



GALLANTT

Building Tomorrow...

GALLANTT METAL LIMITED

Annual Report 2014-15



Dear Shareowners,

It gives me immense pleasure to write to you at the end of an exciting year – a year that had its share of opportunities and challenges. I am happy as always to share with you performance of your Company in the year that went by and share with you our aspirations for the future.

Economic Outlook and Industry

The year began with sky-high expectations of economic recovery resulting from the decisive political mandate but as the year progressed, it was increasingly evident that the pace of recovery would be much more gradual. Many domestic growth indicators improved during the year helped by the Government's intent to push reforms and promote investments. The lower crude oil and commodity prices also helped reigning in inflation and set the stage for easing of monetary policy.

Financial Year 2014-15 witnessed volatile markets as economies around the world, found themselves at various points in the economic cycle, with monetary easing being the predominant theme across many geographies. According to the International Monetary Fund, the global economy is expected to grow at 3.4% in Financial Year 2015-16.

India is expected to be a major contributor to this growth as it is set to double its economic size by 2019 and see significant improvement in intensity of steel use per capita. China witnessed its slowest growth during 2014 in the last 25 years. The lower growth trend in China has adversely impacted commodity markets, including putting pressure on iron ore and steel prices.

Letter to Shareowners

Financial Year 2014-15 saw India emerge as a bright spark even as advanced and emerging economies grappled with uncertainty and slower growth. Economic growth in India peaked in the second quarter of the fiscal at 8.2% (under new series) but remained moderate in the third and fourth quarter at around 7.5%. Cyclical macro parameters like inflation, current account deficit have improved during the year due to domestic as well as external factors.

Your Company's Performance

In Financial Year 2014-15, your Company delivered a robust performance despite considerable headwinds. The business continued to focus on the delivery of consistent, competitive, profitable and responsible growth. This was another year of exciting innovations, further improvement in execution and sustained focus on operational efficiencies.

In the face of overall subdued market conditions, your Company has delivered remarkable growth and performed ahead of the underlying steel production trend. We were able to do so because of our ability to innovate and to help customers improve process productivity and therefore extract more value for their products.

This year, the Company's total revenue from operations increased by over ₹5,043 Lacs despite slow down in domestic steel production. Like other domestic steel manufacturers we also witnessed pressure on sales volume due to increased imports from China and Russia resulted in sharp cut to steel prices in India over the past six months.

Remarkable growth in sales volume and profitability are the result of management planning and strategy. Major portion of the product of your Company are being sold in the western part of the country and steel demand in the region is expected grow considerably due to development vision of the Government and Infrastructure projects are gaining momentum.

The Company's management will continue to focus on operational and commercial excellence in its operations and strive for further growth.

Finally, I would like to gratefully acknowledge the trust and confidence reposed in us by you.

Yours truly,
C. P. Agrawal
CHAIRMAN

**GALLANTT METAL LIMITED**

Corporate Identity Number (CIN): L27109WB2005PLC101553

Corporate Profile**BOARD OF DIRECTORS****Mr. Chandra Prakash Agrawal**
*Chairman & Managing Director***Mr. Dineshkumar Raghubir Prasad Agarwal**
*Whole Time Director***Mr. Nitin M Kandoi**
*Director***Mr. Prashant Jalan**
*Director-Plant Operation***Mr. Ramesh Kumar Choudhary**
*Non-Executive Independent Director***Mr. Jyotirindra Nath Dey**
*Non-Executive Independent Director***Mr. Prasant Kankrania**
*Non-Executive Independent Director***Ms. Richa Bhartia**
*Non-Executive Independent Director***AUDITORS**A. K. Meharia & Associates
*Chartered Accountants***COST AUDITORS**U. Tiwari & Associates
*Cost Accountants***CHIEF FINANCIAL OFFICER**

Mr. Sandip Kumar Agarwal

COMPANY SECRETARY

Mr. Rajesh Upadhyaya

REGISTERED OFFICE1, Crooked Lane, Second Floor,
Room Nos. 222 & 223
Kolkata - 700 069
Telefax: 033-40642189
Website: www.gallantt.com**BANKERS**

