk and Compliance | Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates including establishing risk and compliance frameworks, identifying and monitoring key risks. |
| Behavioral Skills | Attributes and the competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders; |

These skills or competencies are broad-based, encompassing several areas of expertise and experience. Each Director may possess varied combinations of skills or experience within the described set of parameters, and it is not necessary that all Directors possess all skills or experience listed therein.

• Composition of the Board

The Board of your company consists of balanced mix of Executive and Non-Executive Directors which meets the requirement of the Corporate Governance as stipulated under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your company immensely benefits from the professional expertise of the Independent Directors in their individual capacity as Professionals and also from Business Executives and through their valuable experience.

The total strength of the Board of the Company are 6 (Six) members as on March 31, 2021, comprising of Two Executive Directors (including Managing Director & Whole Time Director) and Four Non-Executive Directors out of which Three are Independent Director, including one Woman Independent Director and one is Non-Executive Director. Necessary disclosure regarding their Directorship in other companies has been made by each and every Director.

None of the Directors on the Board is a member of more than 10 (Ten) Committees and Chairman of more than 5 (Five) Committees (as specified in Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) across all the Companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The information stipulated under Part A of Schedule II of SEBI (LODR) Regulations is being made available to the Board.

The details of composition of the Board as on March 31, 2021 and other information are given herein below:

| Name of the Director(s) | No. of Board Meetings held and attended during the year | | Attendance at last AGM held in 29.09.2020 | No. of Directorships in other Public Company * (including this entity) | No. of Committee positions held in public companies** (including this entity) | | Directorship in listed entity and Category and position of Directorship |
|---|---|----------|---|--|--|----------|--|
| | Held | Attended | | | Member | Chairman | |
| Mr. Viral M. Shah (DIN : 00014182) | 6 | 6 | Yes | 2 | 2 | 0 | Gyscoal Alloys Limited, Executive Director, Managing Director and Chairman |
| Mr. Zankarsinh Kishorsinh Solanki (DIN : 00014226) | 6 | 6 | Yes | 1 | 0 | 0 | Gyscoal Alloys Limited, Executive Director, Whole-time Director |
| Mr. Samir Jani DIN : 00504062 | 6 | 4 | Yes | 1 | 1 | 1 | Gyscoal Alloys Limited, |



| | | | | | | | |
|--|---|---|-----|---|---|---|---|
| | | | | | | | Independent Non-Executive Director |
| Ms. Dipali Manish Shah # DIN : 08845576 | 6 | 3 | Yes | 1 | 0 | 0 | Gyscoal Alloys Limited, Non-Executive Director |
| Ms. Yashree Dixit ## DIN: 07775794 | 6 | 6 | Yes | 1 | 1 | 1 | Gyscoal Alloys Limited, Independent Non-Executive Director |
| Mr. Sunit Shah## DIN: 08074335 | 6 | 6 | Yes | 1 | 0 | 0 | Gyscoal Alloys Limited, Independent Non-Executive Director |

**Other Directorships do not include directorships of private limited companies, Companies formed under section 8 of the Companies Act, 2013 and foreign companies.*

***Chairmanship/ Membership of Committees include only Audit Committee and Stakeholders Relationship Committee.*

#Mrs. Dipali Manish Shah was appointed on August 24, 2020

##Mr. Sunit Shah and Ms. Yashree Dixit was appointed on June 30, 2020.

During the year Ms. Nilam Relwani resigned w.e.f June 25, 2020 and Mrs. Sarojben Shah was appointed on June 30, 2020 and resigned w.e.f August 24, 2020.

• **Directors retire by rotation**

Mr. Zankarsinh Solanki is liable to retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment. Relevant details pertaining to Mr. Zankarsinh Solanki are provided in the Notice of the AGM.

• **Disclosure of relationships between directors inter-se:**

There is no relationship between the directors interse.

• **Board Meetings held during the year**

During the year under review, the Board of the Company met 6(Six) times on June 30, 2020, July 31, 2020, August 24, 2020, September 15, 2020, November 12, 2020 and February 13, 2021.

Time elapsed between any two consecutive meetings never exceeded 120 Days.

3. Committees of the Board:

The Company has constituted committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its Charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information or approval. The Board has three (3) Committees:

- Audit Committee
- Nomination and Remuneration Committee

c. Stakeholders' Relationship Committee;

a. Audit Committee:

• ***Composition and Meeting of Audit Committee:***

The Board of Directors of the Company has constituted an Audit Committee and has been reconstituted from time to time. Presently, the Audit Committee comprises qualified and independent members of the Board, who have expertise knowledge and experience in the field of accounting and financial management and have held or hold senior positions in other reputed organizations. The constitution, composition and functioning of the Audit Committee also meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR Regulations).

During the year Audit Committee met 5 (Five) times on June 30, 2021, July 31, 2020, September 15, 2020, November 12, 2020 and February 13, 2021. Time elapsed between any two conductive meetings never exceeded 120 Days. Company Secretary & Compliance Officer acts as a Secretary to the Committee. The Statutory Auditors, Internal Auditors of the Company and Finance personnel were invited to attend and participate in the meetings of the Audit Committee. The Committee holds discussions with them on various matters including limited review of results, audit plan for the year, matters relating to compliance with accounting standards, auditors' observations and other related matters.

The present composition of the Audit committee and Meetings attended by them during the financial year 2020-21 ended on March 31, 2021, is as follow:

| Name of the Members | Designation | Category | Number of Meetings | |
|---------------------|-------------|--------------------------------------|--------------------|----------|
| | | | Held | Attended |
| Mr. Samir Jami | Chairman | Independent & Non-Executive Director | 5 | 3 |
| Ms. Yashree Dixit* | Member | Independent & Non-Executive Director | 5 | 5 |
| Mr. Viral Shah | Member | Executive Director | 5 | 5 |

*Ms. Yashree Dixit appointed as Member of Audit Committee w.e.f. June 30, 2020.

Mr. Samir Jani, Chairperson of the Audit Committee was present at the AGM of the Company held on September 29, 2020.

• ***Broad terms of reference and Powers of the Audit Committee***

The terms of reference of the Audit Committee cover all the areas mentioned under Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The scope of Audit Committee shall include, but shall not be restricted, to the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Reviewing, with the management, the financial statements and auditor's report thereon before submission to the Board, focusing primarily on:
 - a. Matters to be included in the Directors 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.
 - b. Changes to any accounting policies and practices.
 - c. Major accounting entries based on the exercise of judgement by Management.
 - d. Significant adjustments if any, arising out of audit findings.
 - e. Compliance with respect to accounting standards, listing agreements and legal.
 - f. requirements concerning financial statements.
 - g. Disclosure of any related party transactions.
 - h. Modified opinion (s) in the draft audit report.
3. Recommending to the Board, the appointment, re-appointment, remuneration and terms of appointment of Auditors of the Company.
4. To review reports of the Management Auditors and Internal Auditors and discussion on any significant findings and follow up there on.
5. Reviewing with the management, external and internal auditors, the adequacy of internal control systems, and the Company's statement on the same prior to endorsement by the Board.
6. Evaluation of internal financial controls and risk management systems;
7. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
8. 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;
9. To approve transactions of the Company with related parties and subsequent modifications of the transactions with related parties.
10. To review the functioning of the Whistle Blower mechanism;

b. Nomination & Remuneration Committee:

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Company has constituted a Nomination & Remuneration Committee. All members of the Committee are Independent Directors. Nomination and Remuneration Committee is vested with all the necessary powers and authorities to recommend and ensure appropriate disclosure on the appointment and remuneration of Managing Director, Whole-time Director and other Directors.

• ***Meeting, Attendance & Composition:***

During the year, Committee met 4 (Four) time on June 30, 2020, August 24, 2020, September 15, 2020, and November 12, 2020.

The composition of the Committee and Meetings attended by them during the financial year ended March 31, 2021, is as follow:

| Name of the Directors | Designation | Nature of Directorship | Number of Meetings | |
|-----------------------|-------------|--------------------------------------|--------------------|----------|
| | | | Held | Attended |
| Mr. Samir Jani | Chairman | Independent & Non-Executive Director | 4 | 2 |
| Mr. Viral Shah | Member | Independent & Non-Executive Director | 4 | 4 |
| Ms. Yashree Dixit* | Member | Independent & Non-Executive Director | 4 | 4 |

*Ms. Nilam Relwani resigned on June 25, 2020 and Ms. Yashree Dixit appointed as member of Committee on June 30, 2020.

Company Secretary & Compliance Officer of the Company acts as a Secretary to the Committee. The Quorum of the Committee meeting was present in all the meetings. Mr. Samir Jani, Chairperson of the Audit Committee was present at the AGM of the Company held on September 29, 2020.

• **Terms of Reference**

The terms of reference of the Nomination and Remuneration Committee cover all the areas mentioned under Section 178 of the Companies Act, 2013 and Regulation 19 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The scope of Nomination and Remuneration Committee shall include, but shall not be restricted, to the following:

1. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and carry out evaluation of every director's performance.
2. Formulate criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees
3. Formulation of the criteria for evaluation of Performance of Independent Directors and the Board
4. Devising a Policy on Board Diversity
5. Recommending whether to extend or continue the term of appointment of independent director on the basis of the report of performance evaluation of Independent Directors.
6. Recommending to the Board, all remuneration, in whatever form, payable to Senior Management.

• **Performance evaluation criteria for independent directors**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the process, format, attributes and criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and compliance requirements. The evaluation criteria, inter-alia, covered various aspects of the Board functioning including its composition, attendance of Directors, participation levels, bringing specialized knowledge for decision making, smooth functioning of the Board and effective decision making.

During the year, performance of individual Directors was evaluated on parameters such as level of engagement and contribution, independence of judgment and safeguarding the interest of the Company, etc. The Directors expressed their satisfaction with the evaluation process.

• **Details of Remuneration to all the Directors:**

The Company has laid down the criteria for making payments to the Non- Executive Directors. The details of such criteria are available in the Remuneration Policy disseminated on the website of the Company www.gyscoal.com

Executive Directors:

The aggregate value of salary and perquisites paid during the year 2020-21 to the Executive Directors are as follows:

| Name of Directors | Designation | Salary | Perquisites and allowances | INR in lakhs |
|------------------------|---------------------|--------|----------------------------|--------------|
| | | | | Total |
| Mr. Viral Shah | Managing Director | Nil | NA | 7.79 |
| Mr. Zankarsinh Solanki | Whole-Time Director | 3.84 | NA | 3.84 |

During the year Company has not paid any sitting fees for attending the meetings of Board of Directors or Committees or other fees a part from salary to Executive Directors thereof.

Independent Directors:

There were no pecuniary transactions between Company and Independent Directors of the Company except sitting fees for attending meetings of board and committees.

The Sitting fees paid to Independent Directors during the financial year 2020-21 are as under:

| Name of Directors | INR in lakhs |
|-------------------|--------------|
| | Sitting Fee |
| Mr. Samir Jani | Nil |

| | |
|-------------------|--------|
| Mr. Sunit Shah | 90,000 |
| Ms. Yashree Dixit | 90,000 |

c. Stakeholders' Relationship Committee:

The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and the SEBI Listing Regulations.

• ***Meeting, Attendance and Composition:***

The Stakeholders Relationship Committee met twice during the financial year 2020-21 on June 30, 2020, and August 24, 2020.

The composition of the Stakeholders Relationship Committee and Meetings attended by members, is as follow:

| Name of the Members | Designation | Nature of Directorship | Number of Meetings | |
|--------------------------|-------------|--------------------------------------|--------------------|----------|
| | | | Held | Attended |
| Ms. Yashree Dixit* | Chairperson | Independent & Non-Executive Director | 2 | 2 |
| Mr. Samir Jani | Member | Independent & Non-Executive Director | 2 | 1 |
| Mr. Viral Shah | Member | Executive Director | 2 | 2 |
| Mr. Zankarsinh Solanki** | Member | Executive Director | 1 | 1 |

*Mr. Zankarsinh Solanki resigned as member of the committee w.e.f June 30, 2020.

**Ms. Yashree Dixit appointed as member of the Committee w.e.f. June 30, 2020.

Company Secretary & Compliance Officer of the Company acts as a Secretary to the Committee. The Quorum of the Committee meeting was present in all the meetings. Ms. Yashree Dixit, Chairperson of the Committee was present at the AGM of the Company held on September 29, 2020.

• ***Terms of Reference***

The terms of reference of the Stakeholders Relationship Committee cover all the areas mentioned under Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The scope of the Stakeholders Relationship Committee shall include, but shall not be restricted, to the following:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Reference to statutory and regulatory authorities regarding investor grievances;
4. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
5. To ensure proper and timely attendance and Redressal of investor queries and grievances;

• ***Details of complaints received and redressed during the year 2020-21:***

| Received From | Complaint Received | Complaint Resolved | Pending Complaints |
|------------------------|--------------------|--------------------|--------------------|
| Letters from Investors | NIL | NIL | NIL |
| N.S.E | NIL | NIL | NIL |
| B.S.E | NIL | NIL | NIL |
| SEBI Scores | NIL | NIL | NIL |

d. **MEETING OF INDEPENDENT DIRECTORS:**

During the year under review, the Independent Directors met on February 13, 2021, inter alia, to discuss and:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Assess the quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting. The Independent Directors of the Company have given a declaration confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 ("the Act") and the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. In terms of Regulation 25(8) of SEBI (LODR) Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Further, the Independent Directors have declared that they have complied with Rule 6(1) & (2) of the Companies (Appointment of Directors) Rules, 2014.

4. Familiarisation programme for Independent Directors

In accordance with the provisions of the Listing Regulations, the Company has put in place the programme to familiarize Independent Directors with respect to the nature of the industry in which the Company operates, business model, the roles, rights and responsibilities of the Independent Directors etc. The Company believes that a Board, which is adequately informed/familiarised with the Company and its affairs can contribute significantly to effectively discharge its fiduciary duty as director of the company and that fulfils stakeholders' aspirations and societal expectations. In this

regard, the Directors of the Company are updated on changes/developments in the domestic/global industry scenario in the sector which affect the business of the Company, to enable them to take well informed and timely decisions. The Company believes that the Board be continuously empowered with the knowledge of the latest developments in the Company's business and the external environment affecting the industry as a whole. The details of familiarization programs have been disclosed on the website of the Company www.gyscoal.com.

5. Performance Evaluation :

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (LODR) Regulations, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board. The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony.

The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The evaluation criteria, inter-alia, covered various aspects of the Board functioning including its composition, attendance of Directors, participation levels, bringing specialized knowledge for decision making, smooth functioning of the Board and effective decision making. The performance of individual Directors was evaluated on parameters such as level of engagement and contribution, independence of judgment and safeguarding the interest of the Company, etc. The Directors expressed their satisfaction with the evaluation process.

6. General Body Meetings:

- Details of the last three Annual General Meetings were held as under:

| Financial Year | Venue | AGM Date | Time | Particulars of Special Resolutions passed |
|----------------|---|------------------------------|------------|--|
| 2019-20 | Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) | Tuesday, September 29, 2020 | 11:00 A.M. | No Special Resolution was passed |
| 2018-19 | Plot No.2/3 GIDC Ubkhal, Kukarwada, Tal Vijapur, Dist. Mehsana-382830 | Monday, September 30, 2019 | 10:00 A.M. | Re-appointment of Mr. Surendra Patel (DIN: 05171249) as an Independent Director of the Company |
| 2017-18 | Plot No.2/3 GIDC Ubkhal, Kukarwada, Tal Vijapur, Dist. Mehsana-382830 | Thursday, September 27, 2018 | 10:30 A.M. | No Special Resolution was passed |

- No Extraordinary General meeting was held during the F.Y. 2020-21.



- There were no special resolutions passed through postal ballot process during F.Y. 2020-21 and no Resolution is proposed to be passed by way of Postal Ballot at the ensuing Annual General Meeting.

7. Means of Communications

The website of the Company www.gyscoal.com is the primary source of information about the company to the public. The Company maintains a functional website containing the basic details of the Company in terms of Regulation 46 of Listing Regulations.

The quarterly, half-yearly, nine monthly and annual results of the Company are intimated to the Stock Exchanges (NSE, BSE) immediately after they are approved by the Board and same are published in widely circulating national and local newspaper such as 'Financial Express' in English & Gujarati. The results are available on the website of the Company www.gyscoal.com.

All disclosures as required under the SEBI Listing Regulations are made through the respective Stock Exchanges where the securities of the Company are listed. The same are also available on the website of the Company www.gyscoal.com.

There were no News releases, press releases etc. made to the Institutional Investors or to analyst.

8. General Shareholders' Information

- | | |
|--|--|
| a. Annual General Meeting: | Wednesday, September 29, 2021, 11:00 A.M. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) |
| b. Financial Year: | Financial Year of the Company is 1st April to 31st March. |
| c. Date of Book Closure: | From Thursday, September 23, 2021 to Wednesday, September 29, 2021 (both days inclusive). |
| d. Corporate Identity Number (CIN): | L27209GJ1999PLC036656 |
| e. Listing on Stock Exchanges: | BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra East, Mumbai – 400051 |
| f. stock code : | The BSE Limited : 533275 The National Stock Exchange of India Limited: GAL |
| g. Listing Fees Payment: | The Company has paid annual listing fees to BSE and NSE for the year 2020-21. |
| h. Dividend payment date: | N.A. |
| i. Plant locations: | Plot No. 2/3, GIDC, Ubkhal, Kukarwada, Ta Vijapur, Dist: Mehsana, Gujarat, 382830. |
| j. Address for correspondence: | Company Secretary & Compliance Officer |



2nd Floor, Mrudul Tower, B/h Times of India, Ashram Road,
Ahmedabad 380009.

Tel. +91-79-66614508

Email Id: info@gyscoal.com

Website: www.gyscoal.com

**k. Registrar to an issue and
share transfer agents:**

Link In time India Private Limited

C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083

Tel No : +91 22 49186270 Fax: +91 22 49186060

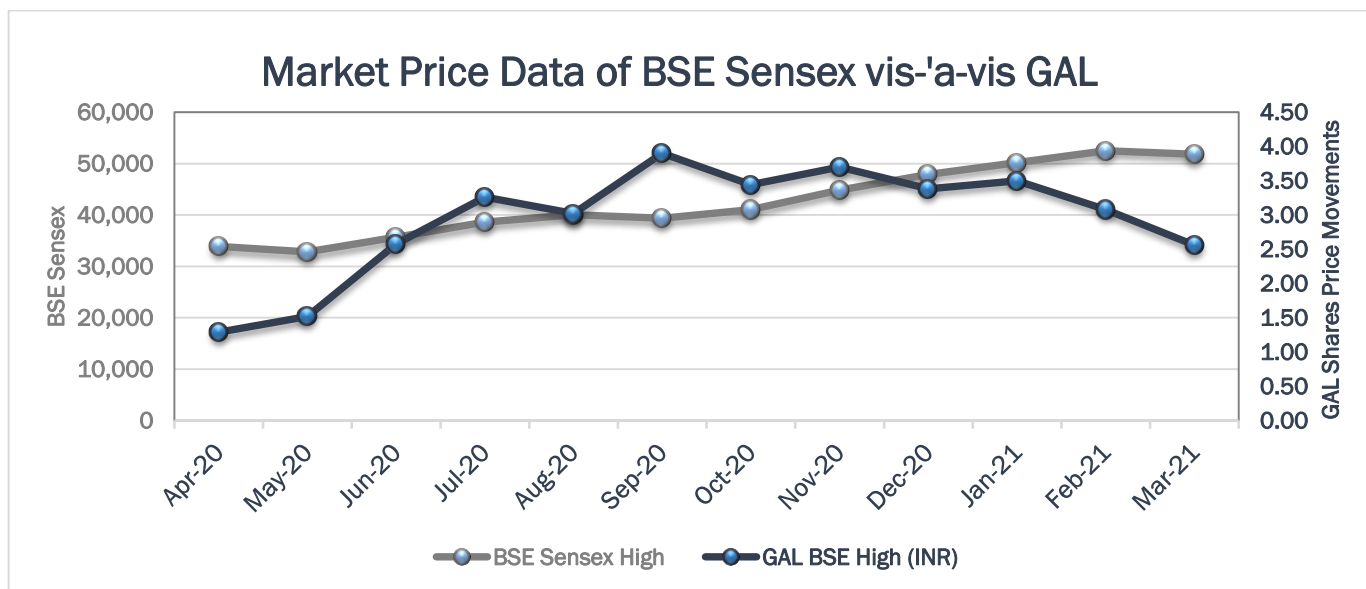
E-mail id : rnt.helpdesk@linkintime.co.in

Website : www.linkintime.co.in

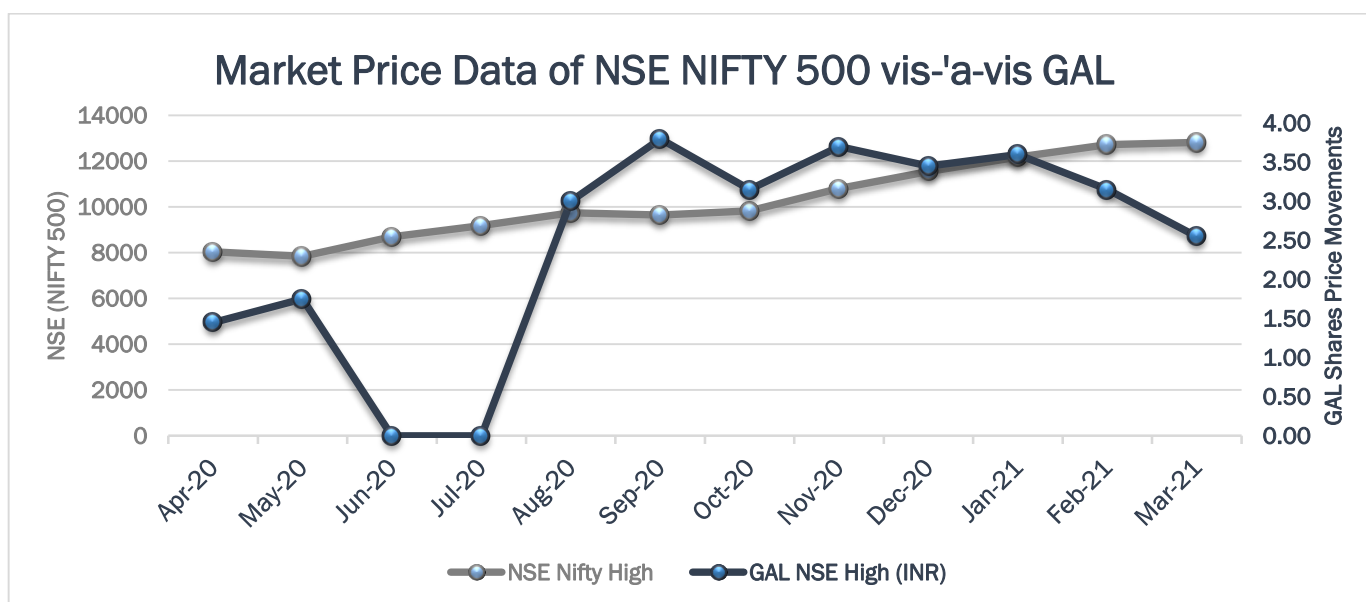
l. Market Price Data and Performance of the share price of the Company in comparison to BSE and NSE:

| Month | BSE | | BSE Sensex | | | NSE | | NSE (NIFTY) | | |
|--------|--------------------|------|------------|--------|-----------|--------------------|------|-------------|-------|-----------|
| | High | Low | High | Low | Volume | High | Low | High | Low | Volume |
| | (in INR per share) | | | | | (in INR per share) | | | | |
| Apr-20 | 1.29 | 1.16 | 33,887 | 27,501 | 9,859 | 1.45 | 1.10 | 8041 | 6620 | 3,48,666 |
| May-20 | 1.52 | 1.20 | 32,845 | 29,968 | 66,219 | 1.75 | 1.30 | 7834 | 7234 | 3,47,730 |
| Jun-20 | 2.58 | 1.55 | 35,707 | 32,348 | 5,879 | 3.80 | 1.75 | 8700 | 7839 | 6,40,734 |
| Jul-20 | 3.26 | 2.59 | 38,617 | 34,927 | 1,73,105 | 4.10 | 2.50 | 9181 | 8467 | 6,92,183 |
| Aug-20 | 3.02 | 2.62 | 40,010 | 36,911 | 2,34,101 | 3.00 | 2.60 | 9747 | 8925 | 4,96,232 |
| Sep-20 | 3.90 | 2.57 | 39,360 | 36,496 | 3,34,214 | 3.80 | 2.55 | 9641 | 8934 | 5,69,229 |
| Oct-20 | 3.44 | 2.84 | 41,048 | 38,410 | 47,258 | 3.15 | 2.55 | 9823 | 9424 | 1,59,845 |
| Nov-20 | 3.70 | 2.83 | 44,825 | 39,335 | 1,50,185 | 3.70 | 2.85 | 10804 | 9524 | 7,60,994 |
| Dec-20 | 3.38 | 2.96 | 47,897 | 44,118 | 6,01,459 | 3.45 | 2.85 | 11548 | 10734 | 9,36,165 |
| Jan-21 | 3.50 | 2.77 | 50,184 | 46,160 | 2,85,937 | 3.60 | 2.85 | 12168 | 11274 | 8,87,425 |
| Feb-21 | 3.08 | 2.46 | 52,517 | 46,434 | 4,60,330 | 3.15 | 2.40 | 12725 | 11304 | 15,41,349 |
| Mar-21 | 2.56 | 1.94 | 51,822 | 48,236 | 20,91,290 | 2.55 | 1.90 | 12816 | 11939 | 21,15,605 |

Performance in comparison to broad-based indices Viz BSE Sensex.



