

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.	

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**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

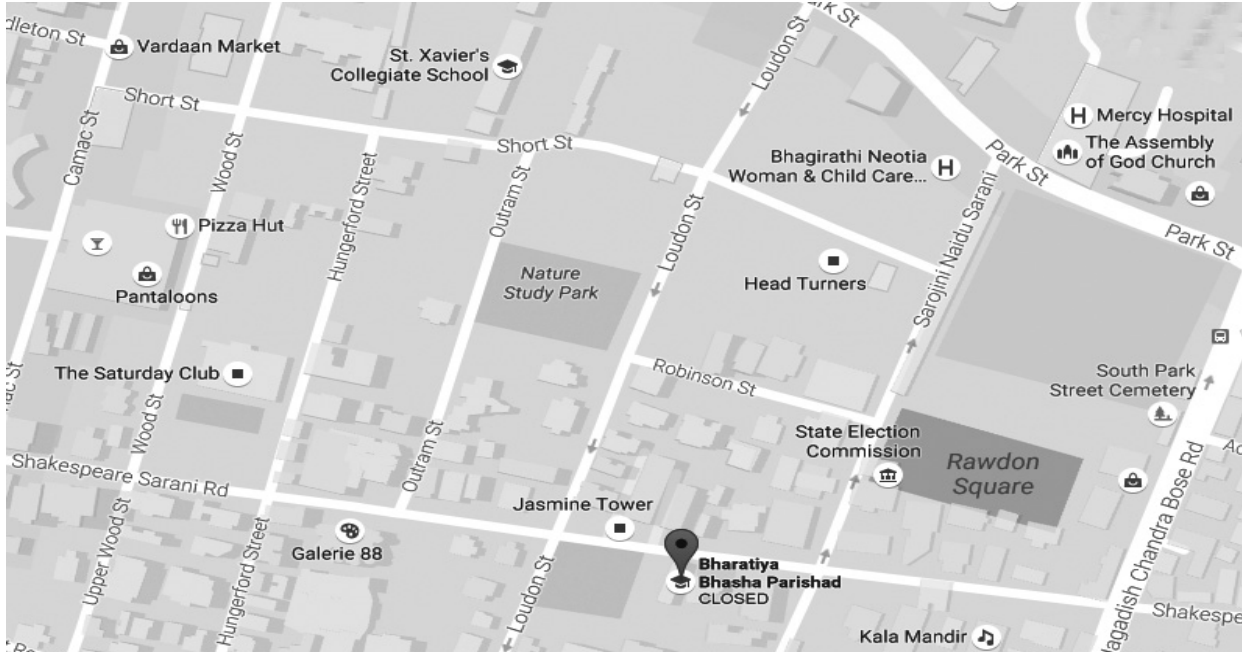
(Company Secretary)

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

amended and replaced to read as under:

“The liability of members is limited and this liability is limited to the amount unpaid, if any, on shares held by them.”

Approval of shareholders was obtained through postal ballot and e-voting for above amendment in the Memorandum of Association.

Disposal of Flour Mills Units of the Company

Company has sold and transferred two Flour Mills Units of the Company viz. Flour Mills Unit of the Company located at Gram-Mauja- Chipli, Thana-Durgavati, District-Kaimur (Bhabhua), Bihar (hereinafter referred to as “Bihar Flour Mill”) and Flour Mill Unit of the Company located at 60 KM Stone, Gorakhpur-Lucknow Highway, Sabdaiyan Kalan, Basti, Uttar Pradesh (hereinafter referred to as “Basti Flour Mill”).

Bihar Flour Mills Unit was sold to Shree Surabhi Wheat Products Private Limited, Subsidiary of the Company. Sale consideration of ₹ 12,70,00,000/- (Rupees Twelve Crore Seventy Lacs only) has been received in full by the Company.

Basti Flour Mills was sold to Shree Surabhi Flour Mills Private Limited, Subsidiary of the Company. Sale consideration is ₹ 10,36,00,000/- (Rupees Ten Crore Thirty Six Lacs only). Company has received in full the amount of consideration.

Company has complied with requisite formalities in this regard.

Sale and Transfer of above plants have been concluded pursuant to the approval of the Shareholders of the Company under Section 180(1)(a) of the Companies Act, 2013 and all other applicable provisions through Postal Ballot and E-voting. The Company had appointed Tanmay Kumar Saha, a qualified Independent Company Secretary, Kolkata (Membership No. 27396) as the Scrutinizer for conducting the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.

The Scrutinizer submitted his report after completion of the scrutiny and the results of the postal ballot were announced on 29/03/2016 and displayed at the Registered Office of the Company. Resolutions have been passed with requisite majority of the shareholders as on date of declaration of result of the postal ballot and e-voting.

DIVIDEND

During the year, your Company has declared and paid Interim Dividend of ₹ 1.00 (One Rupee only) per Equity Share on 2,82,36,072 Equity Shares of ₹ 10 /- each i.e. 10% on each Equity Share of the company, total outgo on account of dividend was ₹ 2,82,36,072 subject to tax.

In view of the ongoing expansion plans and new projects, your Directors have considered it financially prudent in the long term interests of the Company to reinvest the profits into the business of the Company and as such no further dividend has been recommended for the year ended 31st March, 2016.

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 and there is no material departures from them.
- 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 report.
- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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.

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 2016-17. The ISIN No. of the Company is INE528K01011

CREDIT RATING

India Ratings and Research, a Fitch Group Company (hereinafter referred to as “India Ratings”) “BB+”.

FIXED DEPOSITS

During the year, the Company has not accepted any deposits from public under Chapter V of the Companies Act, 2013.

AUDITORS & AUDITORS' REPORT

M/s. Anoop Agarwal & Co., 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.

The Auditors' Report is annexed hereto and forms part of the Annual Report. The Auditors' report does not contain any qualifications, reservations or adverse remarks.

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-I** to this Directors' report.

DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES AND EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any Sweat Equity Shares or Equity Shares with Differential Rights during the financial year.

COST AUDIT

The Company has submitted the Cost Audit Report and Cost Compliance Report for the year 2014-15 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 2015-16. 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 2016-17.

INSURANCE

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

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.

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.

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. List of top ten employees is given page no.18.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The particulars of loans, guarantees and investments u/s 186 of the Companies Act, 2013 is annexed herewith as **Annexure-II**.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis report is part of the Annual Report is annexed herewith as **Annexure-III**.

A report on Corporate Governance together with the Auditors' Certificate regarding the compliance of conditions of Corporate Governance is part of the Annual Report.

MARKET AND FUTURE PROSPECTS

Please refer to Management Discussion & Analysis Report which forms part of the Annual 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 - IV**.

(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 also attached herewith as **Annexure-V**.

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

(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. Nitesh Kumar, 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](http://gallantt.com/pdfs/Whistle%20Blower%20Policy/GIL%20-WHISTLE%20BLOWER%20POLICY.pdf) under the following weblink: <http://gallantt.com/pdfs/Whistle%20Blower%20Policy/GIL%20-WHISTLE%20BLOWER%20POLICY.pdf>

SECRETARIAL AUDITORS

Mr. Anurag Fatehpuria, Practising Company Secretary, having office address at 23/1, Sita Nath Bose Lane, Salkia Howrah has been appointed as Secretarial Auditors of the Company for the FY ended 31.03.2016. The Secretarial audit report received from the Secretarial Auditors is annexed to this report marked as **Annexure - VII** and forms part of this report.

ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

During the financial year, formal annual evaluation of the Board, its committees and individual Directors was carried out pursuant to the Board Performance Evaluation Policy of the Company.

The performance of the Board and committees was evaluated after seeking inputs from all the Directors on the basis of the criteria such as Board/ committee constitutions, frequency of meetings, effectiveness of processes etc. The performance of individual Directors (including Independent Directors) was evaluated by the Board and Nomination & Remuneration committee (excluding the Director being evaluated) after seeking inputs from all Directors on the basis of the criteria such as thought contribution, business insights and applied knowledge.

A separate meeting of Independent Directors was also held to review the performance of Managing Director, performance of the Board as a whole and performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

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](http://gallantt.com/pdfs/Familiarization/GIL%20FAMALIALISATION.pdf) under the weblink: <http://gallantt.com/pdfs/Familiarization/GIL%20FAMALIALISATION.pdf>

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 Regulation 17(5) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. C. P. Agrawal, Chairman & Managing Director and Mr. Mayank Agrawal, Chief Executive Officer 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](http://gallantt.com/pdfs/CODE%20OF%20CONDUCT%20GIL.pdf) under the weblink: <http://gallantt.com/pdfs/CODE%20OF%20CONDUCT%20GIL.pdf>

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, 1992/2015. 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, 1992/2015. Gallantt Ispat Limited - Code for Fair Disclosure' are available on the Company's website [www.gallantt.com](http://gallantt.com/pdfs/Code%20of%20conduct%20of%20Insider%20Trading/GIL%20CODE%20OF%20CONDUCT.pdf) under the weblink: <http://gallantt.com/pdfs/Code%20of%20conduct%20of%20Insider%20Trading/GIL%20CODE%20OF%20CONDUCT.pdf>

NUMBER OF MEETINGS OF BOARD AND AUDIT COMMITTEE HELD DURING THE YEAR 2015-2016

Twelve (12) meetings of the Board of Directors of the Company were conducted during the financial year and Ten (10) meetings of the Audit Committee of the Board of Directors were conducted during the financial year. The details of board/committee/shareholders meetings are provided under the Corporate Governance Report which forms part of the Annual Report.

AUDIT COMMITTEE

The Audit committee of the Company as on the date of this report is constituted of following Directors:

Names	Designation	Category
Mr. P. Kankrania	Chairman	Independent
Mr. J. N. Dey	Member	Independent
Mr. R. K. Jain	Member	Independent

REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

Pursuant to the provisions of Section 129(3) of the Act,

a statement containing performance & salient features of the financial statements of Company's subsidiaries and associate Companies in **Form AOC-1** is attached as **Annexure-VIII**.

The policies to ensure uniform accounting treatment are prescribed to the subsidiaries of your Company. The accounts of the subsidiary companies are audited

and certified by their respective Statutory Auditors for consolidation.

COMPANIES WHICH HAVE BECOME OR CEASED TO BE COMPANY'S SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

Companies which have become Company's subsidiaries, joint ventures or associate Companies during the year:

Sl. No.	Name	Status	Date
1	Shree Surabhi Wheat Products Private Limited	Subsidiary Company	15.02.2016
2	Shree Surabhi Flour Mills Private Limited	Subsidiary Company	30.03.2016
3	Gallantt Metal Limited	Associate Company	14.05.2015*

- Gallantt Udyog Limited and Gallantt Ispat Limited (Company), both the entities were separately holding Shares in Gallantt Metal Limited. Pursuant to the amalgamation of Gallantt Udyog Limited with the Company, shareholding of Gallantt Udyog Limited in Gallantt Metal Limited were to be consolidated with that of the Company. Hence, post amalgamation, your Company (being Transferee Company) hold more than 20% shareholding in Gallantt Metal Limited.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operations. However, Members attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial Statements.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Details of internal financial controls and its adequacy are included in the Management Discussion and Analysis Report, which forms part of the Annual Report.

Sl. No.	Name	Designation
1	Mr. Chandra Preakash Agrawal	Chairman and Managing Director
2	Mr. Prem Prakash Agrawal	Whole-time Director
3	Mr. Santosh Kumar Agrawal	Whole-time Director (Director - Sales & Marketing)
4	Mr. Nitin M Kandoi	Whole-time Director (Director - Plant Operations)
5	Mr. Mayank Agrawal	Chief Executive Officer
6	Mr. Amit Jalan	Chief Financial Officer
7	Mr. Nitesh Kumar	Company Secretary & Compliance Officer

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Consolidated Audited Financial Statements and Consolidated Cash Flow Statement for the year ended March 31, 2016 are provided in the Annual Report.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower Policy is available on the website of the Company. Weblink to access the Whistle Blower Policy-Vigil Mechanism given in this report.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility Committee and has framed a Corporate Social Responsibility Policy and identified Healthcare, Children's education, Road safety and Environmental sustainability as some of the key areas. The Company will continue to support social projects that are consistent with the policy.

Corporate Social Responsibility Committee of the Company is constituted of:

Mr. Jyotirindra Nath Dey, Chairman,
Mr. Chandra Prakash Agrawal and
Mr. Prem Prakash Agrawal

KEY MANAGERIAL PERSONNEL

The following are the whole-time key managerial personnel of the Company:

A statement containing the salient features of the financial statements of each of the subsidiary and Associate Company in the prescribed **Form AOC-1** is annexed as - **Annexure-VIII**.

Pursuant to Section 136 of the Act, the financial statements of the subsidiary and Associate Companies are kept for inspection by the shareholders at the Registered Office of the Company. The Company shall provide free of cost, the copy of the financial statements of its subsidiary and Associate companies to the shareholders upon their request. The statements are also available on the website of the Company www.gallantt.com. The consolidated net profit of the Company and its subsidiaries & associate amounted to ₹ 2,914.36 Lacs for the financial year 2015-16.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of section 92(3) of the Act, the details forming part of the extract of the Annual

Nature of Money	Relevant Financial Year	Bank Account Details	Amount lying (In ₹)
Share Application Money	2010-11	HDFC Bank Account No. 00142300001609	71,900.00
Final Dividend for 2011	2010-11	HDFC Bank Account No. 00142300001876	9,929.00
Final Dividend for 2012	2011-12	HDFC Bank Account No. 00142300002332	5,419.00
Final Dividend for 2013	2012-13	IDBI Bank Account No. 0135103000007344	17,307.00
Final Dividend for 2014	2013-14	IDBI Bank Account No. 0135103000007900	3,026.50
Final Dividend for 2015	2014-15	IDBI Bank Account No. 0135103000008587	3,109.00
Interim Dividend 2016	2015-16	ICICI Bank Account No.001105026007	1,25,19,403.00

Unpaid dividend amounts and share application money are not available for use by the Company. There is no amount due and outstanding to be credited to Investors' Education and Protection Fund as on 31.03.2016.

BOARD OF DIRECTORS AND SENIOR EXECUTIVE

There are no changes in the composition of the Board of Directors from the last Report.

The Board of Directors comprises of Eight Directors of which four are Independent. 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.

Mr. Jyotirindra Nath Dey, Mr. Rajesh Kumar Jain, Mr. Piyush Kankrania and Mrs. Sangeeta Upadhyay are Independent Directors of the Company. Independent Directors are appointed for five consecutive years 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. Sangeeta Upadhyay has been appointed as Independent Woman Director. Mr. Mayank Agrawal is Chief Executive Officer. Mr. Amit Jalan is Chief Financial Officer and is inter alia looking after the core finance

Return in Form MGT-9 is annexed herewith as **Annexure-IX**.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report for the financial year, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is part of the Annual Report and is attached as **Annexure - X**.

RISK MANAGEMENT

Necessary information is provided under Management Discussion and Analysis Report which forms part of the Annual Report.

UNPAID AND UNCLAIMED AMOUNT OF DIVIDEND AND SHARE APPLICATION MONEY

Following amount of Unpaid Share Application Money and Unpaid Dividend has not been claimed and paid till 31.03.2016 :

function of the Company. Mr. Nitesh Kumar is working in the capacity of Company Secretary and Compliance Officer.

None of the Directors of your Company is disqualified under the provisions of Section 164(2)(a) & (b) of the Companies Act, 2013.

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

There is no change in the Directors and Key Managerial Personnel during the year.

All the Independent Directors have given declarations that they meet the criteria required under section 149(6) of the Companies Act, 2013.

TRANSFER TO RESERVES

Your Directors propose to transfer ₹ 2,519.16 Lacs to the General Reserve.

RELATED PARTY TRANSACTIONS

The details of Related Party Transactions during the Financial Year ending 31.03.2016, 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](http://gallantt.com/pdfs/Transaction%20Policy/GIL/GIL%20POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf) under the weblink : <http://gallantt.com/pdfs/Transaction%20Policy/GIL/GIL%20POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf>

All Contracts or arrangements with related parties entered into or modified during the financial year were on an arm's length basis and in compliance applicable provision of the Companies Act, 2013 and the Listing Regulations. All such contracts arrangements have been approved by the Audit Committee. No Material contracts or arrangements with related parties were entered into during the year under review. Accordingly, the disclosure of Related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in form AOC - 2 is not applicable. There are no materially significant transaction with related parties which may have potential with the interest of the Company at large.

ACQUISITION OF SUBSIDIARY AND ASSOCIATE COMPANIES

Pursuant to the review and recommendation of the Audit Committee and subsequent approval of the Board of Directors, Company has acquired two subsidiary Companies viz. M/s. Shree Surabhi Wheat Products Private Limited and M/s. Shree Surabhi Flour Mills Private Limited.

By an order dated May 14, 2015, the Honorable High Court at Calcutta has approved the Scheme of Amalgamation of Gallantt Udyog Limited (hereinafter referred to as "GUL/Transferor Company") with the Company (your Company is transferee Company). Transferor Company as well as your Company was holding equity shares in Gallantt Metal Limited. Post amalgamation as above, shareholding of Transferor Company consolidated with that of the Company and thereafter the total shareholding of the Company in Gallantt Metal Limited exceeded 20% and hence, Gallantt Metal Limited became Associate of the Company.

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

Your Company has adequate systems and processes of internal controls which are commensurate with its size

and nature of operations. They have been designed to provide reasonable assurance with regard to recording and providing reliable financial information, complying with applicable statutes, safeguarding of assets, authorization of transactions and adherence to the Company's policies and practices.

Effective steps are taken by the Management to enable continuous monitoring of lead control indicators and action taken towards correcting identified gaps. Respective functions have been trained and equipped to enable continuous monitoring of exceptions by themselves to reduce surprises and enable corrective action on timely and regular basis.

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

The recent trend in macro indicators clearly point towards improving fundamentals of the domestic economy. The Central Government has also shown its intent in furthering the reform momentum to revive investments and improve governance. The global commodity cycle is expected to be benign with consumption demand from the Chinese economy slowing down. Taking cues from the inflationary trend, the Reserve Bank of India has already eased the monetary cycle and is expected to bring out more interest rate cuts going forward. All this favorable factors coupled with some of the important developmental reforms that are being pursued by the Central Government like the tax reform and push for infrastructure spending will set the stage for further pick-up in economic activity in 2016-17. This should augur well for your Company's business across infrastructure.

Expansion Project:

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.

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.

In terms of the sales and profitability targets for the coming years, Board of Directors of the Company proposed to modify the plant capacity as under:

Phase I Expansion:

Capacity in MTPA

Units	Unit	Existing Capacity	Proposed Addition in Capacity	Total Capacity After Addition
Captive Power	MW	18	35	53
DRI	MT	99000	198000	297000
Steel Melt Shop	MT	167400	162600	330000
Rolling Mill	MT	162380	167620	330000

Capital and Working Capital requirements for the above expansion are projected at ₹ 310.43 Crores.

Phase II Expansion:

Capital Expenditure Projections of ₹ 500 Crores to install a new unit is also approved, however, shape, size, location and other relevant factors of new unit shall be decided in due course of time.

PERSONNEL, INDUSTRIAL RELATIONS AND MARKETING

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. Industrial relations have remained harmonious throughout the year.

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 Securities & Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulations, 2015.

AWARD AND RECOGNITIONS

During the previous years, Company we have received following awards and reconciliation:

1. Uttar Pradesh "Udyami Samman – 2011" has been awarded by Zee Media House which was presented by Shriprakash Jaiswal, Hon'ble Coal Minister, Central Government.
2. Awarded "Best Performing Company -2013 in Uttar Pradesh" by Sahara Samay Media House presented by Shri Akhilesh Yadav, Hon'ble Chief Minister of U.P.

During the year Company has not received any award.

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	12.41 : 1
Prem Prakash Agrawal	Whole-time Director	12.41 : 1
Santosh Kumar Agrawal	Director (Sales & Marketing)	12.41 : 1
Nitin M Kandoi	Director (Plant-Operation)	12.41 : 1
Jyotirindra Nath Dey	Independent Director	N.A.*
Rajesh Kumar Jain	Independent Director	N.A.*
Piyush Kankrania	Independent Director	N.A.*
Sangeeta Upadhyay	Independent Director	N.A.*

- Except sitting fees, no remuneration is paid to the Non-executive Independent Director.

(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	10.00%
Prem Prakash Agrawal	Whole-time Director	10.00%
Santosh Kumar Agrawal	Director (Sales & Marketing)	3.86%
Nitin M Kandoi	Director (Plant-Operation)	23.55%
Jyotirindra Nath Dey	Independent Director	N.A.*
Rajesh Kumar Jain	Independent Director	N.A.*
Piyush Kankrania	Independent Director	N.A.*
Sangeeta Upadhyay	Independent Director	N.A.*
Mayank Agrawal	Chief Executive Officer	9.09%
Amit Jalan	Chief Financial Officer	18.72%
Nitesh Kumar	Company Secretary	0.00%

(c) percentage increase in the median remuneration of employees in the financial year: 14.04%

(d) number of permanent employees on the rolls of company : 296 (367 was total no. of Employees during the year)

(e) explanation on the relationship between average increase in remuneration and company performance:

The profit before tax for the financial year ended March 31, 2016 increased by 2.68% and the profit after tax for the financial year ended March 31, 2016 increased by 5.46%, whereas the increase in median remuneration is 14.04%. 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 10.75%, whereas the profit before tax increased by 2.64% and the profit after tax increased by 5.18%.

(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:

14.09% (non-Managerial personnel) and 1.43% (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	10.00%	The profit before tax for the financial year ended March 31, 2016 increased by 2.68% and the profit after tax for the financial year ended March 31, 2016 increased by 5.46%.
Prem Prakash Agrawal	Whole-time Director	10.00%	
Santosh Kumar Agrawal	Director (Sales & Marketing)	3.86%	
Nitin M Kandoi	Director (Plant-Operation)	23.55%	
Mayank Agrawal	Chief Executive Officer	9.09%	
Amit Jalan	Chief Financial Officer	18.72%	
Nitesh Kumar	Company Secretary	0.00%	

(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 : NIL

(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 30.05.2014.

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.

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, 2016 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. However, pursuant to the Scheme of Amalgamation of Gallantt Udyog Limited with the Company as approved by the Honorable High Court at Kolkata vide its order dated May 14, 2015, all the assets and liabilities of Gallantt Udyog Limited have been transferred to the Company including Real Estate Division. Now, Real Estate is a new business division of the Company. In line with the same, Company has altered its Memorandum of Association, inter alia, to include Real Estate in the main Object 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.

GENERAL

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

CHANGE IN SHARE CAPITAL

During the year under review, Company has concluded amalgamation of Gallantt Udyog Limited (Transferor Company) with the Company. Pursuant to the Scheme of Amalgamation as approved by the Honourable High Court at Kolkata vide its order dated May 14, 2015, inter Company holding of 1,02,45,592 Equity Shares held by Gallantt Udyog Limited in the Company has been cancelled. As per the ratio of exchange 92,15,159 no. of Equity Shares have been allotted to the shareholders of Gallantt Udyog Limited.

Further, post amalgamation Authorised Share Capital of Gallantt Udyog Limited of ₹ 16,50,00,000 (Rupees Sixteen Crore Fifty Lakh only) has been added with the Authorised Share Capital of the Company, thereby the total Authorised Share Capital of the Company increased from ₹ 30,00,00,000/- (Rupees Thirty Crores only) to ₹ 46,50,00,000/- (Rupees Forty Six Crore Fifty Lakh only).

INTERNAL FINANCIAL CONTROLS

Your Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting are operating effectively based on the internal control over financial reporting criteria

established by the Company considering the essential components of internal control. Your Company had laid down guidelines, policies, procedures and structure for appropriate internal financial controls across the Company. These control processes enable and ensure the orderly and efficient conduct of company's business, including safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation & disclosure of financial statements. Review and control mechanisms are built in to ensure that such control systems are adequate and operating effectively. The Audit Committee evaluated the internal financial controls based on the following criteria:

1. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorisation. There are well-laid manuals for such general or specific authorisation.
2. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
3. Access to assets is permitted only in accordance with management's general and specific authorisation. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
4. The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to any differences, if any.
5. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

A report on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 issued by M/s. Anoop Agarwal & Company, Chartered Accountants, Statutory Auditors of the Company is attached with their Independent Auditor's report and the same is self-explanatory.

PARTICULARS OF LOANS/ADVANCES/ INVESTMENTS AS REQUIRED UNDER SCHEDULE V OF THE LISTING REGULATIONS

The details of related party disclosures with respect to loans/advances/investments at the year end and maximum outstanding amount thereof during the year as required under Part A of Schedule V of the Listing Regulations have been provided in the notes to the

Financial Statements of the Company.

FRAUD REPORTING

There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year.

ACKNOWLEDGEMENT

The Board appreciates the commitment and dedication of its employees across all the levels who have contributed to the growth and sustained success of the Company. We would like to thank all our customers, vendors, bankers and other business associates for their continued support and encouragement during the year. We also thank the Government of India, Government of Uttar Pradesh and all Other Government Agencies for their support during the year and look forward to the same in the future.