State Bank of India

EQUITY SHARES LISTEDBombay Stock Exchange Limited
National Stock Exchange of India
Limited**REGISTRARS & SHARE TRANSFER AGENT**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**Near Toll Gate, Village - Samakhali,
Taluka - Bachau, District - Kutch,
Gujarat**AUDIT COMMITTEE**Mr. Prasant Kankrania-*Chairman*
Mrs. Richa Bhartiya
Mr. Jyotirindra Nath Dey**STAKEHOLDERS****RELATIONSHIP COMMITTEE**Mrs. Richa Bhartiya-*Chairman*
Mr. Prasant Kankrania
Mr. Jyotirindra Nath Dey**NOMINATION AND REMUNERATION COMMITTEE**Mr. Jyotirindra Nath Dey-*Chairman*
Mr. Prasant Kankrania
Mrs. Richa Bhartiya**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**Mr. Jyotirindra Nath Dey-*Chairman*
Mr. Chandra Prakash Agrawal
Mr. Dinesh Kumar R. Agarwal**11th ANNUAL GENERAL MEETING**

Date	28.09.2015
Day	Monday
Time	1.00 P.M.
Place	NAZRUL MANCH, Office of the Municipal Councillors, Kamarhati, 1 M.M. Feeder Road, P.O. - Belgharia, Kolkata - 700 056
Book Closure Date for AGM	Tuesday, September 22, 2015 to Monday, September 28, 2015 (both days inclusive)
Members are requested to register their email address with the Depository Participants/Registrar & Share Transfer Agent.	

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DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the 11th Annual Report of the Company and the Annual Accounts for the year ended 31st March, 2015.

WORKING RESULTS

(₹ in Lacs)

Financial Results	2015	2014
Net Sales/Income from operation (Net of Excise Duty)	72,033.46	66,990.45
Other Income	171.62	134.69
Profit before Interest, Depreciation and Tax	6,534.15	4,454.93
Less: Finance Cost	1,170.25	1,133.59
Profit before Depreciation & Tax	5,363.90	3,321.34
Less: Depreciation (including amortization)	1,686.26	1,713.43
Profit Before Tax	3,677.64	1,607.91
Tax Expenses	282.75	102.37
Profit After Tax	3,394.89	1,505.54

PERFORMANCE REVIEW

Net revenue from operations increased to ₹ 72,033.46 Lacs as against ₹ 66,990.45 Lacs in the previous year – a growth of 7.53%. Earnings per Share (EPS) of ₹ 4.17 for the Financial Year ended March 31, 2015. We continue to spend a significant amount of time articulating our strategy for enhancing sales and marketing. Our strategic planning and implementation is directed towards resource optimization, technology updation, enhancing product and delivery excellence as well as identifying business and better customer service opportunities. Your company had coupled with high level of modernization, concentrated efforts of both Management and dedicated employees, the whole hearted support of Banks, suppliers and customers attained these levels of performance.

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year 2014-15 and the date of this Report.

DIVIDEND

In view of conserving resources of the Company for future plan and to strengthen its fund and liquid position, Directors are unable to recommend any dividend.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- The directors have selected such accounting policies and applied them consistently and made

judgments and estimates that were 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 profit or loss of the Company for the year under review.

- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The directors have prepared the annual accounts on a going concern basis.
- The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, the Corporate Governance Report, Management Discussion and Analysis, and the Auditor's Certificate regarding compliance of conditions of Corporate Governance, form part of the Annual Report. Your Company is fully compliant with the Corporate Governance guidelines, as laid out in Clause 49 of the Listing Agreement. All the Directors (and also the members of the Senior Management) have affirmed in writing their compliance with and adherence to the Code of Conduct adopted by the Company.

LISTING INFORMATION

The Equity Shares in the Company are in dematerialized form and is listed with Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Listing Fee has been paid to the Stock Exchanges for the year 2015-16. The ISIN No. of the Company is INE297H01019.