Performance in comparison to broad-based indices Viz NSE NIFTY 500.



m. Dematerialization of Equity Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form. The dematerialization facility is available from both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 99.99% of the share capital are dematerialized as on March 31, 2021, out of which 72.51% are held in NSDL and 27.49% are held in CDSL. The Company's shares are regularly traded on the 'Bombay Stock Exchange Limited' and 'National Stock Exchange of India Limited' in dematerialized form.

n. Share Transfer Procedure:

As on March 31, 2021, 99.99% of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories without intervention of the Company.

For transfer of physical shares, the transfer document can be lodged with Link Intime India Private Limited at the address mentioned in this Annual Report. The transfer of shares in physical form is processed within 15 days from the date of receipt, if the documents are complete in all respects. Shareholders /Investors Grievance & Share Transfer Committee is empowered to approve transfer. All the transactions related to share transfer, change of address, dividend, share certificate etc., should be addressed to R&T Agent of the Company at the address mentioned in this Annual Report. Pursuant to Regulation 40(9) of the Listing Regulations with the Stock Exchanges, the Company obtained a certificate from a Practicing Company Secretary on half yearly basis, for compliance of share transfer formalities. The Company files copy of these certificates with the stock exchange as required.

o. Shareholding Pattern as on March 31, 2021

(i) Shareholding Pattern Category wise as on March 31, 2021

| Category | No. of shares held | % of holding |
|-------------------------------|---------------------|--------------|
| Promoters & Promoter Group | 10,27,79,876 | 64.94 |
| Bodies Corporate | 78,85,414 | 4.98 |
| HUF | 36,21,135 | 2.29 |
| Individuals | 4,28,02,040 | 27.04 |
| Clearing Member | 6,11,853 | 0.39 |
| Non-Resident Indian (NRI) | 5,74,242 | 0.36 |
| Financial Institutions/ Banks | 1000 | 0.00 |
| GRAND TOTAL | 15,82,75,560 | 100 |

(ii) Distribution Schedule as on March 31, 2021:

| No. of Equity Shares (Category) | No. of Shareholders | % of Shareholders | No. of shares held | % of shareholding |
|---------------------------------|---------------------|-------------------|--------------------|-------------------|
| 01 to 500 | 3573 | 51.35 | 593025 | 0.37 |
| 501 to 1000 | 1184 | 17.02 | 1078503 | 0.68 |
| 1001 to 2000 | 793 | 11.40 | 1353194 | 0.86 |
| 2001 to 3000 | 293 | 4.21 | 791328 | 0.50 |
| 3001 to 4000 | 149 | 2.14 | 547571 | 0.35 |
| 4001 to 5000 | 187 | 2.69 | 915082 | 0.58 |



| | | | | |
|---------------|-------------|------------|------------------|------------|
| 5001 to 10000 | 317 | 4.56 | 2478583 | 1.57 |
| 10001 & above | 462 | 6.64 | 150518274 | 95.10 |
| TOTAL | 6958 | 100 | 158275560 | 100 |

p. Outstanding GDRs / ADRs / Warrants / any other convertible instruments:

The Company does not have any outstanding instruments of the captioned type.

q. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year: Nil

r. Electronic Voting:

Pursuant to section 108 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable requirements, voting at the 22nd Annual General Meeting will be made through electronic voting. The electronic voting ("E-Voting") period will be from 9.00 a.m. on Sunday, September 26, 2021 to 5.00 p.m. on Tuesday, September 28, 2021, both days inclusive.

9. Disclosures:

• Related Party Transactions:

All transactions entered into with Related Parties, as defined under the Companies Act, 2013, and Regulation 23 of the Listing Regulations, during the financial year were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required by the Indian Accounting Standard (Ind AS 24) has been made in the notes to the Financial Statements. In terms of Regulation 26(5) of the SEBI LODR Regulations, Senior Management has made disclosure to the Board relating to all material financial and commercial transactions, if any, where they had personal interest that might have been in potential conflict with the interest of the Company. Based on disclosures received, none of the officials in senior management team of the Company have personal interest in any financial or commercial transactions that may have potential conflict with the interest of the Company.

As required under regulation 23 (1) of Listing Regulations, the Company has also formulated a Policy for Related Party Transactions is available on the Company's Website www.gyscoal.com.

• Legal Compliances:

There were no instances of material non-compliances during the year under review. No strictures or penalties were imposed on the Company by SEBI, Stock Exchanges or any statutory authority on any matter related to capital markets during the last three years. However, the company has paid penalty of INR 2,00,000 /- out of total fine of Rs. 5,62,000/- to National stock exchanges (NSE) with respect to delay in compliance of Regulation 17 (1) (c), 17 (1A) of Listing Regulations. Company has paid part amount of fine as matter is pending with NSE for further review.

- **Vigil Mechanism**

The Company believes in conducting its affairs in a fair and transparent manner to nurture professionalism, honesty, integrity and ethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

Such Protected Disclosures can be made through a phone call, email or in writing. The said Policy is amended from time to time and is also placed on the Company's website at: www.gyscoal.com

- **Policy for Determining Material Subsidiaries:**

Pursuant to Regulation 16 of the Listing Regulations, the Company has adopted a Policy for determining Material Subsidiary and same is available on the website of the Company at www.gyscoal.com. The Company has no material subsidiary as per threshold limit laid down in Listing Regulations.

- **Report on Corporate Governance**

This section, read together with the information given in the Board's Report, Management Discussion and Analysis section and General Shareholder Information, constitute the compliance report on Corporate Governance during the year. The company submits the quarterly compliance report on regular basis to the stock exchanges as required under Regulation 27 of the SEBI LODR Regulations.

- **Disclosure of commodity price risks and commodity hedging activities:**

Pursuant to Regulation 34(3) read with clause 9(n) of Part C of Schedule V of Listing Regulations, your Company does not have exposure of any commodity, therefore hedging of such exposures are not required, hence do not require to disclose such information as per SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its sales and purchases from overseas suppliers in foreign currencies. The company measures risk through sensitivity analysis.

- **Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

a. number of complaints filed during the financial year: NIL

b. number of complaints disposed of during the financial year: NIL

c. number of complaints pending as on end of the financial year: NIL

- A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed to this report.

- Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management is annexed to this report.
- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable
- Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year: Not Applicable
- Total fees for all services paid by the company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part, is given in the notes to the Financials Statement.
- **Mandatory & Non-Mandatory Clauses:**

Your Company has complied with all mandatory Corporate Governance requirements as specified in regulation 17 to 27 and Regulation 46 of Listing Regulations during the Financial Year 2020-21. During the Year under review, there was delay in compliance of Regulation 17(1)(c), 17(1A), 18(1)(a), 18(1)(b), 19(1)(a), 20(2A) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 of Listing Regulations and details of the same has been given in Directors' Report.

The status of Non-mandatory (Discretionary) requirements under regulation 27 (1) read with Part E of Schedule II of the Listing Regulations are as below:

The Board:

The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Executive Director.

Shareholders Rights:

The Company provides quarterly results through stock exchanges for its shareholders. The quarterly result of financials as approved by the Board are disseminated to the Stock Exchanges and website of the company at www.gyscoal.com as per the Listing Regulations. The Quarterly financial results were also published in the newspapers.

Modified opinion(s) in audit report

There are no such modified opinions in audit report.

Reporting of internal auditor

As per Section 138 of the Company Act, 2013 read with rules made thereunder, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal Auditor submits

their report to the Audit Committee on quarterly basis for their reviews and suggestion for necessary action.

- **Disclosures with respect to demat suspense account / unclaimed suspense account**

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil

Number of shareholders to whom shares were transferred from the suspense account during the year: Nil

Number of shareholders to whom shares were transferred from the suspense account during the year: Nil

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil

10. GREEN INITIATIVE IN CORPORATE GOVERNANCE

Rule 11 of the Companies (Accounts) Rules, 2014 permits circulation of annual report through electronic means to those shareholders whose e-mail IDs are registered with NSDL or CDSL or the shareholders who have registered their e-mail IDs with the Company to receive the documents in electronic form and physical copies to those shareholders whose e-mail IDs have not been registered either with the Company or with the depositories.

To support this green initiative of the Government, shareholders are requested to register their e-mail ID with the DPs, in case shares are held in dematerialized form and with the RTA, in case the shares are held in physical form and also intimate changes, if any, in their registered e-mail IDs to DPs / RTA/ Company from time to time.

**For and on behalf of Board of Directors,
Gyscoal Alloys Limited**

Sd/-

Viral Shah
Chairman

Date: August 12, 2021

Place: Ahmedabad

**CONFIRMATION ON CODE OF CONDUCT**

[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Gyscoal Alloys Limited

This is to confirm that the board has laid down a code of conduct for Board of Directors and senior management of the Company. It is further confirmed that all Directors and senior management of the company have affirmed compliance with the Code of Conduct of the Company as at March 31, 2021, as envisaged in Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of Board of Directors,
Gyscoal Alloys Limited
Sd/-

Date: August 12, 2021
Place: Ahmedabad

Viral Shah
Chairman and Managing Director



COMPLIANCE CERTIFICATION BY MANAGING DIRECTOR (MD) & CHIEF FINANCIAL OFFICER (CFO)

We, Viral M Shah, Managing Director and Vishal Parikh, CFO – Chief Financial Officer of the Company M/s. Gyscoal Alloys Limited, hereby certify that for the financial year ending March 31, 2021:

- A. We have reviewed financial statements and the cash flow statement for the year 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 listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity'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 listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We further certify that we have indicated to the auditors and the Audit committee:
- (1) There have been no significant changes in internal control over financial reporting during the year;
 - (2) There have been 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) There have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For Gyscoal Alloys Limited

Place : Ahmedabad
Date : August 12, 2021

Viral Shah
Managing Director

Vishal Parikh
Chief Financial Officer



Certificate on Corporate Governance

To,
The Members of
GYSCOAL ALLOYS LIMITED

We have examined the compliance of conditions of Corporate Governance by Gyscoal Alloys Limited ("the Company") for the year ended on March 31, 2021 as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementations 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 statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ***except Regulation 17(1)(c), 17(1A), 18(1)(a), 18(1)(b), 19(1)(a), 20(2A) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2018***.

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

Place : Ahmedabad
Date : August 12, 2021

For, Chirag Shah and Associates

Sd/-

Chirag Shah

Partner

FCS No.: 5545

C. P. No. 3498

UDIN : F005545C000774236



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
GYSCOAL ALLOYS LIMITED
Plot No. 2/3 GIDC Ubkhal,
Kukarwada, Tal. Vijapur,
Dist. Mehsana Kukarwada
Mahesana-382830

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Gyscoal Alloys Limited** having CIN L27209GJ1999PLC036656 and having registered office at Plot No. 2/3 GIDC Ubkhal, Kukarwada, Tal. Vijapur, Dist. Mehsana Kukarwada Mahesana-382830. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|----------------|-----------------------------------|------------|---------------------------------------|
| 1. | Mr. Viral Mukundbhai Shah | 00014182 | 29/09/1999 |
| 2. | Mr. Zankarsinh Kishorsinh Solanki | 00014226 | 01/02/2002 |
| 3. | Mr. Samirbhai Sharadbhai Jani | 00504062 | 30/05/2019 |
| 4. | Ms. Dixit Yashree Kaushalkumar | 07775794 | 30/06/2020 |
| 5. | Mr. Sunit Jagdishchandra Shah | 08074335 | 30/06/2020 |
| 6. | Mrs. Dipali Manish Shah | 08845576 | 24/08/2020 |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: August 12, 2021
Place: Ahmedabad

For, Chirag Shah and Associates

Sd/

Chirag Shah

Partner

Membership No.: 5545

CP No.: 3498

UDIN : F005545C000774269

INDEPENDENT AUDITOR'S REPORT & FINANCIALS



Independent Auditor's Report

TO,
THE MEMBERS,
GYSCOAL ALLOYS LTD.

Report on the Audit of Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Gyscoal Alloys Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as the "standalone financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

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

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Assessment of contingent liabilities relating to litigations and claims See Note 21 to the standalone financial statements

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|--|
| <p>The Company has material uncertain tax positions including matters under dispute relating to direct tax and indirect tax which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Assessment of contingent liabilities disclosure requires Management to make judgements and estimates in relation to the issues and exposures. Whether the liability is inherently uncertain, the amounts involved are potentially significant and the application of accounting standards to determine the amount, if any, to be provided as liability, is inherently subjective.</p> | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> • We tested the effectiveness of controls around the recording and re-assessment of contingent liabilities. • Obtained details of completed tax assessments and demands for the year ended March 31, 2021 from management. • We used our subject matter experts to assess the value of material contingent liabilities in light of the nature of exposures, applicable regulations and related correspondence with the authorities. • We discussed the status and potential exposures in respect of significant litigation and claims with the Company’s management including their views on the likely outcome of each litigations, claim and the magnitude of potential exposure and sighted any relevant opinions given by the Company’s advisors. • We assessed the adequacy of disclosures made. • We discussed the status in respect of significant provisions with the Company’s management. |

- We performed retrospective review of management judgements relating to accounting estimate included in the financial statement of prior year and compared with the outcome.

Information other than the Financial Statements and Auditors' Report thereon

5. 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.
6. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. 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.

Management's Responsibilities for the Standalone Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone Financial Statements

11. 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.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the 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.
13. 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.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

15. 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, 2021 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

16. 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 Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 21 to the financial statements;



- ii) The Company has no long-term contracts as at March 31, 2021 for which there were no material foreseeable losses. The Company did not have any long term derivative contracts as at March 31, 2021;
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

For, SAURABH R. SHAH & CO.

Chartered Accountants

Firm Reg. No. 127176W

N. S. Patel

Partner

Membership No. 151799

UDIN : 21151799AAAABK7104

Place: Ahmedabad

Date: June 17, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 16 of the Independent Auditors' Report of even date to the members of Gyscoal Alloys Limited on the standalone financial statements as of and for the year ended March 31, 2021

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report that:

- (i) (a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;**

The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

- (b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;**

As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

- (c) Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

- (ii) Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;**

In our opinion the inventories have been physically verified during the year by the Management at reasonable intervals and as explained to us no material discrepancies were noticed on physical verification.

- (iii) Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,**

- (a) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;**
- (b) Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;**
- (c) If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;**

According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

- (iv) **In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.**

As informed to us, the Company has not granted and loans or made any investments, or provided any guarantee or security to the parties covered under section 185 and 186. Accordingly, paragraph 3(iv) of the Order is not applicable.

- (v) **In case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?**

As informed to us, The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

- (vi) **Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.**

We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) **(a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;**

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, ***the Company is not regular*** in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax and any other statutory dues to the appropriate authorities during the period. ***Such statutory dues are not paid even after its due dates during the year.***

According to the information and explanations given to us, details of undisputed amounts payable in respect of sales tax, customs duty, excise duty, cess and other material statutory dues aggregating ₹2.73 lacs were in arrears, as at 31st March, 2021 for a period of more than six months from the date they became payable, are as under :



Statement of Arrears of Statutory Dues outstanding for more than Six Months from the date they became payable as at 31st March, 2021.

| Name of the Statute | Nature of the Dues | Amount | Period to which the amount relates | Due date | Date of Payment | Remarks, if any |
|---|------------------------|----------|------------------------------------|------------|-----------------|--------------------|
| Employees State Insurance Act, 1948 | ESIC Payable | 1363.00 | Apr-20 | 15/05/2020 | | Not Paid Till Date |
| Employees State Insurance Act, 1948 | ESIC Payable | 1369.00 | May-20 | 15/06/2020 | | Not Paid Till Date |
| Employees State Insurance Act, 1948 | ESIC Payable | 2367.00 | Jun-20 | 15/07/2020 | | Not Paid Till Date |
| Employees State Insurance Act, 1948 | ESIC Payable | 1693.00 | Jul-20 | 15/08/2020 | | Not Paid Till Date |
| Employees State Insurance Act, 1948 | ESIC Payable | 1812.00 | Aug-20 | 15/09/2020 | | Not Paid Till Date |
| The Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976 | Professional Tax | 160.00 | Apr-20 | 15/05/2020 | | Not Paid Till Date |
| The Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976 | Professional Tax | 380.00 | May-20 | 15/06/2020 | | Not Paid Till Date |
| The Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976 | Professional Tax | 1660.00 | Jun-20 | 15/07/2020 | | Not Paid Till Date |
| The Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976 | Professional Tax | 2820.00 | Jul-20 | 15/08/2020 | | Not Paid Till Date |
| The Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976 | Professional Tax | 2900.00 | Aug-20 | 15/09/2020 | | Not Paid Till Date |
| The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 | Provident Fund Payable | 30936.00 | Apr-20 | 15/05/2020 | | Not Paid Till Date |

| | | | | | | |
|---|------------------------|------------------|--------|------------|--|--------------------|
| The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 | Provident Fund Payable | 31458.00 | May-20 | 15/06/2020 | | Not Paid Till Date |
| The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 | Provident Fund Payable | 65218.00 | Jun-20 | 15/07/2020 | | Not Paid Till Date |
| The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 | Provident Fund Payable | 65630.00 | Jul-20 | 15/08/2020 | | Not Paid Till Date |
| The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 | Provident Fund Payable | 63254.00 | Aug-20 | 15/09/2020 | | Not Paid Till Date |
| Total | | 273020.00 | | | | |

- (b) **Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).**

According to the information and explanations given to us, the disputed statutory dues aggregating `16403.40 lacs that have not been deposited on account of disputed matter pending before appropriate authorities are as under :

| Sr. No. | Name of the Statue | Nature of the Dues | Amount ` in Lacs | Period to which the amount relates | Forum where dispute is pending |
|---------|---------------------------------------|---|------------------|------------------------------------|---|
| 1. | The Central Sales Tax Act, 1956 | Central Sales Tax, Interest and Penalty | 49.48 | 2006-07 | Gujarat Value Added Tax Tribunal, Ahmedabad |
| 2. | The Gujarat Value Added Tax Act, 2003 | Value Added Tax and interest | 4.73 | 2006-07 | |
| 3. | The Central Sales Tax Act, 1956 | Central Sales Tax, Interest and Penalty | 37.47 | 2007-08 | |
| 4. | The Gujarat Value Added Tax Act, 2003 | Value Added Tax and interest | 280.49 | 2007-08 | |

| | | | | | |
|-----|---------------------------------------|---|----------------|---------|---|
| 5. | The Central Sales Tax Act, 1956 | Central Sales Tax, Interest and Penalty | 1.71 | 2008-09 | Gujarat Value Added Tax Tribunal, Ahmedabad |
| 6. | The Gujarat Value Added Tax Act, 2003 | Value Added Tax and interest | 1070.84 | 2008-09 | |
| 7. | The Gujarat Value Added Tax Act, 2003 | Value Added Tax and interest | 2505.25 | 2009-10 | |
| 8. | The Central Sales Tax Act, 1956 | Central Sales Tax, Interest and Penalty | 2.45 | 2009-10 | |
| 9. | The Gujarat Value Added Tax Act, 2003 | Value Added Tax and interest | 2794.09 | 2010-11 | |
| 10. | The Central Sales Tax Act, 1956 | Central Sales Tax, Interest and Penalty | 6.77 | 2010-11 | |
| 11. | The Gujarat Value Added Tax Act, 2003 | Value Added Tax and interest | 1520.74 | 2011-12 | Gujarat Value Added Tax Tribunal, Ahmedabad |
| 12. | The Central Sales Tax Act, 1956 | Central Sales Tax, Interest and Penalty | 17.12 | 2011-12 | |
| 13. | The Gujarat Value Added Tax Act, 2003 | Value Added Tax and interest | 1580.40 | 2012-13 | |
| 14. | The Central Sales Tax Act, 1956 | Central Sales Tax, Interest and Penalty | 4.32 | 2012-13 | |
| 15. | The Gujarat Value Added Tax Act, 2003 | Value Added Tax and interest | 1684.12 | 2013-14 | |
| 16. | The Central Sales Tax Act, 1956 | Central Sales Tax, Interest and Penalty | 4.40 | 2013-14 | |
| 17. | The Gujarat Value Added Tax Act, 2003 | Value Added Tax and interest | 2240.04 | 2014-15 | |



| | | | | | |
|--------------------|---------------------------------------|---|-----------------|---------|---|
| 18. | The Gujarat Value Added Tax Act, 2003 | Value Added Tax and interest | 1565.81 | 2015-16 | |
| 19. | The Central Sales Tax Act, 1956 | Central Sales Tax, Interest and Penalty | 31.79 | 2016-17 | Appeal is still to be admitted with Gujarat Value Added Tax Tribunal, Ahmedabad |
| 20. | The Gujarat Value Added Tax Act, 2003 | Value Added Tax and interest | 791.63 | 2017-18 | |
| 21. | The Central Sales Tax Act, 1956 | Central Sales Tax, Interest and Penalty | 5.93 | 2017-18 | |
| Total | | | 16199.58 | | |
| 19. | The Income Tax Act, 1961 | Income Tax, Interest | 76.47 | 2011-12 | CIT (Appeal), Ahmedabad |
| 20. | The Income Tax Act, 1961 | Income Tax, Interest | 70.45 | 2014-15 | CIT (Appeal), Ahmedabad |
| 21. | The Income Tax Act, 1961 | Income Tax, Interest | 56.90 | 2016-17 | CIT (Appeal), Ahmedabad |
| Total | | | 203.82 | | |
| Grand Total | | | 16403.40 | | |

(viii) Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).