Place : Kolkata

Date : August 08, 2016

On behalf of the Board

C. P. Agrawal

Chairman

In pursuance of Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of Top 10 Employees of Gallantt Ispat Limited are as:

Name	Designation	Remuneration	Nature of job	Qualifications & Experience	Date of Joining	Age in Years	Last Employment	% Equity Shares held	Whether a Relative of any Director or Manager
D. Gajendra Kumar	HOD Plant In charge	9,47,888	Plant Operation Technical	B-E. Mechanical 17 Years	06.09. 2012	39	Consultancy	NIL	No
Mayank Agrawal	Chief Executive Officer	7,20,000	Corporate Management	BBA 13 Years	01.04. 2008	32	Govind Mills Ltd.	6,92,937	Son of CMD
Pallavi Agrawal	Sr. Exec. (Corp. Comm.)	7,20,000	Communication	B-Com 6 Years	01.04. 2013	29	Consultancy	NIL	Daughter-in Law of CMD
Uma Agrawal	Sr. Exec. (Office Admn.)	7,20,000	General Management	Inter. 16 Years	01.04. 2013	61	Gallantt Udyog Limited	11,39,581	Wife of Director
Madhu Agrawal	Sr. Exec. (Office Admn, Works)	7,20,000	General Management -Plant	Commerce Graduate 15 Years	10.07. 2014	59	Gallantt Udyog Limited	3,52,145	Wife of CMD
Shyama Agrawal	Sr. Exec. (Personnel)	7,20,000	HR Function	Inter. 10 Years	01.04. 2013	48	Gallantt Udyog Limited	5,35,303	Wife of Director
Ashutosh Agrawal	Head (MIS)	7,20,000	Controller MIS	Commerce Graduate 20 Years	01.04. 2008	42	Gallantt Udyog Limited	1,34,252	Son of Director
Shruti Kandoi	Sr. Exec. (MIS)	7,20,000	MIS Supervisor	H.S.C. (Interior) 10 Years	01.04. 2013	40	Gallantt Udyog Limited	NIL	Wife of Director
Smriti Agrawal	Exec. MIS	7,20,000	MIS Manager	Graduate 10 Years	01.04. 2014	35	Gallantt Udyog Limited	80,745	Daughter-in Law of Director
Amit K. Upadhyay	GM Marketing & Sales	6,74,234	Sales & Marketing	MBA – Marketing 13 Years	01.05. 2015	36	J. K. Cements Ltd.	NIL	No

Annexure-I TO DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

Steps taken for conservation of energy:

Your Company continually taking necessary steps to absorb and adopt the latest technologies. These initiatives enable the facilities to become more efficient and productive as the company expands, thereby helps in energy conservation. All machinery and equipment are continuously serviced, updated and overhauled in order to maintain them in good condition. This resulted in consumption of lesser energy consumption. Energy Conservation continues to receive increased emphasis at all the units of the Company. 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. Additionally, constant efforts in continuing all previous conservation measures and increasing awareness of energy management amongst employees have continued which should enable further savings to transpire going forward.

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	2015-16	2014-15
A. Power & Fuel Consumption		
1 Electricity		
(a) Purchased		
Total Unit in Lacs KWH	536.42	399.49
Amount ₹ in Lacs	4,106.33	3,055.22
Rate Per Unit (₹)	7.66	7.65
(b) Own Generation		
Total Units in Lacs KWH	845.13	699.28
Amount ₹ In Lacs	5,462.77	4,804.86
Rate per Unit	6.46	6.87
2. Coal		
Quantity- M.T.	1,49,665.39	1,19,212.58
Total Cost- ₹ in Lacs	9,940.21	8,752.02
Average rate-₹ per M.T.	6,641.62	7,341.52
3. Furnace Oil		
Quantity (K. Ltrs.)	73.22	36.23
Total Cost (₹ Lacs)	20.10	10.42
Average Rate (₹ / K. Ltrs.)	27,447.97	28,761.49
Average Rate (₹ / K. Ltrs.)		
B. Consumption per unit of production		
1. Electricity (Unit/M.T.)		
Agro	85.66	113.30
Sponge Iron	68.49	77.15
SMS (Furnace and Concast)	840.00	862.85
Rolling Mills	151.97	173.18

Particulars	2015-16	2014-15
2. Coal (Kg/M.T.)		
Power Plant (per 1000 KWH)	420.66	244.80
Rolling Mills (Kg/M.T.)	32.58	59.05
Sponge Iron (Kg/M.T.)	876.59	903.32

FORM –B

Disclosure of Particulars with respect to technology absorption

RESEARCH & DEVELOPMENT (R&D)

Specific areas in which R & D carried out by the Company

No Research & Development work has been carried out by the Company.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation etc.

- Absorbing and adapting latest technology in maintenance system.
- Technical Interaction with expert.
- Continuous efforts are being made towards improvements in existing production process.

2. Benefits derived as a result of the above efforts

- Improvement in quality of products.
- Cost reduction
- Improvement in the existing process and productivity.
- Knowledge of updated technology.

FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to export, initiative taken to increase exports, development of new export markets for products and export plans. - Nil

2. Total foreign exchange used and earned

	2015-2016 (₹ in Lacs)	2014-2015 (₹ in Lacs)
Raw Materials	4,652.07	3,379.77
Stores, Chemical and Packaging Materials	28.88	7.16
Capital Goods	—	9.01
Earning in foreign currency	—	—

On behalf of the Board

C. P. Agrawal

Chairman

Place: Kolkata

Date: August 08, 2016

Annexure-II

TO DIRECTORS' REPORT

LOANS, INVESTMENT & GUARANTEE U/S. 186 OF THE COMPANIES ACT, 2013

₹ In Lacs

Sl. No.	Particulars	Loans	Investments	Guarantee
1.	Shree Surabhi Wheat Products Private Limited	—	2,000.00*	—
2.	Shree Surabhi Flour Mills Private Limited	—	2,000.00*	—
3.	Shalimar Corp. Limited	—	—	10,000**

* During the year your Company has acquired 2,00,00,000 Equity Shares of ₹ 10/- each of Shree Surabhi Wheat Products Private Limited and Shree Surabhi Flour Mills Private Limited. Consequent upon the above acquisition of the Equity Shares both the entities have become subsidiary of the Company.

** Gallant Udyog Limited (GUL) had extended corporate guarantee in favour of Punjab National Bank (PNB) for granting financial accommodation by PNB to Shalimar Corp. Limited. Post amalgamation of GUL with the Company, the said corporate guarantee was renewed by the Company in favour of PNB. Please refer Note No. 34 of Notes to the Financial Statements.

Annexure - III TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Forming part of the Report of the Directors for the year ended 31st March, 2016)

ECONOMY, INDUSTRY STRUCTURE AND DEVELOPMENTS

In 2015, global economic remained subdued. Global economic recovery, during the year, remained sluggish, fragile and uninspiring. In advance economies the recovery was modest and largely uneven. The US economy performed with resilience, supported by relatively easy financial conditions with strengthening housing and labour markets. In the Euro area, robust private consumption, supported by lower oil prices and easy financial conditions outweighed the weakening net exports. Three key transitions continue to influence the global outlook: (1) the gradual slowdown and rebalancing of economic activity in China away from investment and manufacturing toward consumption and services, (2) lower prices for energy and other commodities, and (3) a gradual tightening in monetary policy in the United States in the context of a resilient U.S. recovery as several other major advanced economy central banks continue to ease monetary policy.

Considering the global economic slowdown, Indian economy appears to be the bright spot growing at 7.6% in 2015-16 as against 7.3% in 2014-15. Services sector in India remained the most vibrant sector in terms of contribution to national and state incomes, trade flows, FDI inflows, and employment. Industrial sector also performed satisfactorily although commodity prices remained low due to weakness in economic activity and global trade especially in China's economy. Manufacturing and construction sectors, the key consuming sectors, had a mixed performance with lot of planned investments, but suffered from lack of implementation on the ground.

India continued to be one of the most attractive economies by common consensus. During FY 2015-16, the economy grew by 7.6% and the government took considerable measures to usher in a culture of fiscal consolidation. The government is focusing on across the board reforms to spearhead infrastructure development in railways, roads and highways as well as the power sector, to build a broad-based foundation for accelerated socio-economic development.

In this context, it is pertinent to mention that the government's Make in India initiative has been a resounding success. It has encouraged domestic entrepreneurship to compete at a global scale and even attracted FDI to the country significantly. In the 17-month period (October 2014 to February 2016) after

the launch of Make in India, FDI inflows have increased by 37% (Source: Ministry of Commerce and Industry).

INDUSTRY OVERVIEW

Steel industry

The global steel industry continued to be impacted by large overcapacities and exports from the steel surplus countries especially from China, Japan Korea etc. As steel surplus countries resorted to dumping in other countries, the margins were severely impacted. Most of the countries responded with trade remedial measures to provide level playing field to their respective domestic steel industry. The weakness in global steel demand is expected to continue with lower investment pipeline and weak manufacturing activities across the regions. The World Steel Association forecasts Chinese steel demand to drop by 4% in CY 2016 leading to a decline in global steel demand by 0.8% to 1,488 Million Tons. Amidst the environment of subdued demand and surplus capacities, mainly in China, trade remedial action will continue to intensify across the regions. Meanwhile, the iron ore and coking coal market are also expected to remain range bound.

During 2015-16, Indian iron and steel industry has witnessed unprecedented challenges owing to declining commodity cycle with oversupply in China and lower demand of iron due to weak industrial activity in India. The government's efforts for quick reforms may result in investments in infrastructure and construction sectors and economic activities will pick up. Manufacturing sector including the casting industry is poised to grow with government's "Make in India" initiatives.

But the year 2015-16 ended on a positive note. We saw good recovery of steel prices in the domestic market, which for the past 18 months had slumped to an all-time low. Moreover, introduction of minimum import price (MIP), also helped to curb the rapidly growing imports at predatory prices.

India's prospects are brightening due to low oil prices, the reform momentum and policies to strengthen infrastructure and manufacturing output. The country's steel demand will increase by 5.4% in both 2016 and 2017, reaching 88.3 MT in 2017.

The Indian steel industry remains one among the most competitive steel industries in the world. However, there is a need to create a fair and level playing field amidst supply glut caused by surplus capacities in steel surplus countries. The preferential treatment to Japan, Korea and ASEAN countries offering advantage of concessional duty rates under the free trade agreements, is also one

of the major impediments in creation of fair and level playing field. The Indian steel industry continues to call for exclusion of steel from the purview of all FTAs.

Agro industry (wheat products)

India being an agriculture economy, with growing population would always have a great opportunity in food. No industry could really match its growth and profitability potential. The world over food has been one of the most profitable industries and most of global food giants that have emerged have fundamentally been wheat millers.

Being typically small scale, the flour millers in general tend to focus on branded processing and meeting the regional demand. The local players try to compete in the market through lower prices by undercutting each other.

The Flour Mill unit of the Company is state of the art and using modern technology. The operations at this time were fairly simple. Increase in urbanization, income level of population and other related factors have led to the steady growth of the food industry. Our company produces wheat products such as atta, suji, bran etc. which are sold in markets of Uttar Pradesh, Bihar, West Bengal etc.

OPPORTUNITIES AND THREATS

The main factors that lead to a significant increase in demand for steel are new infrastructure developments and the growing needs of the increasing middle class in India specially in Uttar Pradesh, Bihar, Jharkhand and Delhi. The construction, automobile and manufacturing sectors will attract a high demand for steel over the next decade. The construction sector will be the key consumer of steel in the years to come. A competitive and efficient domestic steel industry is a pre-requisite for India to succeed in its industrial vision for 'Make in India'. The Government of India aims to triple the steel capacity to 300 million tonnes by 2025. The positive attitude of the new government has promised to focus on infrastructure development while de-bottlenecking the administrative and clearance climate in the country.

To safeguard the steel industries the Indian Government has, thankfully, has launched an anti-dumping investigation and started imposing anti-dumping duty on steel products being imported from China.

During the year Company has completed entire process of amalgamation of Gallantt Udyog Limited with the Company. Proposal of expansion of capacity of various plants are under installation and technical team of the Company is working on it.

THREATS AND RISKS

The Company has a robust risk management process. The Company's risk management process involves

periodic identification of risks likely to affect the business adversely, rating the risks on their impact and likelihood, preparation of risk heat map, implementation of risk mitigation plans by the risk owners and continuous monitoring of the mitigation plans by the senior leadership team. The Company has identified risks in the areas of sales, supply chain, finance, regulatory, operations, projects and industrial relations for all the businesses like steel, agro and real estate and accordingly developed mitigation strategies and plans in these areas to reduce or eliminate the likelihood of such risks being playing out. Risk and concern has been elaborated in the Corporate Governance Report.

Rising fuel prices and shrinkage of the margins, Availability of finance at reasonable interest costs, Stiff competition owing to surplus capacities, volatile foreign exchange rates, Slowdown in the demand, etc. are major threats. Further, slowdown in the real estate business is also a matter of concern.

The Company continuously evaluates its marketing and sales strategy and alters its sales plan in terms of products to be manufactured and markets to be served and keeps itself current with the changing environment. The Company also evaluates the coal sourcing strategy and keeps it flexible in terms of switching from domestic coal to imported coal or vice versa as the situation may demand.

OUTLOOK

India's long-term growth potential continues to be strong with focus on faster infrastructure creation, improving manufacturing and farm output, expanding services sector, increasing urbanisation; and stronger regulatory framework for banking and financial services.

In addition, the Government of India's 'Make in India' initiative has encouraged domestic entrepreneurship and attracted more FDI into the country. FDI into the country has increased by 37% after the launch of 'Make in India' programme in the 17-month period from October 2014 to February 2016. The concept of Make in India is also expected to boost employment through skill enhancement; with this, India has now become a vibrant market for manufacturers.

The company is taking all efforts to improve the quality and productivity to get more orders at competitive rates. The expansion program will push volume growth. The company's business is committed to achieve benchmark quality besides expanding on new capacity.

The rate at which there is increase in urbanization, income and consumer demand in India, the demand for steel will increase at a constant pace.

INTERNAL CONTROL AND SYSTEMS

The Company has in place a proper system of internal controls to ensure that all assets are safeguarded

against loss from unauthorised use or disposition; and that the transactions are authorised, recorded and reported correctly.

The internal control system is periodically reviewed by the management, and supplemented by an extensive programme of internal and external audits. The system is designed to ensure that financial and other records are reliable for preparing financial information, maintaining accountability of assets and providing reliable management information. Your Company's Audit Committee periodically reviews the findings and suggestions for improvement and is periodically apprised on the implementation status in respect of the actionable items.

STATUTORY COMPLIANCE

The Company Secretary acting as a compliance officer ensures that the company has adhered to the SEBI rules and regulations, provisions of the Listing Regulations with Stock Exchanges, Companies Act and other applicable laws and regulations.

OTHERS

Segment wise or product wise performance has been

given in the Notes to Accounts. Financial Performance with Operational Performance has been elaborated in Directors' Report. Accounting Standards have been followed by the Company.

CAUTIONARY STATEMENT

This Annual Report contains projections, estimates, etc., which are just 'forward-looking statements'. Actual results could differ from those expressed or implied in this report. Important factors that may have an impact on the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets, changes in the Government regulations / policies, tax laws and other statutes and other incidental factors. The Company assures no responsibility to publicly modify or revise any forward-looking statements on the basis of any future events or new information. Actual results may differ from those mentioned in the report.

For and on behalf of the Board

Place : Kolkata

C. P. Agrawal

Date : 08.08.2016

Chairman

Annexure - IV

TO DIRECTORS' REPORT

Nomination and Remuneration Policy

BACKGROUND

The objective of Gallantt Ispat's remuneration policy is to attract, motivate and retain qualified and expert individuals that the company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of Gallantt Ispat's stakeholders.

BRIEF OVERVIEW UNDER COMPANIES ACT 2013

{Section 178 & Companies [Meetings of Board and its Powers] Rules 2014}

- Constitution of the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors.
- The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and indepen-

dence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior management personnel i.e. employees at one level below the Board including functional heads.

- The Nomination and Remuneration Committee shall, while formulating the policy ensure that :—
 - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Such policy shall be disclosed in the Board's report.

BRIEF OVERVIEW OF THE REVISED CLAUSE 49 OF LISTING AGREEMENT

IV. Nomination and Remuneration Committee

- A. The company shall set up a Nomination and Remuneration committee which shall comprise at least three directors, all of whom shall be non-executive directors and at least half shall be

independent. Chairman of the committee shall be an independent director.

B. The role of the committee shall, inter-alia, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

PRESENT POSITION OF DIRECTORS & KMP OF THE COMPANY

- The Company has constituted a Nomination and Remuneration Committee of the Board of Directors (Board).
- At present half of the Board is consisted of Non-Executive Independent Directors The Executive Chairman & Managing Director (CMD) draws remuneration from the Company and he also occupies the same position on the Board of Gallantt Metal Limited and is remunerated by Gallantt Metal Limited also.
- Key Managerial Personnel (KMP) consists of Chief Executive Officer (CEO), all executive directors and Chief Financial Officer and Company Secretary who are employees.

TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Act as Selection and Compensation Committee to evaluate suitability of candidates for various senior positions and determine appropriate compensation package for them. Selection of related persons whether or not holding place of profit in the Company to be carried out strictly on merit and where applicable, be subjected to

review by the Audit Committee of and/or the Board with approval at each stage being obtained by disinterested Independent Directors only.

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on the Board diversity.
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/ Committee thereof, and, any other benefits such as Commission, if any, payable to the Non-Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.

CRITERIA FOR DETERMINING THE FOLLOWING:-

Qualifications for appointment of Directors (including Independent Directors):

- Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- Their financial or business literacy/skills.
- Their steel/ power/ infrastructure/ engineering/ agro industry experience.
- Appropriate other qualification/experience to meet the objectives of the Company.
- As per the applicable provisions of Companies Act 2013, Rules made thereunder and Clause 49 of Listing Agreement.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

Positive attributes of Directors (including Independent Directors):

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address

issues proactively.

- Actively update their knowledge and skills with the latest developments in the steel/ power/ infrastructure/ engineering/ agro industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made thereunder and Clause 49 of the Listing Agreement as amended from time to time.

Criteria for appointment of KMP/Senior Management:

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct.

POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP & SENIOR MANAGEMENT PERSONNEL:

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No director/KMP/ other employee is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature

and size of business is kept in view and given due weight age to arrive at a competitive quantum of remuneration.

- It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Following criteria are also to be considered:-
 - Responsibilities and duties;
 - Time & efforts devoted;
 - Value addition;
 - Profitability of the Company & growth of its business;
 - Analyzing each and every position and skills for fixing the remuneration yardstick ;
 - Standards for certain functions where there is a scarcity of qualified resources.
 - Ensuring tax efficient remuneration structures.
 - Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low.
 - Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organisation.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.

REVIEW

The policy shall be reviewed by the Nomination & Remuneration Committee and the Board, from time to time as may be necessary.

Annexure - V TO DIRECTORS' REPORT

CORPORATE SOCIAL RESPONSIBILITY POLICY

[PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013]

1. CONCEPT & CONTEXT

The purpose of this policy is to ensure Gallantt Ispat Limited ("GIL" or the "Company"), affiliates and associated companies; consistently operate in a manner that minimises detrimental impacts to society and the environment. Corporate Social Responsibility (CSR) has always been on the agenda of the Company. Pursuant to Section 135 of the Companies Act, 2013, and Companies (Corporate Social Responsibility Policy) Rules, 2014 every Company having New Worth of ₹ 500 Crores or more or Turnover of ₹ 1,000 Crore or more or Net Profit of ₹ 5 Crore or more shall constitute Corporate Social Responsibility Committee ('CSR Committee') and CSR Committee shall formulate and recommend Policy.

The CSR Committee so constituted formulated Policy on Corporate Social Responsibility (CSR Policy) and recommended the same to the Board of Directors of the Company ('Board') for its approval. The Board of Directors (the "Board") of Gallantt Ispat Limited acting upon the recommendation of its Directors and CSR Committee, has adopted the following policy and procedures with regard to the Company's Social Responsibility:

CORPORATE SOCIAL RESPONSIBILITY PHILOSOPHY

GIL's continual aspirations to achieve and surpass the highest standards of conduct and corporate social responsibility are essential components of how we measure our success. GIL strives to be a socially responsible company and strongly believes in development which is beneficial for the society at large. This policy clearly sets forth GIL's social responsibility objectives and provides guidance on the social responsibilities of all individuals associated with the GIL. GIL's primary responsibility is to ensure the long-term success of the Gallantt Group through the adoption and management of good corporate social behaviour.

OBJECTIVES OF THE POLICY

The objective of this Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company. The Policy shall be read in line with Section 135 of

the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars and notifications (collectively referred hereinafter as 'Regulations') as may be applicable and as amended from time to time and will, inter-alia provide the following:

Establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company's profits for social projects.

Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting.

Creating opportunities for employees to participate in socially responsible initiatives.

DEFINITIONS

"Act" means the Companies Act, 2013;

"Corporate Social Responsibility" means Corporate Social Responsibility (CSR) as defined in Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014;

"Ministry" means the Ministry of Corporate Affairs;

"Net Profit" means net profit as defined in Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 as set out below:

Net Profit as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely :-

- (i) any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
- (ii) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:

Words and expressions used in this CSR Policy and not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act.

LIST OF CSR PROJECTS/PROGRAMS/ACTIVITIES

The policy recognizes that corporate social responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014:

The activities involve the following:

Eradicating hunger, poverty and malnutrition,

promoting preventive health care and sanitation and making available safe drinking water;

Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;

Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;

Measures for the benefit of armed forces veterans, war widows and their dependents;

Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;

Contribution to the Prime Ministers' National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

Contributions or funds provided to technology incubators located within academic institution which are approved by the Central Government;

Rural development projects.

Any other activities in relation of the above and all other activities which forms part of CSR as per Schedule VII of the Act as amended from time to time.

AREA OF ACTIVITY

The Act provides that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR. The Company will thus give preference to conducting CSR activities in the State of Uttar Pradesh, Bihar, West Bengal and such other state(s) in India wherein the Company has/

will have its operations. However, the Committee may identify such areas other than stated above, as it may deem fit, and recommend it to the Board for undertaking CSR activities.

FUNDING AND QUANTUM OF AMOUNT FOR CSR

The Company would spend not less than 2% of the average Net Profits of the Company made during the three immediately preceding financial years. The surplus arising out of the CSR activity will not be part of business profits of the Company. The corpus would thus include 2% of average net profits, as aforesaid, any income arising therefrom and surplus arising out of CSR activities.

The Company may build CSR capacities of its personnel and/or those of its implementing agencies through Institutions with established track records of at least three financial years but such expenditure shall not exceed five percent of total CSR expenditure of the Company in one financial year.

However, if the Company ceases to be covered under sub-section (1) of Section 135 of the Act for three financial years, then it shall not be required to, comply with the provisions laid down under sub-section (2) to (5) of the said section, till such time it meets the criteria specified in sub-section (1) of the Act.

THE PROCESS TO MONITOR SUCH PROJECTS OR PROGRAMS

The CSR Committee of the Board of Directors of the Company shall approve to the Board of Directors the projects and activities to be undertaken by the Company out of the activities stated hereinabove as per Schedule VII of the Companies Act, 2013.

The CSR Committee shall recommend from time to time the amount of expenditure to be incurred on the activities referred to hereinabove and to monitor the Corporate Social Responsibility Policy of the company from time to time.

The CSR Committee, shall prepare a transparent monitoring mechanism for ensuring implementation of the projects / programmes / activities to be undertaken by the Company. The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee / external consultant or such other person(s) and for such purpose as may be deemed expedient for the purpose of accomplishments of overall CSR objectives laid down under the Act.

Appropriate documentation and amendments of the CSR Policy, annual CSR activities, reports on execution by CSR Partner(s) and expenditures will be undertaken on a regular basis and the same will be available to the Board of Directors of the Company.

Initiatives undertaken on the CSR front will be reported in the Annual Report of the Company.

The CSR Committee and persons / entities authorised by it will conduct the due diligence checks on the current projects/partners on a quarterly basis and report anomalies, if any, immediately.

THE PROCEDURES

As per the Regulations the Company will set aside, for annual CSR activities, an amount equal to 2% of the average Net Profits of the Company made during the three immediately preceding financial years. Any unutilised CSR allocation of a particular year will be carried forward to the following year, i.e. the CSR budget will be non-lapsable in nature.

Provided that all reasonable efforts will be made to ensure that the annual CSR allocation is fully utilized in the respective year. However, if the Company fails to spend such amount, the Board of Directors shall, in its report under clause (o) of sub-section (3) of section 134 of the Act, shall specify the reasons for not spending the amount.

Annexure III contains the details of the proposed expenditure for respective Financial Year, towards CSR activities. The same shall be amended annually according to the Financial Year after the review by the Committee or at such time, as the Committee may deem fit.

Tax treatment of CSR spend will be in accordance with the Income Tax Act, 1961 as may be notified by Central Board of Direct Taxes (CBDT).

PLANNING AND IMPLEMENTATION

For the purpose of focusing its efforts in a continued and effectives, Education and Literacy Enhancement is identified as a main thrust area, besides other activities permitted under the Regulations.

A list of CSR projects / programmes which the Company plans to undertake during the implementation year will be laid down before the Committee at the beginning of each year, specifying modalities of execution in the areas/ sectors chosen and implementation schedules for the same.