CREDIT RATING

Credit Analysis & Research Ltd (hereinafter referred to as "CARE") has assigned grade BBB+ for credit rating of Term Loan and Grade A2 for working capital facilities.

FIXED DEPOSITS

The Company has not accepted any fixed deposits during the year to which the provisions of Section 58A of Companies Act, 1956 and Section 73 of the Companies Act, 2013 are applicable.

AUDITORS & AUDITORS' REPORT

M/s. A. K. Meharia & Associates, Chartered Accountants, statutory auditors of the Company was reappointed as the Auditors of the Company at the previous Annual General Meeting. As per the provisions of Section 139 of the Companies Act, 2013, Statutory Auditors of the Company hold office until the conclusion of the 5 years. Necessary certificate has been obtained from the Auditors as per Section 139(1) of the Companies Act, 2013.

The notes on accounts referred to the Auditors' Report are self-explanatory and therefore, do not call for any further explanation.

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

The information required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed as **Annexure-A** to this Directors' report.

COST AUDIT

The Company has submitted the Cost Audit Report and Cost Compliance Report for the year 2013-14 duly certified by a Cost Accountant to the Central Government within the due date. M/s. U. Tiwari & Associates, Cost Accountants were appointed with the approval of the Central Government to carry out the cost audit in respect of the Company for the financial year 2014-15. Based on the recommendation of the Audit Committee, M/s. U. Tiwari & Associates, Cost Accountants being eligible have also been appointed by the Board as the Cost Auditors for the financial year 2015-16.

FINANCE AND ACCOUNTS DETAILS ON INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

Your Company has put in place adequate internal financial controls with reference to the financial

statements, some of which are outlined below:

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 1956, to the extent applicable. These are in accordance with generally accepted accounting principles in India.

Your Company has a robust financial closure self-certification mechanism wherein the line managers certify adherence to various accounting policies, accounting hygiene and accuracy of provisions and other estimates.

OUTLOOK AND EXPANSION

Despite stiff competition from other steel manufactures our buyers show preference to your company's products for its quality and timely delivery and hence your Directors are confident of achieving better working results in the coming years.

The Real Estate sector is showing more strength and hence business improvement is on the upswing.

Your company plans to take the performance to the next level by modernization, installing high tech and time saving machinery and supportive systems, improving quality of work by employee training.

Expansion Project:

The expansion plan by further investment in installation of new capacities and technology upgradation and modern machinery for increasing the capacity of the existing Units are being implemented.

AWARD AND RECOGNITIONS

During the year, Company has not received awards and recognition.

INSURANCE

All the insurable interests of your Company including inventories, buildings, plant and machinery and liabilities under legislative enactments are adequately insured.

PERSONNEL, INDUSTRIAL RELATIONS AND MARKETING

Industrial relations are cordial and satisfactory. Your Company sustained harmonious and healthy industrial relations in manufacturing plants and other business establishment and offices which set the trend in employee productivity, workforce flexibility and continuous introduction of technology. The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity, to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our

personnel. The Company is giving employment to 539 employees.

BOARD OF DIRECTORS AND SENIOR EXECUTIVE

In terms of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors can hold office for a term of up to five (5) consecutive years on the Board of Directors of your Company and are not liable to retire by rotation.

In terms of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mrs. Richa Bhartiya has been appointed as Independent Woman Director. She can hold office for a term of upto five consecutive years on the Board of Directors of your Company and are not liable to retire by rotation.

The Board of Directors comprises of Eight Directors of which four are Independent Directors. In terms Section 152 of the Companies Act, 2013, Mr. Nitin M Kandoi, liable to retire by rotation at the ensuing Annual General Meeting and eligible for re-election. At their Meeting held on 28.08.2015, Board of Directors has re-appointed Mr. Chandra Prakash Agrawal as a Managing Director for a period of five years effective from 01.09.2015 on the terms and conditions as embodied in the agreement dated 28.08.2015. This appointment is subject to the approval of the shareholders. At the same Meeting, Mr. Dinesh Kumar Raghbir Prasad Agarwal has been appointed as a Whole time Director for a period of five years effective from 01.11.2015 on the terms and conditions as embodied in the agreement dated 28.08.2015. This appointment is subject to the approval of the shareholders.