In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of dues to financial institutions, banks or debenture holders during the year, details of which are as under:

| Sr. No. | Name of the Bank | Default made since | Defaulted principal amount outstanding as on Balance Sheet Date Amount `in Lacs | Defaulted interest amount outstanding as on Balance Sheet Date Amount `in Lacs (up to 31/03/2021) | Remarks |
|---------|------------------|--------------------|--|---|---------|
|---------|------------------|--------------------|--|---|---------|

| | | | | | |
|----|---|------------|---------|---------|--|
| 1. | State Bank of India Stressed Assets Management Branch 2nd Floor, Opp V.S. Hospital Ellisbridge,Ahmedabad. Cash Credit A/c No. 61137449344 | 28/01/2016 | 2669.54 | 588.12 | As all these Accounts classified by bank as NPA, interest on the same is not charged by the bank in the said accounts. So, the company has made provision of interest payable on such accounts. |
| 2. | State Bank of India Stressed Assets Management Branch 2nd Floor, Opp V.S. Hospital Ellisbridge,Ahmedabad Cash Credit A/c No. 65084267769 | 28/07/2015 | | 1640.73 | |
| 3. | UCO Bank Ashram Road Branch, Ahmedabad Cash Credit A/c No. 19980500007002 | May-16 | 2948.69 | 1567.92 | |
| 4. | UCO Bank Kukarvada Branch, Kukarvada Cash Credit A/c No. 28390510000137 | May-16 | 101.20 | 54.38 | |

- (ix) **Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;**

In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of initial public offer / further public offer (including debt instruments) and the term loans during the year for the purposes for which they were raised.

- (x) **Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;**

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 material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

- (xi) **Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;**

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- (xii) **Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;**

In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company and hence not commented upon.

- (xiii) **Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;**

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) **Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;**

According to the information and explanations give to us and based on our examination of the records of the Company, 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.

- (xv) **Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;**

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and, not commented upon.



- (xvi) **Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.**

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For, SAURABH R. SHAH & CO.

Chartered Accountants

Firm Reg. No. 127176W

N. S. Patel

Partner

Membership No. 151799

UDIN : 21151799AAAABK7104

Place: Ahmedabad

Date: June 17, 2021

Annexure B to Independent Auditors' Report

Referred to in paragraph 17(f) of the Independent Auditors' Report of even date to the members of Gyscoal Alloys Limited on the standalone financial statements for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section 3 of section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Gyscoal Alloys Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

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

Auditors' responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, 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, SAURABH R. SHAH & CO.
Chartered Accountants
Firm Reg. No. 127176W

N. S. Patel
Partner
Membership No. 151799
UDIN : 21151799AAAABK7104

Place: Ahmedabad
Date: June 17, 2021



BALANCE SHEET AS AT MARCH 31, 2021

(In ` Lacs)

| Particulars | | Note No. | As at March 31, 2021 | As at March 31, 2020 |
|-------------|--------------------------------------|----------|-------------------------|-------------------------|
| A | ASSETS | | | |
| (1) | Non-Current Assets | | | |
| a | Property, Plant and Equipment | 6 | 2,439.92 | 2,887.28 |
| b | Financial Assets | | | |
| | Investments | 7 | 0.26 | 0.26 |
| | Other Financial Assets | 8.1 | 247.14 | 256.25 |
| c | Deferred Tax Asset (Net) | 31 | 2,570.30 | 783.85 |
| d | Other Non-Current Assets | 9.1 | 129.14 | 127.14 |
| d | Total Non-Current Assets | | 5,386.76 | 4,054.78 |
| (2) | Current Assets | | | |
| a | Inventories | 10 | 1,198.29 | 2,508.43 |
| b | Financial Assets | | | |
| | Trade Receivables | 11 | 4,022.19 | 11,002.08 |
| | Cash and Cash Equivalents | 12 | 15.97 | 35.52 |
| | Loans | 13 | 12.50 | 12.43 |
| | Other Financial Assets | 8.2 | 128.56 | 79.84 |
| c | Income Tax Assets (Net) | 31 | 0.00 | 0.00 |
| d | Other Current Assets | 9.2 | 691.82 | 707.33 |
| | Total Current Assets | | 6,069.33 | 14,345.63 |
| | Total Assets | | 11,456.09 | 18,400.41 |
| B | EQUITY AND LIABILITIES | | | |
| I | EQUITY | | | |
| a | Equity Share Capital | 14 | 1,582.76 | 1,582.76 |
| b | Other Equity | 15 | (6,597.05) | 805.11 |
| | Total Equity | | (5,014.29) | 2,387.87 |
| II | LIABILITIES | | | |
| (1) | Non-Current Liabilities | | | |
| a | Financial Liabilities | | | |
| | Borrowings | 16.1 | 3,157.36 | 704.28 |
| b | Provisions | 17.1 | 35.00 | 67.14 |
| | Total Non-Current Liabilities | | 3,192.36 | 771.42 |
| (2) | Current Liabilities | | | |
| a | Financial Liabilities | | | |
| | Borrowings | 16.2 | 6,108.51 | 6,855.88 |
| | Trade Payables due to | 18 | | |
| | Micro & Small Enterprises | | 0.00 | 0.00 |
| | Other than Micro & Small Enterprise | | 2,501.13 | 4,383.12 |
| | Other Financial Liabilities | 19 | 3,872.32 | 3,283.05 |
| b | Other Current Liabilities | 20 | 780.36 | 698.92 |
| c | Provisions | 17.2 | 9.39 | 14.06 |
| d | Current Tax Liabilities (Net) | 31 | 6.31 | 6.09 |
| | Total Current Liabilities | | 13,278.02 | 15,241.12 |
| | Total Equity and Liabilities | | 11,456.09 | 18,400.41 |

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For, SAURABH R. SHAH & CO.,

Chartered Accountants

Firm Reg. No. 127176W

N. S. Patel

Partner

Membership No. 151799

UDIN : 21151799AAAABK7104

Place : Ahmedabad

for and on behalf of the Board

Viral Shah

Managing Director & Chairman

DIN - 00014182

Vishal Parikh

Chief Financial Officer

Place : Ahmedabad

Zankarsinh Solanki

Wholtime Director

DIN - 00014226

Hiral Patel

Company Secretary



STATEMENT OF PROFIT AND LOSS

(In ` Lacs)

| Particulars | | Note No. | Year Ended March 31, | |
|-------------|---|----------|----------------------|-------------------|
| | | | 2021 | 2020 |
| I | Revenue from Operations | 22 | 1,258.33 | 6,472.43 |
| II | Other Income | 23 | 23.19 | 875.32 |
| III | Total Revenue (I + II) | | 1,281.52 | 7,347.75 |
| IV | Expenses | | | |
| a | Cost of Materials Consumed | 24 | 1,502.76 | 5,345.58 |
| b | Purchase of Stock-in-Trade | | 0.00 | 0.00 |
| c | Changes in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade | 25 | 830.70 | 555.59 |
| e | Employees Benefit Cost | 26 | 216.31 | 458.91 |
| f | Finance Cost | 27 | 617.33 | 596.33 |
| g | Depreciation and Amortisation Expenses | 28 | 454.46 | 553.95 |
| h | Other Expenses | 29 | 6,895.84 | 1,403.28 |
| | Total Expenses | | 10,517.40 | 8,913.64 |
| V | (Loss) before exceptional items and tax (III - IV) | | (9,235.88) | (1,565.89) |
| VI | Exceptional Items | | 0.00 | 0.00 |
| VII | (Loss) before tax (V - VI) | | (9,235.88) | (1,565.89) |
| VIII | Tax Expenses | 31 | | |
| a | Current Tax | | 0.00 | 0.00 |
| b | Deferred Tax | | (1,786.46) | (197.56) |
| c | Adjustment of Earlier Year Tax | | 0.00 | 0.53 |
| | | | (1,786.46) | (197.03) |
| IX | (Loss) after Tax (VII - VII) | | (7,449.42) | (1,368.86) |
| X | Other Comprehensive Income | | | |
| A | Items that will not be reclassified to profit or loss | | | |
| | Remeasurement of Defined Benefit Obligations | | 47.24 | 7.00 |
| | Total Comprehensive Income (IX + X) | | (7,402.18) | (1,361.86) |
| | Earning per Equity Share of face value of ` 1/- each | | | |
| | Basic | (In `) | (4.68) | (0.86) |
| | Diluted | (In `) | (4.68) | (0.86) |

As per our report of even date attached

for and on behalf of the Board

For, SAURABH R. SHAH & CO.,

Viral Shah

Zankarsinh Solanki

Chartered Accountants
Firm Reg. No. 127176W

Managing Director & Chairman
DIN - 00014182

Wholtime Director
DIN - 00014226

N. S. Patel

Vishal Parikh

Hiral Patel

Partner
Membership No. 151799
UDIN : 21151799AAAABK7104

Chief Financial Officer

Company Secretary

Place : Ahmedabad
Date : 17-06-2021

Place : Ahmedabad
Date : 17-06-2021



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

| Particulars | (In ` Lacs) | |
|--|------------------------------|-----------------|
| | Year Ended March 31, 2021 | 2020 |
| (A) Cash Flow from Operating Activities : | | |
| Net Loss before Tax | (9,235.88) | (1,565.89) |
| Adjustments for : | | |
| Depreciation | 454.46 | 553.95 |
| Interest Income | (15.12) | (15.43) |
| Interest expenses | 610.41 | 589.92 |
| Loss Allowance for Trade Receivables | 6,209.05 | 0.00 |
| Investment in Subsidiary Company Written off | 0.00 | 0.00 |
| Provision for Employee Benefits - Remeasurement of Defined Benefit Obligations | 47.24 | 7.00 |
| Operating Profit Before Working Capital Changes | (1,929.84) | (430.45) |
| Adjustments for: | | |
| Non-current/current financial and other assets | (26.16) | 216.89 |
| Trade Receivables | 770.84 | 19.45 |
| Inventories | 1,310.15 | 821.03 |
| Non-current/current financial and other liabilities/provisions | (1,995.46) | (227.90) |
| Cash Generated from/(used in) Operating Activities | (1,870.47) | 399.02 |
| Direct Taxes Paid (Net) | 0.22 | 5.89 |
| Net Cash from Operating Activities (A) | (1,870.25) | 404.91 |
| (B) Cash Flow from Investing Activity : | | |
| Purchase of property, plant and equipments | (7.10) | (14.73) |
| Interest Received | 15.12 | 15.43 |
| Net Cash from Investing Activities (B) | 8.02 | 0.70 |
| (C) Cash Flow from Financial Activities : | | |
| Proceeds /(Repayment) of Long Term Borrowings (Net) | 2,453.09 | 187.43 |
| Interest Paid | (610.41) | (589.92) |
| Net Cash Flow from/(used in) Financing Activities (C) | 1,842.68 | (402.49) |
| Net Increase/(Decrease) in Cash and Bank Balance (A+B+C) | (19.55) | 3.11 |
| Add : Opening Cash & Bank Balances | 35.52 | 32.41 |
| Closing Cash & Bank Balances | 15.97 | 35.52 |

As per our report of even date attached
For, SAURABH R. SHAH & CO.,

Chartered Accountants
Firm Reg. No. 127176W

N. S. Patel
Partner
Membership No. 151799
UDIN : 21151799AAAABK7104

Place : Ahmedabad
Date : 17-06-2021

for and on behalf of the Board
Viral Shah

Managing Director & Chairman
DIN - 00014182

Vishal Parikh
Chief Financial Officer

Place : Ahmedabad
Date : 17-06-2021

Zankarsinh Solanki

Wholetime Director
DIN - 00014226

Hiral Patel
Company Secretary

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021**

| A Equity Share Capital | (In ` Lacs) | |
|---|-----------------------|-----------------------|
| Year to Date | March 31, 2021 | March 31, 2020 |
| Balance at the beginning of reporting period | 1,582.76 | 1,582.76 |
| Changes during the year | 0.00 | 0.00 |
| Balance at the end of reporting period | 1,582.76 | 1,582.76 |

| B Other Equity | (In ` Lacs) | | | |
|--|-----------------------------|------------------------|--------------------------|-------------------|
| Particulars | Reserves and Surplus | | | Total |
| | Securities Premium | General Reserve | Retained Earnings | |
| Balance as at April 01, 2020 | 5,260.14 | 7.45 | (4,462.48) | 805.11 |
| (Loss) for the year | 0.00 | 0.00 | (7,449.40) | (7,449.40) |
| Items of OCI for the year | 0.00 | 0.00 | 0.00 | 0.00 |
| Remeasurement of Defined Benefit Obligations | 0.00 | 0.00 | 47.24 | 47.24 |
| Total Comprehensive Income for the year | 0.00 | 0.00 | (7,402.16) | (7,402.16) |
| Balance as at March 31, 2021 | 5,260.14 | 7.45 | (11,864.64) | (6,597.05) |
| Balance as at April 01, 2019 | 5,260.14 | 7.45 | (3,100.62) | 2,166.97 |
| (Loss) for the year | 0.00 | 0.00 | (1,368.86) | (1,368.86) |
| Items of OCI for the year | 0.00 | 0.00 | 0.00 | 0.00 |
| Remeasurement of Defined Benefit Obligations | 0.00 | 0.00 | 7.00 | 7.00 |
| Total Comprehensive Income for the Year | 0.00 | 0.00 | (1,361.86) | (1,361.86) |
| Balance as at March 31, 2020 | 5,260.14 | 7.45 | (4,462.48) | 805.11 |

As per our report of even date attached
For, SAURABH R. SHAH & CO.,

Chartered Accountants
 Firm Reg. No. 127176W

N. S. Patel
 Partner
 Membership No. 151799
 UDIN : 21151799AAAABK7104

Place : Ahmedabad
 Date : 17-06-2021

for and on behalf of the Board
Viral Shah

Managing Director & Chairman
 DIN - 00014182

Vishal Parikh
 Chief Financial Officer

Place : Ahmedabad
 Date : 17-06-2021

Zankarsinh Solanki

Wholetime Director
 DIN - 00014226

Hiral Patel
 Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**1. Company Information**

"Gyscoal Alloys Limited (the 'Company') is a public limited Company and domiciled in India and is incorporated under the provisions of the Companies Act with its registered office located at Plot No. 2/3 GIDC, Ubkhal, Kukarwada, Tal. Vijapur, Dist.: Mehsana - 382 830.

The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The company is engaged in the manufacturing of SS products.

The financial statements are approved for issue by the company's Board of Directors on June 17, 2021."

2. Basis of Preparation and Presentation**2.1 Statement of Compliance****(i) Compliance with Indian Accounting Standards (Ind AS)**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

(ii) Historical Cost Convention

The Financial Statements have been prepared on the historical cost convention on the accrual basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain Financial Assets and Liabilities
- ii) Defined Benefit Plans - Plan Assets

(iii) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is :-

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a Liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:-

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting Period."

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(iv) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.2 Functional and Presentation Currency

Indian rupee is the functional and presentation currency.

2.3 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

3 Significant Accounting Policies

3.1 Revenue Recognition

"Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer."

3.1.1 Sale of Goods

Revenue is generated primarily from sale of S. S. Products. Revenue is recognised at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer in accordance with the terms of customer contracts. In case of domestic customers, generally revenue recognition take place when goods are dispatched and in case of export customers when goods are shipped onboard based on bill of landing as per the terms of contract. Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

A contract liability is the obligation to transfer goods to the customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

3.1.2 Sale of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue is measured based on the transaction price, which is the consideration, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

A contract liability is the obligation to render services to the customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company does not expect to have any contracts where the period between the rendering of promised services to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

3.1.3 Export Incentive

Export incentives are accounted on accrual basis at the time of export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

3.1.4 Job Work

Revenue from job work services is recognised based on the services rendered in accordance with the terms of contracts.

3.1.5 Other Income

a. Interest Income

Interest income is recognized using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

b. Dividend income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

c. Gain or loss on derecognition of Financial Assets

Gain or Loss on derecognition of financial asset is determined as the difference between the sale price (net of selling costs) and carrying value of financial asset.

d. All other Incomes are recognised and accounted for on accrual basis

3.2 Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

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.

For transition to Ind AS, the carrying value of Property Plant and Equipment under previous GAAP as on 01 April 2016 is regarded as its cost. The carrying value was original cost less accumulated depreciation and cumulative impairment.

Property, Plant and Equipment not ready for the intended use on the date of the Balance Sheet are disclosed as “Capital work-in-progress”.

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 at the time of disposal and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on Property, Plant and Equipment is calculated on written down value method basis using the ratio arrived as per the useful life prescribed under Schedule II to the Companies Act, 2013.

In respect of Property, Plant and Equipment purchased during the year, depreciation is provided on a pro-rata basis from the date on which such asset is ready to use.

The residual value, useful live and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.3 Financial Instruments

3.3.1 Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognized at fair value on initial recognition.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value of financial assets or financial liabilities on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Regular way purchase and sale of financial assets are accounted for at trade date.

3.3.2 Subsequent Measurement

a. Non-derivative financial instruments

i) Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

ii) Financial assets measured at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets measured at fair value through profit or loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments."

iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. . For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments."

v) Investment in subsidiaries, associate and joint ventures

Investments in subsidiary companies, associate and joint venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate and joint venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

b. Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognized as a deduction from equity instrument net of any tax effects."

3.3.3 De-recognition

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when obligation specified in the contract is discharged or cancelled or expires.

3.3.4 Off-setting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the company currently has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.4 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

"The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability."

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy is based on inputs to

valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived prices)

Level 3 – inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. "

3.5 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

3.5.1 Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, wherever appropriate, on the basis of amounts expected to be paid to the tax authorities.

Current tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and current tax liabilities are offset, where company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.5.2 Deferred Tax

Deferred tax is recognized in profit or loss, except when it relates to items that are recognized in other comprehensive income or directly in equity, in which case, the deferred tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities are recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from initial recognition of goodwill; or initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized, except when deferred tax asset on deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rules and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, where company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.5.3 Minimum Alternate Tax ('MAT')

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as deferred tax in the Statement of Profit and Loss. The credit available under the Income Tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent it is probable that future taxable profit will be available against which these tax credit can be utilised. Such an asset is reviewed at each Balance Sheet date.

3.6 Impairment

3.6.1 Financial assets other than investments in subsidiary and associates

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the statement of profit and loss.

3.6.2 Financial assets – investment in subsidiary and associates

The company assesses at each reporting date whether there is an indication that an asset may be impaired. Such indication include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

If any indication exists, the company estimates the asset's recoverable amount based on value in use.

To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset

Where the carrying amount of an asset exceeds its value in use amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in statement of profit and loss.

3.6.3 Non-financial assets - Tangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the company estimates the asset's recoverable amount

An asset's recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.7 Borrowing Costs

Borrowing cost includes interest and other costs that company has incurred in connection with the borrowing of funds.

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 charged to the Statement of Profit and Loss for the period for which they are incurred.

Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

3.8 Employee Benefits

Short term employee benefits for salary and wages including accumulated leave that are expected to be settled wholly within 12 months after the end of the reporting period in which employees render the related service are recognized as an expense in the statement of profit and loss.

The company measures the expected cost of absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. As per Company's policy, no leave is expected to be carried forward beyond 12 months from the reporting date.

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

The company operates one defined benefit plan for its employees, viz., and gratuity plan. The costs of providing benefits under the plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method made at the end of each reporting date. Re-measurement of the net defined benefit liability (asset) comprise of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability / (asset)). Re-measurement are recognized in other comprehensive income and will not be reclassified to profit or loss in a subsequent period.

3.9 Provisions

A provision is recognized when the company has a present obligation as a result of past event and 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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.

3.10 Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond

the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

3.11 Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. The company does not recognize a contingent asset but discloses its existence in the financial statements.

3.12 Foreign Currency

a) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

c) Exchange difference

All exchange differences are recognized as income or as expenses in the year in which they arise.

3.13 Cash and cash equivalent

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank (including demand deposits) and in hand and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.14 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.15 Inventories

Items of inventory are valued at cost or net realizable value, whichever is lower. Cost for raw materials, traded goods and stores and spares is determined on FIFO basis. Cost includes all charges in bringing the goods to their present location and condition. Net realizable value is the

estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

3.16 Lease

Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective approach.

The effect of this adoption is insignificant on the profit before tax, profit for the year and earnings per share.

(i) As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease’s inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

3.17 Segment Reporting

An operating segment is component of the company that engages in the business activity from which the company earns revenues and incurs expenses, for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker, in deciding about resources to be allocated to the segment and assess its performance. The company’s chief operating decision maker is the managing Director.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

3.18 Cash Flow Statement

Cash flows are reported using indirect method whereby profit for the period is adjusted for the effects of the transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts and payments and items of income or expenses associated with investing and financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.19 Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

4. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions.

These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are:

- Useful lives of Property, plant and equipment
- Valuation of financial instruments
- Provisions and contingencies
- Income tax and deferred tax
- Measurement of defined employee benefit obligations
- Export Incentive
- Provision for Loss Allowance using Expected Credit Loss Model in respect of Trade Receivables

5. Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021. MCA issued notifications dated 24th March, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the



disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021.

| 6 Property, Plant and Equipment (In ` Lacs) | | | | | | | | | |
|---|---------------|--------------------|-------------------|--------------|-------------------|-------------------|---------------|-------------|-----------------|
| Particulars | Factory Land | Building - Factory | Building - Office | Furniture | Office Equipments | Plant & Machinery | Vehicles | Computers | Total |
| Gross Carrying Value | | | | | | | | | |
| As on April 01, 2019 | 103.66 | 940.82 | 64.89 | 28.41 | 31.49 | 4,482.13 | 144.73 | 5.25 | 5,801.38 |
| Additions during the year | 0.00 | 0.00 | 0.00 | 0.00 | 1.46 | 12.00 | 0.00 | 1.27 | 14.73 |
| Disposals during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| As on March 31, 2020 | 103.66 | 940.82 | 64.89 | 28.41 | 32.95 | 4,494.13 | 144.73 | 6.52 | 5,816.11 |
| Additions during the year | 0.00 | 0.00 | 0.00 | 0.00 | 1.86 | 5.09 | 0.00 | 0.15 | 7.10 |
| Disposals during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| As on March 31, 2021 | 103.66 | 940.82 | 64.89 | 28.41 | 34.81 | 4,499.22 | 144.73 | 6.67 | 5,823.21 |
| Accumulated Depreciation | | | | | | | | | |
| As on April 01, 2019 | 0.00 | 232.58 | 8.79 | 15.22 | 22.23 | 1,996.39 | 96.06 | 3.63 | 2,374.88 |
| Depreciation charged during the year | 0.00 | 67.39 | 2.70 | 3.24 | 4.28 | 461.51 | 13.74 | 1.09 | 553.95 |
| Accumulated Depreciation on disposal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| As on March 31, 2020 | 0.00 | 299.97 | 11.49 | 18.46 | 26.51 | 2,457.90 | 109.80 | 4.72 | 2,928.83 |
| Depreciation charged during the year | 0.00 | 60.97 | 2.67 | 2.34 | 3.20 | 374.90 | 9.33 | 1.05 | 454.46 |
| Accumulated Depreciation on disposal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| As on March 31, 2021 | 0.00 | 360.94 | 14.16 | 20.80 | 29.71 | 2,832.80 | 119.13 | 5.77 | 3,383.29 |
| Net Carrying Value | | | | | | | | | |
| As on April 01, 2019 | 103.66 | 708.24 | 56.11 | 13.20 | 9.26 | 2,485.74 | 48.66 | 1.63 | 3,426.50 |
| As on March 31, 2020 | 103.66 | 640.85 | 53.41 | 9.96 | 6.44 | 2,036.23 | 34.92 | 1.81 | 2,887.28 |
| AS on March 31, 2021 | 103.66 | 579.88 | 50.73 | 7.61 | 5.10 | 1,666.42 | 25.60 | 0.90 | 2,439.92 |

6.1 The Company has elected to measure all its property, plant and equipment at the IGAAP carrying amount i.e. March 31, 2016 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e. April 01, 2016.

