

GALLANTT

GALLANTT ISPAT LIMITED

Annual Report 2015-16

ON THE
MOVE





CHAIRMAN'S STATEMENT

My dear Shareowners

The year 2015-16 was no different from the preceding year as the slowdown in the global economy continued in most of the regions. Although, there was marginal improvement in GDP growth rate in India from 7.3% in 2014-15 to 7.6% in 2015-16, the iron and steel industry in India and world over showed no signs of any improvement. However, despite the somewhat gloomy global economic landscape, recent developments in India appear positive on GDP, although the expectations on industrial activity and growth are still moderated. The economic conditions in India with falling inflation and interest rates, reasonable current account deficit and the projected GDP growth point to more optimistic prospects for the Indian economy in the future.

Your Company's Position:

The past year reflected a solid performance at Gallantt Ispat. Your Company has once again demonstrated its ability to deliver remarkable growth across all its businesses. Our reputation as an organization that offers a truly differentiated and customer-centric proposition has been reinforced during this period. The total revenue from operations for year ending March 31, 2016 was ₹ 53,475.85 Lakh (Consolidated ₹ 57,964.76 Lakh) resulting in our good performance. We have achieved our best ever Profit After Tax at ₹ 2,859.00 Lakh (Consolidated 2,914.36 Lakh) for the year ending March 31, 2016.

At Gallantt, we believe in developing the individual and thus empowering the team and the organization. It is this philosophy of ours that helps our employees and officers to achieve better results and accomplish goals. We are winning and continuing to achieve the improbable. We have been able to do this by following a single idea for well over a decade with fearlessness and persistence; and by continually challenging the fundamentals of how business should be run and brands should be created. We didn't take the well-trodden path, and we didn't follow industry conventions; we created our own path which has led us to this outstanding success specifically in Northern part of the Country.

The company aims to achieve and Y-o-Y growth in coming fiscals by expanding the customer base and increasing the business share with our existing customers. To achieve this goal the company is in the process of increasing the manufacturing capacity. As a part of its long term capex under first phase of expansion programme the company plans to invest about ₹ 310 Crores and ₹ 500 Crores in Second Phase. The Company's continued focus in expanding business in newer horizons will result in significant growth in terms of profitability and sales target. Overall, the stage is set for sustainable growth in future and with sustainability as the centre stone of our operations, I am confident that going forward your Company will continue to move ahead and outperform expectations, while continuing to create value for all our stakeholders.

Yours truly,

C. P. Agrawal

CHAIRMAN



GALLANTT ISPAT LIMITED

Corporate Identity Number (CIN): L27109WB2005PLC101650

Corporate Profile

BOARD OF DIRECTORS

Mr. Chandra Prakash Agrawal
Chairman & Managing Director

Mr. Prem Prakash Agrawal
Whole Time Director

Mr. Nitin M Kandoi
Director-Plant Operation

Mr. Santosh Kumar Agrawal
Director-Sales & Marketing

Mr. Rajesh Kumar Jain
Non-Executive Independent Director

Mr. Jyotirindra Nath Dey
Non-Executive Independent Director

Mr. Piyush Kankrania
Non-Executive Independent Director

Ms. Sangeeta Upadhyay
Non-Executive Independent Director

AUDITORS

Anoop Agarwal & Co.,
Chartered Accountants

COST AUDITORS

U. Tiwari & Associates
Cost Accountants

CHIEF EXECUTIVE OFFICER

Mr. Mayank Agrawal

CHIEF FINANCIAL OFFICER

Mr. Amit Jalan

COMPANY SECRETARY

Mr. Nitesh Kumar

REGISTERED OFFICE

1, Crooked Lane, Second Floor
Room Nos. 222 & 223
Kolkata - 700 069
Telefax : 033-40642189
Website: www.gallantt.com

REGISTRARS & SHARE TRANSFER AGENTS

Niche Technologies Pvt. Ltd.
D-511, Bagree Market
71, B.R.B. Basu Road
Kolkata - 700 001
Ph.: 033-22357270/7271/3070/2234
Fax: 033-22156823

WORKS OFFICE

Plot No. AL-5, Sector - 23
Gorakhpur Industrial Development
Authority (GIDA)
Sahjanwa, Gorakhpur
Uttar Pradesh

BANKERS

State Bank of India
ICICI Bank
HDFC Bank

EQUITY SHARES LISTED

Bombay Stock Exchange Limited
National Stock Exchange of India
Limited

AUDIT COMMITTEE

Mr. Piyush Kankrania- Chairman
Mr. Rajesh Kumar Jain
Mr. Jyotirindra Nath Dey

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Rajesh Kumar Jain - Chairman
Mr. Piyush Kankrania
Mr. Jyotirindra Nath Dey