Identification of projects and the executing

agency/NGO will be made, inter alia, by assessing the following:

Project Objectives

Baseline Survey – As-is and To-be state basis, accordingly the outcome of the project will be measured.

Implementation Schedules – Timelines for milestones of the project will need to be prescribed and agreed upon.

Responsibilities and authorities.

Major results expected and measurable outcome including the expenses/charges ratio as against the actual CSR spend.

If the Company decides to set up a Trust or Section 8 Company, or Society or Foundation or any other form of entity operating within India to facilitate implementation of its CSR activities in accordance with its stated CSR Policy, the following shall apply:

The Company would need to specify the projects/ programmes to be undertaken by such an organization, for utilizing funds provided to it;

The Company shall establish a monitoring mechanism to ensure that the allocation is spent for the intended purpose only.

The Company may also conduct/implement its CSR programmes through Trusts, Societies, or Section 8 Companies operating in India, which are not set up by the Company itself, herein collectively referred to as 'CSR Partner(s)'.

Such spends may be included as part of its prescribed CSR spend only if such organizations have an established track record of at least three years in carrying on activities in related areas.

Company may collaborate or pool resources with other companies to undertake CSR activities within India. Only activities which are not for the benefit of employees of the company or their family members shall be considered as CSR activity.

CSR Committee in consultation with the Board of Directors of the Company will identify suitable projects for implementation in line with the objectives of the Company and requirements laid down under the Regulations. These projects would be executed either directly by the Company and / or through CSR Partner(s).

While identifying projects, CSR Committee will assess CSR Partner(s) organizations who would execute the projects at the grass root level. At a minimum they need to meet the following criteria:

The CSR Partner(s) has a permanent office/address

in India;

The CSR Partner(s) is a Trusts, Societies, or Section 8 Company having an established track record of three years in undertaking similar CSR programmes or projects in pursuance with the relevant regulations;

Possesses a valid income-tax Exemption Certificate

The antecedents of the CSR Partner are verifiable

Have requisite framework to report progress/status of the projects on a quarterly basis on agreed parameters.

Maintain a required level of auditable records on the CSR initiatives conducted in conjunction with GIL as agreed mutually.

REVIEW AND REPORTING

The CSR Committee will review the philanthropic activities of the Company and will provide progress

update to the Board of Directors every six months / such other intervals as deemed fit.

The Company will report in the prescribed format, the details of CSR initiatives and activities of the Company in the Directors' Report and on the website of the Company, as required under the Regulations. Such reporting will be done, pertaining to financial year(s) commencing on or after the 1st day of April, 2014.

AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of CSR Committee can amend this policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Regulations on the subject as may be issued from relevant statutory authorities, from time to time.

**Annexure - VI
TO DIRECTORS' REPORT**

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs. : CSR Policy is available at website www.gallantt.com and forms part of Annual Report as **Annexure V**.
2. Composition of the CSR Committee : Mr. Jyotirindra Nath Dey, Chairman, Mr. Chandra Prakash Agrawal and Mr. Prem Prakash Agrawal
3. Average net profit of the Company for the last three financial years: ₹ 2,083.96 Lacs.
4. Prescribed CSR expenditure (2% of the average net profit of the company for the last 3 financial years): ₹ 41.68 Lacs.
5. Details of CSR spent during the financial year.
 - a) Total amount to be spent for the financial year : ₹ 42.00 Lacs
 - b) Amount unspent, if any : NIL
 - c) Manner in which the amount spent during the financial year is detailed below :

Sl. No	CSR Project or activity identified	Sector in which the project is covered	Project or programs 1. Local area or other 2. Specify the State and District where projects or programs were undertaken	Amount outlay (Budget project or programs wise)	Amount spent on the projects or programs Sub-heads: 1. Direct Expenditure on projects or programs 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency (give details of implementing agency)
1.	The company is promoting shelter and health services for economically weaker section of the society through SAHARA HEALTH AND EDUCATION SOCIETY (NGO)	Promoting Education, Health, Rural Safe Drinking Water, Orphanage, Rural Self Employment etc.	Programme is undertaken in the backward area of state of Jharkhand, West Bengal through local NGO.	An amount of ₹ 42.00 Lacs has been paid for the programme and the CSR Committee of the Company is monitoring the actual expenditure and surplus, if any.	₹ 42.00 Lacs*	₹ 82.00 Lacs*	Amount has been contributed to the following implementing agency: SAHARA HEALTH AND EDUCATION SOCIETY (NGO) for the Financial Year 2015-16 F4/42, Defence Park, Moynagarh, Kolkata - 700 141

- This cumulative expenditure of ₹ 82 Lacs includes contribution of ₹ 40.00 Lacs on CSR activities during last financial year 2014-15.
6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount. : Company has contributed the amount for the project. The CSR Committee is monitoring the entire process.
 7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.

For CSR Committee, **GALLANTT ISPAT LIMITED**

Jyotirindra Nath Dey

Chairman of CSR Committee & Director
(DIN: 00180925)

Place: Kolkata
Date: 08.08.2016

**Annexure - VII
TO DIRECTORS' REPORT**

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
GALLANTT ISPAT LIMITED,
1, Crooked Lane, Second Floor,
Room Nos. 222 & 223,
Kolkata - 700069

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Gallantt Ispat Limited [CIN: L27109WB2005PLC101650] (hereinafter called the company). Secretarial Audit was conducted based on records made available to us, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion/understanding thereon.

2. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we, on strength of those records, and information so provided, hereby report that in our opinion and understandings, the Company has, during the audit period covering the financial year ended on March 31, 2016, appears to have complied with the statutory provisions listed hereunder and also in our limited review, that the Company has proper and required Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes' book, forms and returns filed and other records maintained by the Company and made available to us, for the financial year ended on March 31, 2016 according to the applicable provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder and the Companies Act, 1956 and the rules made thereunder as applicable;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Applicable provisions of Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange

Board of India Act, 1992 ('SEBI ACT') :-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (d) The Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015 (to the extent applicable)
- vi) Other Laws specifically applicable to the Company as under:
1. The Air (Prevention and Control of Pollution) Act, 1981
 2. The Water (Prevention and Control of Pollution) Act, 1974
 3. The Environment (Protection) Act, 1986
 4. The Factories Act, 1948
 5. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
 6. Employees' State Insurance Act, 1948
 7. Equal Remuneration Act, 1976
 8. The Minimum Wages Act, 1948
 9. The Payment of Wages Act, 1936
 10. The Payment of Bonus Act, 1965
 11. The Legal Metrology Act, 2009
 12. The Maternity Benefit Act, 1961 and
- (vii) We further report that with respect to the compliance of the below mentioned laws, we have relied on the compliance system prevailing in the Company and on the basis of representation received from its concerned department:
- (a) Mines and Minerals (Development Regulation) Act, 1957 and other Acts/ Rules as applicable to Mining activities;
 - (b) The Electricity Act, 2003 and rules issued thereunder;
 - (c) National Tariff Policy;
 - (d) Indian Boilers Act. 1923 and rules issued thereunder;
 - (e) Explosives Act, 1884 and rules issued thereunder;
 - (f) Manufacture, Storage and Import of

- Hazardous Chemical Rules, 1989;
- (g) Applicable Labour laws and rules issued thereunder;
- (h) Applicable Environment laws and rules issued thereunder;
- (i) Applicable direct & indirect tax laws and rules issued thereunder;
- (j) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements/Regulations entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting views on any decisions of the Board, as recorded in the Minutes of Board meetings.

We further report that there is scope to improve the systems and processes in the Company and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period there were no instances of:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity;
- ii. Redemption / buy-back of securities;
- iii. Foreign technical collaborations.

We further report that during the audit period:

- i. Company has disposed of two Flour Mills of the Company and complied with the requisite provisions of the Companies Act, 2013 and all other applicable laws;
- ii. In pursuance of the Scheme of Amalgamation of Gallantt Udyog Limited with the Company as approved by an order, dated May 14, 2015, of Honorable High Court at Kolkata Company has complied with the requisite formalities in this regard.

We further report that during the audit year the Company has sought the approval of its members for:

- Dispose of two Flour Mills of the Company
- Alteration of Memorandum of Association of the Company.

We further report that our Audit is subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and we are not responsible for any lapses in those compliances on the part of the Company.

Anurag Fatehpuria

Company Secretary

Place: Kolkata

Date: 08.08.2016

ACS 34471; CP No. 12855

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

Annexure A

To

The Members,

GALLANTT ISPAT LIMITED

Our report of even date is to be read along with this supplementary testimony.

- a. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b. We have followed the audit practices and processed we were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- c. We have not verified the correctness and

appropriateness of financial records and Books of Accounts of the Company.

- d. Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and happenings of events etc.
- e. The Compliance of the provisions of Corporate and other applicable laws, rules and regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- f. The Secretarial Audit is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management conducted the affairs of the Company.
- g. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2016 but before issue of the Report.

Anurag Fatehpuria

Company Secretary

Place: Kolkata

Date: 08.08.2016

ACS 34471; CP No. 12855

Annexure - VIII

FORM NO. AOC.1

Statement containing salient features of the financial statement of
subsidiaries/associate companies/joint ventures(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of
Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Sl. No.	Name of the Company	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of share-holding
1.	Shree Surabhi Wheat Products Private Limited	Same Reporting Period 31.03.2016	In INR	20,01,00,000	NIL	23,87,63,500	3,86,63,500	NIL	NIL	NIL	NIL	NIL	NIL	99.95
2.	Shree Surabhi Flour Mills Private Limited	Same Reporting Period 31.03.2016	In INR	20,05,00,000	55,35,716	22,79,04,220	2,18,68,504	NIL	47,38,26,143	80,18,623	24,82,907	55,35,716	NIL	99.75

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associate	Gallantt Metal Limited
1. Latest audited Balance Sheet Date	31.03.2016
2. Shares of Associate held by the company on 31.03.2016	
No.	3,78,62,895
Amount of Investment in Associate	39,19,18,403
Extend of Holding %	46.56
3. Description of how there is significant influence	By way of ownership
4. Reason why the associate/Joint venture is not consolidated	Consolidated
5. Networth attributable to shareholding as per latest audited balance sheet	1,31,06,56,329
6. Profit/Loss for the year	
(i) Considered in consolidation	19,36,07,035
(ii) Not considered in consolidation	22,22,24,191

As per our report of even date

For **ANOOP AGARWAL & CO.**

Chartered Accountants

(Amit Kumar Srivastava)

Partner

Membership No. 517195

Place : Kolkata

Dated : 30.05.2016

(C.P. Agrawal)

Chairman & Managing Director

(Amit Jalan)

Chief Financial Officer

(S.K. Agrawal)

Whole time Director

(Nitesh Kumar)

Company Secretary

**ANNEXURE - IX
TO DIRECTORS' REPORT**

FORM NO. MGT-9

Extract of Annual Return as on the financial period ended on 31st March, 2016
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L27109WB2005PLC101650
Registration Date	11/02/2015
Name of the Company	GALLANTT ISPAT LIMITED
Category /Sub-Category of the Company	Public Company limited by Shares/Indian Non-Government Company
Address	1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069. Telefax: 033-40642189
Whether listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of Main Product /Services	NIC Code of the Product	% to total turnover of the company
1	Steel	2410	56.42
2	Agro	1061	32.87

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.N.	Name and Address of the Company	CIN/GIN	Holding Subsidiary/	% of Shares	Applicable Section
1.	Shree Surabhi Wheat Products Private Limited	U15400UP2014PTC064992	Subsidiary	99.95	Section 2(87) of the Companies Act, 2013
2.	Shree Surabhi Flour Mills Private Limited	U15400UP2014PTC064993	Subsidiary	99.75	Section 2(87) of the Companies Act, 2013
3.	Gallantt Metal Limited	L27109WB2005PLC101553	Associate	46.56	Section 2(6) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the beginning of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	5283694	0	5283694	18.054	10422047	0	10422047	36.910	18.856

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the beginning of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Centran Government									
c) State Government									
d) Bodies Corporate	15747584	0	15747584	53.808	7251992	0	7251992	25.683	-28.125
e) Banks / Financial Institutions									
f) Any Other									
Sub-total (A)(1)	21031278	0	21031278	71.861	17674039	0	17674039	62.594	-9.267
(2) Foreign									
a) NRIs - Individuals	—	—	—	—	—	—	—	—	—
b) Other - Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corporate	—	—	—	—	—	—	—	—	—
d) Banks / Financial Institutions	—	—	—	—	—	—	—	—	—
e) Any Other	—	—	—	—	—	—	—	—	—
Sub-total (A)(2)	—	—	—	—	—	—	—	—	—
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	21031278	0	21031278	71.861	17674039	0	17674039	62.594	-9.267
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks / Financial Institutions	100	0	100	0.000	100	0	100	0.000	0.000
c) Central Governments	—	—	—	—	—	—	—	—	—
d) State Governments	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies									
g) Foreign Institutional Investors (FII)	1274645	0	1274645	4.355	7750	0	7750	0.027	-4.328
h) Foreign Venture Capital Funds									
i) Others (Specify)	—	—	—	—	—	—	—	—	—
Sub-total (B)(1)	1274745	0	1274745	4.356	7850	0	7850	0.028	-4.328
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	5715722	0	5715722	19.530	8792841	0	8792841	31.140	11.610
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	99584	7	99591	0.340	92357	7	92364	0.327	-0.013
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	140296	0	140296	0.479	648446	0	648446	2.297	1.818
c) Others Specify									
1. NRI	972036	0	972036	3.321	949503	0	949503	3.363	0.042
2. Overseas Corporate Bodies									
3. Foreign Nationals									
4. Clearing Members	32837	0	32837	0.112	71029	0	71029	0.252	0.140
5. Trusts									
6. Foreign Bodies - D.R.									
Sub-total (B)(2)	6960475	7	6960482	23.783	10554176	7	10554183	37.378	13.595

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the beginning of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding (B) = (B)(1)+(B)(2)	8235220	7	8235227	28.139	10562026	7	10562033	37.406	9.267
C. Shares held by Custodian for GDRs & ADRs									
GRAND TOTAL (A+B+C)	29266498	7	29266505	100.000	28236065	7	28236072	100.000	0.000

B. Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/en-cumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/en-cumbered to total shares	
1	ASHUTOSH AGARWAL	0	0.000	0.000	134252	0.475	0.000	0.475
2	CHANDNI AGRAWAL	0	0.000	0.000	12083	0.043	0.000	0.043
3	CHANDRA PRAKASH AGARWAL	4220249	14.420	0.000	4936088	17.481	0.000	3.061
4	CHANDRA PRAKASH AGRAWAL HUF	630000	2.153	0.000	761250	2.696	0.000	0.543
5	GALLANTT METAL LIMITED	5501992	18.800	0.000	7251992	25.683	0.000	6.883
6	GALLANTT UDYOG LIMITED	10245592	35.008	0.000				-35.008
7	MADHU AGARWAL	30000	0.103	0.000	352145	1.247	0.000	1.144
8	MAYANK AGARWAL	0	0.000	0.000	692937	2.454	0.000	2.454
9	NITIN MAHAVIR KANDOI	50000	0.171	0.000	50000	0.177	0.000	0.006
10	PREM PRAKASH AGARWAL	33333	0.114	0.000	314303	1.113	0.000	0.999
11	PREM PRAKASH AGRAWAL HUF	0	0.000	0.000	596935	2.114	0.000	2.114
12	SANTOSH KUMAR AGARWAL	25000	0.085	0.000	219708	0.778	0.000	0.693
13	SANTOSH KUMAR AGRAWAL HUF	0	0.000	0.000	596717	2.113	0.000	2.113
14	SHYAMA AGRAWAL	105314	0.360	0.000	535303	1.896	0.000	1.536
15	SMRITI AGARWAL	0	0.000	0.000	80745	0.286	0.000	0.286
16	UMA AGARWAL	189798	0.649	0.000	1139581	4.036	0.000	3.387
	TOTAL	21031278	71.861	0.000	17674039	62.594	0.000	-9.267

C. Change in Promoter's Shareholding

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ASHUTOSH AGARWAL				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	31/03/2015 Transfer	2502	0.009	2502	0.009
	26/06/2015 Allotment (Amalgamation)	131750	0.342	134252	0.475
	c) At the End of the Year			134252	0.475

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	CHANDNI AGRAWAL				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	12083	0.031	12083	0.043
	c) At the End of the Year			12083	0.043
3	CHANDRA PRAKASH AGARWAL				
	a) At the Beginning of the Year	4220249	14.420		
	b) Changes during the year				
	Date Reason				
	11/09/2015 Transfer	715839	1.860	4936088	17.481
	c) At the End of the Year			4936088	17.481
4	CHANDRA PRAKASH AGRAWAL HUF				
	a) At the Beginning of the Year	630000	2.153		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	131250	0.341	761250	2.696
	c) At the End of the Year			761250	2.696
5	GALLANTT METAL LIMITED				
	a) At the Beginning of the Year	5501992	18.800		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	1750000	4.548	7251992	25.683
	c) At the End of the Year			7251992	25.683
6	GALLANTT UDYOG LIMITED				
	a) At the Beginning of the Year	10245592	35.008		
	b) Changes during the year				
	Date Reason				
	07/08/2015 Transfer	-5	0.000	10245587	36.285
	28/08/2015 Transfer	5	0.000	10245592	36.285
	04/09/2015 Transfer	-10245592	26.625	0	0.000
	c) At the End of the Year			0	0.000
7	MADHU AGARWAL				
	a) At the Beginning of the Year	30000	0.103		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	352145	0.915	382145	1.353
	05/02/2016 Transfer	-1	0.000	382144	1.353
	26/02/2016 Transfer	-13999	0.036	368145	1.304
	04/03/2016 Transfer	-16000	0.042	352145	1.247
	c) At the End of the Year			352145	1.247
8	MAYANK AGARWAL				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	692937	1.801	692937	2.454
	c) At the End of the Year			692937	2.454

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	NITIN MAHAVIR KANDOI				
	a) At the Beginning of the Year	50000	0.171		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			50000	0.177
10	PREM PRAKASH AGARWAL				
	a) At the Beginning of the Year	33333	0.114		
	b) Changes during the year				
	Date Reason				
	14/08/2015 Transfer	-33000	0.086	333	0.001
	26/06/2015 Allotment (Amalgamation)	313970	0.816	314303	1.113
	c) At the End of the Year			314303	1.113
11	PREM PRAKASH AGRAWAL HUF				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	596935	1.551	596935	2.114
	c) At the End of the Year			596935	2.114
12	SANTOSH KUMAR AGARWAL				
	a) At the Beginning of the Year	25000	0.085		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	194708	0.506	219708	0.778
	c) At the End of the Year			219708	0.778
13	SANTOSH KUMAR AGRAWAL HUF				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	596717	1.551	596717	2.113
	c) At the End of the Year			596717	2.113
14	SHYAMA AGRAWAL				
	a) At the Beginning of the Year	105314	0.360		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	464989	1.208	570303	2.020
	08/01/2016 Transfer	-15000	0.039	555303	1.967
	26/02/2016 Transfer	-20000	0.052	535303	1.896
	c) At the End of the Year			535303	1.896
15	SMRITI AGARWAL				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	31/03/2015 Transfer	8433	0.029	8433	0.030
	26/06/2015 Allotment (Amalgamation)	72312	0.188	80745	0.286
	09/10/2015 Transfer	-3	0.000	80742	0.286
	16/10/2015 Transfer	3	0.000	80745	0.286
	c) At the End of the Year			80745	0.286

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
16	UMA AGARWAL				
	a) At the Beginning of the Year	189798	0.649		
	b) Changes during the year				
	Date Reason				
	19/06/2015 Transfer	-6200	0.021	183598	0.650
	03/07/2015 Transfer	-52000	0.135	131598	0.466
	10/07/2015 Transfer	-13000	0.034	118598	0.420
	17/07/2015 Transfer	-13250	0.034	105348	0.373
	24/07/2015 Transfer	-3350	0.009	101998	0.361
	07/08/2015 Transfer	-25000	0.065	76998	0.273
	26/06/2015 Allotment (Amalgamation)	1097583	2.852	1174581	4.160
	05/02/2016 Transfer	-2	0.000	1174579	4.160
	12/02/2016 Transfer	1	0.000	1174580	4.160
	19/02/2016 Transfer	1	0.000	1174581	4.160
	26/02/2016 Transfer	-35000	0.091	1139581	4.036
	c) At the End of the Year			1139581	4.036
	TOTAL	21031278	71.861	17674039	62.594

D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	AAR COMMERCIAL COMPANY LIMITED				
	a) At the Beginning of the Year	2741562	9.368		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	444444	1.155	3186006	11.283
	c) At the End of the Year			3186006	11.283
2	CAMELLIA TRADELINK PVT LTD				
	a) At the Beginning of the Year	342704	1.171		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	329166	0.855	671870	2.379
	c) At the End of the Year			671870	2.379
3	ELARA INDIA OPPORTUNITIES FUND LIMITED				
	a) At the Beginning of the Year	1274645	4.355		
	b) Changes during the year				
	Date Reason				
	10/07/2015 Transfer	-55000	0.143	1219645	4.319
	17/07/2015 Transfer	-59000	0.153	1160645	4.111
	24/07/2015 Transfer	-51000	0.133	1109645	3.930
	31/07/2015 Transfer	-51000	0.133	1058645	3.749
	07/08/2015 Transfer	-18411	0.048	1040234	3.684

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	14/08/2015 Transfer	-12000	0.031	1028234	3.642
	28/08/2015 Transfer	-10000	0.026	1018234	3.606
	04/09/2015 Transfer	-933	0.002	1017301	3.603
	11/09/2015 Transfer	-12106	0.031	1005195	3.560
	25/09/2015 Transfer	-6903	0.018	998292	3.536
	30/09/2015 Transfer	-11000	0.029	987292	3.497
	09/10/2015 Transfer	-32676	0.085	954616	3.381
	16/10/2015 Transfer	-33812	0.088	920804	3.261
	23/10/2015 Transfer	-10000	0.026	910804	3.226
	30/10/2015 Transfer	-48015	0.125	862789	3.056
	06/11/2015 Transfer	-34165	0.089	828624	2.935
	13/11/2015 Transfer	-4000	0.010	824624	2.920
	20/11/2015 Transfer	-56873	0.148	767751	2.719
	27/11/2015 Transfer	-47543	0.124	720208	2.551
	04/12/2015 Transfer	-16000	0.042	704208	2.494
	11/12/2015 Transfer	-60216	0.156	643992	2.281
	18/12/2015 Transfer	-53480	0.139	590512	2.091
	15/01/2016 Transfer	-25118	0.065	565394	2.002
	22/01/2016 Transfer	-76592	0.199	488802	1.731
	29/01/2016 Transfer	-75202	0.195	413600	1.465
	05/02/2016 Transfer	-44518	0.116	369082	1.307
	12/02/2016 Transfer	-44675	0.116	324407	1.149
	19/02/2016 Transfer	-29883	0.078	294524	1.043
	26/02/2016 Transfer	-28004	0.073	266520	0.944
	04/03/2016 Transfer	-61300	0.159	205220	0.727
	11/03/2016 Transfer	-65000	0.169	140220	0.497
	18/03/2016 Transfer	-132249	0.344	7971	0.028
	25/03/2016 Transfer	-7971	0.021	0	0.000
	c) At the End of the Year			0	0.000
4	LILY RETAILERS PVT. LTD.				
	a) At the Beginning of the Year	354913	1.213		
	b) Changes during the year				
	Date Reason				
	19/06/2015 Transfer	-354913	1.213	0	0.000
	02/10/2015 Transfer	45000	0.117	45000	0.159
	18/12/2015 Transfer	-16324	0.042	28676	0.102
	31/12/2015 Transfer	3231	0.008	31907	0.113
	19/02/2016 Transfer	-31907	0.083	0	0.000
	18/03/2016 Transfer	2200	0.006	2200	0.008
	31/03/2016 Transfer	22822	0.059	25022	0.089
	c) At the End of the Year			25022	0.089
5	MRIGAYA TRADELINK PVT. LTD.				
	a) At the Beginning of the Year	534840	1.827		
	b) Changes during the year				

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	630000	1.637	1164840	4.125
	13/11/2015 Transfer	-200000	0.520	964840	3.417
	20/11/2015 Transfer	-50000	0.130	914840	3.240
	27/11/2015 Transfer	-100000	0.260	814840	2.886
	04/12/2015 Transfer	-184840	0.480	630000	2.231
	c) At the End of the Year			630000	2.231
6	NIHON IMPEX PRIVATE LIMITED				
	a) At the Beginning of the Year	291540	0.996		
	b) Changes during the year				
	Date Reason				
	19/02/2016 Transfer	-291540	0.758	0	0.000
	c) At the End of the Year			0	0.000
7	PADMINI VINIMAY PRIVATE LIMITED				
	a) At the Beginning of the Year	125000	0.427		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	137500	0.357	262500	0.930
	c) At the End of the Year			262500	0.930
8	PARAMSHAKTI VINIMAY PRIVATE LIMITED				
	a) At the Beginning of the Year	353753	1.209		
	b) Changes during the year				
	Date Reason				
	24/04/2015 Transfer	-353753	1.209	0	0.000
	c) At the End of the Year			0	0.000
9	SHYAM MANOHAR AGRAWAL				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	297916	0.774	297916	1.055
	c) At the End of the Year			297916	1.055
10	SUSHEEL KUMAR SARAFF				
	a) At the Beginning of the Year	403274	1.378		
	b) Changes during the year				
	Date Reason				
	12/06/2015 Transfer	-22000	0.075	381274	1.350
	c) At the End of the Year			381274	1.350
11	UTKARSH DEALER PRIVATE LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	28/08/2015 Transfer	3654	0.009	3654	0.013
	04/09/2015 Transfer	7000	0.018	10654	0.038
	11/09/2015 Transfer	13000	0.034	23654	0.084
	16/10/2015 Transfer	9777	0.025	33431	0.118