7. Investments

(In Lacs)

| Particulars | As at | |
|--|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Investments carried at cost | | |
| In Associate | | |
| Equity shares – Unquoted | | |
| Goldman Hotels & Resorts Pvt. Ltd. - fully paid-up (2600 shares of `10/- each) | 0.26 | 0.26 |
| Total | 0.26 | 0.26 |
| Aggregate amount of unquoted investments | 0.26 | 0.26 |
| Aggregate amount of impairment in value of investments | 0.00 | 0.00 |



8. Other Financial Assets

8.1 Non-Current Other Financial Assets

(In Lacs)

| Particulars | As at | |
|--|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Security Deposits | 128.49 | 128.49 |
| Fixed Deposits with the Bank having maturity more than 12 months and given as Security Deposit | 118.65 | 127.76 |
| Total Non-Current | 247.14 | 256.25 |

8.2 Current Other Financial Assets

(In Lacs)

| Particulars | As at | |
|---|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Interest Receivable | 3.56 | 4.84 |
| Advance for Borrowing to be taken over by ARC | 125.00 | 75.00 |
| Total Current | 128.56 | 79.84 |
| Total Other Financial Assets | 375.70 | 336.09 |

Out of the NPA Working Capital Loan Accounts, UCO Bank has sold its NPA A/c to M/s. Omkara Assets Reconstruction Pvt. Ltd. (ARC) and the company has acknowledge this assignment of Debt towards the said ARC vide resolution passed in board meeting held on 12th February, 2018. The company has paid `125 lacs as advance to the said ARC which is shown above under Current Other Financial Assets.

9. Other Assets

9.1 Non-Current Assets

(In ` Lacs)

| Particulars | As at | |
|--------------------------|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Capital Advances | 129.14 | 127.14 |
| Total Non-current | 129.14 | 127.14 |

9.2 Current Assets

(In Lacs)

| Particulars | As at | |
|---|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Advances other than Capital Advances | | |
| Prepaid Expenses | 0.37 | 2.17 |
| Advances to Suppliers and Others | 377.05 | 382.56 |
| Others | | |
| Balance with Revenue Authorities | 314.40 | 322.61 |
| Total Current | 691.82 | 707.33 |
| Total Other Assets | 820.96 | 835.47 |

**10 Inventories (In Lacs)**

| Particulars | As at | |
|----------------|-----------------|-----------------|
| | March 31, 2021 | March 31, 2020 |
| Raw Material | 673.29 | 1,152.73 |
| Finished Goods | 525.00 | 1,355.70 |
| Total | 1,198.29 | 2,508.43 |

11. Trade Receivables (In Lacs)

| Particulars | As at | |
|---|------------------|------------------|
| | March 31, 2021 | March 31, 2020 |
| Trade Receivable : Unsecured, Considered Good | 4,022.19 | 11,002.08 |
| Trade Receivable : Unsecured, Considered Doubtful | 6,209.05 | 0.00 |
| Total | 10,231.24 | 11,002.08 |
| Less : Allowance for Credit Loss | 6,209.05 | 0.00 |
| Total | 4,022.19 | 11,002.08 |
| Dues from company where directors are interested (included above) | 0.00 | 0.00 |

"The Company has used a practical expedient and analysed the recoverable amount of receivables on an individual basis by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information.

The Company has made assessment of Allowance for Credit Loss in respect of Trade Receivables for the first time. The Company has analysed its trade receivables for aging analysis and grouped them accordingly and then applied year wise percentage to calculate the amount of Allowance for Credit Loss in respect of the same. **(Also see Note No. 34)**

12 Cash and Cash Equivalents (In Lacs)

| Particulars | As at | |
|--|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| a Balance with Bank In Current Accounts | 7.91 | 18.07 |
| b Cash on Hand | 8.06 | 17.45 |
| Total | 15.97 | 35.52 |



13 Loans (In Lacs)

| Particulars | As at | |
|-----------------------------------|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Unsecured, considered good | | |
| To employees | 12.50 | 12.43 |
| To others | 0.00 | 0.00 |
| Total | 12.50 | 12.43 |

14 Equity Share Capital

14.1 Authorised Capital (In Lacs)

| Particulars | As at | |
|---|-----------------|-----------------|
| | March 31, 2021 | March 31, 2020 |
| 27 00 00 000 Equity Shares of `1 each ⁽¹⁾ | 2,700.00 | 2,700.00 |
| (27 00 00 000 Equity Shares of `1 each) ⁽²⁾ | | |
| ⁽¹⁾ Represents number of shares as at March 31, 2021 | | |
| ⁽²⁾ Represents number of shares as at March 31, 2020 | | |
| Issued, subscribed and fully paid-up equity Shares | | |
| 15 82 75 560 Equity shares of ` 1 each ⁽¹⁾ | 1,582.76 | 1,582.76 |
| (15 82 75 560 Equity shares of ` 1 each) ⁽²⁾ | | |
| | 1,582.76 | 1,582.76 |
| ⁽¹⁾ Represents number of shares as at March 31, 2021 | | |
| ⁽²⁾ Represents number of shares as at March 31, 2020 | | |

14.2 Reconciliation of number of shares outstanding (In Lacs)

| Particulars | As at | |
|--------------------------------|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| At the beginning of the period | 1,582.76 | 1,582.76 |
| Changes during the year | 0.00 | 0.00 |
| At the end of the year | 1,582.76 | 1,582.76 |

14.3 Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares referred to as equity shares having a par value of ` 1. Each holder of equity share is entitled to one vote per share.

Dividends, if any, is declared and paid in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.4 Details of shareholders holding more than 5% shares in the Company: (In Lacs)

| Name of Shareholder | March 31, 2021 | | March 31, 2020 | |
|----------------------------|------------------------------|--------------|--------------------|--------------|
| | No. of Shares held (in Lacs) | % of Holding | No. of Shares held | % of Holding |
| Viral M. Shah | 527.16 | 33.31% | 526.10 | 33.24% |
| Giraben K. Solanki | 141.57 | 8.94% | 141.57 | 8.94% |
| Sampati Securities Limited | 337.60 | 21.33% | 337.60 | 21.33% |

15 Other Equity (In Case)

| Particulars | As at | |
|--------------------|-------------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Securities Premium | 5,260.14 | 5,260.14 |
| General Reserve | 7.45 | 7.45 |
| Retained Earnings | (11,864.64) | (4,462.48) |
| Total | (6,597.05) | 805.11 |

Description of Reserves

- Securities Premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- General Reserve:** General Reserves are free reserves of the Company which are kept aside out of Company's profits to meet the future requirements as and when they arise. The Company had transferred a portion of the profit after tax (PAT) to general reserve. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- Retained Earnings:** Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.



15.1 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The Company's objective for capital management is to maximize shareholder value and safeguard business continuity. The Company determines the capital requirement based on annual operating plans and other strategic plans. The funding requirements are met through equity and operating cash flows.

Summary of Quantitative Data is given hereunder:

| Particulars | 3/31/2021 | 3/31/2020 |
|--------------|-------------------|-----------------|
| Equity | 1,582.76 | 1,582.76 |
| Other Equity | (6,597.05) | 805.11 |
| Total | (5,014.29) | 2,387.87 |

16 Borrowings

16.1 Non-Current (In Lacs)

| Particulars | As at | |
|----------------------------|-----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Unsecured | | |
| From Others | 2,177.36 | 0.00 |
| Loans from Related Parties | 980.00 | 704.28 |
| Total Non-Current | 3,157.36 | 704.28 |

16.1.1 Details of securities

Term loans received from related parties are unsecured.

16.1.2 Terms of repayment (In Lacs)

| | | |
|-------------------|----------|--------|
| 1 to 2 year | 0.00 | 0.00 |
| 2 to 3 year | 0.00 | 0.00 |
| 3 to 5 year | 0.00 | 0.00 |
| More than 5 years | 3,157.36 | 704.28 |

16.2 Current (In Lacs)

| Particulars | As at | |
|---------------------------------|-----------------|-----------------|
| | March 31, 2021 | March 31, 2020 |
| Secured | | |
| Working Capital Loan from Banks | 5,719.43 | 6,499.20 |
| Unsecured | | |
| Loan from Related Parties | 389.08 | 356.68 |
| Total Current | 6,108.51 | 6,855.88 |

**16.2.1 Details of securities**

Working capital loans from Banks are secured by way of hypothecation of Raw Materials, Work-in-Process, Finished Goods, Stores & Spares, Book Debts etc., and by way of second charge on Company's immovable properties.

Working capital loans are guaranteed by some of the directors of the Company as well as corporate guarantee of other group companies.

16.2.2 Details of default in repayment of working capital loan from banks: (In Lacs)

| Name of the Bank | Default made since | Principal default as at | |
|------------------------|--------------------|-------------------------|----------------|
| | | March 31, 2021 | March 31, 2020 |
| State Bank of India | | | |
| A/c No. 61137449344 | December 2015 | 2,669.54 | 949.31 |
| A/c No. 65084267769 | July 2015 | | 2,500.00 |
| Uco Bank | | | |
| A/c No. 19980500007002 | May 2016 | 2,948.69 | 2,948.69 |
| A/c No. 28390510000137 | May 2016 | 101.20 | 101.20 |
| Total | | 5,719.43 | 6,499.20 |

| Name of the Bank | Default made since | Interest default as at | |
|------------------------|--------------------|------------------------|----------------|
| | | March 31, 2021 | March 31, 2020 |
| State Bank of India | | | |
| A/c No. 61137449344 | December 2015 | 588.12 | 502.68 |
| A/c No. 65084267769 | July 2015 | 1,640.73 | 1,415.73 |
| Uco Bank | | | |
| A/c No. 19980500007002 | May 2016 | 1,567.92 | 1,298.99 |
| A/c No. 28390510000137 | May 2016 | 54.38 | 45.28 |
| Total | | 3,851.15 | 3,262.68 |

As all the above accounts classified by bank as NPA, interest on the same is not charged by the bank in the said accounts. So, the company has made provision of interest payable on such accounts at 9% and shown under the other financial liabilities.

Out of the above NPA Accounts, UCO Bank has sold its NPA A/c to M/s. Omkara Assets Reconstruction Pvt. Ltd. (ARC) and the company has acknowledge this assignment of Debt towards the said ARC vide resolution passed in board meeting held on 12th February, 2018.

16.2.3 The default was neither remedied nor were the terms of the loans payable renegotiated, before the financial statements were approved for issue.

17 Provisions

**17.1 Non-current** (In Lacs)

| Particulars | As at | |
|---------------------------------|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| 17.1 Non current | | |
| Provision for Employee Bnefits | 35.00 | 67.14 |
| Total | 35.00 | 67.14 |
| 17.2 Current | | |
| Provision for Employee Benefits | 9.39 | 14.06 |
| Total | 9.39 | 14.06 |
| Total Provisions | 44.39 | 81.20 |

18 Trade Payables (In Lacs)

| Particulars | As at | |
|--|-----------------|-----------------|
| | March 31, 2021 | March 31, 2020 |
| Total outstanding dues of micro and small enterprises * | 0.00 | 0.00 |
| Total outstanding dues of creditors other than micro and small enterprises | 2,501.13 | 4,383.12 |
| Total | 2,501.13 | 4,383.12 |

*** Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).**

| | | | |
|---|--|-----|-----|
| a | Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | --- | --- |
| b | Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | --- | --- |
| c | Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | --- | --- |
| d | Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | --- | --- |
| e | Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | --- | --- |
| f | Interest due and payable towards suppliers registered under MSMED Act, for payments already made | --- | --- |
| g | Further interest remaining due and payable for earlier years | --- | --- |

The above information has been complied in respect of parties to the extent to which they could be identified as Micro and Small Enterprise on the basis of information available with the Company. The information regarding Micro or Small Enterprises has been determined on the basis of information available with the management, which has been relied up on by the auditors.

19 Other Financial Liabilities (In Case)

| Particulars | As at | |
|-------------|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |



| | | |
|---|-----------------|-----------------|
| Other Financial Liabilities | | |
| Interest Accrued and Due | 3,851.15 | 3,262.67 |
| Payables for Property Plant and Equipment | 21.17 | 20.38 |
| Total | 3,872.32 | 3,283.05 |

20 Other Current Liabilities (In Lacs)

| Particulars | As at | |
|----------------------------------|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Other Current Liabilities | | |
| Advance from Customers | 754.62 | 669.07 |
| Statutory Dues | 25.74 | 29.85 |
| Total | 780.36 | 698.92 |

21 Contingent Liabilities and commitments (To the extent not provided for) (In Lacs)

| Particulars | As at | |
|--|------------------|------------------|
| Contingent Liabilities | March 31, 2021 | March 31, 2020 |
| Claims against the Company not acknowledged as Debt in respect of :- | | |
| i) Disputed Income Tax matters | 203.82 | 203.82 |
| ii) Disputed VAT and CST matters | 16,199.58 | 15,370.22 |
| Total | 16,403.40 | 15,574.04 |

21.1 It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/ authorities.

21.2 The Company's pending litigations comprise of claims against the Company pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

22 Revenue from operations (In Lacs)

| Particulars | 2020-21 | 2019-20 |
|--------------------------|-----------------|-----------------|
| Sale of Products | 1,168.98 | 6,398.02 |
| Sale of Service | 81.30 | 45.92 |
| Other Operating Revenues | 8.05 | 28.49 |
| Total | 1,258.33 | 6,472.43 |



22.1 Disaggregation of revenue as mention as above

23 Other Income (In ` Lacs)

| Particulars | 2020-21 | 2019-20 |
|--|--------------|---------------|
| Other Income | | |
| Interest from Financial Asset measured at Amortised Cost | 15.12 | 15.43 |
| Other Non-Operating Income (Net of Expenses) | 8.07 | 859.89 |
| Total | 23.19 | 875.32 |

24 Cost of Material Consumed (In Lacs)

| Particulars | 2020-21 | 2019-20 |
|--------------|-----------------|-----------------|
| Imported | 118.36 | 305.29 |
| Indigenous | 1,384.40 | 5,040.29 |
| Total | 1,502.76 | 5,345.58 |

25 Changes in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade (In ` Lacs)

| Particulars | (In Lacs) | |
|------------------------------------|---------------|---------------|
| Finished Goods / Stock-in-Trade | 2020-21 | 2019-20 |
| Inventories (at commencement) | 1,355.70 | 1,911.29 |
| Inventories (at close) | 525.00 | 1,355.70 |
| Net Decrease in Inventories | 830.70 | 555.59 |

26 Employee Benefit Cost

| Particulars | (In Lacs) | |
|---|---------------|---------------|
| | 2020-21 | 2019-20 |
| Salaries and Wages | 211.86 | 447.13 |
| Contribution to Provident & Other Funds | 4.34 | 10.93 |
| Staff Welfare Expenses | 0.11 | 0.85 |
| Total | 216.31 | 458.91 |

27 Finance costs (In ` Lacs)

| Particulars | 2020-21 | 2019-20 |
|--|---------------|---------------|
| Interest Expenses on Financial Liabilities carried at Amortized Cost | 613.76 | 591.59 |
| Other Borrowing Costs | 3.57 | 4.74 |
| Total | 617.33 | 596.33 |

28. Depreciation and Amortisation Expenses

| Particulars | (In ` Lacs) | |
|---|---------------|---------------|
| | 2020-21 | 2019-20 |
| Depreciation and Amortisation Expenses | | |
| Depreciation on Property, Plant & Equipment | 454.46 | 553.95 |
| Total | 454.46 | 553.95 |

**29. Other Expenses****(In ` Lacs)**

| Particulars | 2020-21 | 2019-20 |
|--|-----------------|-----------------|
| MANUFACTURING EXPENSES | | |
| Freight & Transportation Expenses | 33.40 | 138.06 |
| Insurance | 1.76 | 2.82 |
| Jobwork Charges | 23.26 | 23.95 |
| Labour Charges | 35.75 | 82.35 |
| Other Manufacturing Expenses | 19.56 | 32.70 |
| Power & Fuel | 187.70 | 701.00 |
| Repairs to Building | 0.06 | 4.44 |
| Repairs to Machinery | 1.99 | 2.22 |
| Stores & Spares | 10.57 | 45.38 |
| SELLING AND DISTRIBUTION EXPENSES | | |
| Advertisement Expenses | 1.03 | 9.62 |
| Other Selling & Distribution Expenses | 4.66 | 134.62 |
| Packing, Clearing & Forwarding Charges | 20.30 | 89.62 |
| ESTABLISHMENT EXPENSES | | |
| Charity & Donations | 0.00 | 0.03 |
| Computer Expenses | 1.47 | 1.21 |
| Exchange Fluctuation (Net) | 270.31 | 0.00 |
| General Expenses | 7.64 | 13.74 |
| Legal & Professional Fees | 21.28 | 20.90 |
| Other Repairs | 0.37 | 1.81 |
| Payment to Auditors | 4.50 | 4.00 |
| Power & Fuel - Office | 5.05 | 7.89 |
| Rate & Taxes | 0.05 | 36.48 |
| Stationery & Postage Expenses | 2.47 | 4.30 |
| Telephone Expenses | 6.33 | 6.66 |
| Travelling Expenses | 14.75 | 30.32 |
| Vehicle Expenses | 12.53 | 9.16 |
| Impairment Loss recognized / (reversed) under Expected Credit Loss Model in respect of Trade Receivables | 6,209.05 | 0.00 |
| Total | 6,895.84 | 1,403.28 |

29.1 Payment to Auditors as :

| Particulars | (In ` Lacs) | |
|-------------------------------------|--------------------|----------------|
| | 2020-21 | 2019-20 |
| Statutory Audit Fees | 3.50 | 3.00 |
| Tax Audit Fees | 0.50 | 0.50 |
| Certification and Consultation Fees | 0.50 | 0.50 |
| Total | 4.50 | 4.00 |

30 Employee Benefits**30.1 Defined Contribution Plans**

Details of amount recognized as expenses during the year for the defined contribution plans.

(In ` Lacs)

| Particulars | 2021-20 | 2019-20 |
|-------------------------------------|-------------|--------------|
| Contribution to Provident Funds | 4.14 | 10.37 |
| Contribution to ESIC | 0.18 | 0.55 |
| Contribution to Labour welfare fund | 0.02 | 0.01 |
| Total | 4.34 | 10.93 |

30.2 Defined Benefit Plan – Gratuity

Information about the characteristics of defined benefit plan

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

| Features of the defined benefit plan | Remarks |
|--------------------------------------|---|
| Benefit offered | 15 / 26 × Salary × Past Service Years |
| Salary definition | Last drawn qualifying salary |
| Benefit ceiling | Benefit ceiling of Rs. 20,00,000 was applied |
| Vesting conditions | 5 Years of service No vesting condition apply in case of Death and disability |
| Retirement age | 58 years |

30.3 The company is responsible for the governance of the plan.

30.4 Risk to the Plan

Following are the risk to which the plan exposes the entity:

A Actuarial Risk:

"There is a risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date."

B Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**C Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cashflows.

D Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is made effective.

30.5 Reconciliation of defined benefit obligations**(In ` Lacs)**

| Particulars | 2021-20 | 2019-20 |
|---|----------------|----------------|
| Defined benefit obligations as at beginning of the year | 81.19 | 74.06 |
| Current service cost | 4.75 | 9.14 |
| Interest cost | 5.68 | 5.00 |
| Actuarial Loss/(Gain) due to change in financial assumptions | (1.04) | 6.25 |
| Actuarial Loss/(Gain) due to change in demographic assumptions | 0.00 | 0.00 |
| Actuarial Loss/(Gain) due to experience adjustment for plan liabilities | (46.20) | (13.25) |
| Benefits Paid | 0.00 | 0.00 |
| Defined benefit obligations as at end of the year | 44.38 | 81.20 |

30.6 Reconciliation of Plan Assets**(In ` Lacs)**

| Particulars | 2021-20 | 2019-20 |
|---|----------------|----------------|
| Plan Asset as at beginning of the year | 0.00 | 0.00 |
| Interest Income | 0.00 | 0.00 |
| Return on plan assets excluding interest income | 0.00 | 0.00 |
| Contributions by employer | 0.00 | 0.00 |
| Benefits paid | 0.00 | 0.00 |
| Plan Asset as at end of the year | 0.00 | 0.00 |

30.7 Funded Status**(In ` Lacs)**

| Particulars | As at | |
|--|-----------------------|-----------------------|
| | March 31, 2021 | March 31, 2020 |
| Present Value of Benefit Obligation at the end of the Period | (44.39) | (81.19) |



| | | |
|--|----------------|----------------|
| Fair Value of Plan Assets at the end of the Period | 0.00 | 0.00 |
| Funded Status / (Deficit) | (44.39) | (81.19) |

30.8 Net amount Charged to Statement of Profit and Loss for the period (In Lacs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Current service cost | 4.75 | 9.14 |
| Net Interest cost | 5.68 | 5.00 |
| Net amount recognized Statement of Profit and Loss | 10.43 | 14.14 |

30.9 Net amount Recognized to Other Comprehensive Income for the period (In ` Lacs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Actuarial (Gains)/Losses on Obligation For the Period | (47.24) | (7.00) |
| Return on plan assets excluding interest income | 0.00 | 0.00 |
| Amounts recognized in Other Comprehensive Income | (47.24) | (7.00) |

30.10 Actuarial Assumptions (In Lacs)

| Particulars | March 31, 2021 | March 31, 2020 |
|--------------------|----------------|----------------|
| Discount Rate | 7.00% | 6.75% |
| Salary Growth Rate | 6.00% | 6.00% |
| Withdrawal Rate | 5.00% | 5.00% |

30.11 Sensitivity Analysis for Key Assumption on Defined Benefit Obligation

2020-21

| Assumptions | Change in Assumptions | Increase in Rate | | Decrease in Rate | |
|--------------------|-----------------------|------------------|-----|------------------|-----|
| | % | (In ` Lacs) | % | (In ` Lacs) | % |
| Discount Rate | +/- 1.00% | (3.44) | -8% | 4.01 | 9% |
| Salary Growth Rate | +/- 1.00% | 4.11 | 9% | (3.50) | -8% |
| Withdrawal rate | +/- 1.00% | 0.21 | 0% | (0.25) | -1% |

30.12 Maturity Profile of the Defined Benefit Obligation

Projected Benefits Payable in Future Years From the Date of Reporting

| For the Year ended on March 31, | (In ` Lacs) | % |
|---------------------------------|-------------|--------|
| 2021-2022 | 9.39 | 21.15% |
| 2022-2023 | 0.77 | 1.73% |
| 2020-2024 | 0.77 | 1.73% |
| 2024-2025 | 0.77 | 1.73% |
| 2025-2026 | 2.16 | 4.87% |
| 2026 onwards | 30.53 | 68.78% |

31 Income Tax Expense

**31.1 Income Tax Expense in the statement of profit and loss comprises of: (In ` Lacs)**

| Particulars | 2020-21 | 2019-20 |
|--|-------------------|-----------------|
| Income Tax | 0.00 | 0.00 |
| Related to adjustments of earlier year tax | 0.00 | 0.53 |
| Current Income Tax | 0.00 | 0.53 |
| Deferred Tax | | |
| Relating to origination and reversal of temporary difference | (1,786.46) | (197.56) |
| Total Deferred Tax | (1,786.46) | (197.56) |
| Income Tax Expense / (Income) | (1,786.46) | (197.03) |

31.2 The details of Income Tax Assets and Liabilities and Deferred Tax Liabilities as at March 31, 2021 and March 31, 2020 are as under: (In ` Lacs)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|----------------------------------|----------------------|----------------------|
| Income Tax Assets - Current | 0.00 | 0.00 |
| Income Tax Liabilities - Current | 6.31 | 6.09 |
| Deferred Tax Assets | 2,570.30 | 783.85 |

31.3 A reconciliation of the Income Tax Provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below: (In Lacs)

| Particulars | 2020-21 | 2019-20 |
|--|-------------------|-----------------|
| Accounting Profit Before Tax | (9,235.86) | (1,565.89) |
| Normal Tax Rate | 30.900% | 30.900% |
| Tax Liability on Accounting Profit | 0.00 | 0.00 |
| Current Tax Expenses : (A) | 0.00 | 0.00 |
| Relating to adjustments of earlier year taxes : (B) | 0.00 | 0.53 |
| Deferred Tax | | |
| Relating to origination and reversal of temporary difference | (1,786.46) | (197.56) |
| Deferred Tax Expenses / (Income) : (C) | (1,786.46) | (197.56) |
| Total Income Tax Expense : (A + B + C) | (1,786.46) | (197.03) |