TRANSFER TO RESERVES

Your Directors propose to transfer ₹ 3,394.89 Lacs to the General Reserve.

INTERNAL COMPLAINT REGARDING SEXUAL HARRASSMENT

There were no cases of sexual harassment of woman at work place. Also, there are no instances of child labour/ forced labour/ involuntary labour and discriminatory employment during the year.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The particulars of loans, guarantees and investments u/s 186 of the Companies Act, 2013: During the year Company has not given loan and guarantee also no fresh investment was made in the other body corporate.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report are annexed herewith as **Annexure-B**.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

In the last Annual General Meeting held on September 09, 2014, appointment of Mr. Jyotirindra Nath Dey, Mr. Rajesh Kumar Jain, Mr. Prasant Kankrania and Ramesh Kumar Choudhary were aligned as per the Companies Act, 2013. Mr. Rajesh Kumar Jain resigned from the Directorship of the Company with effect from November 12, 2014. Effective from the same date, Mrs. Richa Bhartiya appointed as an Additional Director. She qualifies to be an Independent Director as per the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. All the Independent Directors have given declarations that they meet the criteria required under section 149(6) of the Companies Act, 2013.

Mr. Sandip Kumar Agarwal was appointed as a Chief Financial Officer of the Company effective from August 14, 2014.

NUMBER OF MEETINGS OF BOARD AND AUDIT COMMITTEE HELD DURING THE YEAR 2014-2015

The details of the number of Board and Audit Committee meetings of your Company are set out in the Corporate Governance Report which forms part of this Report.

DETAILS OF POLICIES

(i) Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Company's Remuneration Policy is available on the Company's website www.gallantt.com and the same is attached herewith as **Annexure - C**.

(ii) Corporate Social Responsibility Policy (CSR)

The Board has, on the recommendation of the CSR Committee, approved the CSR Policy. The Company's CSR Policy is available on the Company's website www.gallantt.com and the same is attached herewith as **Annexure-D**.

Annual Report on CSR as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is also attached herewith as **Annexure-E**.

(iii) Risk Management Policy

Business Risk Evaluation and Management is an ongoing process within the Organization. Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Board has framed a Risk Management Policy for the Company. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the business and

functions are systematically addressed through mitigating actions on a continuing basis. At present the company has not identified any element of risk which may threaten the business (or) existence of the company.

(iv) **Whistle Blower Policy – Vigil Mechanism**

Your Company has formulated a Vigil Mechanism Policy with a view to provide a mechanism for employees and directors of the Company to approach the Chairman of the Audit Committee to ensure adequate safeguards against victimisation. This policy would help to create an environment wherein individuals feel free and secure to raise an alarm, whenever any fraudulent activity takes place or is likely to take place. It will also ensure that complainant(s) are protected from retribution, whether within or outside the organization. The Board has elected Mr. Rajesh Upadhyaya, Company Secretary as the Whistle Officer under the vigil mechanism policy.

The details of establishment of the Vigil Mechanism Policy is displayed on the website of the Company www.gallantt.com under the weblink :

<http://goo.gl/5APCbx>

BOARD COMMITTEES

Details of Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee have been disclosed under Corporate Governance Report.

DETAILS OF RECOMMENDATIONS OF AUDIT COMMITTEE WHICH WERE NOT ACCEPTED BY THE BOARD ALONG WITH REASONS

The same is not applicable as the Audit Committee's recommendations were accepted and implemented by the Board.

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR

ASSOCIATE COMPANIES DURING THE YEAR –

Company does not have Subsidiary Company.

SECRETARIAL AUDITORS

Ms. Khushboo Goenka, Practising Company Secretary, having office address at 204, Ram Krishna Samadhi Road, 1st Floor, Kolkata – 700054 has been appointed as Secretarial Auditors of the Company for the FY ended 31.03.2015. The Secretarial audit report received from the Secretarial Auditors is annexed to this report marked as **Annexure - F** and forms part of this report.