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	06/11/2015 Transfer	63000	0.164	96431	0.342
	13/11/2015 Transfer	225592	0.586	322023	1.140
	20/11/2015 Transfer	14000	0.036	336023	1.190
	18/12/2015 Transfer	94152	0.245	430175	1.523
	31/12/2015 Transfer	24796	0.064	454971	1.611
	15/01/2016 Transfer	14006	0.036	468977	1.661
	12/02/2016 Transfer	12000	0.031	480977	1.703
	19/02/2016 Transfer	75020	0.195	555997	1.969
	04/03/2016 Transfer	4464	0.012	560461	1.985
	11/03/2016 Transfer	66405	0.173	626866	2.220
	c) At the End of the Year			626866	2.220
12	VIJAY KUMAR SARAFF				
	a) At the Beginning of the Year	567000	1.937		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			567000	2.008
13	WALLSTREET DISTRIBUTOR PRIVATE LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	17/07/2015 Transfer	3000	0.008	3000	0.011
	24/07/2015 Transfer	14200	0.037	17200	0.061
	31/07/2015 Transfer	15129	0.039	32329	0.114
	07/08/2015 Transfer	6155	0.016	38484	0.136
	18/09/2015 Transfer	375	0.001	38859	0.138
	13/11/2015 Transfer	400000	1.039	438859	1.554
	20/11/2015 Transfer	68000	0.177	506859	1.795
	27/11/2015 Transfer	120045	0.312	626904	2.220
	04/12/2015 Transfer	184840	0.480	811744	2.875
	11/12/2015 Transfer	18000	0.047	829744	2.939
	18/12/2015 Transfer	25000	0.065	854744	3.027
	19/02/2016 Transfer	250000	0.650	1104744	3.913
	c) At the End of the Year			1104744	3.913
14	WARNER DEALCOM PRIVATE LIMITED				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	19/06/2015 Transfer	501913	1.715	501913	1.778
	26/06/2015 Transfer	7977	0.021	509890	1.806
	10/07/2015 Transfer	68916	0.179	578806	2.050
	17/07/2015 Transfer	105605	0.274	684411	2.424
	24/07/2015 Transfer	23975	0.062	708386	2.509
	31/07/2015 Transfer	45538	0.118	753924	2.670
	07/08/2015 Transfer	36907	0.096	790831	2.801
	14/08/2015 Transfer	22019	0.057	812850	2.879
	21/08/2015 Transfer	41602	0.108	854452	3.026
	25/09/2015 Transfer	4000	0.010	858452	3.040

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	30/09/2015 Transfer	3000	0.008	861452	3.051
	09/10/2015 Transfer	26978	0.070	888430	3.146
	16/10/2015 Transfer	12000	0.031	900430	3.189
	23/10/2015 Transfer	6000	0.016	906430	3.210
	30/10/2015 Transfer	12098	0.031	918528	3.253
	06/11/2015 Transfer	73026	0.190	991554	3.512
	04/12/2015 Transfer	23312	0.061	1014866	3.594
	19/02/2016 Transfer	9899	0.026	1024765	3.629
	26/02/2016 Transfer	57831	0.150	1082596	3.834
	04/03/2016 Transfer	76973	0.200	1159569	4.107
	11/03/2016 Transfer	51978	0.135	1211547	4.291
	18/03/2016 Transfer	100235	0.260	1311782	4.646
	25/03/2016 Transfer	47250	0.123	1359032	4.813
	c) At the End of the Year			1359032	4.813
15	WINDFLOWER SALES LIMITED				
	a) At the Beginning of the Year	249999	0.854		
	b) Changes during the year				
	Date Reason				
	10/04/2015 Transfer	-125000	0.427	124999	0.443
	05/06/2015 Transfer	125000	0.427	249999	0.885
	19/06/2015 Transfer	-125000	0.427	124999	0.443
	10/07/2015 Transfer	2000	0.005	126999	0.450
	17/07/2015 Transfer	4200	0.011	131199	0.465
	24/07/2015 Transfer	1075	0.003	132274	0.468
	21/08/2015 Transfer	800	0.002	133074	0.471
	02/10/2015 Transfer	-45000	0.117	88074	0.312
	16/10/2015 Transfer	-37500	0.097	50574	0.179
	23/10/2015 Transfer	-7500	0.019	43074	0.153
	30/10/2015 Transfer	-15000	0.039	28074	0.099
	13/11/2015 Transfer	-17050	0.044	11024	0.039
	20/11/2015 Transfer	-11024	0.029	0	0.000
	c) At the End of the Year			0	0.000
	TOTAL	7239230	24.736	9112230	32.272

Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	AMIT JALAN				
	a) At the Beginning of the Year	12	0.000		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			12	0.000

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	CHANDRA PRAKASH AGARWAL				
	a) At the Beginning of the Year	4220249	14.420		
	b) Changes during the year				
	Date Reason				
	11/09/2015 Transfer	715839	1.860	4936088	17.481
	c) At the End of the Year			4936088	17.481
3	MAYANK AGARWAL				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	692937	1.801	692937	2.454
	c) At the End of the Year			692937	2.454
4	NITESH KUMAR				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	11/03/2016 Transfer	980	0.003	980	0.003
	c) At the End of the Year			980	0.003
5	NITIN MAHAVIR KANDOI				
	a) At the Beginning of the Year	50000	0.171		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			50000	0.177
6	PREM PRAKASH AGARWAL				
	a) At the Beginning of the Year	33333	0.114		
	b) Changes during the year				
	Date Reason				
	14/08/2015 Transfer	-33000	0.086	333	0.001
	26/06/2015 Allotment (Amalgamation)	313970	0.816	314303	1.113
	c) At the End of the Year			314303	1.113
7	SANTOSH KUMAR AGARWAL				
	a) At the Beginning of the Year	25000	0.085		
	b) Changes during the year				
	Date Reason				
	26/06/2015 Allotment (Amalgamation)	194708	0.506	219708	0.778
	c) At the End of the Year			219708	0.778
	TOTAL	4303582	14.705	6214028	22.007

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Amount in lacs

Particulars		Secured Loan excluding Deposit	Unsecured Loan	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year					
1	Principal Amount	6,048.74	7,164.24	–	13,212.98
2	Interest due but not paid	–	–	–	–
3	Interest accrued but not due	5.39	–	–	5.39
Total (1+2+3)		6,054.13	7,164.24	–	13,218.37
Change in Indebtedness during the Financial Year					
	• Addition	–	4,760.81	–	4,760.81
	• Reduction	485.18	–	–	485.18
Net Change		(485.18)	4,760.81	–	4,275.63
Indebtedness at the end of the financial year					
1	Principal Amount	5,568.95	11,925.05	–	17,494.00
2	Interest due but not paid	–	–	–	–
3	Interest accrued but not due	–	–	–	–
Total (1+2+3)		5,568.95	11,925.05	–	17,494.00

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

S. N.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount (₹ In Lacs)
		Chandra Prakash Agrawal	Prem Prakash Agrawal	Santosh Kumar Agrawal	Nitin M Kandoi	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	13.20	13.20	13.20	13.20	52.80
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2	Commission	NIL	NIL	NIL	NIL	NIL
	Others - Remuneration benefits	NIL	NIL	NIL	NIL	NIL
	Total (A)	13.20	13.20	13.20	13.20	52.80

Note: For conservation of Resources, Directors have agreed to forego the perquisites and other benefits.

B. Remuneration to Other Directors (All being Independent)

S.N.	Particulars of Remuneration	Name of Directors				Total Amount (₹ In Lacs)
		Jyotirindra Nath Dey	Rajesh Kumar Jain	Piyush Kankrania	Sangeeta Upadhyay	
1	Fees for attending Board/ Committee Meetings	0.29	0.23	0.24	0.11	0.87
2	Commission	NIL	NIL	NIL	NIL	NIL
3	Others	NIL	NIL	NIL	NIL	NIL

C. Remuneration to Key Managerial Personnel

S. N.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (₹ In Lacs)
		Mayank Agrawal	Amit Jalan	Nitesh Kumar	
1	Gross Salary	7.20	4.36	6.00	17.56
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL
2	Others –Remuneration benefits	NIL	NIL	NIL	NIL

VII PENALTIES / PUNISHMENT/COMPOUNDING DURING THE FINANCIAL YEAR

Type	Section of the Companies Act	Brief description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Annexure - X

BUSINESS RESPONSIBILITY STATEMENT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L27109WB2005PLC101650
2	Name of the Company	GALLANTT ISPAT LIMITED
3	Registered address	1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069.
4	Website	www.gallantt.com
5	E-mail id	nitesh@gallantt.com
6	Financial Year reported	2015-16
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Steel, Agro and Real Estate
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Steel, Agro Products and Real Estate
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 and Agro Unit is located at "Plot No. AL-5, Sector – 23, Gorakhpur Industrial Development Authority (GIDA), Sahjanwa, Gorakhpur, Uttar Pradesh". Registered Office at 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069. Also, Company has real estate project located at Mahanagar, Lucknow, 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)	28,23,60,720/-
	Total Turnover (INR)	534,75,84,935/-
	Total profit after taxes (INR)	28,59,00,187/-
	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?	Yes
	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)	Yes
Name	Chandra Prakash Agrawal
Designation	Managing Director
Telephone number	03340642189
e-mail id	secretary@gallantt.com

2. Details of BR Head

DIN Number (if applicable)	Yes
Name	Chandra Prakash Agrawal
Designation	Managing Director
Telephone number	03340642189
e-mail id	secretary@gallantt.com

2. 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...	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

3. 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 Ispat Limited are subjected to work within boundaries of the Code of Conduct.

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

- 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.*
- 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.*
- 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.*
- Company's Code of Conduct on (prevention of) Insider Trading – to prevent insider trading and protect of price sensitive information.*
- 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. During the year, your Company received 1 (one) complaint from shareholders which has been resolved.

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 ecofriendly 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 Agro Products. 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. For Agro Division we procure inputs (Wheat etc.) from local market. 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 agro 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 leveling 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 leveling. Wastage of Agro Products (Wheat) are sold to be used in feeding animals.

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.	296
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.	110
3. Please indicate the Number of permanent women employees.	6 (included in above 1)
4. Please indicate the Number of permanent employees with disabilities.	Nil
5. Do you have an employee association that is recognized by management?	No
6. What percentage of your permanent employees is members of this recognized employee association?	Not Applicable
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.	No complaints relating to child labour, forced labour, involuntary labour, sexual harassment were received in the last financial year.
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 Ispat 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 bled individuals	Providing children with special needs a platform to access community-based rehabilitation services <ul style="list-style-type: none"> • Counselling 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 Ispat 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 Ispat Limited has received no such complaint pertaining to sexual harassment during the reporting year 2015-16.

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?**

1. 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 2015-16.

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 2015-16.

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

1. Chamber of Industries, Gorakhpur
2. Indian Industries Association, Lucknow

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

Yes, Gallantt Ispat 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 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 2015-16.

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 Ispat Limited's sales team also interacts with specific customer groups like architects and auto companies, among others to address their specific needs.

On behalf of the Board

C. P. Agrawal
Chairman

Place: Kolkata

Date: August 08, 2016

REPORT ON CORPORATE GOVERNANCE

(Pursuant to part C of Schedule V of the SEBI Listing Obligations and Disclosure Requirements) Regulation, 2015.

1. CORPORATE GOVERNANCE PHILOSOPHY

Your Company's philosophy on Corporate Governance emanates from resolute commitment to protect stakeholder rights and interests, proactively manage risks and create long-term wealth and value. Corporate Governance is aimed at creating systems and putting in processes whereby organizations are able to generate long-term wealth and create value for all its stakeholders. Transparency, accountability, fairness and responsibility are the four basic tenets of Corporate Governance and Gallantt Ispat Limited believes that fair, transparent and ethical governance practices are sine qua non for the way we do business. At Gallantt Ispat we are committed to meet the aspirations of all our stakeholders which include shareholders, customers, suppliers, banks & financial institutions, government, employees and the community at large.

Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of

India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations/ Regulations/LODR Regulations). The Company has adopted best practices mandated in SEBI (LODR) Regulations, 2015.

2. BOARD OF DIRECTORS

2.1 Composition

Your Company's Board has an optimum combination of Executive, Non-executive and Independent Directors with one women Director, as per the requirements of Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The composition of the Board and the Independent Directors of the Company meet all the criteria mandated by SEBI Listing Regulations and the Companies Act, 2013.

The composition of the Board as on March 31, 2016 is as follows:

- Executive Directors - 4
- Non Executive Independent Directors - 4

Names of the Director		% to the total number of Directors
I	Independent Director	50%
	Jyotirindra Nath Dey	
	Rajesh Kumar Jain	
	Piyush Kankrania	
	Sangeeta Upadhyaya	
II	Non-Executive Non-Independent Director	NIL
III	Executive Director	50%
	Chandra Prakash Agrawal	
	Santosh Kumar Agrawal	
	Prem Prakash Agrawal	
	Nitin M Kandoi	

The Board is balanced comprising Executive and Non-Executive Directors. The Board has been constituted in such a way that it has understanding and competence to deal with current and emerging business issues. Mr. Chandra Prakash Agrawal, Mr. Santosh Kumar Agrawal and Mr. Prem Prakash Agrawal are related to each other as brothers. Also, relatives of these Directors are employed in the Company.

2.2 Appointment of Directors

Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and terms and conditions of appointment. The Company has issued

letter of appointment to all the Independent Directors and the terms and conditions of their appointment have been disclosed on the Company's website www.gallantt.com.

2.3 Meetings and Attendance

During the financial year 2015-16, Twelve Board Meetings were held. These were held on 14.05.2015, 27.05.2015, 30.05.2015, 19.06.2015, 26.06.2015, 28.07.2015, 28.08.2015, 23.10.2015, 13.02.2016, 16.02.2016, 17.03.2016 and 30.03.2016.

Composition of the Board of Directors, their attendance in the Board Meetings and other particulars as on 31st March, 2016 is as follows:

Name & Designation of the Directors	Category/ Position	Last Annual General Meeting Attended	No. of Board Meetings Attended out of 12 meetings held during the year	No. of other directorships in public companies as on 31/03/2016	No. of committee positions held in other public companies as on 31/03/2016	
					Chairman	Member
Mr. Chandra Prakash Agrawal Chairman & Managing Director (DIN: 01814318)	Executive/ Promoter	Yes	12	1	Nil	Nil
Mr. Santosh Kumar Agrawal Director Sales & Marketing (DIN: 01045228)	Executive/ Promoter	No	6	Nil	Nil	Nil
Mr. Prem Prakash Agrawal Whole-time Director (DIN: 01397585)	Executive/ Promoter	No	9	Nil	Nil	Nil
Mr. Nitin M Kandoi Whole-time Director (DIN:01979952)	Executive/ Promoter	No	7	1	Nil	Nil
Mr. Jyotirindra Nath Dey Director (DIN: 00180925)	Non-Executive/ Independent	Yes	12	2	2	4
Mr. Rajesh Kumar Jain Director (DIN: 02113164)	Non-Executive/ Independent	No	10	Nil	Nil	Nil
Mr. Piyush Kankrania Director (DIN: 05241962)	Non-Executive/ Independent	Yes	11	Nil	Nil	Nil
Mrs. Sangeeta Upadhyay Director (DIN : 06920195)	Non-Executive/ Independent	No	10	Nil	Nil	Nil

Notes:

- Mr. Rajesh Kumar Jain, Mr. Jyotirindra Nath Dey, Mr. Piyush Kankrania and Mrs. Sangeeta Upadhyaya have been considered as Independent Directors as they qualify to be Independent Directors as per the provisions of the Companies Act, 2013 and Listing Regulations.
- Other Directorships of only Indian Public Limited Companies have been considered.
- Committee positions of only 3 committees namely Audit Committee, Stakeholders Relationship Committee (formerly Share Transfer and Investors'/Shareholders' Grievance Committee) and Nomination and Remuneration Committee (formerly Remuneration Committee) have been considered.
- The details of Director seeking re-appointment at the ensuing Annual General Meeting have been furnished in the Notice convening the Meeting of the shareholders.
- Except Mr. Chandra Prakash Agrawal, Mr. Santosh Kumar Agrawal and Mr. Prem Prakash Agarwal who are brothers, no other directors have any inter se relationship.
- None of the Directors hold Chairmanship of the Board Committees in excess of the maximum ceiling of five and membership in excess of the maximum ceiling of ten as specified under regulation 26 of SEBI Listing Regulations.

Separate Meeting of Independent Directors:

As per the provisions of Section 149 read with Schedule IV to the Companies Act, 2013 and the SEBI Listing Regulations, Independent Directors of the Company held one meeting without the attendance of non-independent directors. The meeting, inter alia, has taken following business:

1. Review of performance of non-independent directors and the Board as a whole;
2. Review of performance of the Chairperson of the Company, taking into account the views of the executive and independent directors;
3. Assessment of quality, quantity and timeliness of flow of information between the company management and the Board.

Holding of the separate Board meeting is mandatory as required under Section 149 read with Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations.

The Board evaluates the Company's strategic direction, management policies, performance objectives and effectiveness of Corporate Governance practices. Further, the Board fulfills the key functions as prescribed under the Listing Regulations.

2.4 Shareholding of Directors

The details of shares held by the Directors of the Company in their individual names as on March 31, 2016 are furnished below :

Sr. No.	Name of Directors	No. of Shares held
1.	Chandra Prakash Agrawal	49,36,088
2.	Mr. Santosh Kumar Agrawal	2,19,708
3.	Mr. Prem Prakash Agrawal	3,14,303
4.	Mr. Nitin M Kandoi	50,000
5.	Jyotirindra Nath Dey	NIL
6.	Mr. Rajesh Kumar Jain	NIL
7.	Mr. Piyush Kankrania	NIL
8.	Mrs. Sangeeta Upadhyay	NIL

2.5 Induction and Familiarization Program for Directors

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

2.6 Independent Directors

Your Company appointed Independent Directors having expertise/experience in their respective field/ profession. None of the Independent Directors are Promoters or related to Promoters. They do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as required under Section 149(7) of the Companies Act, 2013.

All Independent Directors maintain their limits of directorships as required under Listing Regulations. The Company had issued a formal letter of appointment to all Independent Directors and the terms and conditions of their appointment have been disclosed in the website of the Company www.gallantt.com.

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Independent Directors of the Company viz. Mr. Piyush Kankrania, Mr. Jyotirindra Nath Dey, Mr. Rajesh Kumar Jain and Mrs. Sangeeta Upadhyay have given declaration to the Company that they qualify the criteria of independence as required under the Act and the regulations.

2.7 Board Procedures

The Board meets atleast once in a quarter to review financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the businesses of your Company. The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The Board members are, on a quarterly basis, apprised by the Managing Director & CEO on the overall performance of the Company through presentations and detailed notes.

2.8 Information supplied to the Board

The Board has complete access to any information within your Company which *inter alia* includes –

- A. Annual operating plans and budgets and any updates.
- B. Capital budgets and any updates.
- C. Annual and Quarterly results for the Company
- D. Minutes of meetings of Audit Committee and other Committees of the board of directors.
- E. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- F. Show cause, demand, prosecution notices and penalty notices, which are materially important, if any.
- G. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, if any.
- H. Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any.
- I. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- J. Details of joint venture or collaboration agreement.
- K. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- L. Significant labour problems and their proposed solutions, wherever necessary. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- M. Quarterly details of foreign exchange exposures and

the steps taken by management to limit the risks of adverse exchange rate movement, if material.

- N. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc., if any.

While formulating and approving policies concerning appointment of directors and other senior officers, board diversity, remuneration and evaluation, the Board seeks to ensure business continuity with due weightage to succession planning.

2.9 Performance evaluation of Directors

The Nomination and Remuneration Committee of the Board laid down the criteria for performance evaluation of all Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

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.

2.10 Non-executive Directors' compensation and disclosures

Except sitting fees for attending meetings of Board and Committee thereof, Non-executive Directors (including Independent Directors) are not paid fixed fees/ remuneration.

2.11 Other Provisions as to Board and Committees

The Board met twelve times during the year and the time gap between any two meetings did not exceed 120 days.

3. AUDIT COMMITTEE

In terms of provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations, Audit Committee of the Board of Directors presently consists of three Non-executive Independent Directors. The role of the Audit Committee is to provide directions to and oversee the internal audit and risk management functions, review of financial results and annual financial statements, interact with statutory auditors and such other matters as are required in terms of the Companies Act, 2013 and SEBI Listing Regulations.

Constitution of the Audit Committee complies with requirements of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 with all members being financially literate and most having accounting or related financial management expertise.

3.1 Composition

As on date, the Audit Committee comprises of three (3) Independent Directors. The members of the Audit Committee are Mr. Piyush Kankrania (Chairman), Mr. Rajesh Kumar Jain and Mr. Jyotirindra Nath Dey, all of whom possess accounting and financial management expertise/ exposure. Mr. Nitesh Kumar, Company Secretary acts as the Secretary to the Audit Committee. Mr. Piyush Kankrania, the Chairman – Audit Committee was present at the Annual General Meeting held on September 28, 2015.

Chief Financial Officer, Internal Auditors, Statutory Auditors, Cost Auditors, Manager Accounts attend meetings of the Committee as invitees.

3.2 Terms of reference

The Audit Committee is empowered, pursuant to its terms of reference in brief, inter alia, to:

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with reasonable expertise, if considered necessary.
5. Review of internal audit function and discussion on internal audit reports
6. Review of vigil mechanism and above all adequacy of internal control systems.
7. Review of risk management policies especially enterprise level risk management.

Compliance and other related aspects

- Disclosure of related party transactions and subsequent modifications, if any.
- Scrutiny of inter-corporate loans and investments.

- Valuation of undertakings or assets of the company.
- Uses/application of funds raised through an issue.
- Review and recommendation of appointment, remuneration and terms of appointment of statutory auditors.
- Review of other services rendered by the statutory auditors.
- Review of the management discussion and analysis of the financial conditions and results of operations, significant related party transactions, management letters issued by statutory auditors, internal audit reports.

The Audit Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the Listing Regulations and provisions of Section 177 of the Companies Act, 2013.

The minutes of each Audit Committee are placed and discussed at the meeting of the Board. The Audit Committee role, powers, function etc. of the Audit Committee has been reconstituted in accordance with Section 177 of the Companies Act, 2013 and Listing Regulations. The recommendations of the Audit Committee are placed before the Board for its consideration and approval.

3.3 Meetings and Attendance

A total of Ten Audit Committee Meetings were held in the financial year 2015–16. The meetings were held on 14.05.2015, 27.05.2015, 30.05.2015, 28.07.2015, 28.08.2015, 23.10.2015, 13.02.2016, 16.02.2016, 17.03.2016 and 30.03.2016.

The composition of the Committee and details of attendance at the Meetings are as follows:

Names	Designation	Category	Committee Meeting Attended
Mr. P. Kankrania	Chairman	Independent	10
Mr. J. N. Dey	Member	Independent	10
Mr. R. K. Jain	Member	Independent	10

Audit Committee has powers prescribed under Regulation 18(3) of the Listing Regulations and the scope of activities of the Audit Committee is prescribed in Part C of Schedule II of this Regulation. Audit Committee also mandatorily reviews the information prescribed under Part C of Schedule III.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of Section 178 (5) of the Act, read with Regulation 20 of the Listing Regulations the Board has constituted Stakeholders' Relationship Committee ("SRC"). As per the Listing Regulations, the Committee

shall specifically look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

4.1 Composition

During the year ended 31st March, 2016, the Stakeholders Relationship Committee comprised of Mr. Rajesh Kumar Jain, an Independent Director, as the Chairman and Mr. Piyush Kankrania and Mr. Jyotirindra Nath Dey all independent Directors as Members. Mr. Nitesh Kumar, Company Secretary acts as the Secretary to the Committee and also as the Compliance Officer.

The Committee, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with transfer of securities of the Company. The Committee also looks into redressal of shareholders'/investors' complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.

A status report of shareholder complaints and redressal thereof is prepared and placed before the Stakeholders Relationship Committee. The shareholders/investors can register shares related complaints, if any, in the e-mail Id nitesh@gallantt.com designated exclusively for the purpose.

4.2 Meetings and Attendance

A total of one Stakeholders Relationship Committee Meeting was held in the financial year 2015–16. The meetings were held on 21.03.2016.

The composition of the Committee and details of attendance at the Meetings are as follows:

Names	Designation	Category	Committee Meeting Attended
Mr. R. K. Jain	Chairman	Independent	1
Mr. P. Kankrania	Member	Independent	1
Mr. J. N. Dey	Member	Independent	1

Sl. No.	Particulars	Numbers
1.	Complaints pending as on 1 April, 2015	0
2.	Complaints received during the year ended 31 March, 2016	1
3.	Complaints disposed of during the year ended 31 March, 2016	1
4.	Complaints pending as on 31 March, 2016	1

As required under Regulation 40(10) of the Listing Regulations entered into by Gallantt Ispat with stock

exchanges, a certificate is obtained every six months from a practising Company Secretary that all transfers have been completed within the stipulated time. The certificates are forwarded to BSE and NSE.