31.4 There is no change in the applicable tax rates compared to previous accounting period.

31.5 Details of each type of recognized temporary differences and unused tax credits (In ` Lacs)

| Particulars | March 31, 2021 | March 31, 2020 |
|-------------------------------------|----------------|----------------|
| Deferred tax liability on | | |
| Property, plant and equipment | 56.89 | 85.56 |
| Total Deferred tax liability | 56.89 | 85.56 |

Deferred tax asset on

| | | |
|--|----------|--------|
| Impairment Loss Provision for Debtors as per ECL Model | 1,614.35 | 0.00 |
| Interest Accrued and not paid on NPA Borrowings | 1,001.30 | 848.30 |



| | | |
|--|-------------------|-----------------|
| Provision for Gratuity | 11.54 | 21.11 |
| Total Deferred tax asset | 2,627.19 | 869.41 |
| Net Deferred Tax Liabilities/(Assets) | (2,570.30) | (783.85) |

31.6 Details of deferred tax assets not recognized in balance sheet (In ` Lacs)

| Deferred tax assets on | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Unused tax losses- related to Depreciation | 847.72 | 741.37 |
| Unused tax losses - Expired on March 31, 2024 | 13.00 | 13.00 |
| Unused tax losses - Expired on March 31, 2026 | 112.82 | 112.82 |
| Unused tax losses - Expired on March 31, 2027 | 71.08 | 71.08 |
| Unused tax losses - Expired on March 31, 2028 | 120.05 | 117.59 |
| Unused tax losses - Expired on March 31, 2029 | 605.45 | 0.00 |
| Unused MAT tax credit - Expired on March 31, 2030 | 21.83 | 21.83 |

32 Financial Instruments (In ` Lacs)

**Disclosure of Financial Instruments by Category
As at March 31, 2021**

| Financial Instruments by categories | Reference Note No. | FVTPL | FVTOCI | Amortized Cost | Total Carrying Amount | Fair Value |
|-------------------------------------|--------------------|-------------|-------------|------------------|-----------------------|------------------|
| Financial Asset | | | | | | |
| Investment | 7 | 0.00 | 0.00 | 0.26 | 0.26 | 0.26 |
| Other Financial Assets | 8 | 0.00 | 0.00 | 375.70 | 375.70 | 375.70 |
| Trade Receivables | 11 | 0.00 | 0.00 | 4,022.19 | 4,022.19 | 4,022.19 |
| Cash and Cash Equivalents | 12 | 0.00 | 0.00 | 15.97 | 15.97 | 15.97 |
| Loans | 13 | 0.00 | 0.00 | 12.50 | 12.50 | 12.50 |
| Total Financial Assets | | 0.00 | 0.00 | 4,426.62 | 4,426.62 | 4,426.62 |
| Financial liability | | | | | | |
| Borrowings | 16 | 0.00 | 0.00 | 9,265.87 | 9,265.87 | 9,265.87 |
| Trade Payables | 18 | 0.00 | 0.00 | 2,501.13 | 2,501.13 | 2,501.13 |
| Other Financial Liabilities | 19 | 0.00 | 0.00 | 3,872.32 | 3,872.32 | 3,872.32 |
| Total Financial Liabilities | | 0.00 | 0.00 | 15,639.32 | 15,639.32 | 15,639.32 |

As at March 31, 2020 (In ` Lacs)

| Financial Instruments by categories | Reference Note No. | FVTPL | FVTOCI | Amortized Cost | Total Carrying Amount | Fair Value |
|-------------------------------------|--------------------|-------------|-------------|------------------|-----------------------|------------------|
| Financial Asset | | | | | | |
| Investment | 7 | 0.00 | 0.00 | 0.26 | 0.26 | 0.26 |
| Other Financial Assets | 8 | 0.00 | 0.00 | 336.09 | 336.09 | 336.09 |
| Trade Receivables | 11 | 0.00 | 0.00 | 11,002.08 | 11,002.08 | 11,002.08 |
| Cash and Cash Equivalents | 12 | 0.00 | 0.00 | 35.52 | 35.52 | 35.52 |
| Loans | 13 | 0.00 | 0.00 | 12.43 | 12.43 | 12.43 |
| Total Financial Assets | | 0.00 | 0.00 | 11,386.38 | 11,386.38 | 11,386.38 |

Financial liability

| | | | | | | |
|------------------------------------|----|-------------|-------------|------------------|------------------|------------------|
| Borrowings | 16 | 0.00 | 0.00 | 7,560.16 | 7,560.16 | 7,560.16 |
| Trade Payables | 18 | 0.00 | 0.00 | 4,383.12 | 4,383.12 | 4,383.12 |
| Other Financial Liabilities | 19 | 0.00 | 0.00 | 3,283.05 | 3,283.05 | 3,283.05 |
| Total Financial Liabilities | | 0.00 | 0.00 | 15,226.33 | 15,226.33 | 15,226.33 |

33 Fair Value Measurement of Financial Asset and Financial Liabilities

The Fair value of current financial assets and current financial liabilities measured at amortised cost, are considered to be the same as their carrying amount as they are of short term nature. Hence fair value hierarchy is not given for the same.

The carrying amount of non - current financial assets and non - current financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled. Hence, fair value hierarchy is not given for the same.

34 Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy 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 systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk.

i Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Interest risk arises to the Company mainly from borrowings with variable rates. The Company measures risk through sensitivity analysis. The banks are now finance at variable rate only, which is the inherent business risk.

The Company's exposure to interest rate risk is as follows :

(In `Lacs)

| Particulars | March 31, 2021 | March 31, 2020 |
|--|-----------------|-----------------|
| Liability | | |
| Working Capital Loan - from Banks (Including Interest Accrued thereon) | 9,570.58 | 9,761.87 |
| | 9,570.58 | 9,761.87 |

| Particulars | Impact on Profit and Loss after Tax |
|-------------|-------------------------------------|
|-------------|-------------------------------------|

| | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Interest Rate increase by 0.50 basis point | 33.07 | 33.73 |
| Interest Rate decrease by 0.50 basis point | (33.07) | (33.73) |

ii Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its sales and purchases from overseas suppliers in foreign currencies. The company measures risk through sensitivity analysis.

The Company's exposure to Foreign Currency Risk is as follows:

| Particulars | Currency | | March 31, 2021 | March 31, 2020 |
|------------------------------|----------|---------|----------------|----------------|
| Financial Assets | | | | |
| Trade Receivables | USD | in Lacs | 131.80 | 132.39 |
| | EURO | in Lacs | 5.35 | 5.35 |
| | INR | in Lacs | 10,107.87 | 10,424.65 |
| Financial Liabilities | | | | |
| Trade Creditors | USD | in Lacs | 1.28 | 1.28 |
| | INR | in Lacs | 93.70 | 96.49 |
| Net Asset/(Liability) | | | | |
| USD in INR | | in Lacs | 9,554.59 | 9,883.30 |
| EURO in INR | | in Lacs | 459.26 | 444.32 |

| Sensitivity Analysis | (In ` Lacs) | |
|--|------------------------------------|----------------|
| Particulars | Impact on profit / loss before tax | |
| | March 31, 2021 | March 31, 2020 |
| INR / USD rate changes favourably by 2% | 191.09 | 197.67 |
| INR / USD rate changes unfavourably by 2% | (191.09) | (197.67) |
| INR / EURO rate changes favourably by 2% | 9.18 | 8.89 |
| INR / EURO rate changes unfavourably by 2% | (9.18) | (8.89) |

B Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company closely monitors its liquidity position and is attempting to enhance its sources of funding by increasing cash flow generated from its operations



and realisations from other proposed measures. The Company measures risk by forecasting cash flows.

The following are the contractual maturities of financial liabilities (In ` Lacs)

| As at March 31, 2021 | Carrying Amount | upto 1 year | 1 - 2 years | 2 - 5 years | > 5 years |
|-----------------------------|------------------------|--------------------|--------------------|--------------------|---------------------|
| Borrowings | 9,265.87 | 6,108.51 | 0.00 | 0.00 | 3,157.36 |
| Trade Payables | 2,501.13 | 2,501.13 | 0.00 | 0.00 | 0.00 |
| Other Financial Liabilities | 3,872.32 | 3,872.32 | 0.00 | 0.00 | 0.00 |
| | 15,639.32 | 12,481.96 | 0.00 | 0.00 | 3,157.36 |

| As at March 31, 2020 | Carrying Amount | upto 1 year | 1 - 2 years | 2 - 5 years | > 5 years |
|-----------------------------|------------------------|--------------------|--------------------|--------------------|---------------------|
| Borrowings | 7,560.16 | 6,855.88 | 0.00 | 0.00 | 704.28 |
| Trade Payables | 4,383.12 | 4,383.12 | 0.00 | 0.00 | 0.00 |
| Other Financial Liabilities | 3,283.05 | 3,283.05 | 0.00 | 0.00 | 0.00 |
| | 15,226.33 | 14,522.05 | 0.00 | 0.00 | 704.28 |

C Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness.

Credit risk arises primarily from financial assets such as trade receivables, cash and cash equivalent and other financial assets.

In respect of trade receivables, credit risk is being managed by the company 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 ensures that sales of products are made to customers with appropriate creditworthiness. All trade receivables are also reviewed and assessed for default on a regular basis.

Credit risk arising from cash and cash equivalent and other financial assets is limited as the counterparties are banks and mainly Government companies respectively.

The Company has made assessment of Allowance for Credit Loss in respect of Trade Receivables for the first time. The Company has analysed its trade receivables for aging analysis and grouped them accordingly and then applied year wise percentage to calculate the amount of Allowance for Credit Loss in respect of the same.

Movement in the expected Allowance for Credit Loss in respect of Trade Receivables

| | (In ` Lacs) | |
|----------------------------------|-----------------------|-----------------------|
| Particulars | March 31, 2021 | March 31, 2020 |
| Balance at beginning of the year | 0.00 | 0.00 |



| | | |
|---------------------------------------|-----------------|-------------|
| Add: Provided during the year | 6,209.05 | 0.00 |
| Less: Reversals of provision | 0.00 | 0.00 |
| Less: Amounts written back | 0.00 | 0.00 |
| Balance at the end of the year | 6,209.05 | 0.00 |

The Company has made above provision and the same has been charged to statement of profit and loss under the head of Other Expenses.

The maximum exposure to the credit risk at the reporting date from trade receivables after the provision of Allowance for Credit Loss is as under:

| Particulars | (In ` Lacs) | |
|------------------|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Trade Receivable | 4,022.19 | 11,002.08 |

35. Earning Per Share

| Sr. No. | Particulars | Units | 2020-21 | 2019-20 |
|---------|---|--------------|------------|------------|
| 1 | Net Profit | ` in Lacs | (7,402.16) | (1,361.86) |
| 2 | Weighted Average of Equity Shares outstanding | Nos. in Lacs | 1,582.76 | 1,582.76 |
| 3 | Basic and Diluted Earning Per Share of ` 1 each | ` | (4.68) | (0.86) |

36 Related Parties Disclosure:

36.1 List of Related Parties & Relationship:

| Sr. No. | Particulars | Name of the Related Parties |
|---------|---|---|
| 1 | Associate Company | Goldmen Hotels and Resorts Pvt. Ltd. * ⁽¹⁾ |
| 2 | Key Managerial Personnel (KMP) | Viral M. Shah Zankarsinh K. Solanki Sunit J. Shah Yashree K. Dixit Bhavika Sharma ⁽²⁾ Yashaswani Pandeya ⁽³⁾ Hiral Patel ⁽⁴⁾ |
| 3 | Relatives of Key Managerial Personnel | Giraben Solanki Mona Shah Dipali Shah Sarojben M. Shah Dhara Z. Solanki |
| 4 | Enterprises over which KMP having significant influence | Sampati Securities Ltd. Gyscoal Enterprise Pvt. Ltd. |



* No transaction done during the year

(1) With effect from 4-11-2016

(2) Till February 2020

(3) Till September 2020

(4) With effect from October 2020

36.2 Transactions with Related Parties:

(In ` Lacs)

| Particulars | KMP | | Relatives of KMP | | Enterprises over which KMP having significant influence | | Total | |
|-------------------------------|---------|---------|------------------|---------|---|----------|----------|----------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| 1 Liabilities | | | | | | | | |
| Loan taken | 12.50 | 52.88 | 40.00 | 8.40 | 1,782.97 | 1,696.34 | 1,835.47 | 1,757.62 |
| Loan Repayment | 18.00 | 79.44 | 2.10 | 0.00 | 1,519.17 | 1,508.92 | 1,539.27 | 1,588.35 |
| 2 Expenses | | | | | | | | |
| Interest Expense | 0.00 | 0.00 | 0.00 | 0.00 | 11.92 | 0.00 | 11.92 | 0.00 |
| Directors' Remuneration | 4.08 | 13.38 | 0.00 | 0.00 | 0.00 | 0.00 | 4.08 | 13.38 |
| Directors' Sitting Fees | 1.80 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.80 | 0.00 |
| Employee Benefit Expense | 3.58 | 4.83 | 4.27 | 9.85 | 0.00 | 0.00 | 7.86 | 14.68 |
| 3 Income | | | | | | | | |
| Rent | 0.00 | 0.00 | 0.00 | 0.00 | 0.48 | 0.00 | 0.48 | 0.00 |
| 4 Outstanding Balances | | | | | | | | |
| Liabilities | | | | | | | | |
| Loans Payable | 309.75 | 315.25 | 65.33 | 27.43 | 980.00 | 704.28 | 1,355.08 | 1,046.96 |

36.3 Disclosure of material transactions with Related Party:

(In ` Lacs)



| Sr. No. | Particulars | 2020-21 | 2019-20 |
|------------|---|-----------------|-----------------|
| 1 | Loan Transactions | | |
| 1.1 | With KMP | | |
| | Loan Taken from | | |
| | Viral M. Shah | 12.50 | 34.90 |
| | Zankarsinh K. Solanki | 0.00 | 17.99 |
| | | 12.50 | 52.89 |
| | Loan repaid to | | |
| | Viral M. Shah | 18.00 | 51.84 |
| | Zankarsinh K. Solanki | 0.00 | 27.59 |
| | | 18.00 | 79.43 |
| 1.2 | With enterprises over which KMP having significant influence | | |
| | Loan taken from | | |
| | Sampati Securities Ltd. | 1,782.97 | 1,696.34 |
| | | 1,782.97 | 1,696.34 |
| | Loan repaid to | | |
| | Sampati Securities Ltd. | 1,519.17 | 1,508.92 |
| | | 1,519.17 | 1,508.92 |
| 1.3 | With Relatives of Key Managerial Personnel | | |
| | Loan taken from | | |
| | Mona Shah | 40.00 | 8.40 |
| | | 40.00 | 8.40 |
| | Loan repaid to | | |
| | Giraben Solanki | 2.10 | 0.00 |
| | | 2.10 | 0.00 |
| 2 | Expenses | | |
| 2.1 | Interest Expenses | | |
| | Sampati Securities Ltd. | 11.92 | 0.00 |
| | | 11.92 | 0.00 |
| 2.2 | Directors' Remuneration | | |
| | Viral M. Shah | 0.00 | 7.79 |
| | Zankarsinh K. Solanki | 4.08 | 5.59 |
| | | 4.08 | 13.38 |
| 2.3 | Directors' Sitting Fees | | |
| | Sunit J. Shah | 0.90 | 0.00 |
| | Yashree K. Dixit | 0.90 | 0.00 |
| | | 1.80 | 0.00 |
| 2.4 | Employee Benefit Expenses | | |
| | Hiral Patel | 1.82 | 0.00 |
| | Yashaswani Pandeya | 1.77 | 0.80 |
| | Bhavika Sharma | 0.00 | 4.03 |
| | | 3.59 | 4.83 |
| 2.5 | Employee Benefit Expenses | | |
| | Mona Shah | 0.00 | 2.40 |
| | Giraben Solanki | 3.08 | 4.22 |
| | Dipali Shah | 0.00 | 1.59 |
| | Dhara Z. Solanki | 1.19 | 1.63 |
| | | 4.27 | 9.84 |

| | | | |
|------------|------------------------------|-----------------|-----------------|
| 3 | Income | | |
| 3.1 | Rent Income | | |
| | Gyscoal Enterprise Pvt. Ltd. | 0.48 | 0.00 |
| | | 0.48 | 0.00 |
| 3 | Balance outsatnding | | |
| | Loan payable | | |
| | Giraben Solanki | 16.93 | 19.03 |
| | Mona Shah | 48.40 | 8.40 |
| | Viral M. Shah | 10.93 | 16.43 |
| | Zankarsinh K. Solanki | 298.83 | 298.83 |
| | Sampati Securities Ltd. | 980.00 | 704.28 |
| | | 1,355.09 | 1,046.97 |

36.4 Compensation of Key Managerial Personnel of the Company

| | (In ` Lacs) | |
|--------------------------|--------------------|----------------|
| Partiuclars | 2020-21 | 2019-20 |
| Short Term Employee | | |
| Benefits | 7.66 | 18.21 |
| Director's Sitting Fees | 1.80 | 0.00 |
| Post employment benefits | 0.00 | 0.00 |
| Termination Benefits | 0.00 | 0.00 |
| Share Based Payments | 0.00 | 0.00 |

36.5 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

36.6 The related party balances outstanding are routine in nature as per ordinary course of business.

37 Segment Informations

37.1 The Company is engaged in the business of manufacturing of S.S. Products. As there is only one reportable segment, the company has not given segment information.

37.2 Information about major customers

There are three customers (three in 2019-20) who individually accounted for revenue more than 10% of total revenue of the company.

| | (In ` Lacs) | |
|---|--------------------|----------------|
| Partiuclars | 2020-21 | 2019-20 |
| Revenue from such customers | | |
| Customer attributing highest revenue | 460.30 | 1,650.37 |
| Customer attributing second highest revenue | 259.90 | 1,568.01 |
| Customer attributing third highest revenue | 151.86 | 1,086.56 |



38 Details of Loan given, Investment made and Guarantee given pursuant section 186 (4) of the Companies Act, 2013:

Loans given and investments made are given under the respective heads. All Loans given are to the employees of the company. There are no corporate guarantees given by the company in respect of loans as at March 31, 2021.

39 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classifications / disclosures.

40 As the company is not covered under the provision of Section 135 of the Companies Act, 2013, details of CSR is not required to be given.

41 Note on Global Health Pandemic on Covid-19

"The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

COVID19 is significantly impacting business operation of the company, by way of interruption in production, supply chain disruption, unavailability of personnel, and lower demand of company's product in the short term, closure/lockdown of production facilities etc. On 24th March, 2020, the Government of India ordered a nationwide lockdown for 21 days which further got extended till 3rd May, 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities.

Given the uncertainty of quick turnaround to normalcy, post lifting of the lock down, the Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure.

Pursuant to the relaxed guidelines, the Company has now resumed its operations but with limited capacity utilisation. Since the situation is continuously evolving, the impact assessed in future may be different from the

The accompanying notes form an integral part of Financial Statement.

As per our report of even date attached

for and on behalf of the Board

For, SAURABH R. SHAH & CO.,

Viral Shah

Zankarsinh Solanki

Chartered Accountants
Reg. No. 127176W

Managing Director & Chairman
DIN - 00014182

Wholetime Director
DIN - 00014226

N. S. Patel

Partner
Membership No. 151799
UDIN : 21151799AAAABK7104

Vishal Parikh
Chief Financial Officer

Hiral Patel
Company Secretary

Place : Ahmedabad
Date : 17-06-2021

Place : Ahmedabad
Date : 17-06-2021

Independent Auditors' Report

TO,
THE MEMBERS,
GYSCOAL ALLOYS LTD.

Report on the Audit of Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Gyscoal Alloys Limited (hereinafter referred to as "the Company") and its associates (hereinafter together referred to as the "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records. (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the associates, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2021, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for opinion

3. We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its associates in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub- paragraph 16 and 17 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key audit matters

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

Assessment of contingent liabilities relating to litigations and claims See Note 21 to the consolidated financial statements:

| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|--|
| <p>The Company has material uncertain tax positions including matters under dispute relating to direct tax and indirect tax which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Assessment of contingent liabilities disclosure requires Management to make judgements and estimates in relation to the issues and exposures. Whether the liability is inherently uncertain, the amounts involved are potentially significant and the application of accounting standards to determine the amount, if any, to be provided as liability, is inherently subjective.</p> | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> • We tested the effectiveness of controls around the recording and re-assessment of contingent liabilities. • Obtained details of completed tax assessments and demands for the year ended March 31, 2021 from management. • We used our subject matter experts to assess the value of material contingent liabilities in light of the nature of exposures, applicable regulations and related correspondence with the authorities. • We discussed the status and potential exposures in respect of significant litigation and claims with the Company's management including their views on the likely outcome of each litigation, claim and the magnitude of potential exposure and sighted any relevant opinions given by the Company's advisors. • We assessed the adequacy of disclosures made. • We discussed the status in respect of significant provisions with the Company's management. • We performed retrospective review of management judgements relating to accounting estimate included in the financial statement of prior year and compared with the outcome. |

Information other than the Consolidated Financial Statements and Auditors' Report thereon

5. The Company's Board of Directors is responsible for the other information. The other information comprises the [information included in the Board of Directors report, but does not include the consolidated financial statements and our auditor's report thereon.
6. Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

7. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 16 and 17 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Management's Responsibilities for the consolidated financial statements

8. The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.
9. In preparing the Consolidated Financial Statements, the respective Board of Directors of the company and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those respective Board of Directors of the company and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's responsibilities for the audit of the consolidated financial statements

11. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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) of the Act, we are also responsible for expressing our opinion on whether the Parent 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

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

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

Other Matters

16. We did not audit the financial statements of one associates (**i.e. Goldman Hotels and Resorts Private Limited**) included in the consolidated financial results, whose financial statements reflect total assets of `Nil and net assets of `Nil as at March 31, 2021, total revenues of `Nil, total net profit after tax of `Nil and total comprehensive income of `Nil and net cash flows amounting to `Nil for the year ended March 31, 2021, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management. These financial statements have not been prepared in accordance with Ind AS compliance but prepared in conformity with the accounting principles generally accepted in India. Our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of this associates, and our report in terms of section 143(3) of the act, in so far as it relates to the aforesaid associates is based solely on the report of other auditors. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.
17. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on other legal and regulatory requirements

18. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of associates, as noted in the 'other matters' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
 - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its associates, none of the directors of the Company and its associates, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Company and its associates, incorporated in India, refer to our separate Report in “**Annexure A**” to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the associates, incorporated in India, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Company and its associates incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the associates, as noted in the ‘Other Matters’ paragraph:
 - i) The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its associates in its Consolidated Financial Statements – **Refer Note 21** to the Consolidated Financial Statements;
 - ii) The Group and its associates have no long-term contracts as at March 31, 2021 for which there were no material foreseeable losses. The Group and its associates did not have any long term derivative contracts as at March 31, 2021.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company and its associates.

For, SAURABH R. SHAH & CO.
Chartered Accountants
Firm Reg. No. 127176W

N. S. Patel
Partner
Membership No. 151799
UDIN : 21151799AAAAABL6884

Place: Ahmedabad
Date: June 17, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 18(f) of the Independent Auditors' Report of even date to the members of Gyscoal Alloys Limited on the consolidated financial statements for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section 3 of section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of Gyscoal Alloys Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of Gyscoal Alloys Limited (hereinafter referred to as "the Company") and its associates, which is company incorporated in India, as of that date.

Management's responsibility for Internal Financial Controls

2. The respective Board of Directors of the Company and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 the respective 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 Act.

Auditors' responsibility

3. Our responsibility is to express an opinion on the Company and its associates, which are companies incorporated in India, internal financial controls over financial reporting with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control over financial reporting with reference to these Consolidated Financial Statements 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 with reference to these Consolidated Financial Statements includes those policies and procedures that :

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) 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;
- (c) 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 with reference to these consolidated financial statements

- 7. Because of the inherent limitations of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, 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 with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

- 8. In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph below, the Company and its subsidiaries, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at March 31,2021, 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.