NOMINATION AND REMUNERATION COMMITTEE

Mr. Jyotirindra Nath Dey - Chairman
Mr. Piyush Kankrania
Mr. Rajesh Kumar Jain

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Jyotirindra Nath Dey - Chairman
Mr. Chandra Prakash Agrawal
Mr. Prem Prakash Agrawal

12th ANNUAL GENERAL MEETING

Date	26.09.2016
Day	Monday
Time	2.00 P.M.
Place	Bhartiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017
Book Closure Date for AGM	Tuesday, September 20, 2016 to Monday, September 26, 2016 (both days inclusive)
Members are requested to register their email address with the Depository Participants/Registrar & Share Transfer Agent.	

Contents

Notice **2** Directors' Report **8** Report on Corporate Governance **54** Auditors' Report **73** Balance Sheet **78**
Statement of Profit and Loss **79** Cash Flow Statement **80** Notes on Financial Statement **82**
Consolidated Auditors' Report **104** Consolidated Balance Sheet **108** Consolidated Statement of Profit & Loss **109**
Consolidated Cash Flow Statement **110** Consolidated Notes on Financial Statement **112**

**GALLANTT ISPAT LIMITED**

CIN:L27109WB2005PLC101650

Registered Office: 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069

Phone No. 033-40642189, Fax No. 033-40642189

E-mail : nitesh@gallantt.com

*(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)***NOTICE**

Notice is hereby given that the Twelfth Annual General Meeting of GALLANTT ISPAT LIMITED (CIN:L27109WB2005PLC101650) will be held on Monday, 26th September, 2016 at 2.00 P.M. at – Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Financial Statements of the Company for the financial year ended March 31, 2016 including the Audited Balance Sheet as at March 31, 2016 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
 - b. the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2016 including the Consolidated Audited Balance Sheet as at March 31, 2016 and Consolidated Statement of Profit & Loss for the year ended on that date and the Report of the Auditors thereon.
2. To confirm payment of Interim Dividend on Equity Shares for the Financial Year ended 31st March, 2016.
3. To appoint a Director in place of Mr. Nitin M Kandoi (DIN: 01979952), who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendations of the Audit Committee, Anoop Agarwal & Co., Chartered Accountants having Registration No. (ICAI Registration No. 001739C), be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company for the financial year ending March 31, 2017.”

“RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby authorized to settle any question, difficulty or doubt, that may

arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

SPECIAL BUSINESS:

5. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2017 and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. U. Tiwari & Associates, Cost Accountants (Membership Number 23872) appointed as the Cost Auditors of the Company for audit of the cost accounting records of the Company for the financial year ending 31st March, 2017, be paid remuneration amounting to ₹ 40,000/- (Rupees Forty Thousand only) excluding out of pocket expenses, if any”.

“RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

6. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:-

“RESOLVED THAT in terms of proviso to Section 20(2) of the Companies Act, 2013, a uniform fee of Rupees One Hundred be charged towards cost of dispatch and handling for service of each document within India and Rupees One Thousand for service of each document outside India by any specific mode requested by any shareholder.”

By Order of the Board

Nitesh Kumar

(Company Secretary)

Date: August 08, 2016

Place: Kolkata

Membership No. : FCS 7496

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. **Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.**
3. Brief resume of Director proposed to be 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided along with this notice.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
8. The Register of Members and Share Transfer Books shall be closed from Tuesday, September 20, 2016 to Monday, September 26, 2016 (both days inclusive) the purposes of the Annual General Meeting of the Company.
9. During the Financial Year 2015-16, Company has recommended and paid Interim Dividend of Re. 1/- (Rupee one only) per share. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts are used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Niche Technologies Private Limited (the "Niche") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
10. Members holding shares in electronic form are requested

to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/ Niche.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Niche.
12. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
13. Applicants of Initial Public Offer in 2010, who have not claimed refund of share application money, are request to claim the same. Members who have not so far encashed their Dividend Warrants for the financial years ended 31st March, 2011, 2012, 2013, 2014, 2015 and 2016 (Interim Dividend for the Financial Year 2015-16) are requested to approach immediately the Registrars for revalidation of unclaimed Dividend Warrants. The details of unclaimed dividend are available on the Company's corporate website www.gallantt.com and also uploaded on the website of IEPF viz. www.iepf.gov.in.
14. The Company has implemented the 'Green Initiative' as per Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/documents and annual reports to shareholders. The email addresses indicated in your respective Depository Participant (DP) accounts are being periodically downloaded from NSDL/CDSL and will be deemed to be your registered email address for serving notices/documents including those covered under Section 136 of the Companies Act, 2013. Members may also note that the Notice of the 12th AGM and the Annual Report for FY 2015-16, copies of audited financial statements, directors' report, auditors' report etc. will also be available on the website of the Company, www.gallantt.com for download. Members holding shares in electronic mode are therefore requested to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company.
15. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository.

Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.

16. The Register of Directors and Key Managerial Personnel and their shareholding will be available for inspection by the members at the AGM.
17. Director seeking re-appointment is not related to any member of the Board of Directors or to any Key Managerial Personnel.

18. VOTING THROUGH ELECTRONIC MEANS

- I.) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- II.) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- III.) The process and manner for remote e-voting are as under:
 - (i) The remote e-voting period commences on 23rd September, 2016 (9:00 am) and ends on 25th September, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date

of 19th September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
Bank Account Number (DBD)	Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio. Please Enter the DOB or Bank Account Number in order to Login. If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. **GALLANTT ISPAT LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders & Custodians :
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533.
- (xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
19. Institutional Members / Bodies Corporate (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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at tanmayks@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before 25th September, 2016, upto 5:00 pm without which the vote shall not be treated as valid.
20. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19th September, 2016. A person who is not a member as on cut off date should treat this notice for information purpose only.
21. The notice of the Annual General Meeting will be sent to the members, whose names appear in the register of members / register of beneficial owners maintained by the depositories as at closing hours of business on Friday, 19th August, 2016.
22. The shareholders shall have one vote per equity share held by them as on the cut-off date of 19th September, 2016. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
23. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th September, 2016 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
24. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the

same are being sent through the permitted mode.

25. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date of 19th September, 2016 are requested to send the written / email communication to the Company at nitesh@gallantt.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
26. Mr. Tanmay Kumar Saha, practicing Company Secretary (Membership No. 27396 and CP No. 11918) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 2 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
27. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.gallantt.com and on the website of CDSL. The same will be communicated to the stock exchanges viz. BSE Limited and National Stock Exchange of India Limited.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 5 :

The Board of Directors at its meeting held on May 30, 2016 appointed M/s. U. Tiwari & Associates, Cost Accountants (Membership No. 23872), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31st March, 2017, at a remuneration amounting to ₹ 40,000 (Rupees Forty Thousand only) excluding out of pocket expenses, if any. In terms of the provisions of Section 148(3)

of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor shall be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 5 for ratification by the shareholders at the ensuing Annual General Meeting of the Company.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Ordinary Resolution as set out at Item No. 5 of this Notice.

Item No. 6 :

Pursuant to the proviso to Section 20(2) of the Companies Act, 2013, a member may request for any document through a particular mode, for which the member shall pay such fees as may be determined by the Company in its annual general meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that a uniform fee of Rupees One Hundred be charged towards cost of dispatch and handling for service of each document within India and Rupees One Thousand for service of each document outside India by specific mode requested by any shareholder. The requisite fee (by way of Demand Draft) has to be sent to the Company by the shareholder clearly stating the document desired to be received through a particular mode. Further, considering the huge number of shareholders of the Company, it would not be practically feasible to accept 'lump-sum' advances from shareholders and continue maintaining their running ledger balances for this purpose. The Board recommends the resolution at item no. 6 for the approval of the Shareholders. None of the Directors of the Company, Key Managerial Personnel or their respective relatives is in any way concerned or interested in this resolution set out at item no. 6 of the Notice.

By Order of the Board

Nitesh Kumar

(Company Secretary)

Membership No. : FCS 7496

Date: August 08, 2016

Place: Kolkata

Road Map of Venue of 12th Annual General Meeting



Information required under Regulation 36(3) of the Listing Regulations (relating to Corporate Governance) with respect to the Directors retiring by rotation and being eligible seeking re-appointment is as under:

Details of Mr. Nitin M Kandoi, seeking reappointment, are as under:

Name of the Director	Mr. Nitin M Kandoi
Date of Birth	21.07.1972
Date of First Appointment	10.09.2009
Qualifications	B-Com(H) from Bombay University
Expertise in specific functional areas	Mr. Nitin M Kandoi, a promoter of the Company having experience of 21 years in the steel industry, is a Commerce Graduate from Mumbai University. Mr. Kandoi was involved in the operations of the steel manufacturing facility of Gallantt Udyog Limited (formerly Govind Mills Limited) since 1995. He was involved in setting up of the operations of our Company and has been instrumental in the implementation of technological advances made in the manufacturing processes of our Company. During this period and under his Directorship, the Company has completed and achieved various targets and plans and the Company achieved higher levels of growth. His expertise in the steel and power businesses has been instrumental in contributing to the growth of the Company. Mr. Kandoi supervises the operation and functioning of steel and power plants, besides he supervises Purchase and procurement departments of the Company. He is aged about 44 years. In his term of office since inception, Mr. Nitin M Kandoi has contributed extensively towards the growth of the Company and has been actively responsible together with other officers for the installation, implementation and functioning of units of the project of the Company and attainment of the highest standards of quality. The Company has streamlined the process and achieved great administration within the organization under his superb guidance. Mr. Nitin M Kandoi forms part of the Promoter Group as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time and holds 47,500 Equity Shares in the Company.
Directorship in other Companies	Gallantt Metal Limited
Membership/ Chairmanship of Committees of the other public companies on which he is a Director	NIL
No. of Shares held in the Company	47,500
Relationship with any Directors of the Company	Mr. Nitin M Kandoi has no relation with the Directors and Key Managerial Personnel of the Company.

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the 12th Annual Report of the Company and the Annual Accounts for the year ended 31st March, 2016.

WORKING RESULTS

(₹ in Lacs)

Financial Results	Standalone		Consolidated
	2016	2015	2016
Income from operation	53,475.85	56,074.10	57,964.76
Other Operating Income	20.36	272.13	118.90
Profit before Interest, Depreciation and Tax	5,254.38	5,481.09	5,425.31
Less: Finance Cost	761.72	960.51	845.10
Profit before Depreciation & Tax	4,492.66	4,520.58	4,580.21
Less: Depreciation (including amortization)	1,390.50	1,459.90	1,394.51
Less: Exceptional and Extraordinary Items	3.49	42.97	6.84
Less: Prior Period Expenses	—	—	—
Profit Before Tax	3,098.67	3,017.71	3,178.86
Tax Expenses	239.67	306.78	264.50
Profit After Tax	2,859.00	2,710.93	2,914.36

OPERATIONAL REVIEW & STATE OF THE COMPANY'S AFFAIRS

At Gallantt Ispat, we continue to optimise production across our portfolio to generate maximum value and remained focused on reducing costs to protect margins. Our strong operational results reflect the quality of our assets, capabilities and resilience to challenging market conditions. To achieve the sales target in the coming years company has expansion plan in Pipeline.

During the year standalone Revenue from Operations stood at ₹ 53,475.85 Lacs and Consolidated Revenue from Operations stood at ₹ 57,964.76 Lacs, Standalone and Consolidated Net Profit stood at ₹ 2,859.00 Lacs and ₹ 2,914.36 Lacs respectively. Earnings per Share (EPS) stood at ₹ 10.13 (standalone) and ₹ 10.32 (consolidated) for the Financial Year ended March 31, 2016. This is a reflection of the quality of our assets and growing demand for our products across the region. This spectacular achievement is the result of goal oriented workings, cost effective production, increase in operational efficiency and better working capital management.

Yours Directors are pleased to report a good performance of the Company in terms of both financial and operational performance.

During the financial year, the Company has altered Memorandum of Association of the Company. Company has aligned the Memorandum of Association as per the new Companies Act, 2013. In the Main Object Clause a new Clause 6 has been added after Clause 5 which reads as under:

6. "To carry on the business activities as developers of

land, colonies, sheds, buildings, structures, residential plots, commercial plots, industrial plots and sheds, roads, bridges, channels, culverts and to act as architect, designers, contractors, sub-contractors, for all types of constructions and developments work for private sector, government departments, semi government departments, development authorities and to develop the sites and plots and to carry on the business activities of acquirer, purchaser, repurchase, let out, lease, sell, exchange, hire or otherwise all types of land, and properties of any tenure or any interest in the same or to erect and construct houses, building, multi-stories, or work for every descriptions on any land of the company or upon other land or property and to pull down re-build, enlarge, alter, and improve, existing houses, buildings, or work thereon and to purchasing and selling of houses and plots free hold or other house property, building, or lands or interest, household articles and other products of other companies in the installments, network scheme or otherwise."

Also, Company has amended Clause III B and Clause III C of the Memorandum of Association by deleting the heading of Clause III B, "OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:" and replacing it with the heading "**Matters which are necessary for furtherance of the objects specified in clause III(A) are:-**"

Further, Other Object Clause of the Memorandum has been deleted.

Furthermore, Company has amended Clause IV of the Memorandum of Association. New Clause IV of the Memorandum of Association, be and is hereby