In terms of SEBI's circular no. D&CC/FITTC/CIR-16 dated December 31, 2002, as amended vide circular no. CIR/MRD/DP/30/2010 dated September 6, 2010 an audit is conducted on a quarterly basis by a practicing Company Secretary, for the purpose of, inter alia, reconciliation of the total admitted equity share capital with the depositories and in the physical form with the total issued/paid up equity share capital of Gallantt Ispat. Certificates issued in this regard are forwarded to BSE and NSE, where the equity shares of Company are listed as well as to the two Depositories viz, NSDL and CDSL.

5. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178 of Companies Act, 2013, the Nomination and Remuneration Committee (NRC) of the Board of Directors was formed by the Board of Directors to oversee the Company's nomination process for the senior management and to decide their salary, perquisites and commission / performance linked remuneration etc., to be paid to them and other employees within the broad frame-work of the Policy, merit and Company's performance. Presently NRC consists of three Non-Executive Independent Directors.

5.1 Role of Nomination and Remuneration Committee

The role of the Remuneration and Nomination Committee in brief, inter alia, includes:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Committee also co-ordinates and oversees the annual self-evaluation of the performance of the Board, Committees and of individual Directors.

5.2 Meetings and Attendance

During the year ended 31st March, 2016, the NRC comprised of Mr. Jyotirindra Nath Dey, an Independent Director, as the Chairman and Mr. Piyush Kankrania and Mr. Rajesh Kumar Jain all independent Directors as Members. Mr. Nitesh Kumar, Company Secretary acts as the Secretary to the Committee.

A total of one Nomination and Remuneration Committee Meeting was held in the financial year 2015-16. The meeting was held on 21.03.2016.

The composition of the Committee and details of attendance at the Meetings are as follows:

Names	Designation	Category	Meeting Attended
Mr. J. N. Dey	Chairman	Independent	1
Mr. P. Kankrania	Member	Independent	1
Mr. R. K. Jain	Member	Independent	1

5.3 Nomination and Remuneration Policy of the Company

The Remuneration Policy of the Company is designed to attract, motivate and retain manpower. This Policy applies to directors and senior management including its Key Managerial Personnel (KMP) and other employees of the Company.

The remuneration of the Managing Director, Executive Director and KMPs of the Company is recommended by the Nomination and Remuneration Committee based on established criteria. Nomination and Remuneration Policy has been given on the Directors Report.

5.4 Remuneration of Directors

(a) Executive Directors (Managing / Whole-time Directors)

The aggregate value of salary and perquisites paid for the year ended 31st March, 2016 to Managing/Whole-time Directors are as follows:

Name	Designation	Aggregate Value of Salary & Perquisites (₹ In Lacs)
Mr. Chandra Prakash Agrawal	Chairman and Managing Director	13.20
Mr. Prem Prakash Agarwal	Wholetime Director	13.20
Mr. Nitin M Kandoi	Director - Plant Operation	13.20
Mr. Santosh Kumar Agrawal	Director - Sales & Marketing	13.20

The Remuneration to the Executive Directors is determined by the Remuneration Committee within the statutory limit subject to the approval of shareholders of the Company. As per the agreement entered into with the Executive Directors there is no provision for severance fees to the Directors on termination of the employment. Further, the Company has not yet introduced any stock option to its Directors/Employees. The Executive Directors is under a contract period of 5 years.

(b) Non-Executive Directors

Except sitting fees, the Company is not paying any remuneration to the Non-Executive Directors.

The Company has not paid any remuneration to Non-executive Directors other than sitting fees for attending the meetings of the Board and Committees of the Board of Directors of the Company.

5.5 Evaluation Criteria

The Company has adopted an Evaluation policy to evaluate performance of each director, the Board as a whole and its committees. Evaluation is also carried out by the Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act 2013 and Code for Independent Directors' as outlined under Schedule IV of the Companies Act, 2013. Such evaluation factors various criteria including contribution, domain expertise, strategic vision, industry knowledge, participation in discussions etc.

Names	Designation	Committee Meeting Attended
Mr. Jyotirindra Nath Dey	Chairman	4
Mr. Prem Prakash Agrawal	Member	4
Mr. Chandra Prakash Agrawal	Member	4

The Board of Directors of the Company has approved the CSR Policy of the Company on the recommendations of the CSR Committee. The details of the CSR initiatives of the Company form part of the CSR Section in the Annual Report. The CSR Policy has been placed on the website of the Company www.gallantt.com. and is form of part of this Annual Report.

7. SUBSIDIARY COMPANIES

During the Year Company has acquired shareholding of Shree Surabhi Wheat Products Private Limited (Surabhi Wheat) and Shree Surabhi Flour Mills Private Limited (Surabhi Flour). Consequent upon acquisition of more than 50% shareholding in Surabhi Wheat and Surabhi Flour, these Companies became subsidiaries of the Company. Your Company does not have any material unlisted Indian subsidiary, and hence, is not required to nominate an Independent Director of the Company on the Board of any material unlisted subsidiary.

Subsidiary companies of the Company are managed by their respective Board having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company monitors performance of unlisted subsidiary company, inter alia, by the following means:

- (i) Financial statements, in particular the investments made by the subsidiary company are reviewed by the Audit Committee of the Company.
- (ii) All minutes of Board meetings of subsidiary company are placed before the Company's Board on regular basis.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to Section 135 of Companies Act, 2013, the Corporate Social Responsibility Committee of the Board of Directors was formed by the Board of Directors. The composition of the CSR Committee is in line with provisions of Section 135 of the Companies Act, 2013.

6.1 Terms of reference

The CSR Committee is empowered pursuant to its terms of reference, inter alia, to:

1. Recommend the amount of expenditure to be incurred on the CSR activities;
2. Monitor implementation and adherence to the CSR Policy of the Company from time to time;
3. Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programmes/activities proposed to be undertaken by the Company; and
4. Such other activities as the Board of Directors may determine from time to time.

6.2 Meetings and Attendance

The Committee met four (4) times during the financial year ended 31st March, 2016 on 27.05.2015, 26.06.2015, 28.07.2015 and 21.03.2016. The constitution of the CSR Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year ended 31st March, 2016 is detailed below:

(iii) All significant transactions and arrangements entered into by the subsidiary company are reviewed on regular basis.

8. RISK MANAGEMENT

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes. Your Company laid down procedures to inform Board members about risk assessment and minimisation and has implemented the Risk Management plan and continuously monitors it.

Your company has identified the following risks:

Key Risk	Impact to Gallantt Ispat Limited	Mitigation Plans
Commodity Price Risk	Risk of price fluctuation on basic raw materials like Iron Ore, Coal, Chemicals, Scraps as well as finished goods used in the process of manufacturing.	The Company commands excellent business relationship with the business associates. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways. Also by focusing on new value added products helps in lowering the impact of price fluctuation in finished goods.
Uncertain global economic environment – slow growth in global economy	Impact on raw materials which are imported	We have internal procedure to mitigate the global adverse impact.
Interest Rate Risk	Any increase in interest rate can affect the finance cost	Any increase in interest rate can affect the finance cost. Dependence on debt is very minimum and we have surplus funds cushion to settle the entire debt in case the need arises. Further, the Company has repaid the Term Loan in full.
Foreign Exchange Risk	Your company does not have export sales. However, import raw materials from country outside India. Any volatility in the currency market can impact the overall profitability	The Company commands excellent business relationship with the sellers and suppliers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways.
Human Resources Risk	Your Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and non-availability of the required talent resource can affect the overall performance of the Company.	By continuously benchmarking of the best HR practices across the industry and carrying out necessary improvements to attract and retain the best talent. Also recruitment is across almost all states of India which helps to mitigate this risk and we do not anticipate any major issue for the coming five years.
Competition Risk	Your company is always exposed to competition Risk from Steel and Ago Manufacturers across the region. The increase in competition can create pressure on margins, market share etc.	By continuous efforts to enhance the brand image of the Company, quality, Cost, timely delivery and customer service.
Compliance Risk – Increasing regulatory requirements	Any default can attract penal provisions	By regularly monitoring and review of changes in regulatory framework. By monitoring of compliance through legal compliance Management tools and regular internal audit and secretarial audit.

Industrial Safety, Employee Health and Safety Risk	The Steel and Agro industry is labour intensive and are exposed to accidents, health and injury risk due to machinery breakdown, human negligence etc.	By development and implementation of critical safety standards across the various departments of the factory, establishing training need identification at each level of employee.
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9. RELATED PARTY TRANSACTIONS

In terms of the Accounting Standard-18 "Related Party Disclosures", as prescribed under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, the Company has identified the related parties covered therein and details of transactions with such related parties have been disclosed in Note No. 31 to the Accounts forming part of this Annual Report.

Transactions with related parties entered into by the Company are in the ordinary course of business and on arm's length basis and do not have potential conflicts with the Company. Further, these transactions are also placed in the Audit Committee Meeting(s) for its prior approval or omnibus approval. There is no materially significant related party transaction during the financial year ended March 31 2016.

10. DISCLOSURES

10.1 Related Party Transactions

The policy on Related Party Transactions is hosted on the website of the Company www.gallantt.com

10.2 Compliances by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above.

10.3 Code of Conduct for Directors and Senior Management

The Board of Directors of the Company has adopted a Code of Conduct for Directors and Senior Management and the same is available on Company's website at www.gallantt.com.

10.4 Prevention of Insider Trading Code

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window for dealing in securities of the Company is closed as per the provisions of the code.

10.5 Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on accrual basis under the historical cost convention.

Your Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standards.

10.6 Remuneration of Directors Criteria for making payments to Non-executive Directors (including Independent Directors)

The Non-executive Directors (including Independent Directors) of the Company are paid remuneration by way of sitting fees for attending meeting of Board and Committee thereof.

Details of payment of Sitting Fee for the year 2015-16 are as follows:

Name of Director	Sitting Fees (₹)
Mr. Jyotirindra Nath Dey	29,000
Mr. Rajesh Kumar Jain	23,000
Mr. Piyush Kankrania	24,000
Mrs. Sangeeta Upadhyay	11,000
TOTAL	87,000

10.7 Management

Management Discussion and Analysis Report comprising of all information as prescribed under Listing Regulations is attached to the Directors' Report.

Disclosures have been made by the Senior Management relating to all material, financial and commercial transactions with personal interests, if any. Based on the declarations made, no transaction was in conflict with the interest of the Company.

10.8 CEO / CFO Certification

The CEO and the CFO of the Company have certified to the Board with regard to the compliance in terms of Regulation 17(8) of SEBI Listing Regulations and that the certificate forms part of the Annual Report.

10.9 Status of compliance of Non-Mandatory requirements under regulation 27(1) of SEBI Listing Regulations

The Company complies with the following non-mandatory requirements:

1. The Auditors have expressed no qualification in their report.
2. The Company has appointed separate persons to the post of the Chairman and the Managing Director/CEO.
3. The Internal auditor periodically reports to the Audit Committee.

10.10 Whistle Blower Policy

The Board of Directors of the Company has adopted a Whistle Blower Policy to establish a vigil mechanism and the same is available on Company's website at www.gallantt.com. No person has been denied access to the Audit Committee.

10.11 Proceeds from Preferential Issue

Your Company has not raised fund through Preferential Issue.

10.12 Shareholders

The details relating to appointment and re-appointment of Directors as required under Listing Regulations is provided in the Notice to the Annual general Meeting.

11. MEANS OF COMMUNICATION

- (i) The quarterly and annual results are published in the Business Standard (English) - All Editions and Ekdin (Bengali) edition. The quarterly and

annual results of the Company are available on the Company's website at www.gallantt.com

- (ii) The quarterly and annual results are filed with the Stock Exchanges in terms of Regulation 33(3) of SEBI Listing Regulations
- (iii) The following are displayed on the Website of the Company i.e. www.gallantt.com:
 - Business of the Company;
 - Terms and conditions of appointment of Independent Directors;
 - Composition of various committees of the Board
 - Whistle Blower Policy
 - Annual Report of the Company;
 - Policy on dealing with related party transactions;
 - Policy for determining material subsidiaries;
 - Details of familiarization programs for Independent Directors;
 - Standalone and Consolidated Quarterly and Annual Financial Results of Company;
 - Shareholding Pattern;
 - Company Profile;
 - Code of Conduct for the Directors and Senior Management;
 - Contact information - for solving any investor's queries.
 - Other information as required under regulation 46 of SEBI Listing Regulations.
 - Management Discussion and Analysis Report forms part of the Annual Report.

12. GENERAL SHAREHOLDER INFORMATION

12.1 Date, Time and Venue of 12th AGM

Monday, 26th September, 2016 at 2.00 P.M. at Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017.

12.2 Financial Year

The Financial Year is for 12 (twelve) months from April 1, 2015 to March 31, 2016.

12.3 General Body Meetings

Location and time of last 3 Annual General Meetings are as under:

Year	Venue	Date	Time
2015	NAZRUL MANCH, Office of the Municipal Councillors, Kamarhati, 1, M.M. Feeder Road, P.O. - Belgharia, Kolkata - 700 056	28.09.2015	11.00 A.M.
2014	RABINDRA OKARURA BHAVAN, DD-27/A/1, Sector – 1, DD Block, Salt Lake City - Kolkata – 700 091	09.09.2014	11.30 A.M.
2013	RABINDRA OKARURA BHAVAN, DD-27/A/1, Sector – 1, DD Block, Salt Lake City - Kolkata – 700 091	19.09.2013	11.30 A.M.

12.4 Special Resolutions passed in the previous three Annual general Meetings are as follows:

AGM	AGM DATE	SPECIAL RESOLUTION PASSED
2015	28.09.2015	No Special Resolution passed.
2014	09.09.2014	1. Approval of borrowing limits of the Company 2. Creation of Charge on the assets of the Company 3. Adoption of New set of Articles of Association of the Company. 4. Appointment of Mrs. Madhu Agrawal as Senior Executive (Office Administration-Works)
2013	19.09.2013	1. Reappointment of Mr. Chandra Prakash Agarwal as a Chairman and Managing Director 2. Reappointment of Mr. Prem Prakash Agarwal as a Whole-time Director 3. Appointment of Mrs. Uma Agrawal as a Senior Executive (Office Administration) of the Company 4. Appointment of Mrs. Shyama Agrawal as a Senior Executive (Personnel) of the Company 5. Appointment of Mrs. Shruti Kandoi as a Senior Executive (MIS) of the Company 6. Increase in Remuneration of Mr. Mayank Agrawal as a Senior Executive (Office Administration) of the Company 7. Appointment of Mrs. Pallavi Agrawal as a Senior Executive (Corporate Communication) of the Company

12.5 Extraordinary General Meeting

No Extra-ordinary General Meeting of the members was held during the year

12.6 Postal Ballot

Detail of postal ballot conducted by the Company during last year is as follows:

Resolutions Passed	Vote in Favour		Vote in Against	
	No. of Votes	%	No. of Votes	%
Special Resolution: Sale of Flour Mills Unit Of The Company Located At Gram-Mauja- Chipli, Thana-Durgavati, District-Kaimur (Bhabhua), Bihar	1,36,98,862	100	NIL	NIL
Ordinary Resolution: Approval of Related Party Transaction under Section 188 of the Companies Act, 2013 for Sale of Flour Mills Unit of the Company located at Gram-Mauja- Chipli, Thana-Durgavati, District-Kaimur (Bhabhua), Bihar to Shree Surabhi Wheat Products Private Limited, a Subsidiary Company of the Company	1,36,98,862	100	NIL	NIL
Special Resolution: Sale of Flour Mills Unit of the Company Located at 60 KM Stone, Gorakhpur-Lucknow Highway, Sabdaiyan Kalan, Basti, Uttar Pradesh	1,36,98,862	100	NIL	NIL
Special Resolution: Alteration of Main Objects to be pursued by the Company –Main Objects Clause of Memorandum of Association of the Company by Addition in New Clause in The Main Object Clause	1,36,98,862	100	NIL	NIL
Special Resolution: Amendments to Clause III B and Clause III C of The Memorandum of Association	1,36,98,862	100	NIL	NIL
Special Resolution: Amendment to Clause IV of the Memorandum of Association	1,36,98,862	100	NIL	NIL

Mr. Tanmay Kumar Saha, Company Secretary was appointed as Scrutinizer for the postal ballot.

Procedure for Postal Ballot:

In compliance with Regulation 44 of the Listing Regulations and Sections 108, 110 and other applicable provisions of the Act, read with related Rules, the Company provided electronic voting facility to all its Members, to enable them to cast their votes electronically. The Company engaged the services of NSDL for the purpose of providing e-voting facility to all its Members. The Members had the option to vote either by physical ballot or by e-voting.

The Company dispatched the postal ballot notices and forms along with postage pre-paid business reply envelopes to its Members whose names appear in the Register of Members/ the List of beneficiaries as on the cut-off date. The Postal Ballot Notice was sent to members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding)/the Company's Registrar and Transfer Agents (in case of physical shareholding). The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and the applicable Rules.

Voting rights are reckoned on the paid-up value of shares registered in names of Members as on the cut-off date. Valid Votes cast physically and through e-voting were considered by the scrutinizer for the purpose of their report.

The Scrutinizer submitted their report to the Chairman, after the completion of scrutiny and the consolidated results of the voting by shareholders. The Chairman announced the result on March 29, 2016. The result was placed on the website of the Company www.gallantt.com besides being communicated to the Stock Exchanges, Depositories and the Registrar and Transfer Agent.

12.7 Court Convened Meeting of Shareholders

During the year no Court Convened Meeting convened and held.

12.8 Financial Calendar – 2015-2016

Adoption of Quarterly/ Annual Results for the quarter/period ended	Date of Board Meetings	Date of publication	Name of Newspapers
March 31, 2015 (Quarterly Results)	27.05.2015	28.05.2015	Business Standard (English) - All Editions and Ekdin (Bengali)
June 30, 2015 (Quarterly Results)	28.07.2015	29.07.2015	Business Standard (English) - All Editions and Ekdin (Bengali)
September 30, 2015 (Quarterly Results)	23.10.2015	24.10.2015	Business Standard (English) - All Editions and Ekdin (Bengali)
December 31, 2015 (Quarterly Results)	13.02.2016	14.02.2016	Business Standard (English) - All Editions and Ekdin (Bengali)
March 31, 2016 (Annual Results)	30.05.2016	01.06.2016	Business Standard (English) - All Editions and Ekdin (Bengali)

12.9 Interim Dividend payment date:

Interim dividend declared by the Board on March 17, 2016 was paid on or after March 31, 2016.

12.10 Listing on Stock Exchanges

The equity shares of the Company are listed on the following Stock Exchanges:

BSE Limited

Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai - 400 001.

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor, Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051.

The Company confirms that the annual listing fees to both the stock exchanges for the financial year 2016-17 have been paid.

12.11 Name of Depositories for dematerialisation of equity shares

Name of the depository	
National Securities Depository Limited (NSDL)	INE528K01011
Central Depository Services (India) Limited (CDSL)	INE528K01011

The equity shares are quoted under the following Codes

Stock Exchanges	
BSE Limited, Mumbai (BSE)	533265
National Stock Exchange of India Limited, Mumbai (NSE)	GALLISPAT

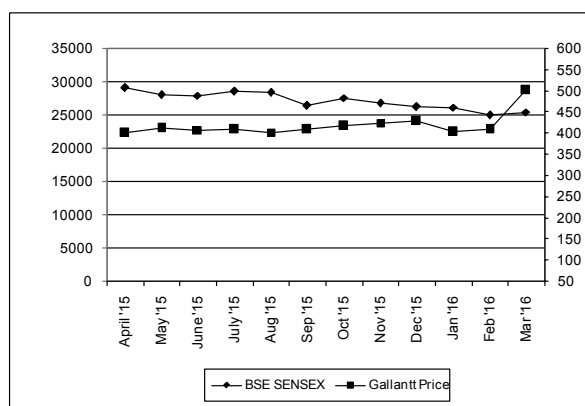
12.12 Market Price Data- High, Low During Each Month in Last Financial Year

Monthly high and low quotations of shares traded on Bombay Stock Exchange Ltd. and National Stock Exchange of India Limited for the Year 2015-16.

Amount in ₹

Month	BSE				NSE			
	Open Price	High Price	Low Price	Close Price	Open Price	High Price	Low Price	Close Price
Apr-15	404.50	407.50	399.40	400.80	404.50	407.55	398.00	400.55
May-15	401.50	418.00	399.60	412.70	401.50	420.00	399.40	412.65
Jun-15	412.50	413.00	404.40	408.30	412.50	413.00	404.20	408.00
Jul-15	408.50	410.00	404.00	409.80	408.55	410.00	403.05	408.85
Aug-15	407.50	410.00	398.00	402.20	407.50	410.20	398.00	402.40
Sep-15	401.50	413.00	400.00	410.40	402.00	413.20	400.00	410.80
Oct-15	411.00	424.00	407.80	417.40	411.00	424.50	408.00	417.10
Nov-15	418.30	426.00	417.00	425.50	417.85	435.00	416.80	425.55
Dec-15	425.30	432.10	424.00	429.70	425.25	432.00	424.05	429.85
Jan-16	430.00	430.60	403.00	404.30	430.00	430.40	342.55	404.25
Feb-16	404.60	409.20	402.80	409.00	404.40	420.00	403.00	408.40
Mar-16	408.90	505.50	368.00	502.80	408.85	505.40	368.20	502.65

12.13 Performance in comparison with BSE Sensex – April, 2015 to March, 2016



12.14 Compliance Certificate

Compliance Certificate for Corporate Governance from the Auditors of the Company is annexed herewith.

12.15 Means of Communication

In accordance with Regulation 46 of the Listing Regulations and erstwhile Clause 54 of the Listing Agreement, the Company has maintained a functional website at www.gallantt.com containing basic information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. The contents of the said website are updated from time to time.

Information like quarterly / half yearly / annual financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board to enable them to put them on their websites and communicate to their members. In terms of Regulation 47 of the Listing Regulations the quarterly / half-yearly / annual financial results are also published in the prescribed format within 48 hours of the conclusion of the meetings of the Board in which they are considered and approved, in one English newspaper circulating in the whole or substantially the whole of India and in one vernacular newspaper of West Bengal. These results are simultaneously posted on the website of the Company at www.gallantt.com.

Stock exchange Listing Regulation compliances and all other compliances are filed electronically on NEAPS and BSE Listing Centre. Neaps stands for NSE Electronic Application Processing System. Neaps and BSE Listing Centre are web based application designed by Stock Exchanges for Corporates.

12.16 Compliance Officer

The Board has designated Mr. Nitesh Kumar, Company Secretary as the Compliance Officer.

Address: 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata - 700 069. Telfax : +91-33-40642189

- 12.17 Registered Office** 1, Crooked Lane, Second Floor, Kolkata - 700 069.
Telfax : +91-33-40642189, Website : gallantt.com
E-mail: nitesh@gallantt.com
- 12.18 Works Office** Plot No. AL-5, Sector - 23, Gorakhpur Industrial Development Authority (GIDA),
Sahjanwa, Gorakhpur, U.P.
Tele : +91-551-2700302, Fax : +91-551-2700320
- 12.19 Registrar and Share Transfer Agent** Share transfers in physical form and other communication regarding share Transfer, certificates, dividends, change of address, etc. may be addressed to:
NICHE TECHNOLOGIES PVT. LTD.
D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata- 700 001
Phone Nos. : +91-33-22156823, Fax No. : +91-33-22156823
Contact Person : Mr. S. Abbas
E-mail: nichetechpl@nichetechpl.com • Web-site: www.nichetechpl.com
- 12.20 Dividend** An Interim dividend of Re. 1.00 per equity share have been credited / dispatched on or after 31st March, 2016 for the Financial Year 2015-16.

12.21 Share Transfer System

Shares sent for transfer in physical form are normally registered by our Registrar and Share Transfer Agents within 15 days of receipt of the documents, if documents are found in order. Share under objection are returned within two weeks.

12.22 Dematerialisation of Shares and Liquidity

The Shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both NSDL and CDSL 100.00% (approx.) of Equity Shares have been dematerialized as on 31st March, 2016.