**Other Matters**

9. Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Company, in so far as it relates to separate financial statement of its 1 associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such associates incorporated in India. Our opinion is not qualified in respect of this matter.

For, SAURABH R. SHAH & CO.

Chartered Accountants

Firm Reg. No. 127176W

N. S. Patel

Partner

Membership No. 151799

DIN : 21151799AAAABL6884

Place: Ahmedabad

Date: June 17, 2021



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

| (In ` Lacs) | | | | |
|--------------|--|----------|-------------------|------------------|
| Particulars | | Note No. | As at March 31, | |
| | | | 2021 | 2020 |
| A | ASSETS | | | |
| (1) | Non-Current Assets | | | |
| a | Property, Plant and Equipment | 6 | | |
| | (i) Tangible Asset | | 2,439.92 | 2,887.28 |
| b | Financial Assets | | | |
| | Investments | 7 | 0.00 | 0.00 |
| | Other Financial Assets | 8.1 | 247.14 | 256.25 |
| c | Deferred Tax Asset (Net) | 31 | 2,570.30 | 783.85 |
| d | Other Non Current Assets | 9.1 | 129.14 | 127.14 |
| | Total Non-Current Assets | | 5,386.50 | 4,054.52 |
| (2) | Current Assets | | | |
| a | Inventories | 10 | 1,198.29 | 2,508.43 |
| b | Financial Assets | | | |
| | Trade Receivables | 11 | 4,022.19 | 11,002.08 |
| | Cash and Cash Equivalents | 12 | 15.97 | 35.52 |
| | Loans | 13 | 12.50 | 12.43 |
| | Other Financial Assets | 8.2 | 128.56 | 79.84 |
| c | Income Tax Assets (Net) | 31 | 0.00 | 0.00 |
| d | Other Current Assets | 9.2 | 691.82 | 707.33 |
| | Total Current Assets | | 6,069.33 | 14,345.63 |
| | Total Assets | | 11,455.83 | 18,400.15 |
| B | EQUITY AND LIABILITIES | | | |
| I | EQUITY | | | |
| a | Equity Share Capital | 14 | 1,582.76 | 1,582.76 |
| b | Other Equity | 15 | (6,597.31) | 804.85 |
| | Total Equity | | (5,014.55) | 2,387.61 |
| | Minority Interest | | 0.00 | 0.00 |
| II | LIABILITIES | | | |
| (1) | Non-Current Liabilities | | | |
| a | Financial Liabilities | | | |
| | Borrowings | 16.1 | 3,157.36 | 704.28 |
| b | Provisions | 17.1 | 35.00 | 67.14 |
| c | Deferred Tax Liabilities (Net) | 31 | 0.00 | 0.00 |
| | Total Non-Current Liabilities | | 3,192.36 | 771.42 |
| (2) | Current Liabilities | | | |
| a | Financial Liabilities | | | |
| | Borrowings | 16.2 | 6,108.51 | 6,855.88 |
| | Trade Payables due to | 18 | | |
| | Micro & Small Enterprises | | 0.00 | 0.00 |
| | Other than Micro & Small Enterprise | | 2,501.13 | 4,383.12 |
| | Other Financial Liabilities | 19 | 3,872.32 | 3,283.05 |
| b | Other Current Liabilities | 20 | 780.36 | 698.92 |
| c | Provisions | 17.2 | 9.39 | 14.06 |
| d | Current Tax Liabilities (Net) | 31 | 6.31 | 6.09 |
| | Total Current Liabilities | | 13,278.02 | 15,241.12 |
| | Total Equity and Liabilities | | 11,455.83 | 18,400.15 |

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For, SAURABH R. SHAH & CO.,

Chartered Accountants

Firm Reg. No. 127176W

Viral Shah

Managing Director & Chairman

DIN - 00014182

Zankarsinh Solanki

Wholetime Director

DIN - 00014226

N. S. Patel

Partner

Membership No. 151799

UDIN : 21151799AAAABK7104

Place : Ahmedabad

22nd Annual Report 2020-21

Vishal Parikh

Chief Financial Officer

Date: 17-06-2021

Hiral Patel

Company Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(In ` Lacs)

| Particulars | | Note No. | Year Ended March 31, | |
|-------------|---|----------|----------------------|-------------------|
| | | | 2021 | 2020 |
| I | Revenue from Operations | 22 | 1,258.33 | 6,472.43 |
| II | Other Income | 23 | 23.19 | 875.32 |
| III | Total Revenue (I + II) | | 1,281.52 | 7,347.75 |
| IV | Expenses | | | |
| a | Cost of Materials Consumed | 24 | 1,502.76 | 5,345.58 |
| b | Purchase of Stock-in-Trade | | 0.00 | 0.00 |
| c | Changes in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade | 25 | 830.70 | 555.59 |
| e | Employees Benefit Cost | 26 | 216.31 | 458.91 |
| f | Finance Cost | 27 | 617.33 | 596.33 |
| g | Depreciation and Amortisation Expenses | 28 | 454.46 | 553.95 |
| h | Other Expenses | 29 | 6,895.84 | 1,403.28 |
| | Total Expenses | | 10,517.40 | 8,913.64 |
| V | (Loss) before exceptional items and tax (III - IV) | | (9,235.88) | (1,565.89) |
| VI | Exceptional Items | | 0.00 | 0.00 |
| VII | (Loss) before tax (V - VI) | | (9,235.88) | (1,565.89) |
| VIII | Tax Expenses | 31 | | |
| a | Current Tax | | 0.00 | 0.00 |
| b | Deferred Tax | | (1,786.46) | (197.56) |
| c | Adjustment of Earlier Year Tax | | 0.00 | 0.53 |
| | | | (1,786.46) | (197.03) |
| IX | (Loss) after Tax (V - VI) | | (7,449.42) | (1,368.86) |
| X | Other Comprehensive Income | | | |
| A | Items that will not be reclassified to profit or loss | | | |
| | Remeasurement of Defined Benefit Obligations | | 47.24 | 7.00 |
| B | Items that will be reclassified to profit or loss | | | |
| | Foreign Currency Translation Reserve | | 0.00 | 0.00 |
| | | | 47.24 | 7.00 |
| | Total Comprehensive Income (IX + X) | | (7,402.18) | (1,361.86) |
| | Loss after tax attributable to | | | |
| | Owners of the company | | (7,449.42) | (1,368.86) |
| | Non Controlling Interest | | 0.00 | 0.00 |
| | Other Comprehensive Income attributable to | | | |
| | Owners of the company | | 47.24 | 7.00 |
| | Non Controlling Interest | | 0.00 | 0.00 |
| | Total Comprehensive Income attributable to | | | |
| | Owners of the company | | (7,402.18) | (1,361.86) |
| | Non Controlling Interest | | 0.00 | 0.00 |
| | Earning per Equity Share of face value of ` 1/- each | | | |
| | Basic | (In Rs.) | (4.68) | (0.86) |
| | Diluted | (In Rs.) | (4.68) | (0.86) |

The accompanying notes form an integral part of the financial statements.
As per our report of even date attached

For, SAURABH R. SHAH & CO.,
Chartered Accountants
Firm Reg. No. 127176W
N. S. Patel
Partner
Membership No. 151799
UDIN : 21151799AAAABK7104

Viral Shah
Managing Director & Chairman
DIN - 00014182

Vishal Parikh
Chief Financial Officer

Zankarsinh Solanki
Whole time Director
DIN - 00014226

Hiral Patel
Company Secretary

Place : Ahmedabad
Date : 17-06-2021

Place : Ahmedabad
Date : 17-06-2021



| CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021 | | |
|--|----------------------|-----------------|
| (In ` Lacs) | | |
| Particulars | Year Ended March 31, | |
| | 2021 | 2020 |
| (A) Cash Flow from Operating Activities : | | |
| Net Loss before Tax | (9,235.88) | (1,565.89) |
| Adjustments for : | | |
| Depreciation | 454.46 | 553.95 |
| Interest Income | (15.12) | (15.43) |
| Interest expenses | 610.41 | 589.92 |
| Loss Allowance for Trade Receivables | 6,209.05 | 0.00 |
| Provision for Employee Benefits - Remeasurement of Defined Benefit Obligations | 47.24 | 7.00 |
| Operating Profit Before Working Capital Changes | (1,929.84) | (430.45) |
| Adjustments for: | | |
| Non-current/current financial and other assets | (26.16) | 216.89 |
| Trade Receivables | 770.84 | 19.45 |
| Inventories | 1,310.15 | 821.03 |
| Non-current/current financial and other liabilities/provisions | (1,995.46) | (227.90) |
| Cash Generated from/(used in) Operating Activities | (1,870.47) | 399.02 |
| Direct Taxes Paid (Net) | 0.22 | 5.89 |
| Nat Cash from Operating Activities (A) | (1,870.25) | 404.91 |
| (B) Cash Flow from Investing Activity : | | |
| Purchase of property, plant and equipments & Goodwill | (7.10) | (14.73) |
| Interest Received | 15.12 | 15.43 |
| Net Cash form Investing Activities (B) | 8.02 | 0.70 |
| (C) Cash Flow from Financial Activities : | | |
| Proceeds /(Repayment) of Long Term Borrowings (Net) | 2,453.09 | 187.43 |
| Interest Paid | (610.41) | (589.92) |
| Net Cash Flow from/(used in) Financing Activities (C) | 1,842.68 | (402.49) |
| Net Increase/(Decrease) in Cash and Bank Balance (A+B+C) | (19.55) | 3.11 |
| Add : Opening Cash & Bank Balances | 35.52 | 32.41 |
| Closing Cash & Bank Balances | 15.97 | 35.52 |

As per our report of even date attached

For and on behalf of the Board

For, SAURABH R. SHAH & CO.,

Viral Shah

Zankarsinh Solanki

Chartered Accountants
Firm Reg. No. 127176W

Managing Director & Chairman
DIN - 00014182

Wholetime Director
DIN - 00014226

N. S. Patel

Partner
Membership No. 151799
UDIN : 21151799AAAABK7104

Vishal Parikh
Chief Financial Officer

Hiral Patel
Company Secretary

Place : Ahmedabad
Date : 17-06-2021

Place : Ahmedabad
Date : 17-06-2021



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

A Equity Share Capital

| | | (In ` Lacs) |
|---|--------------|-----------------|
| | Year to Date | March 31, 2021 |
| Balance at the beginning of reporting period | | 1,582.76 |
| Changes during the year | | 0.00 |
| Balance at the end of reporting period | | 1,582.76 |

March 31,
2020

B Other Equity

| | Reserves and Surplus | | | OCI | (In ` Lacs) |
|--|-----------------------|--------------------|----------------------|-------------------------------|-------------------|
| Particulars | Securities Premium | General Reserve | Retained Earnings | Foreign Curr. Tra. Reserve | Total |
| Balance as at April 01, 2020 | 5,260.14 | 7.45 | (4,462.73) | 0.00 | 804.86 |
| (Loss) for the year | 0.00 | 0.00 | (7,449.40) | 0.00 | (7,449.40) |
| Adjusted for Subsidiary | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Shares of Associate Company | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Written off | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Items of OCI for the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Foreign Currency Translation reserve | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Remeasurement of defined benefit obligations | 0.00 | 0.00 | 47.24 | 0.00 | 47.24 |
| Total comprehensive income for the year | 0.00 | 0.00 | (7,402.16) | 0.00 | (7,402.16) |
| Balance as at March 31, 2021 | 5,260.14 | 7.45 | (11,864.89) | 0.00 | (6,597.31) |
| Balance as at April 01, 2019 | 5,260.14 | 7.45 | (3,100.87) | 0.00 | 2,166.72 |
| (Loss) for the year | 0.00 | 0.00 | (1,368.86) | 0.00 | (1,368.86) |
| Adjusted for Subsidiary | 0.00 | 0.00 | 0.00 | 0.00 | (0.01) |
| Items of OCI for the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Foreign Currency Translation reserve | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Remeasurement of defined benefit obligations | 0.00 | 0.00 | 7.00 | 0.00 | 7.00 |
| Total comprehensive income for the year | 0.00 | 0.00 | (1,361.86) | 0.00 | (1,361.87) |
| Balance as at March 31, 2020 | 5,260.14 | 7.45 | (4,462.73) | 0.00 | 804.85 |

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached for and on behalf of the Board

For, SAURABH R. SHAH & CO.,

Chartered Accountants
Reg. No. 127176W

N. S. Patel

Partner
Membership No. 151799
UDIN : 21151799AAAABK7104
Place : Ahmedabad
Date : 17-06-2021

Viral Shah

Managing Director & Chairman
DIN - 00014182

Vishal Parikh

Chief Financial Officer

Place : Ahmedabad

Date : 17-06-2021

Zankarsinh Solanki

Wholetime DirectorFirm
DIN - 00014226

Hiral Patel

Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1 Group overview

The consolidated financial statements (herein after referred to as "financial statements") comprise financial statements of Gyscoal Alloys Limited (the Company) and its associate (collectively, the Group) for the year ended March 31, 2021.

The Company is a public limited Company and domiciled in India and is incorporated under the provisions of the Companies Act with its registered office located at Plot No. 2/3 GIDC, Ubkhal, Kukarwada, Tal. Vijapur, Dist.: Mehsana - 382 830.

The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The parent is engaged in the manufacturing of SS products.

The financial statements are approved for issue by the company's Board of Directors on June 17, 2021.

2 Basis of Preparation

2.1 Statement of Compliance

(i) Compliance with Indian Accounting Standards (Ind AS)

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

(ii) Historical Cost Convention

The Financial Statements have been prepared on the historical cost convention on the accrual basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain Financial Assets and Liabilities
- ii) Defined Benefit Plans - Plan Assets

(iii) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is :-

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- "- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period."

All other assets are classified as non-current.

A liability is current when :-

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- "- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period."

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(iv) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.2 Functional and Presentation Currency

Indian rupee is the functional and presentation currency.

2.3 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

3 Significant Accounting Policies

3.1 Revenue Recognition

"Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer."

3.1.1 Sale of Goods

Revenue is generated primarily from sale of S. S. Products. Revenue is recognised at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer in accordance with the terms of customer contracts. In case of domestic customers, generally revenue recognition take place when goods are dispatched and in case of export customers when goods are shipped onboard based on bill of landing as per the terms of contract. Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

A contract liability is the obligation to transfer goods to the customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

3.1.2 Sale of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue is measured based on the transaction price, which is the consideration, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

A contract liability is the obligation to render services to the customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company does not expect to have any contracts where the period between the rendering of promised services to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

3.1.3 Export Incentive

Export incentives are accounted on accrual basis at the time of export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

3.1.4 Job Work

Revenue from job work services is recognised based on the services rendered in accordance with the terms of contracts.

3.1.5 Other Income

a Interest Income

Interest income is recognized using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

b Dividend income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

c Gain or loss on derecognition of Financial Assets

Gain or Loss on derecognition of financial asset is determined as the difference between the sale price (net of selling costs) and carrying value of financial asset.

d All other Incomes are recognised and accounted for on accrual basis

3.2 Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

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.

For transition to Ind AS, the carrying value of Property Plant and Equipment under previous GAAP as on 01 April 2016 is regarded as its cost. The carrying value was original cost less accumulated depreciation and cumulative impairment.

Property, Plant and Equipment not ready for the intended use on the date of the Balance Sheet are disclosed as “Capital work-in-progress”.

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 at the time of disposal and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on Property, Plant and Equipment is calculated on written down value method basis using the ratio arrived as per the useful life prescribed under Schedule II to the Companies Act, 2013.

In respect of Property, Plant and Equipment purchased during the year, depreciation is provided on a pro-rata basis from the date on which such asset is ready to use.

The residual value, useful live and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.3 Financial Instruments

3.3.1 Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognized at fair value on initial recognition.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value of financial assets or financial liabilities on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Regular way purchase and sale of financial assets are accounted for at trade date.

3.3.2 Subsequent Measurement

a Non-derivative financial instruments

I "Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

II Financial assets measured at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

III "Financial assets measured at fair value through profit or loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments."

IV "Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. . For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments."

v Investment in subsidiaries, associate and joint ventures

Investments in subsidiary companies, associate and joint venture companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate and joint venture companies, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

b "Equity instruments"

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognized as a deduction from equity instrument net of any tax effects."

3.3.3 De-recognition

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when obligation specified in the contract is discharged or cancelled or expires.

3.3.4 Off-setting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the company currently has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.4 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

"The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability."

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

3.5 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

3.5.1 Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, wherever appropriate, on the basis of amounts expected to be paid to the tax authorities.

Current tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and current tax liabilities are offset, where company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.5.2 Deferred Tax

Deferred tax is recognized in profit or loss, except when it relates to items that are recognized in other comprehensive income or directly in equity, in which case, the deferred tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities are recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from initial recognition of goodwill; or initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized, except when deferred tax asset on deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rules and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, where company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.5.3 Minimum Alternate Tax ('MAT')

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as deferred tax in the Statement of Profit and Loss. The credit available under the Income Tax Act, 1961 in respect of MAT paid is recognised as an asset only when and

to the extent it is probable that future taxable profit will be available against which these tax credit can be utilised. Such an asset is reviewed at each Balance Sheet date.

3.6 Impairment

3.6.1 Financial assets other than investments in subsidiary and associates

"The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the statement of profit and loss. "

3.6.2 Financial assets – investment in subsidiary and associates

"The company assesses at each reporting date whether there is an indication that an asset may be impaired. Such indication include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

If any indication exists, the company estimates the asset's recoverable amount based on value in use.

To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset

Where the carrying amount of an asset exceeds its value in use amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in statement of profit and loss."

3.6.3 Non financial assets - Tangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the company estimates the asset's recoverable amount

An asset's recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.7 Borrowing Costs

Borrowing cost includes interest and other costs that company has incurred in connection with the borrowing of funds.

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 charged to the Statement of Profit and Loss for the period for which they are incurred.

Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

3.8 Employee Benefits

Short term employee benefits for salary and wages including accumulated leave that are expected to be settled wholly within 12 months after the end of the reporting period in which employees render the related service are recognized as an expense in the statement of profit and loss.

The company measures the expected cost of absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. As per Company's policy, no leave is expected to be carried forward beyond 12 months from the reporting date.

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

The company operates one defined benefit plan for its employees, viz., gratuity plan. The costs of providing benefits under the plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method made at the end of each reporting date. Re-measurement of the net defined benefit liability (asset) comprise of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability / (asset)). Re-measurement are recognized in other comprehensive income and will not be reclassified to profit or loss in a subsequent period.

3.9 Provisions

A provision is recognized when the company has a present obligation as a result of past event and 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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.

3.10 Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

3.11 Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. The company does not recognize a contingent asset but discloses its existence in the financial statements.

3.12 Foreign Currency

a Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

b Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

c Exchange difference

All exchange differences are recognized as income or as expenses in the year in which they arise.

3.13 Cash and cash equivalent

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank (including demand deposits) and in hand and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.14 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.15 Inventories

Items of inventory are valued at cost or net realizable value, whichever is lower. Cost for raw materials, traded goods and stores and spares is determined on FIFO basis. Cost includes all charges in bringing the goods to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

3.16 Lease

"Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective approach.

The effect of this adoption is insignificant on the profit before tax, profit for the year and earnings per share."

(i) As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

3.17 Segment Reporting

An operating segment is component of the company that engages in the business activity from which the company earns revenues and incurs expenses, for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker, in deciding about resources to be allocated to the segment and assess its performance. The company's chief operating decision maker is the managing Director.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

3.18 Cash Flow Statement

Cash flows are reported using indirect method whereby profit for the period is adjusted for the effects of the transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts and payments and items of income or expenses associated with investing and financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.19 Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

3.20 Basis of consolidation and equity method

The Parent Company consolidates entities which it owns or controls and applies equity method of accounting where the Company has significant influence over the other entity.

a Consolidation of subsidiary

The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Power is demonstrated through existing rights that give the current ability to direct the relevant activities of the entity that significantly affect the entity's returns.

Subsidiary is consolidated from the date control commences until the date control ceases.

Consolidated financial statements combine like items of assets, liabilities, equity, income, expenses and cash flows of the Company with those of the subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date. Offset the carrying amount of the Company's investment in subsidiary and the Company's portion of the equity of each subsidiary. Intragroup transactions, balances and unrealized gains and losses on transactions between entities of group are eliminated. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12, Income taxes, applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances.

Non-controlling interests in the profit or loss and equity of subsidiary are shown separately in the consolidated financial statements of profit and loss and consolidated statement of changes in equity respectively.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

b Equity method of accounting for investment in associate

An associate is an entity over which the Company and its subsidiary have significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over the policies.

Investments in associates are accounted for using the equity method of accounting. The investments are initially recognized at cost, and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss and other comprehensive income of the investee after the acquisition date. Distributions received from an investee reduce the carrying amount of the investment.

When Company's share of losses of an associate equal or exceeds its interest in the associate, the Company discontinues recognizing its share of further losses unless it has incurred obligations or made payments on behalf of associate.

Unrealized gains and losses on transactions between entities of group are recognised to the extent of the group's interest in these entities.

Investments in associate are accounted for using equity method from the date significant influence commences until the date significant influence ceases.

Accounting policies of the associate are in line with the Company's accounting policies.

Details of associate companies that have been considered in the preparation of the consolidated financial statements:

| | | |
|--|---|------------------------------------|
| 1. Name of the associates : | Goldman Hotels and Resorts Private Limited | |
| 2. Relationship : | Associates | |
| 3. Country of Incorporation and principal place of business: | India | |
| 4. % of Holding and voting power | as on March 31, 2021 26% | as on March 31, 2020 26% |

As company's share of loss in associates exceeds the carrying amount of the investment in shares of associates i.e. Goldman Hotels and Resorts Private Limited, the company has reported investment at nil value. In view of this, the company did not consider accounting of loss reported by associates in the financial years 2020-21.

4 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions.

These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are:

- "- Useful lives of Property, plant and equipment
- Valuation of financial instruments
- Provisions and contingencies
- Income tax and deferred tax
- Measurement of defined employee benefit obligations
- Export Incentive
- Provision for Loss Allowance using Expected Credit Loss Model in respect of Trade Receivables"

5 Recent Accounting Developments

"Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

MCA issued notifications dated 24th March, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021."