RELATED PARTY TRANSACTIONS

The details of Related Party Transactions during the Financial Year ending 31.03.2015, being arm's length transactions have been reported in the financial statements and forms part of this report. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the website of the Company www.gallantt.com under the weblink :

<http://goo.gl/3JlUKK>

PARTICULARS OF EMPLOYEES

Particulars of Employees and Related disclosures

No employee of the Company is covered under the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

MANAGERIAL REMUNERATION

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

- (a) ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;

Name	Designation	Ratio to median remuneration of employees
Chandra Prakash Agrawal	Chairman & Managing Director	12.24 : 1
Dineshkumar Raghubir Prasad Agarwal	Whole-time Director	12.24 : 1
Prashant Jalan	Director (Plant-Operation)	3.94 : 1
Nitin M Kandoi	Non-executive Director	N.A.*
Jyotirindra Nath Dey	Independent Director	N.A.*
Rajesh Kumar Jain	Independent Director (Resigned w.e.f. 12.11.2014)	N.A.*
Prasant Kankrania	Independent Director	N.A.*
Richa Bhartiya	Independent Director (Appointed w.e.f. 12.11.2014)	N.A.*

* Except Sitting Fees, no remuneration is paid to the Non-executive Directors.

- (b) percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name	Designation	% increase
Chandra Prakash Agrawal	Chairman & Managing Director	7.69
Dineshkumar Raghubir Prasad Agarwal	Whole-time Director	7.69
Prashant Jalan	Director (Plant Operation)	12.50
Nitin M Kandoi	Non-executive Director	N.A.*
Jyotirindra Nath Dey	Independent Director	N.A.*
Rajesh Kumar Jain	Independent Director (Resigned w.e.f. 12.11.2014)	N.A.*
Prasant Kankrania	Independent Director	N.A.*
Richa Bhartiya	Independent Director (Appointed w.e.f. 12.11.2014)	N.A.*
Sandip Kumar Agarwal	Chief Financial Officer	NIL
Rajesh Upadhyaya	Company Secretary	4.40

* Except Sitting Fees, no remuneration is paid to the Non-executive Directors.

- (c) percentage increase in the median remuneration of employees in the financial year : 28.85%
- (d) number of permanent employees on the rolls of company : 539
- (e) explanation on the relationship between average increase in remuneration and company performance:
The profit before tax for the financial year ended March 31, 2015 increased by 128.72% and the profit after tax for the financial year ended March 31, 2015 increased by 125.49%, whereas the increase in median remuneration is 25.85%. The average increase in median remuneration is in line with the performance of the company.
- (f) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;
The total remuneration of KMP increased by 7.17%, whereas the profit before tax increased by 128.72% and the profit after tax increased by 125.49%.
- (g) 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:
42.17% (non-Manual personnel) 17.61% (Managerial Personnel)
- (h) comparison of remuneration of each of the Key Managerial Personnel against the performance of the company;

Name	Designation	% increase	Comparison
Chandra Prakash Agrawal	Chairman & Managing Director	7.69	The profit before tax for the financial year ended March 31, 2015 increased by 128.72% and the profit after tax for the financial year ended March 31, 2015 increased by 125.49%, whereas the increase in median remuneration is 25.85%. The average increase in median remuneration is in line with the performance of the company.
Dineshkumar Raghubir Prasad Agarwal	Whole-time Director	7.69	
Prashant Jalan	Director (Plant Operation)	12.50	
Nitin M Kandoi	Non-Executive Director	—	
Sandip Kumar Agarwal	Chief Financial Officer	—	
Rajesh Upadhyaya	Company Secretary	4.40	

- (i) the key parameters for any variable component of remuneration availed by the directors;
Company's financial results, the performance of the business unit, individual performance, skills and competence, fulfillment of various improvement targets or the attainment of certain financial objectives.
- (j) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; 1 : 1.28 and 1 : 2.07.