12.23 Distribution of Shareholding

The distribution of shareholding as on 31st March, 2016 was as follows :

No. of Shares held	Shareholders		Shares	
	Number	% to total	Number	% to total
Upto 500	838	89.82	53,773	0.19
501-1,000	24	2.57	19,316	0.07
1,001-5,000	23	2.47	48,547	0.17
5,001-10,000	7	0.75	50,166	0.18
10,001-50,000	12	1.29	3,13,727	1.11
50,001-1,00,000	2	0.21	1,53,661	0.54
1,00,001 and Above	27	2.89	2,75,96,882	97.74
Total	933	100.00	2,82,36,072	100.00

12.24 Categories of shareholding as on 31st March, 2016

Category (as Gallantt reports to stock exchanges)	Shares Holdings	% of Total
PROMOTERS' HOLDING		
Promoters	1,76,74,039	62.59
Total Promoters' Holding	1,76,74,039	62.59
PUBLIC SHAREHOLDING		
Financial Institutions/Banks	100	0.00
Financial Institution Investor	7,750	0.03
Others :		
Bodies Corporate	87,92,841	31.14
Individuals	7,40,810	2.62
NRI/OCBs	9,49,503	3.36
Clearing Memb/Clearing Cor (Demat shares in transit)	71,029	0.25
Total Public Shareholding	1,05,62,033	37.41
GRAND TOTAL	2,82,36,072	100

12.25 Details of Dividend

The details of dividend declared and paid by the Company for the last years are as below:

Year	Percentage (%)	In Rupee per Equity Share	Dividend Amount (₹)
2010-11	5	Re. 0.50 (Paise Fifty per Share only)	₹ 1,33,83,252.50
2011-12	5	Re. 0.50 (Paise Fifty per share only)	₹ 1,33,83,252.50
2012-13	5	Re. 0.50 (Paise Fifty per share only)	₹ 1,46,33,252.50
2013-14	5	Re. 0.50 (Paise Fifty per share only)	₹ 1,46,33,252.50
2014-15	10	Re. 1.00 (Rupee One per share Only)	₹ 2,82,36,072.00
2015-16 (Interim)	10	Re. 1.00 (Rupee One per share Only)	₹ 2,82,36,072.00

12.26 Green Initiative

The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No. 17/11 dated April 21, 2011 and Circular No. 18/2011 dated April 29, 2011, has allowed companies to send Annual Report comprising of Balance Sheet, Statement of Profit & Loss, Directors' Report, Auditors' Report etc. through electronic mode to the registered e-mail address of the members. Keeping in view the underlying theme and the circulars issued by MCA, we propose to send future communications in electronic mode to the e-mail address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit.

Members who hold shares in physical form and desire to receive documents in electronic mode are requested to provide their details (name, folio no. E-mail id) on the Company's e-mail address viz. nitesh@gallantt.com. Members who hold shares in electronic form are requested to get their details updated with the respective Depositories.

12.27 Corporate Identity Number (CIN)

L27109WB2005PLC101650

12.28 Investor's Correspondence

For investor matters:

Nitesh Kumar

Company Secretary and Compliance Officer

Secretarial Department

Gallantt Ispat Limited

1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata-700 069 (W.B.)

Telefax : +91-33-40642189

12.29 Web Links in terms of Regulation 46 of SEBI Listing Regulations

OTHER CODE AND POLICIES:

Policy on Material Subsidiaries

<http://gallantt.com/pdfs/policy%20on%20material%20subsidiary/GIL/GIL-MATERIAL%20SUBSIDIARY.pdf>

Remuneration Criteria for Non-Executive Directors

<http://gallantt.com/pdfs/Remuneration%20Criteria%20Non-Executive%20Director/GIL/GIL%20NED%20REMUNERATION.pdf>

This is to certify that the information given above is true and correct.

12.30 The disclosure as required under Schedule V of the Listing Regulations is given below

- aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year : Nil
- number of shareholders who approached the Company for transfer of shares from suspense account during the year : Nil
- number of shareholders to whom shares were transferred from suspense account during the year : Nil
- aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year : Nil

12.31 Status of compliance of Non-Mandatory requirements under regulation 27(1) of SEBI Listing Regulations

The Company complies with the following non-mandatory requirements:

1. The Auditors have expressed no qualification in their report.
3. The Company has appointed separate persons to the post of the Chairman & Managing Director and CEO.
3. The Internal auditor periodically reports to the Audit Committee.

For and on Behalf of the Board

Place: Kolkata

Date: August 08, 2016

C. P. Agrawal
Chairman

DECLARATION

As per regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have affirmed to the compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended March 31, 2016.

Kolkata
August 08, 2016

C. P. Agrawal
Chairman and Managing Director

Mayank Agrawal
Chief Executive Officer

INDEPENDENT AUDITOR'S CERTIFICATE TO THE MEMBERS OF GALLANTT ISPAT LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Gallantt Ispat Limited ("the Company") for the year ended on 31 March 2016, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [collectively referred to as "SEBI Listing Regulations, 2015"]/Clause 49 of the Listing Agreements of the Company with stock exchanges in India (as applicable).
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the fifteen months ended March 31, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Kolkata
Date: 08.08. 2016

For **Anoop Agarwal & Co.**
Chartered Accountants
Amit Kumar Srivastava
Partner
Membership No. 517195

CEO/CFO CERTIFICATION

The Board of Director

Gallantt Ispat Limited

1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700 069.

Re: Financial Statements for the Financial year 2015-16 – Certificate by CEO and CFO

We, Mayank Agrawal, CEO and Mr. Amit Jalan, Chief Financial Officer of Gallantt Ispat Limited on the review of financial statements and cash flow statement for the year ended 31st March, 2016 and to the best of my knowledge and belief, hereby certify that:

1. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2016 which are fraudulent illegal or violative of Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls, for financial reporting. We have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have not noticed any deficiency in the design of operation of such internal controls, or of which we are aware that needs to be rectified, or informed to the auditors and the Audit Committee.
5. During the year it was disclosed to the Auditors and the Audit Committee that:
 - (1) There were no significant changes in internal control over financial reporting;
 - (2) No significant changes in accounting policies were made during the year except for change in the accounting policy on revaluation of certain fixed assets; and
 - (3) No instances of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting, has come to our notice.

Kolkata
August 08, 2016

Amit Jalan
Chief Financial Officer

Mayank Agrawal
Chief Executive Officer

Financial Reports

INDEPENDENT AUDITOR'S REPORT to the shareholders

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of GALLANTT ISPAT LIMITED ('The Company'), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles Generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there-under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- b) in the case of the Statement of Profit & Loss, of the Profit of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on other legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f) On the basis of the information and explanations of the Company provided to us, the internal financial control, framework the report of the internal auditor and in our opinion, the Company has adequate internal financial control systems in place and operating effectiveness of such controls.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Anoop Agarwal & Co.
Chartered Accountants

(Amit Kumar Srivastava)
Partner
Membership No. 517195
Firm Reg. no. 001739C

Place: Kolkata
Dated: 30.05.2016

Annexure to the Independent Auditor's Report to the Shareholders

Annexure to the Independent Auditor's Report to the Shareholders

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
- (c) According to the information and explanation given to us, the title deeds of immovable properties of the Company are held in the name of the Company.
2. The inventories have been physically verified during the year by the management and in our opinion, the frequency of verification is reasonable.
As explained to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investment, guarantees and security.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year. Therefore, the provisions of clause 3(v) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.

6. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the records with a view to determine whether they are accurate and complete.

7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, custom duty, excise duty, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of value added tax have not been deposited by the Company on account of disputes given below :

Statute	Nature of dues	Forum where dispute is Pending	Period to which the amount relates	Amount involved (₹ in Lakh)
UP VAT ACT 2008	VAT	Government of Uttar Pradesh	August 2011 to March 2016	7,219.01 (Refer Note no. 39)

8. Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to financial institution, bank, Government or dues to debenture holders. There were no debenture holders at any time during the year.
9. In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of Initial Public offer or further public offer or new term loans during the year. However, the term loans outstanding at the beginning of the year have been applied for the purpose for which the loans were raised.
10. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the company by its officers or employees during the year was noticed or reported, nor have we been informed of such case by the management.
11. In our opinion, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion, the Company is not a Nidhi company. Therefore the provisions of clause 3 (xii) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares, or fully or partly convertible debentures during the year under review and therefore, the provisions of clause 3(ix) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the company has not entered in to any non-cash transactions with directors or persons connected with him.
16. In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Anoop Agarwal & Co.**
Chartered Accountants

(Amit Kumar Srivastava)
Partner

Place: Kolkata
Dated: 30.05.2016

Membership No. 517195
Firm Reg. no. 001739C

Annexure to the Independent Auditor's Report on Standalone Financial Statements

Report on the Internal Financial Controls Under Clause (I) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("The Act")

To
The Members of
Gallantt Ispat Limited

We have audited the internal financial controls over financial reporting of GALLANTT ISPAT LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

EXPLANATORY PARAGRAPH

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of Company, which comprise the Balance Sheet as at March 31, 2016, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated 30 May, 2016 expressed an unqualified opinion thereon.

For **Anoop Agarwal & Co.**
Chartered Accountants

(Amit Kumar Srivastava)
Partner
Membership No. 517195
Firm Reg. no. 001739C

Place: Kolkata
Dated: 30.05.2016

Balance Sheet as at 31st March, 2016

(₹ in lacs)

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
A. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
Share Capital	2	2,823.61	2,926.65
Share Capital Suspence		-	(103.04)
Reserves & Surplus	3	32,369.21	29,850.87
Sub Total		35,192.82	32,674.48
2 Non Current Liabilities			
Long Term Borrowings	4	-	450.00
Deferred Tax Liability	5	2,504.94	2,265.27
Other Long Term Borrowings	6	8,791.40	7,164.24
Sub Total		11,296.34	9,879.51
3 Current Liabilities			
Short Term Borrowings	7	8,697.21	5,598.74
Trade Payables	8	1,404.14	1,507.28
Other Current Liabilities	9	10,258.40	9,553.06
Short Term Provisions	10	11.89	388.75
Sub Total		20,371.64	17,047.83
TOTAL		66,860.80	59,601.82
B ASSETS			
1 Non Current Assets			
Fixed Assets			
Tangible Assets	11	24,809.42	26,552.44
Intangible Assets	12	0.20	0.20
Capital Work in Progress		2,297.51	781.55
Non Current Investments	13	7,930.18	3,930.18
Long Term Loans and Advances	14	33.10	37.44
Sub Total		35,070.41	31,301.81
2 Current Assets			
Inventories	15	4,868.69	5,082.35
Trade Receivables	16	3,867.81	4,480.75
Cash and Cash Equivalents	17	520.90	946.99
Short Term Loans and Advances	18	22,532.99	17,789.72
Other Current Assets	19	-	0.20
Sub Total		31,790.39	28,300.01
TOTAL		66,860.80	59,601.82
Notes forming part of Financial Statements	1 to 54		

As per our report of even date
For **ANOOP AGARWAL & CO.**
Chartered Accountants
Firm Regn. No. 001739C

(Amit Kumar Srivastava)
Partner
Membership No. 517195
Place : Kolkata
Dated : 30.05.2016

(C.P. Agrawal)
Chairman & Managing Director

(Amit Jalan)
Chief Financial Officer

(S.K. Agrawal)
Whole time Director

(Nitesh Kumar)
Company Secretary

Statement of Profit & Loss for the year ended 31st March, 2016

(₹ in lacs)

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Particulars	Note No.	Year ended 31st March, 2016	Year ended 31st March, 2015
A. REVENUE			
Revenue from Operations	20	53,475.85	56,074.10
Other Income	21	20.36	272.13
Total (A)		53,496.21	56,346.23
B. EXPENSES			
Changes in Inventories of Finished Goods	22	(315.34)	70.20
Cost of Materials consumed	23	40,903.50	43,586.60
Employee Benefit Expenses	24	640.33	679.17
Financial Costs	25	761.72	960.51
Depreciation and Amortization Expenses	26	1,390.50	1,459.90
Other Expenses	27	7,013.34	6,529.17
Total (B)		50,394.05	53,285.55
Profit before Exceptional & Extraordinary Items and Tax (A)-(B)		3,102.16	3,060.68
Less: Exceptional & Extraordinary Items (Preliminary Exp. w/o)		0.20	25.21
Profit before Tax		3,101.96	3,035.47
Prior Period Items		(3.29)	(17.76)
Profit After Prior Period Exp but before Tax		3,098.67	3,017.71
Tax Expense:			
- Current Tax		661.31	632.52
- Less: Mat Credit		(661.31)	(632.52)
- Deferred Tax		239.67	306.78
Total Tax		239.67	306.78
Profit for the year		2,859.00	2,710.93
Basic (₹)		10.13	9.60
Diluted (₹)		10.13	9.60
Notes forming part of Financial Statements	1 to 54		

As per our report of even date
For **ANOOP AGARWAL & CO.**
Chartered Accountants
Firm Regn. No. 001739C

(Amit Kumar Srivastava)
Partner
Membership No. 517195
Place : Kolkata
Dated : 30.05.2016

(C.P. Agrawal)
Chairman & Managing Director

(Amit Jalan)
Chief Financial Officer

(S.K. Agrawal)
Whole time Director

(Nitesh Kumar)
Company Secretary

Cash Flow Statement for the year ended 31st March, 2016

(₹ in lacs)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	3,098.67	3,017.70
Add:		
- Depreciation	1,390.50	1,459.90
- Interest Paid	761.72	960.51
- Misc. Expenditure Written Off during the year	0.20	25.21
- Loss on sale of Assets	7.00	-
- Expenses relating to earlier years	-	17.76
	5,258.09	5,481.08
Less: Profit on sale of Assets	-	254.08
Less: Income Tax Paid	649.41	583.62
Cash Flow from Operating Activities before Working Capital changes	4,608.68	4,643.38
Changes in Working Capital:		
- Change in Inventories	213.65	(97.53)
- Change in Trade receivables	612.94	(834.57)
- Change in Short Term Loans & Advances	(4,081.96)	(3,813.53)
- Change in Short Term Borrowings	3,098.47	615.14
- Change in Trade Payables	(103.14)	1,328.00
- Change in Other Current Liabilities	705.34	2,397.66
- Change in Short Term Provisions	(388.75)	(10.18)
- Change in other current Assets	-	25.21
Net Cash Flow from Operating Activities (A)	4,665.23	4,253.58
B CASH FLOW FROM INVESTING ACTIVITIES		
Change in Fixed Assets	344.70	273.02
Changes in Investment	(4,000.00)	(1,767.42)
Change in Capital WIP	(1,515.96)	(737.57)
Net Cash Flow from Investing Activities (B)	(5,171.26)	(2,231.97)

Cash Flow Statement for the year ended 31st March, 2016

(₹ in lacs)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(761.72)	(960.51)
Dividend Paid	(339.84)	(119.97)
Change in Long Term Loans & Advances	4.35	12.61
Change in Long Term Borrowing	(450.00)	(2,374.00)
Change in Other Long Term Borrowing	1,627.16	1,680.84
Net Cash Flow from Financing Activities (C)	79.95	(1,761.03)
Net Cash Inflow / (Outflow)- (A to C)	(426.08)	260.58
Add: Opening Balance of Cash & Cash Equivalent	946.98	686.40
Closing Balance of Cash & Cash Equivalents	520.90	946.98
Cash & Cash Equivalent comprises of :		
(i) Cash in hand	215.55	630.78
(ii) Balance with Banks		
- Fixed deposits with Banks	172.57	302.58
- Balance with Banks	132.78	13.62
Total	520.90	946.98

As per our report of even date

For **ANOOP AGARWAL & CO.**

Chartered Accountants

Firm Regn. No. 001739C

(Amit Kumar Srivastava)

Partner

Membership No. 517195

Place : Kolkata

Dated : 30.05.2016

(C.P. Agrawal)

Chairman & Managing Director

(Amit Jalan)

Chief Financial Officer

(S.K. Agrawal)

Whole time Director

(Nitesh Kumar)

Company Secretary

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Notes to the Financial Statements as at and for the year ended 31st March, 2016

Corporate Information

1. Corporate Information

Gallantt Ispat Limited ('the Company' / 'GIL'), incorporated in the year 2005, is engaged in the business of Iron & Steel, Agro and Power. The Company was promoted by M/s. Gallantt Metal Limited, Chandra Prakash Agrawal, Mr. Prem Prakash Agrawal, Mr. Nitin M Kandoi and M/s. Chandra Prakash Agrawal & Sons (HUF). Company floated its capital base by coming out with Initial Public Offerings of Equity Shares in the year 2010. Company is listed on both the premier stock exchanges viz. Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Note 1: Significant Accounting Policies

1) Disclosure of Accounting Policies (AS-1)

a) Nature of Operation

Company is engaged in the business of manufacturing of iron & steel and agro products backed up by captive power plant through its factories located at Gallantt Estate, Sahjanwa, Sector-23, Gorakhpur Uttar Pradesh. Company procures its raw materials from various suppliers and coal used in the plants are purchased indigenously as well as imported from countries outside India. Manufactured goods are sold in domestic markets.

b) Accounting Concepts & Basis of Presentation

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the Act 1956"), as applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. GAAP comprises mandatory accounting standards as specified in the Companies (Indian Accounting Standards) Rules, 2015, the provisions of the Act, 2013 / the Act 1956 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a

revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

c) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2) Valuation of Inventories (AS-2)

- a) Stock of Raw Materials, Stores and spare parts are valued at cost. Costs of Inventories are ascertained on FIFO basis.
- b) Stock of Finished goods and semi-finished goods are valued at cost or net realizable value whichever is lower.
- c) Waste and scraps are accounted at estimated realizable value. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges

3) Cash Flow Statement (AS – 3)

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short term investments with an original maturity of three months or less.

4) Contingencies and Events Occurring after Balance Sheet Date (AS -4)

Disclosure of contingencies as required by the accounting standard is furnished in the Notes on accounts.

5) Net Profit Or Loss for the Period, Prior Period Items And Changes In Accounting Policies (AS –5)

Net Profit or loss for the period and prior period items are shown separately in the Profit & Loss Account.

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as at and for the year ended 31st March, 2016

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6) Depreciation (AS – 6)

Depreciation is systematically allocated over the useful life of an asset as specified in part C of schedule II of Companies Act 2013. In respect of fixed assets (other than freehold land and capital work-in-progress) acquired during the year, depreciation/amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

7) Revenue Recognition (AS -9)

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- a) Sale of Goods Sales are recognized and accounted for when they invoiced to customers and are net of excise duty, Commercial Tax (UP VAT) on dispatch of products to customers. Net sales are shown after deducting Excise duty which is disclosed at appropriate places.
- b) Interest: Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.
- c) Dividends Dividend from investment is recognized when the Company in which they are held declares the dividend and when the right to receive the same is established.
- d) Insurance, duty drawback and other claims are accounted for on receipt basis or as acknowledged by the appropriate authorities.

8) Accounting for Fixed Assets (AS – 10)

- a) Fixed Assets are stated at their original cost of acquisition/installation less accumulated depreciation and net off subsidies, duties and taxes. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use.
- b) Capital work in progress All expenses incurred for acquiring, erecting and commissioning of the fixed assets including interest on loan utilized for meeting capital expenditure are shown under capital work in progress.

9) Accounting for the Effects in Foreign Exchange Rates (AS – 11)

- a) Transactions denominated in foreign currencies are normally recorded at the

exchange rates prevailing at the time of the transactions.

- b) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account. However, in case of long term liabilities, where they relate to acquisition of fixed assets, the income or expense on account of exchange difference is adjusted to the carrying cost of such assets.

10) Accounting for Investments (AS – 13)

Investments, being long term in nature, are valued at cost of acquisition. Adjustment for increase/decrease in the value of investments, if any, will be accounted for on realisation of the investments.

11) Employee Benefits (AS – 15)

- a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- b) The Company contributes to the employee's provident fund maintained under the Employees Provident Fund Scheme of the Central Government and the same is charged to the Statement of Profit & Loss. Provision for gratuity is made on the basis of actuarial valuation at the year end in conformity with the Accounting Standard -15.

12) Borrowing Costs (AS – 16)

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged as expense in the year in which these are incurred.

13) Segment Reporting (AS – 17)

a) Identification of Segments:

Primary Segment

Business Segment:

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing & Sale of (a) Iron & Steel and allied products; (b) Agro Products like Atta, Suji, Maida, Bran etc., and (c) Power (d) Real Estate.

Notes to the Financial Statements as at and for the year ended 31st March, 2016

Secondary Segment

Geographical Segment:

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are as follows :

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

b) Allocation of Common costs

Common allocable costs are allocated to each segment according to the ratio of their respective turnover to the total turnover.

c) Unallocated items

The Unallocated Segment includes general corporate income and expense items, which are not allocated to any business segment.

14) Related Party Disclosures (AS – 18)

Disclosure of related parties as required by the accounting standard is furnished in the Notes on accounts.

15) Earnings Per Share (AS – 20)

Basic and Diluted Earnings per shares are calculated by dividing the net profit attributable to the ordinary shareholders by the weighted average number of ordinary shares.

16) Accounting For Taxes On Income (AS – 22)

Provision for current income tax is determined on the basis of the amount of tax payable on taxable Income for the year.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate

expected to be applicable for the full fiscal year.

17) Interim Financial Reporting (AS – 25)

The quarterly financial results are published in accordance with the requirements of listing Agreements/Regulations with stock exchanges.

18) Intangible Assets (AS – 26)

- a) Internally generated intangible asset under development stage is recognized when it is demonstrated that it is technically feasible to use the same and the cost incurred for developing the same is ascertained. Technical Know-how so developed internally is amortized on a straight- line basis over its estimated useful life.
- b) Intangible assets acquired by payment e.g., Trade marks, Goodwill and Technical Know-how are disclosed at cost less amortization on a straight-line basis over its estimated useful life.

19) Excise Duty, Commercial Tax (U.P. Value Added Tax & Central Sales Tax) & Custom Duty

- a) The CENVAT credit available on purchase of raw materials and other eligible inputs is adjusted against excise duty payable on clearance of goods produced. The unadjusted CENVAT credit is shown under the head "Short Term Loans and Advances".
- b) The Company is eligible for automatic conversion of U.P. Value Added Tax & Central Sales Tax Liability for a period of 15 years into interest free loan from State Government of Uttar Pradesh, which shall be repayable after 15 years.

20) Consumption of Raw Materials, Stores & Spare Parts etc.

Raw Materials, Stores and spare parts etc., consumed are exclusive of (a) Excise Duty on inputs under Cenvat Scheme, (b) Service tax input credits, (c) Insurance Claims received (d) Entry Tax under Uttar Pradesh Local Sales Tax Act and (f) VAT Input Credit under State laws, wherever applicable.

21) Service Tax & Cess

Various expenses are accounted for after deducting the input tax credit available in respect of Service Tax, Education Cess and Secondary & Higher Education Cess.

22) Preliminary Expenses

Preliminary expenses are amortized over a period of 5 years.

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23) Impairment

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value being higher of value in use and net selling price. An impairment loss is recognized as an expense in the Profit and Loss Account in the year in which an asset is impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

24) Prior Period Items

Prior period items, if any, are included in respective heads of accounts and material items are disclosed by way of notes on accounts.

25) Taxation

- a) Tax expenses comprise of income tax, corporate dividend tax, deferred tax including applicable surcharge and cess.
- b) Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income

tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

- c) Provision for deferred tax or credit for release thereof is accounted for as ascertained in accordance with principles stated hereinabove.
- d) Tax on distributed profits payable in accordance with the provisions of section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the period.

26) Contingent Liabilities (AS – 29)

Contingent Liabilities

Contingent Liabilities are determined on the basis of available information and which are not provided for is disclosed by way of notes to the Accounts.

Notes to the Financial Statements as at and for the year ended 31st March, 2016

(₹ in lacs)

NOTE	2	SHARE CAPITAL	As at 31.03.2016	As at 31.03.2015
		Authorized Share Capital		
		4,65,00,000 Equity Shares of ₹ 10/- each	4,650.00	3,000.00
		(Previous year 3,00,00,000 Equity Shares of ₹ 10/- each)		
		Issued, Subscribed and Paip-up Share Capital		
		2,82,36,072 Equity Shares of ₹10/- each fully paid up	2,823.61	2,926.65
		Share Capital Suspense	—	(103.04)

Pursuant to the Scheme of Amalgamation of Gallantt Udyog Ltd with the company, inter Company holding of 1,02,45,592 no. of Equity Shares held by Gallantt Udyog Limited with the Company has stand cancelled. Further, 92,15,159 no. of Equity Shares have been allotted to the shareholders of Transferor Company M/s. Gallantt Udyog Limited. Hence, as a net effect of the above, 10,30,433 no. Equity shares of ₹ 10/- each has been reduced from the total paid up shares.

2.1 Details of shareholders holding more than 5% shares

Name of Shareholders	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	% of holding	No. of Shares	% of holding
Gallantt Metal Limited	72,51,992	25.68%	55,01,992	18.80%
Chandra Prakash Agrawal	49,36,088	17.48%	42,20,249	14.42%
AAR Commercial Co. Ltd.	31,86,006	11.28%	27,41,562	9.37%

2.2 The Reconciliation of the shares outstanding is set out below:

	2015-16	2014-15
Equity Shares at the beginning of the year (No.)	2,82,36,072	2,92,66,505
Less: Cancellation of 1,02,45,592 Shares hel by Gallant Udyog Limited	—	1,02,45,592
Add: Allotment of 92,15,159 Shares to the share holders of Gallantt Udyog Limited	—	92,15,159
Equity Shares at the end of the year (No.)	2,82,36,072	2,82,36,072

2.3 Disclosure regarding the Shares Issued for consideration other than cash

The Company, during the past years, undertook various Schemes including Merger of General Investment Division of Gallantt Udyog Limited and Merger of Companies with the Company. Further, the Company has concluded Bonus Issue of Equity Shares. Pursuant to the Schemes of Amalgamation and Arrangement ("the Schemes") under Sections 391 to 394 of the Companies Act, 1956 approved by the Honourable Calcutta High Court, the Company has recorded all necessary accounting effects, along with requisite disclosure in the notes to accounts. Further, during the financial year the company has allotted Equity Shares pursuant to the Scheme of Amalgamation of Gallantt Udyog Limited with the Company. The cumulative effects of these adjustments due to issue of Equity Shares for consideration other than cash has been disclosed hereunder.