6 Property, Plant and Equipment (In Lacs)

| Particulars | Factory Land | Building - Factory | Building - Office | Furniture | Office Equipments | Plant & Machinery | Vehicles | Computers | Total |
|--------------------------------------|---------------|--------------------|-------------------|--------------|-------------------|-------------------|---------------|-------------|-----------------|
| Gross Carring Value | | | | | | | | | |
| As on April 01, 2019 | 103.66 | 940.82 | 64.89 | 28.41 | 31.49 | 4,482.13 | 144.73 | 5.25 | 5,801.38 |
| Additions during the year | 0.00 | 0.00 | 0.00 | 0.00 | 1.46 | 12.00 | 0.00 | 1.27 | 14.73 |
| Disposals during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| As on March 31, 2020 | 103.66 | 940.82 | 64.89 | 28.41 | 32.95 | 4,494.13 | 144.73 | 6.52 | 5,816.11 |
| Additions during the year | 0.00 | 0.00 | 0.00 | 0.00 | 1.86 | 5.09 | 0.00 | 0.15 | 7.10 |
| Disposals during the year | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| As on March 31, 2021 | 103.66 | 940.82 | 64.89 | 28.41 | 34.81 | 4,499.22 | 144.73 | 6.67 | 5,823.21 |
| Accumulated Depreciation | | | | | | | | | |
| As on April 01, 2019 | 0.00 | 232.58 | 8.79 | 15.22 | 22.23 | 1,996.39 | 96.06 | 3.63 | 2,374.88 |
| Depreciation charged during the year | 0.00 | 67.39 | 2.70 | 3.24 | 4.28 | 461.51 | 13.74 | 1.09 | 553.95 |
| Accumulated Depreciation on disposal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| As on March 31, 2020 | 0.00 | 299.97 | 11.49 | 18.46 | 26.51 | 2,457.90 | 109.80 | 4.72 | 2,928.83 |
| Depreciation charged during the year | 0.00 | 60.97 | 2.67 | 2.34 | 3.20 | 374.90 | 9.33 | 1.05 | 454.46 |
| Accumulated Depreciation on disposal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| As on March 31, 2021 | 0.00 | 360.94 | 14.16 | 20.80 | 29.71 | 2,832.80 | 119.13 | 5.77 | 3,383.29 |
| Net Carring Value | | | | | | | | | |
| As on April 01, 2019 | 103.66 | 708.24 | 56.11 | 13.20 | 9.26 | 2,485.74 | 48.66 | 1.63 | 3,426.50 |
| As on March 31, 2020 | 103.66 | 640.85 | 53.41 | 9.96 | 6.44 | 2,036.23 | 34.92 | 1.81 | 2,887.28 |
| AS on March 31, 2021 | 103.66 | 579.88 | 50.73 | 7.61 | 5.10 | 1,666.42 | 25.60 | 0.90 | 2,439.92 |



| 7 Investments | | (In ` Lacs) | |
|---------------|--|----------------|----------------|
| Sr. No. | Particulars | As at | |
| | | March 31, 2021 | March 31, 2020 |
| | In unquoted equity shares of associate Goldman Hotels & Resorts Pvt. Ltd. (2600 shares of `10/- each) | 0.00 | 0.00 |
| | | 0.00 | 0.00 |
| | Aggregate amount of unquoted investments | 0.00 | 0.00 |
| | Aggregate amount of impairment in value of investments | 0.00 | 0.00 |

As company's share of loss in associates exceeds the carrying amount of the investment, the company has reported investment at nil value. In view of this, the company did not consider accounting of loss reported by associates in the financial years 2020-21.

| 8 Other Financial Assets | | (In ` Lacs) | |
|--------------------------|--|----------------|----------------|
| Sr. No. | Particulars | As at | |
| | | March 31, 2021 | March 31, 2020 |
| 8.1 | Non-Current Other Financial Assets | | |
| | Security Deposits | 128.49 | 128.49 |
| | Fixed Deposits with the Bank having maturity more than 12 months and given as margin money | 118.65 | 127.76 |
| | Total Non-Current | 247.14 | 256.25 |
| 8.2 | Current | | |
| | Interest Receivable | 3.56 | 4.84 |
| | Advance for Borrowing to be taken over | 125.00 | 75.00 |
| | Total Current | 128.56 | 79.84 |
| | Total Other Financial Assets | 375.70 | 336.09 |

Out of the NPA Working Capital Loan Accounts, UCO Bank has sold its NPA A/c to M/s. Omkara Assets Reconstruction Pvt. Ltd. (ARC) and the company has acknowledge this assignment of Debt towards the said ARC vide resolution passed in board meeting held on 12th February, 2018. The company has paid `125 lacs as advance to the said ARC which is shown above under Current Other Financial Assets.

| 9 Other Assets | | (In ` Lacs) | |
|----------------|---------------------------|----------------|----------------|
| Sr. No. | Particulars | As at | |
| | | March 31, 2021 | March 31, 2020 |
| 9.1 | Non Current Assets | | |
| | Capital Advances | 129.14 | 127.14 |
| | Total Non-Current | 129.14 | 127.14 |



| 9.2 | Current Assets | March 31, 2021 | March 31, 2020 |
|-----|------------------------------------|----------------|----------------|
| | Advances other than Capital | | |
| a | Advances | | |
| | Prepaid Expenses | 0.37 | 2.17 |
| | Advances to suppliers and others | 377.05 | 382.56 |
| b | Others | | |
| | Balance with revenue authorities | 314.40 | 322.61 |
| | Total Current | 691.82 | 707.33 |
| | Total Other Assets | 820.96 | 835.47 |

10 Inventories (In ` Lacs)

| Sr. No. | Particulars | As at March 31, 2021 | March 31, 2020 |
|---------|----------------|----------------------------|-------------------|
| | Raw Material | 673.29 | 1,152.73 |
| | Finished Goods | 525.00 | 1,355.70 |
| | Total | 1,198.29 | 2,508.43 |

11 Trade Receivables (In ` Lacs)

| Sr. No. | Particulars | As at March 31, 2021 | March 31, 2020 |
|---------|---|----------------------------|-------------------|
| | Trade Receivable : Unsecured, Considered Good | 4,022.19 | 11,002.08 |
| | Trade Receivable : Unsecured, Considered Doubtful | 6,209.05 | 0.00 |
| | Total | 10,231.24 | 11,002.08 |
| | Less : Allowance for Credit Loss | 6,209.05 | 0.00 |
| | Total | 4,022.19 | 11,002.08 |
| | Dues from company where directors are interested (included above) | 0.00 | 0.00 |

The Company has used a practical expedient and analysed the recoverable amount of receivables on an individual basis by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information.

The Company has made assessment of Allowance for Credit Loss in respect of Trade Receivables for the first time. The Company has analysed its trade receivables for aging analysis and grouped them accordingly and then applied year wise percentage to calculate the amount of Allowance for Credit Loss in respect of the same. (Also see Note No. 34)"

12 Cash and Cash Equivalents (In ` Lacs)

| Sr. No. | Particulars | As at March 31, 2021 | March 31, 2020 |
|---------|----------------------|----------------------------|-------------------|
| | Cash and Cash | | |
| 12 | Equivalents | | |
| a | Balance with bank | | |
| | In Current Accounts | 7.91 | 18.07 |



| | | | |
|---|--------------|--------------|--------------|
| b | Cash on Hand | 8.06 | 17.45 |
| | Total | 15.97 | 35.52 |

13 Loans (In ` Lacs)

| Sr. No. | Particulars | As at | |
|---------|-----------------------------------|----------------|----------------|
| | | March 31, 2021 | March 31, 2020 |
| | Unsecured, considered good | | |
| | To employees | 12.50 | 12.43 |
| | To others | 0.00 | 0.00 |
| | Total | 12.50 | 12.43 |

14 Equity Share Capital (In ` Lacs)

| Sr. No. | Particulars | As at | |
|-------------|---|-----------------|-----------------|
| | | March 31, 2021 | March 31, 2020 |
| 14.1 | Authorised Capital | | |
| | 27 00 00 000 Equity Shares of `1 each | | |
| | (1) | 2,700.00 | 2,700.00 |
| | (27 00 00 000 Equity Shares of `1 each) ⁽²⁾ | | |
| | (1) Represents number of shares as at March 31, 2021 | | |
| | (2) Represents number of shares as at March 31, 2020 | | |
| | Issued, subscribed and fully paid-up equity Shares | | |
| | 15 82 75 560 Equity shares of ` 1 each | | |
| | (1) | 1,582.76 | 1,582.76 |
| | (15 82 75 560 Equity shares of ` 1 each) ⁽²⁾ | | |
| | (1) Represents number of shares as at March 31, 2021 | | |
| | (2) Represents number of shares as at March 31, 2020 | | |
| | Total | 1,582.76 | 1,582.76 |

14.2 Reconciliation of number of shares outstanding (In ` Lacs)

| Sr. No. | Particulars | As at | |
|---------|--------------------------------|----------------|----------------|
| | | March 31, 2021 | March 31, 2020 |
| | At the beginning of the period | 1,582.76 | 1,582.76 |
| | Changes during the year | 0.00 | 0.00 |
| | At the end of the year | 1,582.76 | 1,582.76 |

14.3 Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares referred to as equity shares having a par value of ` 1. Each holder of equity share is entitled to one vote per share.



Dividends, if any, is declared and paid in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.4 Details of shareholders holding more than 5% shares in the Company:

| Name of Shareholder | March 31, 2021 | | March 31, 2020 | |
|----------------------------|------------------------------|--------------|--------------------|--------------|
| | No. of Shares held (in Lacs) | % of Holding | No. of Shares held | % of Holding |
| Viral Shah | 527.16 | 33.31% | 526.10 | 33.24% |
| Giraben Kishorsinh Solanki | 141.57 | 8.94% | 141.57 | 8.94% |
| Sampati Securities Limited | 337.60 | 21.33% | 337.60 | 21.33% |

15 Other Equity

(In ` Lacs)

| Sr. No. | Particulars | As at | |
|-----------|---------------------|-------------------|----------------|
| | | March 31, 2021 | March 31, 2020 |
| 15 | Other Equity | | |
| | Securities Premium | 5,260.14 | 5,260.14 |
| | General Reserve | 7.45 | 7.45 |
| | Retained Earnings | (11,864.89) | (4,462.73) |
| | Total | (6,597.31) | 804.85 |

Discription of Reserves

- Securities Premium : The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- General Reserve : General Reserves are free reserves of the Company which are kept aside out of Company's profits to meet the future requirements as and when they arise. The Company had transferred a portion of the profit after tax (PAT) to general reserve. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- Retained Earnings : Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

15.1 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The Company's objective for capital management is to maximize shareholder value and safeguard business continuity. The Company determines the capital requirement based on annual operating plans and other strategic



plans. The funding requirements are met through equity and operating cash flows.

Summary of Quantitative Data is given hereunder:

(In ` Lacs)

| Particulars | 3/31/2021 | 3/31/2020 |
|--------------|-------------------|-----------------|
| Equity | 1,582.76 | 1,582.76 |
| Other Equity | (6,597.31) | 804.85 |
| Total | (5,014.55) | 2,387.61 |

16 Borrowings

16.1 Non Current

(In ` Lacs)

| Particulars | As at March 31, 2021 | March 31, 2020 |
|----------------------------|-------------------------|----------------|
| Unsecured | | |
| From Others | 2,177.36 | 0.00 |
| Loans from Related Parties | 980.00 | 704.28 |
| Total Non-Current | 3,157.36 | 704.28 |

16.1.1 Details of securities

Term loans received from related parties are unsecured.

16.1.2 Terms of repayment

(In ` Lacs)

| Particulars | As at March 31, 2021 | March 31, 2020 |
|-------------------|----------------------------|----------------|
| 1 to 2 year | 0.00 | 0.00 |
| 2 to 3 year | 0.00 | 0.00 |
| 3 to 5 year | 0.00 | 0.00 |
| More than 5 years | 3,157.36 | 704.28 |

16.2 Current

(In ` Lacs)

| Particulars | As at March 31, 2021 | March 31, 2020 |
|---------------------------------|-------------------------|-----------------|
| Secured | | |
| Working capital loan from Banks | 5,719.43 | 6,499.20 |
| Unsecured | | |
| Loans from Related Parties | 389.08 | 356.68 |
| Total Current | 6,108.51 | 6,855.88 |
| Total Borrowings | 9,265.87 | 7,560.16 |

16.2.1 Details of securities

Working capital loans from Banks are secured by way of hypothecation of Raw Materials, Work-in-Process, Finished Goods, Stores & Spares, Book Debts etc., and by way of second charge on Company's immovable properties.



Working capital loans are guaranteed by some of the directors of the Company as well as corporate guarantee of other group companies.

16.2.2 Details of default in repayment of working capital loan from banks:

| Name of the Bank | Default made since | Principal default as at | |
|------------------------|--------------------|-------------------------|----------------|
| | | March 31, 2021 | March 31, 2020 |
| State Bank of India | | | |
| A/c No. 61137449344 | December 2015 | 2,669.54 | 949.31 |
| A/c No. 65084267769 | July 2015 | | 2,500.00 |
| Uco Bank | | | |
| A/c No. 19980500007002 | May 2016 | 2,948.69 | 2,948.69 |
| A/c No. 28390510000137 | May 2016 | 101.20 | 101.20 |
| Total | | 5,719.43 | 6,499.20 |

| Name of the Bank | Default made since | Interest default as at | |
|------------------------|--------------------|------------------------|----------------|
| | | March 31, 2021 | March 31, 2020 |
| State Bank of India | | | |
| A/c No. 61137449344 | December 2015 | 588.12 | 502.68 |
| A/c No. 65084267769 | July 2015 | 1,640.73 | 1,415.73 |
| Uco Bank | | | |
| A/c No. 19980500007002 | May 2016 | 1,567.92 | 1,298.99 |
| A/c No. 28390510000137 | May 2016 | 54.38 | 45.28 |
| Total | | 3,851.15 | 3,262.68 |

As all the above accounts classified by bank as NPA, interest on the same is not charged by the bank in the said accounts. So, the company has made provision of interest payable on such accounts at the interest rates sanctioned by the banks and shown under the other financial liabilities.

Out of the above NPA Accounts, UCO Bank has sold its NPA A/c to M/s. Omkara Assets Reconstruction Pvt. Ltd. (ARC) and the company has acknowledge this assignment of Debt towards the said ARC vide resolution passed in board meeting held on 12th February, 2018.

16.2.3 The default was neither remedied nor were the terms of the loans payable renegotiated, before the financial statements were approved for issue.

17 Provisions (In ` Lacs)

| Sr. No. | Particulars | As at | |
|-------------------------|---------------------------------|----------------|----------------|
| | | March 31, 2021 | March 31, 2020 |
| 17.1 Non current | | | |
| | Provision for Employee Bnefits | 35.00 | 67.14 |
| | Total | 35.00 | 67.14 |
| 17.2 Current | | | |
| | Provision for Employee Benefits | 9.39 | 14.06 |
| | Total | 9.39 | 14.06 |
| | Total Provisions | 44.39 | 81.20 |

18 Trade Payables (In ` Lacs)



| Particulars | As at | |
|--|-----------------|-----------------|
| | March 31, 2021 | March 31, 2020 |
| Total outstanding dues of micro and small enterprises * | | |
| Total outstanding dues of creditors other than micro and small enterprises | 2,501.13 | 4,383.12 |
| Total | 2,501.13 | 4,383.12 |

*Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

| | | | |
|---|--|-----|-----|
| a | Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | --- | --- |
| b | Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | --- | --- |
| c | Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | --- | --- |
| d | Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | --- | --- |
| e | Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | --- | --- |
| f | Interest due and payable towards suppliers registered under MSMED Act, for payments already made | --- | --- |
| g | Further interest remaining due and payable for earlier years | --- | --- |

The above information has been complied in respect of parties to the extent to which they could be identified as Micro and Small Enterprise on the basis of information available with the Company. The information regarding Micro or Small Enterprises has been determined on the basis of information available with the management, which has been relied up on by the auditors.

19 Other Financial Liabilities (In ` Lacs)

| Particulars | As at | |
|---|-----------------|-----------------|
| | March 31, 2021 | March 31, 2020 |
| Interest Accrued and due | 3,851.15 | 3,262.67 |
| Payables for Property Plant and Equipment | 21.17 | 20.38 |
| Total | 3,872.32 | 3,283.05 |

20 Other Current Liabilities (In ` Lacs)

| Particulars | As at |
|-------------|-------|
|-------------|-------|



| | March 31, 2021 | March 31, 2020 |
|------------------------|----------------|----------------|
| Advance from customers | 754.62 | 669.07 |
| Statutory Dues | 25.74 | 29.85 |
| Total | 780.36 | 698.92 |

21 Contingent Liabilities and commitments (In ` Lacs)

| Contingent Liabilities | March 31, 2021 | March 31, 2020 |
|--|------------------|------------------|
| Claims against the Company not acknowledged as Debt in respect of :- | | |
| i) Disputed Income Tax matters | 203.82 | 203.82 |
| ii) Disputed VAT and CST matters | 16,199.58 | 15,370.22 |
| Total | 16,403.40 | 15,574.04 |

21.1 It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/ authorities.

21.2 The Company's pending litigations comprise of claims against the Company pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

22 Revenue from operations (In ` Lacs)

| Particulars | 2020-21 | 2019-20 |
|--------------------------|-----------------|-----------------|
| Sale of Products | 1,168.98 | 6,398.02 |
| Sale of Service | 81.30 | 45.92 |
| Other Operating Revenues | 8.05 | 28.49 |
| Total | 1,258.33 | 6,472.43 |

23 Other income (In ` Lacs)

| Particulars | 2020-21 | 2019-20 |
|--|--------------|---------------|
| Interest from Financial Asset measured at Amortised Cost | 15.12 | 15.43 |
| Other Non-Operating Income (Net of Expenses) | 8.07 | 859.89 |
| Total | 23.19 | 875.32 |

24 Cost of Material Consumed (In ` Lacs)

| Particulars | 2020-21 | 2019-20 |
|--------------|-----------------|-----------------|
| Imported | 118.36 | 305.29 |
| Indigenous | 1,384.40 | 5,040.29 |
| Total | 1,502.76 | 5,345.58 |

25 Changes in inventories of finished goods, stock-in-process & stock-in-trade (In ` Lacs)

| Particulars | 2020-21 | 2019-20 |
|---------------------------------|----------|----------|
| Finished Goods / Stock-in-Trade | | |
| Inventories (at commencement) | 1,355.70 | 1,911.29 |
| Inventories (at close) | 525.00 | 1,355.70 |



| | | | |
|------------------------------------|--|--------------------|----------------|
| Net Decrease in Inventories | | 830.70 | 555.59 |
| 26 | Employee Benefit Cost | (In ` Lacs) | |
| | Particulars | 2020-21 | 2019-20 |
| | Salaries and Wages | 211.86 | 447.13 |
| | Contribution to Provident & Other Funds | 4.34 | 10.93 |
| | Staff Welfare Expenses | 0.11 | 0.85 |
| | Total | 216.31 | 458.91 |
| 27 | Finance costs | (In ` Lacs) | |
| | Particulars | 2020-21 | 2019-20 |
| | Interest Expenses on Financial liabilities carried at Amortized Cost | 613.76 | 591.59 |
| | Other Borrowing Costs | 3.57 | 4.74 |
| | Total | 617.33 | 596.33 |
| 28 | Depreciation and Amortisation Expenses | (In ` Lacs) | |
| | Particulars | 2020-21 | 2019-20 |
| | Depreciation on Property, Plant & Equipment | 454.46 | 553.95 |
| | Total | 454.46 | 553.95 |
| 29 | Other Expenses | (In ` Lacs) | |
| | Particulars | 2020-21 | 2019-20 |
| | MANUFACTURING EXPENSES | | |
| | Freight & Transportation Expenses | 33.40 | 138.06 |
| | Insurance | 1.76 | 2.82 |
| | Jobwork Charges | 23.26 | 23.95 |
| | Labour Charges | 35.75 | 82.35 |
| | Other Manufacturing Expenses | 19.56 | 32.70 |
| | Power & Fuel | 187.70 | 701.00 |
| | Repairs to Building | 0.06 | 4.44 |
| | Repairs to Machinery | 1.99 | 2.22 |
| | Stores & Spares | 10.57 | 45.38 |
| | SELLING AND DISTRIBUTION EXPENSES | | |
| | Advertisement Expenses | 1.03 | 9.62 |
| | Other Selling & Distribution Expenses | 4.66 | 134.62 |
| | Packing, Clearing & Forwarding Charges | 20.30 | 89.62 |
| | ESTABLISHMENT EXPENSES | | |
| | Charity & Donations | 0.00 | 0.03 |
| | Computer Expenses | 1.47 | 1.21 |
| | Exchange Fluctuation (Net) | 270.31 | 0.00 |
| | General Expenses | 7.64 | 13.74 |



| | | |
|--|-----------------|-----------------|
| Legal & Professional Fees | 21.28 | 20.90 |
| Other Repairs | 0.37 | 1.81 |
| Payment to Auditors | 4.50 | 4.00 |
| Power & Fuel - Office | 5.05 | 7.89 |
| Rate & Taxes | 0.05 | 36.48 |
| Stationery & Postage Expenses | 2.47 | 4.30 |
| Telephone Expenses | 6.33 | 6.66 |
| Travelling Expenses | 14.75 | 30.32 |
| Vehicle Expenses | 12.53 | 9.16 |
| Impairment Loss recognized / (reversed) under Expected Credit Loss Model in respect of Trade Receivables | 6,209.05 | 0.00 |
| Total | 6,895.84 | 1,403.28 |

29.1 Payment to auditors as: (In ` Lacs)

| Particulars | 2020-21 | 2019-20 |
|-------------------------------------|-------------|-------------|
| Statutory Audit Fees | 3.50 | 3.00 |
| Tax Audit Fees | 0.50 | 0.50 |
| Certification and Consultation Fees | 0.50 | 0.50 |
| Total | 4.50 | 4.00 |

30 Employee Benefits

30.1 Defined Contribution Plans (In ` Lacs)

Details of amount recognized as expenses during the year for the defined contribution plans.

| Particulars | 2021-20 | 2019-20 |
|-------------------------------------|-------------|--------------|
| Contribution to Provident Funds | 4.14 | 10.37 |
| Contribution to ESIC | 0.18 | 0.55 |
| Contribution to Labour welfare fund | 0.02 | 0.01 |
| Total | 4.34 | 10.93 |

30.2 Defined Benefit Plan – Gratuity

Information about the characteristics of defined benefit plan

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

| Features of the defined benefit plan | Remarks |
|--------------------------------------|---|
| Benefit offered | $15 / 26 \times \text{Salary} \times \text{Past Service Years}$ |
| Salary definition | Last drawn qualifying salary |
| Benefit ceiling | Benefit ceiling of Rs. 20,00,000 was applied |
| Vesting conditions | 5 Years of service No vesting condition apply in case of Death and disability |
| Retirement age | 58 years |

30.3 The company is responsible for the governance of the plan.

30.4 Risk to the Plan

Following are the risk to which the plan exposes the entity :

A. Actuarial Risk:

"There is a risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date."

B Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cashflows.

D Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the



present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is made effective.

