

ANNEXURE - X TO THE DIRECTORS REPORT

BUSINESS RESPONSIBILITY STATEMENT

(Part of the Directors Report) Annual Report 2019-20

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

(Rs. In Lacs)

1	Corporate Identity Number (CIN) of the Company	L27109DL2005PLC350524
2	Name of the Company	GALLANTT METAL LIMITED
3	Registered address	"GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014.
4	Website	www.gallantt.com
5	E-mail id	csgml@gallantt.com
6	Financial Year reported	2019-20
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Iron, Steel and Power
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Iron & Steel and Power
9	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	Only one plant of Steel Unit is located at Village – Samakhali, Taluka – Bhachau, District – Kutch, Gujarat. Registered Office at "GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi – 110014. Corporate Office at 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069, West Bengal. Head Office at "GALLANTT LANDMARK", AD Tower Compound, Bank Road, Gorakhpur – 273001, Uttar Pradesh.
10	Markets served by the Company – Local/State/National/International	Local/State/National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Paid up Capital (INR)	81,32,23,240/-
Total Turnover (INR)	8,65,04,66,644/-
Total profit after taxes (INR)	7,48,25,946/-
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Please refer annexure to the Board Report regarding CSR
List of activities in which expenditure in 4 above has been incurred.	Please refer annexure to the Board Report regarding CSR

SECTION C: OTHER DETAILS

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

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

DIN Number (if applicable)	01814318
Name	Chandra Prakash Agrawal
Designation	Managing Director
Telephone number	011-45048767
e-mail id	gml@gallantt.com

2. Details of BR Head

DIN Number (if applicable)	01814318
Name	Chandra Prakash Agrawal
Designation	Managing Director
Telephone number	011-45048767
e-mail id	gml@gallantt.com

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

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

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

4. Governance related to BR

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

field of CSR. Other supporting functions/groups like Sustainability, meet on a periodic basis to assess the BR performance.

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

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1

ETHICS, TRANSPARENCY AND ACCOUNTABILITY

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

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

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

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

These policies cover the Company, subsidiaries.

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

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

PRINCIPLE 2

PRODUCT LIFE CYCLE SUSTAINABILITY

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

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

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

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

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

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

Our product movements to consumers take place through rail and roadways. The environmental impacts like dust emission during transportation of coal, iron ore, lime etc., final products and road dust etc. have been identified. All safety and environmental protocols are followed and proper training is provided for handling. At material handling areas for coal and iron ore, new technologies are installed with proper water sprinklers.

Ore transport from the railways to the factory point is carried out through trucks with properly covered to ensure no spillage and dust generation.

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

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

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

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

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

Our primary activities are in the producing of steel and Power products as well as power generation using well

established processes and technologies. Our focus on best available technology helps us to produce these products using efficient energy consumption and maximum product output.

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

PRINCIPLE 3:

EMPLOYEE WELL-BEING

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

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

1.	Please indicate the Total number of employees.	995
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	532
3.	Please indicate the Number of permanent women employees.	25(included in 1 above)
4.	Please indicate the Number of permanent employees with disabilities.	9
5.	Do you have an employee association that is recognized by management?	N.A.
6.	What percentage of your permanent employees is members of this recognized employee association?	NIL
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	NIL
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Casual/Temporary/Contractual Employees (d) Employees with Disabilities	100% employees (in-house/on the Job Training) 100% employees (in-house/on the Job Training) 100% employees (in-house/on the Job Training) Not applicable

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

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

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

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

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

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

Stakeholder group	Description
Elderly	Health camps
Differently abled individuals	Providing children with special needs a platform to access community-based rehabilitation services • Counseling for families and parents • Camps for raising awareness
Tribal people	Health services to the weaker section of the society – Development oriented activities, with focused initiatives for women, children and marginal dairy farmers
Migrant workers	Awareness on health related issues and sanitation

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

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

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

Gallantt Metal Limited has received no such complaint pertaining to sexual harassment during the reporting year 2019-20.

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

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

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

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

3. Potential environmental risks

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

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

Not undertaken.

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

Yes, all emission/waste generated by the Company are within the permissible limits given by CPCB/SPCB in 2019-20.

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

No show cause notices from SPCB or CPCB are pending as at end of the financial year 2019-20.

Principle 7: Policy Advocacy

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

Yes, Gallantt Metal Limited is a member of 2 industrial and trade bodies. The Company is most actively engaged with the following :

The Gandhidham Chamber of Commerce & Industry, Gandhidham Federation of Kutch Industries Association, Bhuj

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

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

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

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

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

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

arise in future services of NGO partners and other agencies will be taken subject to their expertise.

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

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

The Company is socially committed to focus these areas:

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

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

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

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

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

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

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

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

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

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

No case has been filed by stakeholders against the Company regarding unfair trade practices, irresponsible advertising and anti-competitive behaviour during the last five years. Therefore, no such cases remain pending as on the end of the financial year 2019-20.

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

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

Date: June 29, 2020
Place: Gorakhpur

On behalf of the Board
C. P. Agrawal
Chairman