Notes to the Financial Statements

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Particulars	No. of shares	Date of Order of H'ble Calcutta High Court
(a) Pursuant to Amalgamation of Gallantt Udyog Limited with the Company	92,15,159	14-May-15
Total	92,15,159	

NOTE 3 RESERVES AND SURPLUS	As at 31.03.2016	As at 31.03.2015
Securities premium account		
Balance at beginning of the year	17,732.19	22,102.19
1,02,45,592 Equity Shares, with an acquisition cost of ₹ 53,94,55,920/- held by Gallantt Udyog Limited (being Transferor Company) cancelled. Out of total acquisition cost of ₹ 53,94,55,920/-, Capital Portion of ₹ 10,24,55,920/- is adjusted against Capital and Securities Premium portion of ₹ 43,70,00,000 adjusted against Securities Premium Account.	–	(4,370.00)
Balance at the end of the year	17,732.19	17,732.19
Amalgamation Reserve		
Balance at beginning of the year	412.09	227.78
New Creation out of Amalgamation of Gallantt Udyog with the Company	–	184.31
Balance at the end of the year	412.09	412.09
General Reserve		
Balance at beginning of the year	4,998.82	4,998.82
Balance at the end of the year	4,998.82	4,998.82
Revaluation Reserve		
Balance at beginning of the year	10.90	11.72
Less: Depreciation / Adjustment	0.82	0.82
Balance at the end of the year	10.08	10.90
Statutory Reserve		
Balance at beginning of the year	0.46	0.46
Balance at the end of the year	0.46	0.46
Surplus in the statement of Profit and Loss		
Balance at beginning of the year	6,696.41	4,274.11
Add: Profit for the year	2,859.00	2,710.92
Add: Dividend paid to GUL	–	51.23
Less:	–	–
Proposed/Interim dividend	282.36	282.36
Corporate Dividend Tax	57.48	57.48
Balance at the end of the year	9,215.57	6,696.41
Total	32,369.21	29,850.87

Notes to the Financial Statements

as at and for the year ended 31st March, 2016

(₹ in lacs)

NOTE 4 LONG TERM BORROWINGS		As at 31.03.2016		As at 31.03.2015	
Secured	Non-Current	Current	Non-Current	Current	
Term Loans- From Banks	—	—	450.00	—	
Unsecured	—	—	—	—	
Total	—	—	450.00	—	

Note. Company has repaid outstanding balance of Term loan to SBI. During the current Financial year.

NOTE 5 DEFERRED TAX LIABILITY		As at 31.03.2016	As at 31.03.2015
Opening Balance		2,265.27	1,958.49
Add: On account of Timing difference in Depreciation		239.67	306.78
Total		2,504.94	2,265.27

NOTE 6 OTHER LONG TERM BORROWINGS		As at 31.03.2016	As at 31.03.2015
Interest free Loan in Lieu of VAT & CST		8,791.40	7,164.24
(Refer Note No 39)			
Total		8,791.40	7,164.24

NOTE 7 SHORT TERM BORROWINGS		As at 31.03.2016	As at 31.03.2015
Secured			
Cash Credit / Over Draft From Bank		5,563.56	5,598.74
Unsecured			
Unsecured Loan		3,133.65	—
Total		8,697.21	5,598.74

- 1) Cash credit is secured by Hypothecation of entire current assets of the company (present & future) consisting of Raw Material, SIP, Finished goods, Store & Spares and Book Debts, Extension of first pari pasu charge over all the borrower's fixed assets (present & future) and personal Guarantee of Mr. C.P. Agrawal, Mr. P.P. Agrawal and Mr. Nitin M. Kandoi.

NOTE 8 TRADE PAYABLES		As at 31.03.2016	As at 31.03.2015
Trade Payables		1,404.14	1,507.28
Total		1,404.14	1,507.28

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(₹ in lacs)

NOTE	9	OTHER CURRENT LIABILITIES	As at 31.03.2016	As at 31.03.2015
		Interest on long Term borrowings	–	5.39
		Other Payables	763.77	93.82
		Advance from Customers	1,172.24	2,475.42
		Advance against Property	8,015.00	5,750.00
		Excess Cheque Issued	307.39	1,228.43
		Total	10,258.40	9,553.06

NOTE	10	SHORT TERM PROVISIONS	As at 31.03.2016	As at 31.03.2015
		Proposed Dividend	–	282.36
		Corporate Dividend Tax	–	57.48
		Provision for Income Tax (Net of Advance Tax and TDS)	11.89	48.91
		Total	11.89	388.75

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(₹ in lacs)

NOTE	11	TANGIBLE FIXED ASSETS	GROSS BLOCK						DEPRECIATION				NET BLOCK				
			Balance AS ON 01.04.2015	Additions during the year	Adjust-ment	Total	SALES/ ADJ	SUBSIDY	Adjust-ment of Subsidy etc.	Total as on 31.03.2016	As on 01.04.2015	During the year on Revalued figure	During the year charged to P&L	Sales/Adj During the year	Total as on 31.03.2016	WDV as at 31.03.2016	WDV as at 31.03.2015
		Land	1,849.90	-	-	1,849.90	-	300.24	300.24	1,549.66	-	-	-	-	-	1,549.66	1,549.66
		Computer	52.61	4.56	-	57.17	-	4.40	4.40	52.77	37.94	5.61	5.61	-	43.55	9.22	10.28
		Vehicle	318.39	60.24	(74.94)	303.69	-	37.22	37.22	266.47	162.31	28.15	28.15	49.29	141.17	125.30	118.85
		Two Wheeler	5.04	-	-	5.04	-	0.56	0.56	4.48	1.88	0.32	0.32	-	2.20	2.28	2.60
		Office Equipment	36.05	14.47	-	50.52	-	3.19	3.19	47.33	21.81	5.68	5.68	-	27.49	19.84	11.04
		Furniture & Fixture	23.05	-	-	23.05	-	0.94	0.94	22.10	7.05	2.46	2.46	-	9.51	12.59	15.05
		Electrical Installation	1,060.46	-	-	1,060.46	-	160.45	160.45	900.01	302.20	95.20	95.20	-	397.40	502.62	597.81
		Factory Building (Common)	255.55	-	-	255.55	-	47.21	47.21	208.34	41.44	6.48	6.48	-	47.91	160.42	166.90
		Misc Assets	412.34	-	-	412.34	-	68.62	68.62	343.73	90.42	23.62	23.62	-	114.04	229.69	253.30
		Non Factory Building	771.12	-	-	771.12	-	115.66	115.66	655.46	58.86	10.33	10.33	-	69.18	586.28	596.60
		Factory Building (Flour Mill)	917.54	-	-	917.54	-	140.68	140.68	776.87	150.34	24.15	24.15	-	174.50	602.37	626.52
		Plant & Machinery (Flour Mill)	1,259.75	3.60	-	1,263.35	-	202.60	202.60	1,060.75	500.61	80.71	80.71	-	581.32	479.43	556.54
		Plant & Machinery (Rolling Mill)	4,008.84	-	-	4,008.84	-	765.94	765.94	3,242.90	1,144.56	192.65	192.65	-	1,337.21	1,905.69	2,098.34
		Plant & Machinery (SMS)	2,719.61	-	-	2,719.61	-	778.76	778.76	1,940.85	994.67	153.25	153.25	-	1,147.92	792.93	946.18
		Plant & Machinery (Sponge Iron)	5,908.32	-	-	5,908.32	-	96.19	96.19	5,812.13	1,268.76	207.95	207.95	-	1,476.70	4,335.43	4,543.38
		Factory Building (Rolling Mill)	1,627.37	-	-	1,627.37	-	178.79	178.79	1,448.57	241.30	45.29	45.29	-	286.59	1,161.99	1,207.28
		Factory Building (SMS)	1,463.53	-	-	1,463.53	-	264.21	264.21	1,199.32	236.76	37.29	37.29	-	274.05	925.28	962.57
		Factory Building (Sponge Iron)	1,809.75	-	-	1,809.75	-	-	-	1,809.75	253.14	56.93	56.93	-	310.06	1,499.69	1,556.62
		Office Building	232.35	-	-	232.35	-	-	-	232.35	10.30	3.79	3.79	-	14.09	218.25	222.05
		Railway Siding	900.91	-	-	900.91	-	-	-	900.91	166.65	59.90	59.90	-	226.54	674.37	734.27
		Pollution Equipment	224.26	-	-	224.26	-	-	-	224.26	12.43	12.43	12.43	-	24.86	199.40	211.83
		LAND (STEEL-BARGADWA)	63.55	-	-	63.55	-	-	-	63.55	-	-	-	-	-	63.55	63.55
		LAND (SARDAR NAGAR)	12.69	-	-	12.69	-	-	-	12.69	-	-	-	-	-	12.69	12.69
		LAND (BASTI)	6.61	-	-	6.61	-	-	-	6.61	-	-	-	-	-	6.61	6.61
		LAND (BIHAR)	11.71	-	-	11.71	-	2.94	2.94	8.77	-	-	-	-	-	8.77	11.41
		LAND LEASEHOLD UPSIDC	71.03	24.59	-	95.62	-	-	-	95.62	-	-	-	-	-	95.62	71.03
		BUILDING FACTORY (BORING NO.10)	119.68	-	-	119.68	-	-	-	119.68	79.51	6.93	6.11	-	86.45	33.23	40.16
		BUILDING FACTORY (BIHAR)	338.51	-	-	338.51	-	85.09	85.09	253.42	12.55	9.41	9.41	-	21.96	231.46	317.29
		BUILDING NON FACTORY (BIHAR)	94.68	-	-	94.68	-	23.80	23.80	70.88	2.01	1.17	1.17	-	3.18	67.70	90.24
		BUILDING FACTORY (BASTI)	55.27	-	-	55.27	-	-	-	55.27	25.94	1.55	1.55	-	27.49	27.79	29.34
		BUILDING NON FACTORY (BASTI)	5.06	-	-	5.06	-	-	-	5.06	1.17	0.08	0.08	-	1.24	3.82	3.89
		PLANT & MACHINERY (BASTI)	164.89	-	-	164.89	-	-	-	164.89	109.22	21.91	21.91	-	131.13	33.76	55.67
		PLANT & MACHINERY (BIHAR)	1,527.94	16.49	-	1,544.43	-	387.91	387.91	1,156.53	108.02	86.33	86.33	-	194.35	962.18	1,381.35

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NOTE	11	TANGIBLE FIXED ASSETS	GROSS BLOCK						DEPRECIATION						NET BLOCK (₹ Lakhs)		
		Particulars	Balance AS ON 01.04.2015	Additions during the year	Adjust-ment	Total	SALES/ ADI	SUBSIDY	Adjust-ment of Subsidy etc.	Total as on 31.03.2016	As on 01.04.2015	During the year on Revalued figure	During the year charged to P&L	Sales/Adj During the year	Total as on 31.03.2016	WDV as at 31.03.2016	WDV as at 31.03.2015
		MISC. FIXED ASSETS (BASTI)	20.33	-	-	20.33	-	-	-	20.33	14.39	2.28	2.28	-	16.66	3.67	5.94
		OFFICE EQUIPMENT (BASTI)	1.52	-	-	1.52	-	-	-	1.52	1.45	-	-	-	1.45	0.08	0.08
		COMPUTER (BASTI)	2.11	-	-	2.11	-	-	-	2.11	2.06	-	-	-	2.06	0.05	0.05
		COMPUTER (BIHAR)	1.07	-	-	1.07	-	0.27	0.27	0.80	0.37	0.30	0.30	-	0.68	0.12	0.66
		Total i)	28,353.39	123.95	(74.94)	28,402.40	-	3,665.66	3,665.66	24,736.74	6,060.12	1,182.12	1,181.31	49.29	7,192.95	17,543.79	19,077.61
		Factory Building (Power Plant)	1,774.75	-	-	1,774.75	-	-	-	1,774.75	212.30	55.90	55.90	-	268.20	1,506.55	1,562.45
		Plant & Machinery (Power Plant)	7,743.80	-	-	7,743.80	-	695.59	695.59	7,048.21	1,135.84	153.29	153.29	-	1,289.13	5,759.08	5,912.37
		Total ii)	9,518.55	-	-	9,518.55	-	695.59	695.59	8,822.96	1,348.13	209.19	209.19	-	1,557.33	7,265.63	7,474.82
		TOTAL (i+ii)	37,871.94	123.95	(74.94)	37,920.95	-	4,361.25	4,361.25	33,559.69	7,408.25	1,391.32	1,390.50	49.29	8,750.28	24,809.42	26,552.44

NOTE	12	INTANGIBLE FIXED ASSETS	GROSS BLOCK						DEPRECIATION				NET BLOCK				
Particulars			Balance as on 01.04.2015	Additions during the year	Adjust-ment	Total	SALES/ ADJ	SUBSIDY	Adjust-ment of Subsidy etc.	Total as on 31.03.2016	As on 01.04.2015	During the period on Revalued figure	During the year charged to P&L	Sales/Adj During the Period	Total as on 31.03.2016	WDV as at 31.03.2016	WDV as at 31.03.2015
		Computer Software	8.29	—	—	8.29	—	1.01	1.01	7.28	7.08	—	—	—	7.08	0.20	0.20
		Total	8.29	—	—	8.29	—	1.01	1.01	7.28	7.08	—	—	—	7.08	0.20	0.20
		GRAND TOTAL (Note 11 & 12)	37,880.23	123.95	(74.94)	37,929.24	—	4,362.26	4,362.26	33,566.98	7,415.33	1,391.32	1,390.50	49.29	8,757.36	24,809.62	26,552.64

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NOTE 13 NON CURRENT INVESTMENTS		As at 31.03.2016	As at 31.03.2015
Trade Investments		—	—
Non Trade Investments			
Investment in Equity Instruments of Associates co. Gallantt Metal Limited (Quoted)		3,919.18	3,919.18
3,78,62,895 Equity Shares in Gallantt Metal Ltd.(Market Value as on 31.03.2016 is ₹ 102,22,98,165)			
Gorakhpur Taxpark Pvt. Ltd (Un Quoted)		11.00	11.00
Shares In Surabhi Flour Mill Pvt. Ltd. (Un Quoted)		2,000.00	-
Shares In Surabhi Wheat Products Pvt. Ltd. (Un Quoted)		2,000.00	-
Total		7,930.18	3,930.18
NOTE 14 LONG TERM LOANS AND ADVANCES		As at 31.03.2016	As at 31.03.2015
(Unsecured and considered good)			
Advances		-	4.35
Security deposits		33.10	33.10
Total		33.10	37.45
NOTE 15 INVENTORIES		As at 31.03.2016	As at 31.03.2015
(At lower of cost or net realisable value)			
Raw materials		2,083.61	2,294.01
Finished goods		1,286.55	971.21
Consumables stores and spares		1,009.45	1,242.02
Land at real Estate Business		489.08	575.11
Total		4,868.69	5,082.35
NOTE 16 TRADE RECEIVABLES		As at 31.03.2016	As at 31.03.2015
(Unsecured and considered good)			
Outstanding for a period within six months		3,523.19	4,140.39
Outstanding for a period exceeding six months		344.62	340.36
Total		3,867.81	4,480.75

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NOTE	17	CASH AND CASH EQUIVALENTS	As at 31.03.2016	As at 31.03.2015
		Balance with Banks	132.78	13.63
		Cash in hand	215.55	630.78
		Fixed deposits with Banks	172.57	302.58
		Total	520.90	946.99
NOTE	18	SHORT TERM LOANS AND ADVANCES	As at 31.03.2016	As at 31.03.2015
		Advances to employees	-	0.34
		Prepaid expenses	24.36	24.12
		Mat Credit Entitlement	2,693.31	2,032.01
		Balance with government authorities:		
		- Excise & Service Tax	142.99	153.48
		- VAT	91.85	67.16
		- Other	698.69	415.40
		- Pradeshiya Industrial & Investment Corporation of U.P. Ltd (PICUP)	17,125.45	13,567.21
		(Refer Note No. 39 & 41)		
		Others	1,756.34	1,530.00
		Total	22,532.99	17,789.72
	18.1	Mat Credit Entitlement		
		Opening Balance	2,032.01	1,399.48
		Add: Addition during the year	661.31	632.52
		Total	2,693.31	2,032.01
NOTE	19	OTHER CURRENT ASSETS	As at 31.03.2016	As at 31.03.2015
		Preliminary Expenses (to the extent not written off)	-	0.20
		Total	-	0.20

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NOTE	20	REVENUE FROM OPERATIONS	Year Ended 31.03.2016	Year Ended 31.03.2015
		Sale of Products	56,800.73	57,345.79
		Income from Real Estate Division	827.61	2,714.65
		Less: Excise Duty	4,152.49	3,986.34
		Total	53,475.85	56,074.10
	20.1	Particulars of Sale of Products Net of Excise Duty		
		Maida	11,461.32	11,649.40
		Suji	2,854.64	3,646.67
		Atta	1,326.50	1,804.62
		Bran	3,652.00	4,147.94
		Daliya	155.47	–
		Wheat	136.50	–
		Sponge Iron	658.71	2,386.04
		Billets	–	432.52
		M.S Bar	32,455.22	29,343.97
		Miss rolled Bar	46.10	35.17
		Others	125.27	176.79
		Revenue	52,871.73	53,623.11
		Less: Cash Discount	22.66	35.52
		Claims on sales	200.83	228.14
		Add: Excise Duty	4,152.49	3,986.34
		Total	56,800.73	57,345.79
NOTE	21	OTHER INCOMES	Year Ended 31.03.2016	Year Ended 31.03.2015
		Interest income	–	–
		Miscellaneous Income	20.36	272.13
		Total	20.36	272.13
NOTE	22	CHANGES IN INVENTORIES OF FINISHED GOODS	Year Ended 31.03.2016	Year Ended 31.03.2015
		Inventories at the beginning of the year:		
		Finished Goods	971.21	1,041.41
		Total	971.21	1,041.41
		Inventories at the end of the year:		
		Finished Goods	1,286.55	971.21
		Total	1,286.55	971.21
		Net Decrease/(Increase)	(315.34)	70.20

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NOTE	23	COST OF MATERIALS CONSUMED	Year Ended 31.03.2016	Year Ended 31.03.2015
		Opening Stock	2,869.12	2,465.59
		Add: Purchases	37,428.25	40,628.49
		Expenses on Raw Material	263.20	597.74
		Freight on Raw Material	88.12	40.83
		Freight on Coal	2,706.85	1,916.05
		Freight On Wheat	120.65	231.91
		Total	43,476.19	45,880.61
		Less: Closing Stock	2,572.69	2,294.01
		MATERIALS CONSUMED	40,903.50	43,586.60

	23.1	PARTICULARS OF MATERIAL CONSUMED	Year Ended 31.03.2016	Year Ended 31.03.2015
		Wheat	16,216.79	17,909.16
		Iron Ore	1,320.95	2,529.90
		Pellets	6,311.08	8,659.74
		Coal	9,954.05	8,763.07
		Dolomite	160.33	112.78
		Refractories	206.51	76.44
		Scrap	42.30	258.91
		Others	6,691.48	5,276.59
		Total	40,903.50	43,586.60

	23.2	COST OF MATERIALS CONSUMED	2015-16		2014-15	
			₹ In Lacs	% of Total	₹ In Lacs	% of Total
		Imported	4,652.07	11.37%	3,379.77	7.75%
		Indigenous	36,251.43	88.63%	40,206.83	92.25%
		Total	40,903.50	100.00%	43,586.60	100.00%

NOTE	24	EMPLOYEE BENEFIT EXPENSES	Year Ended 31.03.2016	Year Ended 31.03.2015
		Salary, Wages and Bonus	581.67	614.73
		Contribution to Provident and other Fund	54.63	54.62
		Staff Welfare expenses	4.03	9.82
		Total	640.33	679.17

	25	FINANCIAL COST	Year Ended 31.03.2016	Year Ended 31.03.2015
		Interest Expenses	675.37	900.37
		Other Borrowing Cost	86.35	60.14
		Total	761.72	960.51

	26	DEPRECIATION AND AMORTIZATION EXPENSES	Year Ended 31.03.2016	Year Ended 31.03.2015
		Depreciation on Tangible Assets	1,390.50	1,459.90
		Total	1,390.50	1,459.90

Notes to the Financial Statements

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(₹ in lacs)

NOTE	27	OTHER EXPENSES	Year Ended 31.03.2016	Year Ended 31.03.2015
		Manufacturing Expenses:		
		Consumption of stores and spare parts	1,115.15	1,785.98
		Repairs to Plant & Machinery	278.79	423.49
		Repairs to others	148.77	93.30
		Handling Expenses	428.95	391.84
		Power & Fuel	4,106.35	3,041.68
		Packing Material Consumed	184.68	270.35
		Selling & Administration Expenses:		
		Audit Fees	4.67	3.99
		Selling & Distribution Exp.	280.98	217.30
		Rates ,Taxes & Fees	36.96	27.91
		Insurance Exp.	46.04	39.35
		Rent	—	15.83
		Misc. Exp.	51.77	11.51
		Power & Fuel (Office)	12.27	5.71
		Printing & Stationary	1.00	6.46
		Telephone Exp.	16.68	14.45
		Travelling & conveyance Exp.	27.70	32.44
		Director Remuneration	52.80	47.39
		Foreign Currency Conversion Loss	177.78	60.19
		Expenses for Corporate Social Responsibility	42.00	40.00
		Total	7,013.34	6,529.17

	28	VALUE OF STORES, CHEMICALS AND PACKING MATERIALS CONSUMED	2015-16		2014-15	
			₹ In Lacs	% of Total	₹ In Lacs	% of Total
		Imported	28.88	2.22%	7.16	0.35%
		Indigenous	1,270.96	97.78%	2,049.17	99.65%
		Total	1,299.84	100.00%	2,056.33	100.00%

NOTE	29	VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF	Year Ended 31.03.2016	Year Ended 31.03.2015
		Raw Material	4,652.07	3,379.77
		Stores, Chemical and packing Material	28.88	7.16
		Capital Goods	—	9.01
		Total	4,680.95	3,395.94

	30	EARNING PER SHARE	Year Ended 31.03.2016	Year Ended 31.03.2015
(i)		Net Profit After Tax as per statement of Profit And Loss attributable to Equity Shareholder (₹)	28,59,00,187	27,10,91,666
(ii)		Weighted Average number of equity share used as denominator for calculating Basic EPS	2,82,36,072	2,82,36,072
(iii)		Weighted Average number of equity share used as denominator for calculating Diluted EPS	2,82,36,072	2,82,36,072
(iv)		Basic Earning per Share (₹)	10.13	9.60
(v)		Diluted Earning per Share (₹)	10.13	9.60
(vi)		Face Value Per Share (₹)	10.00	10.00

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NOTE	31	RELATED PARTY DISCLOSURE AS PER AS- 18 (AS IDENTIFIED BY THE MANAGEMENT)	
I.	Associate Company, Firm, Subsidiaries and Other Related Parties	Gallant Metal Ltd Chandra Prakash Agrawal & Sons (HUF) Prem Prakash Agrawal HUF Shree Surabhi Flour Mill P Limited Shree Surabhi Wheat Products P Ltd	
II.	Key Managerial Personnel	Mr.Chandra Prakash Agrawal Mr.Prem Prakash Agrawal Mr.Nitin M Kandoi Mr. Santosh Kumar Agrawal Mr.Mayank Agrawal Mr. Amit Jalan Mr. Nitesh Kumar	
III.	Relatives of Key Managerial Personnel	Mrs. Madhu Agarwal Mr. Ashutosh Agrawal Mrs. Smriti Agrawal Mrs. Shyama Agrawal Mrs. Shruti Kandoi Mrs. Pallavi Agrawal Mrs. Uma Agrawal	

RELATED PARTY TRANSACTION:				
Nature of Transaction	Associate Co. & Firm	Key Managerial Personnel	Relatives of Key Managerial Personnel	Total
Salary/ Remuneration	–	70.36	50.40	120.76
	(–)	(63.66)	(45.95)	(109.62)
Interest paid	85.68	–	–	85.68
	(–)	(–)	(–)	(–)
Loan Taken	3,619.32	–	–	3,619.32
	(–)	(–)	(–)	(–)
Loan Repaid	3,619.32	–	–	3,619.32
	(–)	(–)	(–)	(–)
Purchase	5.78	–	–	5.78
	(22.65)	(1.76)	(–)	(24.41)
Sale	145.13	18.55	1.65	165.32
	(53.14)	(235.36)	(–)	(288.51)
Lease Rent Paid/ Received	14.31	–	–	14.31
	(0.24)	(0.06)	(0.06)	(0.36)
Advance Received Against Land	1,225.00	–	–	1,225.00
	(–)	(–)	(–)	(–)
Repayment of Advance Received Against Land	500.00	–	–	500.00
	(–)	(–)	(–)	(–)

The Amount Shown in Bracket () Denotes Previous year figure

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NOTE 32 EMPLOYEE BENEFITS DISCLOSURE AS PER AS-15

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognized as expense for the year is as under:

Particulars	2015-16	2014-15
Employer' contribution to Provident Fund	31.71	20.95
Employer' contribution to ESIC	10.65	12.67

Defined Benefit Plans

The Employee' gratuity fund scheme managed by a Life Insurance Corporation of India is a defined benefit Plan.