30.5 Reconciliation of defined benefit obligations (In Lacs)

| Particulars | 2021-20 | 2019-20 |
|--|--------------|--------------|
| Defined benefit obligations as at beginning of the year | 81.19 | 74.06 |
| Current service cost | 4.75 | 9.14 |
| Interest cost | 5.68 | 5.00 |
| Actuarial Loss/(Gain) due to change in financial assumptions | (1.04) | 6.25 |
| Actuarial Loss/(Gain) due to change in demographic assumptions | 0.00 | 0.00 |
| Actuarial Loss/(Gain) due to experience | (46.20) | (13.25) |
| Benefits Paid | 0.00 | 0.00 |
| Defined benefit obligations as at end of the year | 44.38 | 81.20 |

30.6 Reconciliation of Plan Assets (In Lacs)

| Particulars | 2021-20 | 2019-20 |
|---|-------------|-------------|
| Plan Asset as at beginning of the year | 0.00 | 0.00 |
| Interest Income | 0.00 | 0.00 |
| Return on plan assets excluding interest income | 0.00 | 0.00 |
| Contributions by employer | 0.00 | 0.00 |
| Benefits paid | 0.00 | 0.00 |
| Plan Asset as at end of the year | 0.00 | 0.00 |

30.7 Funded Status (In ` Lacs)

| Particulars | As at | |
|--|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Present Value of Benefit Obligation at the end of the Period | (44.39) | (81.19) |
| Fair Value of Plan Assets at the end of the Period | 0.00 | 0.00 |
| Funded Status / Deficit | (44.39) | (81.19) |

30.8 Net amount Charged to Statement of Profit and Loss for the period (In ` Lacs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Current service cost | 4.75 | 9.14 |
| Net Interest cost | 5.68 | 5.00 |
| Net amount recognized Statement of Profit and Loss | 10.43 | 14.14 |

**30.9 Net amount Recognized to Other Comprehensive Income for the period (In ` Lacs)**

| Particulars | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Actuarial (Gains)/Losses on Obligation For the Period | (47.24) | (7.00) |
| Return on plan assets excluding interest income | 0.00 | 0.00 |
| Amounts recognized in Other Comprehensive Income | (47.24) | (7.00) |

30.10 Actuarial Assumptions

| Particulars | March 31, 2021 | March 31, 2020 |
|--------------------|----------------|----------------|
| Discount Rate | 7.00% | 6.75% |
| Salary Growth Rate | 6.00% | 6.00% |
| Withdrawal Rate | 5.00% | 5.00% |

30.11 Sensitivity Analysis for Key Assumption on Defined Benefit Obligation**2020-21**

| Assumptions | Change in Assumptions | Increase in Rate | Decrease in Rate |
|--------------------|-----------------------|------------------|------------------|
| | % | (In ` Lacs) % | (In ` Lacs) % |
| Discount Rate | +/- 1.00% | (3.44) -8% | 4.01 9% |
| Salary Growth Rate | +/- 1.00% | 4.11 9% | (3.50) -8% |
| Withdrawal rate | +/- 1.00% | 0.21 0% | (0.25) -1% |

30.12 Maturity Profile of the Defined Benefit Obligation

Projected Benefits Payable in Future Years From the Date of Reporting

| For the Year ended on March 31, | (In ` Lacs) | % |
|---------------------------------|-------------|--------|
| 2021-2022 | 9.39 | 21.15% |
| 2022-2023 | 0.77 | 1.73% |
| 2020-2024 | 0.77 | 1.73% |
| 2024-2025 | 0.77 | 1.73% |
| 2025-2026 | 2.16 | 4.87% |
| 2026 onwards | 30.53 | 68.78% |

31 Income Tax Expense**31.1 Income Tax Expense in the statement of profit and loss comprises of: (In ` Lacs)**

| Particulars | 2020-21 | 2019-20 |
|--|-------------|-------------|
| Income Tax | 0.00 | 0.00 |
| Related to adjustments of earlier year tax | 0.00 | 0.53 |
| Current Income Tax | 0.00 | 0.53 |
| Deferred Tax | | |



| | | |
|--|-------------------|-----------------|
| Relating to origination and reversal of temporary difference | (1,786.46) | (197.56) |
| Total Deferred Tax | (1,786.46) | (197.56) |
| Income Tax Expense / (Income) | (1,786.46) | (197.03) |

31.2 The details of Income Tax Assets and Liabilities and Deferred Tax Liabilities as at March 31, 2021 and March 31, 2020 are as under :

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|----------------------------------|-----------------------------|-----------------------------|
| Income Tax Assets - Current | 0.00 | 0.00 |
| Income Tax Liabilities - Current | 6.31 | 6.09 |
| Deferred Tax Assets | 2,570.30 | 783.85 |
| Deferred Tax Liabilities | 0.00 | 0.00 |

31.3 A reconciliation of the Income Tax Provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below : (In ` Lacs)

| Particulars | 2020-21 | 2019-20 |
|--|-------------------|-----------------|
| Accounting Profit Before Tax | (9,235.86) | (1,565.89) |
| Normal Tax Rate | 30.900% | 30.900% |
| Tax Liability on Accounting Profit | 0.00 | 0.00 |
| Current Tax Expenses : (A) | 0.00 | 0.00 |
| Relating to adjustments of earlier year taxes : (B) | 0.00 | 0.53 |
| Deferred Tax | | |
| Relating to origination and reversal of temporary difference | (1,786.46) | (197.56) |
| Deferred Tax Expenses / (Income) : (C) | (1,786.46) | (197.56) |
| Total Income Tax Expense : (A + B + C) | (1,786.46) | (197.03) |

31.4 There is no change in the applicable tax rates compared to previous accounting period.

31.5 Details of each type of recognized temporary differences and unused tax credits (In ` Lacs)

| Particulars | March 31, 2021 | March 31, 2020 |
|--|-----------------------|-----------------------|
| Deferred tax liability on | | |
| Property, plant and equipment | 56.89 | 85.56 |
| Total Deferred tax liability | 56.89 | 85.56 |
| Deferred tax asset on | | |
| Impairment Loss Provision for Debtors as per ECL Model | 1,614.35 | 0.00 |
| Interest Accrued and not paid on NPA Borrowings | 1,001.30 | 848.30 |
| Provision for Gratuity | 11.54 | 21.11 |
| Total Deferred tax asset | 2,627.19 | 869.41 |
| Net Deferred Tax Liabilities/(Assets) | (2,570.30) | (783.85) |

**31.6 Details of deferred tax assets not recognized in balance sheet****(In ` Lacs)**

| Deferred tax assets on | March 31, 2021 | March 31, 2020 |
|---|-----------------------|-----------------------|
| Unused tax losses- related to Depreciation | 847.72 | 741.37 |
| Unused tax losses - Expired on March 31, 2024 | 13.00 | 13.00 |
| Unused tax losses - Expired on March 31, 2026 | 112.82 | 112.82 |
| Unused tax losses - Expired on March 31, 2027 | 71.08 | 71.08 |
| Unused tax losses - Expired on March 31, 2028 | 120.05 | 117.59 |
| Unused tax losses - Expired on March 31, 2029 | 605.45 | 0.00 |
| Unused MAT tax credit - Expired on March 31, 2030 | 21.83 | 21.83 |

32 Financial Instruments

Disclosure of Financial Instruments by Category

As at March 31, 2021

| Financial instruments by categories | Reference Note no. | FVTPL | FVTOCI | Amortized Cost | Total Carrying Amount | Fair Value |
|--|---------------------------|--------------|---------------|-----------------------|------------------------------|--------------------|
| Financial asset | | | | | | |
| Other financial assets | 8 | 0.00 | 0.00 | 375.70 | 375.70 | 375.70 |
| Trade Receivables | 11 | 0.00 | 0.00 | 4,022.19 | 4,022.19 | 4,022.19 |
| Cash and cash equivalents | 12 | 0.00 | 0.00 | 15.97 | 15.97 | 15.97 |
| Loans | 13 | 0.00 | 0.00 | 12.50 | 12.50 | 12.50 |
| Total Financial Assets | | 0.00 | 0.00 | 4,426.36 | 4,426.36 | 4,426.36 |
| Financial liability | | | | | | |
| Borrowings | 16 | 0.00 | 0.00 | 9,265.87 | 9,265.87 | 9,265.87 |
| Trade Payables | 18 | 0.00 | 0.00 | 2,501.13 | 2,501.13 | 2,501.13 |
| Other financial liabilities | 19 | 0.00 | 0.00 | 3,872.32 | 3,872.32 | 3,872.32 |
| Total Financial Liabilities | | 0.00 | 0.00 | 15,639.32 | 15,639.32 | 15,639.32 |
| As at March 31, 2020 | | | | | | (In ` Lacs) |

| Financial instruments by categories | Reference Note no. | FVTPL | FVTOCI | Amortized Cost | Total Carrying Amount | Fair Value |
|--|---------------------------|--------------|---------------|-----------------------|------------------------------|-------------------|
| Financial asset | | | | | | |
| Other financial assets | 8 | 0.00 | 0.00 | 336.09 | 336.09 | 336.09 |
| Trade Receivables | 11 | 0.00 | 0.00 | 11,002.08 | 11,002.08 | 11,002.08 |
| Cash and cash equivalents | 12 | 0.00 | 0.00 | 35.52 | 35.52 | 35.52 |
| Loans | 13 | 0.00 | 0.00 | 12.43 | 12.43 | 12.43 |
| Total Financial Assets | | 0.00 | 0.00 | 11,386.12 | 11,386.12 | 11,386.12 |
| Financial liability | | | | | | |
| Borrowings | 16 | 0.00 | 0.00 | 7,560.15 | 7,560.15 | 7,560.15 |
| Trade Payables | 18 | 0.00 | 0.00 | 4,383.12 | 4,383.12 | 4,383.12 |
| Other financial liabilities | 19 | 0.00 | 0.00 | 3,283.06 | 3,283.06 | 3,283.06 |
| Total Financial Liabilities | | 0.00 | 0.00 | 15,226.33 | 15,226.33 | 15,226.33 |

33 Fair Value Measurement of Financial asset and Financial liabilities

The Fair value of current financial assets and current financial liabilities measured at amortised cost, are considered to be the same as their carrying amount as they are of short term nature. Hence fair value hierarchy is not given for the same.

The carrying amount of non - current financial assets and non - current financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled. Hence, fair value hierarchy is not given for the same.

34 Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy 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 systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk.

i Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Interest risk arises to the Company mainly from borrowings with variable rates. The Company measures risk through sensitivity analysis. The banks are now finance at variable rate only, which is the inherent business risk.

| The Company's exposure to interest rate risk is as follows : | | (In ` Lacs) | |
|--|-------------------------------------|-----------------|--|
| Particulars | March 31, 2021 | March 31, 2020 | |
| Liability | | | |
| Working Capital Loan - from Banks | 9,570.58 | 9,761.87 | |
| | 9,570.58 | 9,761.87 | |
| | | | |
| Particulars | Impact on Profit and Loss after Tax | | |
| | March 31, 2021 | March 31, 2020 | |
| Interest Rate increase by 0.50 basis point | 33.07 | 33.73 | |
| Interest Rate decrease by 0.50 basis point | (33.07) | (33.73) | |



ii Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its sales and purchases from overseas suppliers in foreign currencies. The company measures risk through sensitivity analysis.

The Company's exposure to Foreign Currency Risk is as follows:

| Particulars | Currency | | March 31, 2021 | March 31, 2020 |
|------------------------------|----------|---------|-------------------|-------------------|
| Financial Assets | | | | |
| Trade Receivables | USD | in Lacs | 131.80 | 132.39 |
| | EURO | in Lacs | 5.35 | 5.35 |
| | INR | in Lacs | 10,107.87 | 10,424.65 |
| Financial Liabilities | | | | |
| Trade Creditors | USD | in Lacs | 1.28 | 1.28 |
| | INR | in Lacs | 93.70 | 96.49 |
| Net Asset/(Liability) | | | | |
| USD in INR | | in Lacs | 9,554.59 | 9,883.30 |
| EURO in INR | | in Lacs | 459.26 | 444.32 |

Sensitivity Analysis**(In ` Lacs)**

| Particulars | Impact on profit / loss before tax | |
|--|------------------------------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| INR / USD rate changes favourably by 2% | 191.09 | 197.67 |
| INR / USD rate changes unfavourably by 2% | (191.09) | (197.67) |
| INR / EURO rate changes favourably by 2% | 9.18 | 8.89 |
| INR / EURO rate changes unfavourably by 2% | (9.18) | (8.89) |

B Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company closely monitors its liquidity position and is attempting to enhance its sources of funding by increasing cash flow generated from its operations and realisations from other proposed measures. The Company measures risk by forecasting cash flows.

The following are the contractual maturities of financial liabilities**(In ` Lacs)**

| As at March 31, 2021 | Carrying Amount | upto 1 year | 1 - 2 years | 2 - 5 years | > 5 years |
|-----------------------------|------------------|------------------|-------------|-------------|-----------------|
| Borrowings | 9,265.87 | 6,108.51 | 0.00 | 0.00 | 3,157.36 |
| Trade Payables | 2,501.13 | 2,501.13 | 0.00 | 0.00 | 0.00 |
| Other Financial Liabilities | 3,872.32 | 3,872.32 | 0.00 | 0.00 | 0.00 |
| | 15,639.32 | 12,481.96 | 0.00 | 0.00 | 3,157.36 |

| As at March 31, 2019 | Carrying Amount | upto 1 year | 1 - 2 years | 2 - 5 years | > 5 years |
|--|-----------------|-------------|-------------|-------------|-----------|
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| | | | | | |
|-----------------------------|------------------|------------------|-------------|-------------|---------------|
| Borrowings | 7,560.15 | 6,855.87 | 0.00 | 0.00 | 704.28 |
| Trade Payables | 4,383.12 | 4,383.12 | 0.00 | 0.00 | 0.00 |
| Other Financial Liabilities | 3,283.06 | 3,283.06 | 0.00 | 0.00 | 0.00 |
| | 15,226.33 | 14,522.05 | 0.00 | 0.00 | 704.28 |

C Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness.

Credit risk arises primarily from financial assets such as trade receivables, cash and cash equivalent and other financial assets.

In respect of trade receivables, credit risk is being managed by the company 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 ensures that sales of products are made to customers with appropriate creditworthiness. All trade receivables are also reviewed and assessed for default on a regular basis.

Credit risk arising from cash and cash equivalent and other financial assets is limited as the counterparties are banks and mainly Government companies respectively.

The Company has made assessment of Allowance for Credit Loss in respect of Trade Receivables for the first time. The Company has analysed its trade receivables for aging analysis and grouped them accordingly and then applied year wise percentage to calculate the amount of Allowance for Credit Loss in respect of the same.

Movement in the expected Allowance for Credit Loss in respect of Trade Receivables (In lacs)

| Particulars | March 31, 2021 | March 31, 2020 |
|---------------------------------------|-----------------|----------------|
| Balance at beginning of the year | 0.00 | 0.00 |
| Add: Provided during the year | 6,209.05 | 0.00 |
| Less: Reversals of provision | 0.00 | 0.00 |
| Less: Amounts written back | 0.00 | 0.00 |
| Balance at the end of the year | 6,209.05 | 0.00 |

The Company has made above provision and the same has been charged to statement of profit and loss under the head of Other Expenses.

The maximum exposure to the credit risk at the reporting date from trade receivables after the provision of Allowance for Credit Loss is as under :

| Particulars | (In ` Lacs) | |
|------------------|----------------|----------------|
| | March 31, 2021 | March 31, 2020 |
| Trade Receivable | 4,022.19 | 11,002.08 |



35 Earning Per Share

| Sr. No. | Particulars | Units | 2020-21 | 2019-20 |
|---------|---|--------------|------------|------------|
| 1 | Net Profit | ` in Lacs | (7,402.16) | (1,361.86) |
| 2 | Weighted Average of Equity Shares outstanding | Nos. in Lacs | 1,582.76 | 1,582.76 |
| 3 | Basic and Diluted Earning Per Share of ` 1 each | ` | (4.68) | (0.86) |

36 Related Parties Disclosure :

36.1 List of Related Parties & Relationship:

| Sr. No. | Particulars | Name of the Related Parties |
|---------|---|---|
| 1 | Associate Company | Goldmen Hotels and Resorts Pvt. Ltd. * ⁽¹⁾ |
| 2 | Key Managerial Personnel (KMP) | Viral M. Shah Zankarsinh K. Solanki Sunit J. Shah Yashree K. Dixit Bhavika Sharma ⁽²⁾ Yashaswani Pandeya ⁽³⁾ Hiral Patel ⁽⁴⁾ |
| 3 | Relatives of Key Managerial Personnel | Giraben Solanki Mona Shah Dipali Shah Sarojben M. Shah Dhara Z. Solanki |
| 4 | Enterprises over which KMP having significant influence | Sampati Securities Ltd. Gyscoal Enterprise Pvt. Ltd. |

*No transaction done during the year

(1) With effect from 4-11-2016

(2) Till February 2020

(3) Till September 2020

(4) With effect from October 2020

36.2 Transactions with Related Parties :

(In ` Lacs)

| Particulars | KMP | | Relatives of KMP | | Enterprises over which KMP having significant influence | | Total | |
|----------------------|---------|---------|------------------|---------|---|----------|----------|----------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| 1 Liabilities | | | | | | | | |
| Loan taken | 12.50 | 52.88 | 40.00 | 8.40 | 1,782.97 | 1,696.34 | 1,835.47 | 1,757.62 |
| Loan | 18.00 | 79.44 | 2.10 | 0.00 | 1,519.17 | 1,508.92 | 1,539.27 | 1,588.35 |
| Repayment | | | | | | | | |
| 2 Expenses | | | | | | | | |



| | | | | | | | | |
|---|--------|--------|-------|-------|--------|--------|----------|----------|
| Interest Expense | 0.00 | 0.00 | 0.00 | 0.00 | 11.92 | 0.00 | 11.92 | 0.00 |
| Directors' Remuneration | 4.08 | 13.38 | 0.00 | 0.00 | 0.00 | 0.00 | 4.08 | 13.38 |
| Directors' Sitting Fees | 1.80 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.80 | 0.00 |
| Employee Benefit Expense | 3.58 | 4.83 | 4.27 | 9.85 | 0.00 | 0.00 | 7.86 | 14.68 |
| 3 Income | | | | | | | | |
| Rent | 0.00 | 0.00 | 0.00 | 0.00 | 0.48 | 0.00 | 0.48 | 0.00 |
| 4 Outstanding Balances Liabilities | | | | | | | | |
| Loans Payable | 309.75 | 315.25 | 65.33 | 27.43 | 980.00 | 704.28 | 1,355.08 | 1,046.96 |

36.3 Disclosure of material transactions with Related Party:

(In ` Lacs)

| Sr. No. | Particulars | 2020-21 | 2019-20 |
|------------|---|-----------------|-----------------|
| 1 | Loan Transactions | | |
| 1.1 | With KMP | | |
| | Loan Taken from | | |
| | Viral M. Shah | 12.50 | 34.90 |
| | Zankarsinh K. Solanki | 0.00 | 17.99 |
| | | 12.50 | 52.89 |
| | Loan repaid to | | |
| | Viral M. Shah | 18.00 | 51.84 |
| | Zankarsinh K. Solanki | 0.00 | 27.59 |
| | | 18.00 | 79.43 |
| 1.2 | With enterprises over which KMP having significant influence | | |
| | Loan taken from | | |
| | Sampati Securities Ltd. | 1,782.97 | 1,696.34 |
| | | 1,782.97 | 1,696.34 |
| | Loan repaid to | | |
| | Sampati Securities Ltd. | 1,519.17 | 1,508.92 |
| | | 1,519.17 | 1,508.92 |
| 1.3 | With Relatives of Key Managerial Personnel | | |
| | Loan taken from | | |
| | Mona Shah | 40.00 | 8.40 |
| | | 40.00 | 8.40 |
| | Loan repaid to | | |
| | Giraben Solanki | 2.10 | 0.00 |
| | | 2.10 | 0.00 |
| 2 | Expenses | | |
| 2.1 | Interest Expenses | | |
| | Sampati Securities Ltd. | 11.92 | 0.00 |
| | | 11.92 | 0.00 |
| 2.2 | Directors' Remuneration | | |
| | Viral M. Shah | 0.00 | 7.79 |
| | Zankarsinh K. Solanki | 4.08 | 5.59 |
| | | 4.08 | 13.38 |



| | | | |
|------------|--------------------------------|-------------|-------------|
| 2.3 | Directors' Sitting Fees | | |
| | Sunit J. Shah | 0.90 | 0.00 |
| | Yashree K. Dixit | 0.90 | 0.00 |
| | | 1.80 | 0.00 |
| | Employee Benefit | | |
| 2.4 | Expenses | | |
| | Hiral Patel | 1.82 | 0.00 |
| | Yashaswani Pandeya | 1.77 | 0.80 |
| | Bhavika Sharma | 0.00 | 4.03 |
| | | 3.59 | 4.83 |
| | Employee Benefit | | |
| 2.5 | Expenses | | |
| | Mona Shah | 0.00 | 2.40 |
| | Giraben Solanki | 3.08 | 4.22 |
| | Dipali Shah | 0.00 | 1.59 |
| | Dhara Z. Solanki | 1.19 | 1.63 |
| | | 4.27 | 9.84 |

| Sr. No. | Particulars | 2020-21 | 2019-20 |
|------------|------------------------------|-----------------|-----------------|
| 3 | Income | | |
| 3.1 | Rent Income | | |
| | Gyscoal Enterprise Pvt. Ltd. | 0.48 | 0.00 |
| | | 0.48 | 0.00 |
| 3 | Balance outsatnding | 2020-21 | 2019-20 |
| | Loan payable | | |
| | Giraben Solanki | 16.93 | 19.03 |
| | Mona Shah | 48.40 | 8.40 |
| | Viral M. Shah | 10.93 | 16.43 |
| | Zankarsinh K. Solanki | 298.83 | 298.83 |
| | Sampati Securities Ltd. | 980.00 | 704.28 |
| | | 1,355.09 | 1,046.97 |

36.4 Compensation of Key Managerial Personnel of the Company (In ` Lacs)

| Partiuclars | 2020-21 | 2019-20 |
|------------------------------|---------|---------|
| Short Term Employee Benefits | 7.66 | 18.21 |
| Director's Sitting Fees | 1.80 | 0.00 |
| Post employment benefits | 0.00 | 0.00 |
| Termination Benefits | 0.00 | 0.00 |
| Share Based Payments | 0.00 | 0.00 |

36.5 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

36.6 The related party balances outstanding are routine in nature as per ordinary course of business.

37 Segment Informations

37.1 The Company is engaged in the business of manufacturing of S.S. Products. As there is only one reportable segment, the company has not given segment information.

37.2 Information about major customers

There are three customers (three in 2019-20) who individually accounted for revenue more than 10% of total revenue of the company.

| Partiuclars | (In ` Lacs) | |
|---|-------------|----------|
| | 2020-21 | 2019-20 |
| Revenue from such customers | | |
| Customer attributing highest revenue | 460.30 | 1,650.37 |
| Customer attributing second highest revenue | 259.90 | 1,568.01 |
| Customer attributing third highest revenue | 151.86 | 1,086.56 |

38 Details of Loan given, Investment made and Guarantee given pursuant section 186 (4) of the Companies Act, 2013:

Loans given and investments made are given under the respective heads. All Loans given ar to the employees of the company. There are no corporate guarantees given by the company in respect of loans as at March 31, 2021.

39 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

| Name of the Entity | Net i.e. total assets less total liabilities As % (In of Consol idated Net Assets) | Assets less (In Lacs) | Share in profit/ (loss) As % of Consolid ated Profit or (Loss) | Share in profit/ (loss) (In Lacs) | Share in other comprehensive income As % of other comprehensive income | Share in other comprehensive income (In Lacs) | Share in total comprehensive income As % of total comprehensive income | Share in total comprehensive income (In Lacs) |
|---|---|--------------------------|---|--------------------------------------|---|--|---|--|
| Gyscoal Alloys Limited (The Company) | 100% | (5,014.55) | 100% | (7,449.42) | 100% | 47.24 | 100% | (7,402.18) |
| Goldman Hotels and Resorts Private Limited (Associates) | -- | -- | -- | -- | -- | -- | -- | -- |



As company's share of loss in associates exceeds the carrying amount of the investment in shares of associates i.e. Goldman Hotels and Resorts Private Limited, the company has reported investment at nil value. In view of this, the company did not consider accounting of loss reported by associates in the financial years 2020-21. While making consolidation, carrying amount of investment in shares of the associates written off to NIL value and then no further line by line consolidation was made in the consolidated financial statements of the company.

40 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classifications / disclosures.

41 As the company is not covered under the provision of Section 135 of the Companies Act, 2013, details of CSR is not required to be given.

42 Note on Global Health Pandemic on Covid-19

"The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

COVID19 is significantly impacting business operation of the company, by way of interruption in production, supply chain disruption, unavailability of personnel, and lower demand of company's product in the short term, closure/lockdown of production facilities etc. On 24th March, 2020, the Government of India ordered a nationwide lockdown for 21 days which further got extended till 3rd May, 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities.

Given the uncertainty of quick turnaround to normalcy, post lifting of the lock down, the Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure.

Pursuant to the relaxed guidelines, the Company has now resumed its operations but with limited capacity utilisation. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial statements. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation."

The accompanying noted form an integral part of the Financial Statement

As per our Report of even date attached

For and on behalf of Board

For, SAURABH R. SHAH & CO.,

Chartered Accountants
Firm Reg. No. 127176W

Viral Shah

Managing Director & Chairman
DIN - 00014182

Zankarsinh Solanki

Wholetime Director
DIN - 00014226

N. S. Patel

Partner
Membership No. 151799
UDIN : 21151799AAAABK7104

Vishal Parikh

Chief Financial Officer

Hiral Patel

Company Secretary

Place : Ahmedabad

Date : 17-06-2021

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Place : Ahmedabad

Date : 17-06-2021