- (k) We hereby affirm that the remuneration paid to the managerial and non-managerial personnel is as per the Remuneration Policy of the Company approved at the board meeting dated 29.05.2014.

The Remuneration policy of the Company comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been provided in the Report.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the equity listing

Agreement, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

Pursuant to Para VII of Schedule IV of the Companies Act, 2013 and Clause 49(II)(B)(6) of the Equity Listing Agreement, a meeting of the Independent Directors of the Company was convened to perform the following:

Review the performance of non-independent directors and the Board as a whole;

Review the performance of the Chairperson of the Company, taking into account the views of executive directors and nonexecutive directors;

Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Further, the Nomination and Remuneration Committee also evaluated the performance of all the directors of the Company.

The criteria for evaluation are briefly provided below:

Role & Accountability

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

Objectivity

- Non-partisan appraisal of issues.

- Own recommendations given professionally without tending to majority or popular views.

Leadership & Initiative

- Heading Board Sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

Personal Attributes

- Commitment to role & fiduciary responsibilities as a Board member.
- Attendance and active participation.
- Proactive, strategic and lateral thinking.

FAMILIARISATION PROGRAMME

Your Company follows a structured orientation and familiarization programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis.

Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved.

The details of familiarisation programme have been posted in the website of the Company www.gallantt.com under the weblink :

<http://goo.gl/xk90w2>

CODE OF CONDUCT

Your Company has adopted a Code of Conduct for members of the Board (incorporating duties of Independent Directors) and the Senior Management. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company. Your Company has received confirmations from all concerned regarding their adherence to the said Code.

Pursuant to Clause 49(II)(E) of the Listing Agreement, the Managing Director of the Company confirmed compliance with the Code by all members of the Board and the Senior Management.

The full text of the Code is hosted on the Company's website www.gallantt.com under the weblink :

<http://goo.gl/zc9dNe>

CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

Your Company has adopted a Code of Conduct as per Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 1992. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with

SEBI (Prohibition of Insider Trading) Regulations, 1992. Gallantt Metal Limited - Code for Fair Disclosure' are available on the Company's website www.gallantt.com under the weblink :

<http://goo.gl/OMZ5EQ>

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since 31st March, 2015 till the date of this Report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

Significant and material orders passed by the regulators / courts / tribunals impacting the going concern status and the Company's operations in future

As such there is no significant and material order by the regulator/court/tribunals impacting the going concern status and the Company's operation in future.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in Form MGT-9 is attached on **Annexure-G**.

DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors confirming that they meet

the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Clause 49 of the Listing Agreement.

GENERAL

- Your Company has not issued equity shares with differential rights as to dividend, voting or otherwise; and
- Your Company does not have any ESOP scheme for its employees/Directors.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the whole hearted and sincere co-operation the Company has received from its customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

On behalf of the Board

Place: Kolkata
Date: August 28, 2015

C. P. Agrawal
Chairman

ANNEXURE A

A. CONSERVATION OF ENERGY

(a) Energy Conservation Measures Taken

All manufacturing units continued their efforts to reduce specific energy consumption. Specific and Total energy consumption indicators are tracked on monthly basis at the individual factory level and also at the consolidated manufacturing level. Your Company's technical team monitors closely and vigorously various plants and equipments and suggests adoption of new and latest technology etc. and discuss to identify areas of improvement. In addition to the existing Energy Conservation measures, the Engineering and Production departments in each manufacturing unit work closely towards improving the efficiency of generation and also in the reduction in energy consumption. The measures taken in all the Company's manufacturing units can be briefly enumerated as below:

- Additional investments and proposals, if any, being implemented for reduction of consumption of energy - Nil
- In respect of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods- This has resulted in cost savings for the Company.
- Total energy consumption and energy consumption per unit of production as per Form "A" of the Annexure in respect of industries specified in the Schedule thereto:

FORM -A

Disclosure of Particulars with respect to conservation of energy

Particulars	2014-15	2013-14
A. Power & Fuel Consumption		
1 Electricity		
(a) Purchased		
Total Unit in Lacs	146.84	68.48