



*Dear Shareowners,*

I have the privileged to address you as the Chairman of one of the most successful Iron & Steel and Agro Products manufacturing Companies in India which is into Integrated Steel Plants and Modern Flour Mills and focuses on efficiency in operations, reliability for buyers and continuous thrust on sustainable development.

During Fiscal 2014-15, the macroeconomic scenario showed signs of improvement helped by the fall in global crude prices, a more manageable current account deficit and smaller fiscal deficit. With the pressure on inflation reducing, the space has opened up for further monetary policy easing albeit some uncertainty remains on account of the potential impact of the monsoon on food prices. Steel industries are largely dependent on infrastructure sector. After the 2014 Lok Sabha elections resulted in a clear majority for the new Government, there has been considerable optimism that the bottlenecks affecting the infrastructure sector in particular will be cleared and we will see a more sustained revival of the growth cycle.

Though the steel industry had not fully recovered from the preceding years of slow down, your Company posted commendable all-round performance. This was possible to a large measure due to the relentless pursuit of internal efficiencies, product and market actions and

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Letter to Shareowners

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above all a greater thrust in customer orientation. Also, your Company's manufacturing units are very modern with state-of-the-art steel and flour mills. It has always strived for continuous modernisation and up-gradation of older plants and higher energy efficiency levels.

Fiscal 2014-15 has been a watershed year for Gallantt Ispat. During the year the Company has proposed to expand the capacity of plants of the Company and is working on it. Honorable High Court at Kolkata has approved the amalgamation of Gallantt Udyog Limited with the Company in terms of Section 391 to 394 of the Companies Act, 2013. I believe 2014-15 is an inflexion point in our journey having gained tremendously in our collective self-belief to overcome business challenges and face the future with greater optimism. During the fiscal 2014-15 we have achieved our revenue and profitability targets which are healthier than that of previous year. These achievements were possible by implementation of higher levels of modernization, selection of appropriate technology, right product, right product mix combined with efforts put in by the whole team in the management hand in hand with a team of dedicated employees. I truly believe that it is not a chance occurrence but a sustainable performance since structural changes have been effected in the operating business model. We should obviously not rest on our laurels or allow a sense of complacency to set in. With general economic conditions set to ease further, your Company is poised to achieve even better in all areas in the coming year. In 2015-16, your Company will continue to maintain momentum to the business transformation exercises that are underway and strive to achieve pole position in all fronts.

I would like to gratefully acknowledge the trust and confidence reposed in us by you. The Management is conscious of your increasing expectations and is gearing to fulfill the same.

Yours truly,  
**C. P. Agrawal**  
CHAIRMAN