Disclosures pursuant to Accounting Standard-15 "Employment Benefit":

	2015-16	2014-15
(a) Component of Employer Expenses		
(i) Current Service Cost	30.21	30.31
(ii) Interest Cost	5.77	2.49
(iii) Expected return on Assets	5.10	3.49
(iv) Actuarial (Gain / Losses)	19.46	7.76
(v) Total Expenses	50.34	37.07
(b) Net Assets (Liability) recognized in Balance Sheet		
(i) Present Value of defined benefit obligation	127.72	72.35
(ii) Fair Value of Plant Assets	75.00	63.71
(iii) Fund Status (Surplus/ Deficit)	-52.72	-8.64
(iv) Net Assets / (Liability)	-52.72	-8.64
(c) Change in obligation during the year		
(i) Present value of defined benefit obligation at the beginning of the year	72.35	31.06
(ii) Current Service Cost	30.21	30.31
(iii) Interest Cost	5.77	2.49
(iv) Actuarial (Gain / Losses)	19.86	8.49
(v) Benefit Payment	(0.47)	—
(vi) Present value of defined Benefit obligation at the end of the year	127.72	72.35
(d) Change in Assets		
(i) Plan Assets at the beginning of the year	63.71	39.67
(ii) Expected return on Plant Assets	5.10	3.49
(iii) Actuarial (Gain/ Loss)	0.40	0.73
(iv) Plan Assets st the end of the year	75.00	63.71
(e) Actuarial Assumption		
(i) Discount Rate	8.00%	8.00%
(ii) Expected return on Assets	8.00%	8.80%
(iii) Salary Increase	9.00%	9.00%
(iv) Mortality	IALM 2006-08	IALM 2006-08

NOTE 33 SEGMENT REPORT

(A) Primary Segment (By Business Segment):

The Company is engaged in the business of production of Steel Products, Wheat Products & Power. The Company has three reportable business segments i.e. Steel, Agro & Power which have been identified in line with the A.S. -17 "Segment Reporting". Consequent upon amalgamation of Gallantt Udyog Limited with the Company, entire business including Real Estate business of Gallantt Udyog Limited is transferred to the Company. Hence, Real Estate is a new business segment of the Company. Information about Primary Segment is as follows:

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(₹ in lacs)

SEGMENT WISE REPORTING		
Particulars	2015-16	2014-15
1 Segment Revenue:		
(A) Agro	19,382.43	20,994.97
(B) Steel	33,265.81	32,364.48
(C) Power	5,462.77	4,804.86
(D) Real Estate	827.61	2,714.65
(E) Unallocated Income	20.36	272.13
Total Segment Revenue	58,958.98	61,151.09
Less: Inter Segment Revenue-Power	5,462.77	4,804.86
Net Sales/Income from Operation	53,496.21	56,346.23
2 Segment Result:		
(A) Agro	1,592.33	715.88
(B) Steel	(1,440.38)	(2,144.81)
(C) Power	3,210.38	2,712.10
(D) Real Estate	741.58	2,714.65
Total Segment Result	4,103.91	3,997.82
Add: Unallocated Income	—	—
Less: Interest	761.72	960.51
Less: Other Unallocable Expenses (Net)	243.52	19.61
Total Profit before Tax	3,098.67	3,017.70
3 Segment assets:		
(A) Agro	4,687.07	4,512.65
(B) Steel	39,613.16	35,329.49
(C) Power	7,348.92	7,474.82
(D) Real Estate	1,288.54	2,762.88
(E) Unallocated	13,923.12	9,521.97
	66,860.81	59,601.81
Segment Liability:		
(A) Agro	4,270.54	4,011.34
(B) Steel	18,889.75	13,886.70
(C) Power	—	—
(D) Real Estate	—	—
(E) Unallocated	8,507.70	9,029.29
	31,667.99	26,927.33
4 Capital Employed		
(A) Agro	416.53	501.31
(B) Steel	20,723.41	21,442.79
(C) Power	7,348.92	7,474.82
(D) Real Estate	1,288.54	2,762.88
(E) Unallocated	5,415.42	492.68
Total Capital Employed	35,192.82	32,674.48

(B) Secondary Segment (By Geographical Segment):

The Secondary Segment is based on geographical demarcation i.e. India & Rest of the World. There is no reportable segment under above category

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34	CONTINGENT LIABILITIES	2014-15	2013-14
	Contingent liabilities not provided for in respect of:		
(i)	Guarantee given by the bank on behalf of the Company to Purvanchal Vidyut Vitran Nigam for Electricity connection.	210.00	210.00
(ii)	Guarantee given by the bank on behalf of the Company to Purvanchal Vidyut Vitran Nigam for Electricity connection.	223.00	60.00
(iii)	Guarantees given by the bank on behalf of the Company to Uttar Pradesh Pollution Control Board for NOCs.	2.00	2.00
(iv)	Guarantee given by the bank on behalf of the Company to Uttar Pradesh Rajya Nirman Nigam against Security.	4.00	4.00
(v)	Guarantee given by the bank on behalf of the Company to Paradip Port Trust against Security.	33.20	6.48
(vi)	Irrevocable Letter of Credit Issued by State Bank of India in favour of Agrawal Coal Corporation Pte Ltd Singapore amounting to USD 371000 for Supply of Non Coking Coal. (Rate as on 31.03.2016 1USD = ₹ 66.33).	246.08	–
(vii)	Irrevocable Letter of Credit Issued by State Bank of India in favour of Adani Globle Pte Ltd amounting to USD 1255308 for Supply of Non Coking Coal. (Rate as on 31.03.2016 1USD = ₹ 66.33).	832.65	–
(viii)	In respect of Wheat price for the year 1991-92 to the extent of ₹3.71 Lacks being the wheat supplied by Food Corporation of India at an enhanced rate, which is disputed.	3.71	3.71
(ix)	Company has entered into a Collaboration Agreement dated January 27, 2012 with SAS Hotels and Properties Private Limited (now known as Shalimar Corp Ltd) for development of building complex and other structures at Lucknow. For the purposes of the projects as above Shalimar Corp Ltd. had been granted Term Loan facilities by Punjab National Bank (Banker/PNB). At the request of Shalimar Corp. Limited and as per the terms of sanction of the above Term Loan and with the approval of the Board of Directors of the Company, Company has extended Corporate Guarantee in favour of Punjab National Bank. Company has complied with necessary formalities in this behalf. Further, in accordance with the terms of the Loan agreement and to secure the above Term Loan with the approval of the Board of Directors of the Company, Company has given on mortgage its immovable property situated at Shankerpurwa, Islambari, Lucknow, U.P.	10,000.00	10,000.00
(x)	A search operation was carried out by Income Tax Authorities on 27.02.2014 & 28.02.2014, company has moved to settlement commission and the due taxes had already been paid by the company. However, during the course of proceedings of assessment procedure further demand, if any, arises at the time of order from Honourable Settlement Commission, the same will be considered at due time. However at present there is no demand raised by any Income tax authority.		

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35	MANAGERIAL REMUNERATION PAID/PAYABLE TO DIRECTORS	2015-16	2014-15
	Managing Director		
	Remuneration	13.20	12.00
	Whole Time Director/ Director		
	Remuneration	39.60	35.39
During the year the company has paid ₹ 87,000 against sitting fee to the directors. The Company has not given any perquisite to its directors during the year.			
	Payment to Auditors		
	i) Audit Fees	2.50	2.25
	ii) Tax and VAT Audit Fees	0.25	0.25
	iii) Other Services (Certification fees)	0.67	1.49
	Total	3.42	3.99

Note 36: Impairment of Assets

Pursuant to the Accounting Standard (AS 28)-“Impairment of Assets” issued by The Institute of Chartered Accountant of India, the Company assessed its fixed assets for impairment as at March 31, 2016 and concluded that there is no significant impairment in fixed asset that needs to be recognized in the books of accounts.

Note 37: Disclosure as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The company has not received any intimation from “suppliers” regarding status under the Micro, Small and medium Enterprises Development Act 2006 and hence disclosures, if any, relating to amount unpaid as at the year end together with the interest paid/payable as required under the said act have not been furnished.

Note 38: Balance of the Sundry Debtors, Creditors, Loans and advances are subject to confirmation from respective parties.

Note 39:

As per incentive scheme of State Government of Uttar Pradesh vide Government Order No. 1502/77-6-2006-10 tax/04 dated 1st June 2006 and which have been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30th November 2007 and amended from time to time, the company is eligible for Interest free loan equivalent to the amount of VAT & CST liability for 15 years and which shall be re-payable after 15 years. The company has claimed ₹ 8,791.40 lacs up to 31st March 2016 (upto previous year ₹7,164.24 Lacs) on account of Interest Free Loan from State Government of Uttar Pradesh. Out of total claim of ₹8,791.40 lacs, ₹7,219.01 lacs has not been deposited to Commercial Tax department in accordance with an order of Hon’ble High Court of Allahabad in writ petition no. 8886/2011, and order dated 05.11.2015 . However, ₹1,572.39 Lacs have already been deposited upto August, 2011.

Note 40 :

As per incentive scheme of State Government of Uttar Pradesh vide Government Order No. 1502/77-6-2006-10 tax/04 dated 1st June 2006 and which have been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30th November 2007 and amended from time to time, the company is eligible for incentives i.e. Capital investment subsidy @ 20% of fixed capital investment, infrastructure subsidy @ 10% of total fixed capital investment and 5% additional capital subsidy being the first unit in Purvanchal region. Company has claimed for ₹ 12,262.00 lacs against the capital investment made upto 31st May 2012. The incentive received of ₹2,428.00 Lacs has been credited in fixed assets in the ratio of capital investment made. No provision has been made for the unrealized claim of ₹9,834.00 lacs in the books.

Note 41:

As per incentive scheme of State Government of Uttar Pradesh vide Government Order No. 1502/77-6-2006-10 tax/04 dated 01st June 2006 and which have been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30th November 2007 and amended from time to time the company is eligible for incentives including freight subsidy on Iron Ore equivalent to the freight paid to Railway and local handling expenses upto maximum of 5% of the railway freight. During the year company has provided an amount of ₹3,558.24 lacs (Previous year ₹ 3,203.30 lacs), which has been adjusted with freight paid on Iron Ore in Profit Loss account and shown as Advance recoverable in Balance sheet. The total amount receivable against the freight subsidy as on 31.03.2016 was ₹15,553.07 lacs (Previous year ₹11,994.83. Lacs).

Note 42:

As per incentive scheme of State Government of Uttar Pradesh vide Government Order No. 1502/77-6-2006-10 tax/04 dated 01st June 2006 and which have

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been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30th November 2007 and amended from time to time the company is eligible for various incentives and benefits which includes Capital Investment subsidy, Infrastructure Subsidy, additional capital subsidy, Freight Subsidy and interest free loan against VAT & CST.

The State Government has disbursed part payment of ₹24.28 crores of the subsidy on the investment made till May, 31, 2009 to the company as we were declared eligible for the subsidy and other benefits. We have further submitted our Capital subsidy claim of ₹98.34 crores adjusting ₹24.28 crores already received, on the investment made up to May 31, 2012 and a claim of ₹155.53 crores as freight subsidy and refund of already deposited VAT/CST ₹15.72 crores due up to March 2016 making a total of ₹269.59 crores as on March 2016 which is pending for disbursement before the nodal agency (PICUP) of the scheme. As the state Government vide its order dated 18.11.2011 and 11.02.2015 refused the balance payment of subsidies, we have filed writ petition before the Hon'ble High Court of Allahabad, Lucknow Bench and Hon'ble High Court, Allahabad vide its order and judgment dated 05.11.2015 directed State Government to pay subsidies forthwith as per scheme and take a fresh decision within three months in relation to the benefits of interest free loan against VAT; and have also stayed recovery of taxes till a fresh decision

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is taken. State Government has filed an SLP before the Hon'ble Supreme Court challenging this order which was dismissed on 29.02.2016 resulting order of the Hon'ble High Court dated 05.11.2015 becomes final.

State Government, in its meeting held on 04.04.2016 decided to make payment of subsidies as directed by Hon'ble High Court and have further decided to ask for six months time from Hon'ble High Court to complete the process of payment. On said application of the State Government, Hon'ble High Court has rejected the same and directed the State Government to appraise the Petitioner about the decision taken not later than three weeks. In these circumstances, disbursement of subsidies is expected shortly.

Note 43:

License Agreement: License Agreement entered into between the Company and Shree Surabhi Flour Mills Private Limited (Surabhi) granting Surabhi to occupy, use, run and operate the Basti Flour Mill unit of the company has been terminated as the unit has been already sold and transferred to them.

Note 44: Unpaid and Unclaimed Amount of Dividend and Share Application Money

Following amount of Unpaid Share Application Money and Unpaid Dividend has not been claimed and paid till 31.03.2016

Nature of Money	Relevant F.Y.	Bank Account Details	Amount Lying (₹ in Lacs)
Share Application Money	2010-11	HDFC Bank Account No. 00142300001609	71,900.00
Final Dividend for 2011	2010-11	HDFC Bank Account No. 00142300001876	9,929.00
Final Dividend for 2012	2011-12	HDFC Bank Account No. 00142300002332	5,419.00
Final Dividend for 2013	2012-13	IDBI Bank Account No. 0135103000007344	17,307.00
Final Dividend for 2014	2013-14	IDBI Bank Account No. 0135103000007900	3,026.50
Final Dividend for 2015	2014-15	IDBI Bank Account No. 0135103000008587	3,109.00
Interim Dividend for 2016	2015-16	ICICI Bank Account No. 001105026007	1,25,19,403.00

Note 45:

The Company has a single class of equity shares with par value of ₹10/- per share. The equity shareholders are entitled to receive dividend as declared from time to time. The voting right of an equity shareholder on a poll (not on show of hands) are in proportion to its shares of the paid up equity capital of the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion to their shareholdings.

Note 46:

Gallantt Udyog Limited (amalgamated with the Company and hereinafter referred to as "GUL") had entered into Builder Agreement dated January 27, 2012 with M/s. SAS Hotels & Properties Private Limited (now known as Shalimar Corp Ltd), an Indian Company within the meaning of Companies Act, 1956 inter alia engaged in the business real estate. Pursuant to the Agreement, GUL had entered into real estate business

with "Shalimar Corp Ltd. Pursuant to the agreement as above, GUL had offered and granted exclusive rights to Shalimar Corp Ltd. to develop residential complexes on Company's land located at Shankerpurwa, Islabari, Lucknow, Uttar Pradesh. As a consideration for the said agreement GUL is receiving 13% share of the total sales realisation. Further, agreement as above states that Shalimar Corp Limited to develop the properties and to market the same for mutual benefits of the parties. As decided by the parties to the Builder Agreement, the project will be developed as residential complex in the name and style of "SHALIMAR GALLANT".

Note 47: Company has acquired two subsidiaries during the year M/s. Shree Surabhi Flour Mills Private Limited (Surabhi Flour) and M/s. Shree Surabhi Wheat Products Private Limited (Surabhi Wheat). Also, Company holds more than twenty percent shareholding of Gallantt Metal Limited and hence, Gallantt Metal Limited has been termed as Associate of the Company within the meaning of Section 2(6) of the Companies Act, 2013.

Notes to the Financial Statements

Company applied for allotment of Equity Shares in Surabhi Wheat. Surabhi Wheat allotted 1,25,00,000 Equity Shares to the Company on February 15, 2016 and 75,00,000 Equity Shares on March 30, 2016.

Surabhi Flour has been acquired as subsidiary of the Company by purchase of 2,00,00,000 Equity Shares from the existing shareholders of Surabhi Flour on March 30, 2016.

Company has complied with the requisite formalities in the matter of formation of subsidiaries as above.

Note 48: In accordance with the approval of the Board of Directors and subsequent resolution passed by the shareholders of the Company through Postal Ballot and E-voting under Sections 180(1)(a) and 188 and all other applicable provisions, if any, of the Companies Act, 2013, and the relevant Rules framed thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), Company has sold out and transferred Flour Mill Unit located at Gram-Mauja- Chipli, Thana-Durgavati, District-Kaimur (Bhabhua), Bihar to Shree Surabhi Wheat Products Private Limited on 11.05.2016 for a sale consideration of ₹12,70,00,000/- (Rupees Twelve Crore Seventy Lacs only). Company has received full amount of consideration.

Note 49: In accordance with the approval of the Board of Directors and subsequent resolution passed by the shareholders of the Company through Postal Ballot and E-voting under Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, and the relevant Rules framed thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) Company has sold out and transferred Flour Mill Unit located at 60 KM Stone, Gorakhpur-Lucknow Highway, Sabdaiyan Kalan, Basti, Uttar Pradesh to Shree Surabhi Flour Mills Private Limited on 03.05.2016 for a sale consideration of ₹10,36,00,000/- (Rupees Ten Crore Thirty Six Lacs only). Company has received full amount of sales consideration.

Note 50: In accordance with the recommendation of the Board of Directors and subsequent approval of the shareholders of the Company through Postal

as at and for the year ended 31st March, 2016

Ballot and E-voting, during the year, Company has altered Memorandum and Articles of Association of the Company so as to align it with the Companies Act, 2013 and to include the Real Estate business in its Main Object Clause. Company has complied with requisite formalities in this behalf. Registrar of Companies, West Bengal has granted its approval for the alteration in the Memorandum and Articles of Association of the Company.

Note 51: During the year, Board of Directors of the Company has declared and paid Interim Dividend to the shareholders of the Company Re. 1/- (Rupee One) per Equity Share. March 29, 2016 has been fixed as the Record Date for the purposes of determining the eligibility of the shareholders who are eligible to receive interim dividend for the financial year 2015-16. Total out flow on account of Interim Dividend was ₹2,82,36,072/- subject to tax.

Note 52: Pursuant to the Scheme of Amalgamation of Gallantt Udyog Limited filed with the Honorable High Court at Kolkata, Honorable High Court, vide its order dated May 14, 2015 has approved amalgamation as above. As per the Scheme of Amalgamation, Board of Directors, at their meeting held on June 26, 2015, has allotted 9215159 no. of Equity Shares to the shareholders of the Transferor Company M/s. Gallantt Udyog Limited. Company has applied for listing of the said newly allotted shares with the stock exchanges. Both the Stock Exchanges viz. Bombay Stock Exchange Limited and National Stock Exchange of India Limited has granted listing and trading approval to the said shares.

Note 53: Corporate social responsibility As per Section 135 of the Act, a CSR committee has been formed by the Company. The funds are utilised throughout the year on the activities which are specified in Schedule VII of the Act. The utilisation is done by way of direct contribution towards aforesaid activities. Details of the CSR have been given in the Directors' Report in the Annual Report.

Note 54: Previous year figures have been regrouped and reclassified wherever necessary to facilitate comparison with current year figures.

As per our report of even date
For **ANOOP AGARWAL & CO.**
Chartered Accountants
Firm Regn. No. 001739C

(Amit Kumar Srivastava)
Partner
Membership No. 517195
Place : Kolkata
Dated : 30.05.2016

(C.P. Agrawal)
Chairman & Managing Director

(Amit Jalan)
Chief Financial Officer

(S.K. Agrawal)
Whole time Director

(Nitesh Kumar)
Company Secretary

INDEPENDENT AUDITORS' REPORT on Consolidated Financial Statements

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of GALLANTT ISPAT LIMITED ('The Holding Company') and its subsidiaries and associate (collectively referred to as 'the Company' or 'the Group'), comprising the Consolidated Balance Sheet as at March 31, 2016, and the Consolidated Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles Generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10)

of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material mis-statement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) in the case of the Balance Sheet, of the consolidated state of affairs of the Company as at 31st March, 2016 ;
- b) in the case of the consolidated Statement of Profit & Loss, of the Profit of the Company for the year ended on that date; and
- c) in the case of the consolidated Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on other legal and Regulatory Requirements

1. The Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of

the Act, is not applicable to the auditors' report on Consolidated Financial Statements.

2. As required by Section 143(3) of the Act, we report that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.

- f) On the basis of the information and explanations of the Company provided to us, the internal financial control, framework the report of the internal auditor and in our opinion, the Company has adequate internal financial control systems in place and operating effectiveness of such controls.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Anoop Agarwal & Co.
Chartered Accountants
Firm Regn. No. 001739C

(Amit Kumar Srivastava)
Partner
Membership No. 517195

Place: Kolkata
Dated: 30.05.2016

Annexure to the Independent Auditor's Report on Consolidated Financial Statements

Report on the Internal Financial Controls Under Clause (I) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("The Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of GALLANTT ISPAT LIMITED ('the Holding Company') and its subsidiary companies which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph below on 'Other Matters', is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of

controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance

Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Anoop Agarwal & Co.**
Chartered Accountants
Firm Regn. No. 001739C

(Amit Kumar Srivastava)
Partner
Membership No. 517195

Place: Kolkata
Dated: 30.05.2016

Consolidated Balance Sheet as at 31st March, 2016

(₹ in lacs)

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
A. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
Share Capital	2	2,823.61	2,926.65
Share Capital Suspence		–	(103.04)
Reserves & Surplus	3	34,360.50	29,850.87
Sub Total		37,184.11	32,674.48
2 Minority Interest		6.14	–
3 Non Current Liabilities			
Long Term Borrowings	4	250.00	450.00
Deferred Tax Liability	5	2,504.86	2,265.27
Other Long Term Borrowings	6	8,791.40	7,164.24
Sub Total		11,546.26	9,879.51
4 Current Liabilities			
Short Term Borrowings	7	8,866.62	5,598.74
Trade Payables	8	1,404.14	1,507.28
Other Current Liabilities	9	8,067.37	9,553.06
Short Term Provisions	10	11.89	388.75
Sub Total		18,350.02	17,047.83
TOTAL		67,086.53	59,601.82
B ASSETS			
1 Non Current Assets			
Fixed Assets			
Tangible Assets	11	24,839.22	26,552.44
Intangible Assets	12	0.20	0.20
Capital Work in Progress		2,297.53	781.56
Non Current Investments	13	5,866.25	3,930.18
Long Term Loans and Advances	14	1,366.81	37.44
Sub Total		34,370.01	31,301.82
2 Current Assets			
Inventories	15	5,399.91	5,082.35
Trade Receivables	16	3,976.15	4,480.75
Cash and Cash Equivalents	17	771.01	946.99
Short Term Loans and Advances	18	22,539.46	17,789.71
Other Current Assets	19	29.99	0.20
Sub Total		32,716.52	28,300.00
TOTAL		67,086.53	59,601.82
Notes forming part of Financial Statements	1 to 54		

As per our report of even date
For **ANOO AGARWAL & CO.**
Chartered Accountants
Firm Regn. No. 001739C

(Amit Kumar Srivastava)
Partner
Membership No. 517195
Place : Kolkata
Dated : 30.05.2016

(C.P. Agrawal)
Chairman & Managing Director

(Amit Jalan)
Chief Financial Officer

(S.K. Agrawal)
Whole time Director

(Nitesh Kumar)
Company Secretary

Consolidated Statement of Profit & Loss for the year ended 31st March, 2016

(₹ in lacs)

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Particulars	Note No.	Year ended 31st March, 2016	Year ended 31st March, 2015
A. REVENUE			
Revenue from Operations	20	57,964.76	56,074.10
Other Income	21	118.90	272.13
Total (A)		58,083.66	56,346.23
B. EXPENSES			
Changes in Inventories of Finished Goods	22	(315.35)	70.20
Cost of Materials consumed	23	44,900.66	43,586.60
Employee Benefit Expenses	24	675.69	679.17
Financial Costs	25	845.10	960.51
Depreciation and Amortization Expenses	26	1,394.51	1,459.90
Other Expenses	27	7,397.36	6,529.17
Total (B)		54,897.97	53,285.55
Profit before Exceptional & Extraordinary Items and Tax (A)-(B)		3,185.69	3,060.68
Less: Exceptional & Extraordinary Items (Preliminary Exp. w/o)		3.54	25.21
Profit before Tax		3,182.15	3,035.47
Prior Period Items		(3.29)	(17.76)
Profit After Prior Period Exp but before Tax		3,178.86	3,017.71
Tax Expense:			
- Current Tax		686.21	632.52
- Less: Mat Credit		(661.30)	(632.52)
- Deferred Tax		239.59	306.78
Total Tax		264.50	306.78
Profit / (Loss) After Tax		2,914.36	2,710.93
Minority Interest		(0.14)	-
Capital reserve on consolidation		(54.92)	-
Share of Profit / (Loss) in Associates		1,936.07	-
Profit for the year		4,795.37	2,710.93
Basic (₹)		16.98	9.60
Diluted (₹)		16.98	9.60
Notes forming part of Financial Statements	1 to 54		

As per our report of even date
For **ANOOP AGARWAL & CO.**
Chartered Accountants
Firm Regn. No. 001739C

(Amit Kumar Srivastava)
Partner
Membership No. 517195
Place : Kolkata
Dated : 30.05.2016

(C.P. Agrawal)
Chairman & Managing Director

(Amit Jalan)
Chief Financial Officer

(S.K. Agrawal)
Whole time Director

(Nitesh Kumar)
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2016

(₹ in lacs)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	3,178.86	3,017.70
Add :		
- Depreciation	1,394.51	1,459.90
- Interest Paid	845.10	960.51
- Misc. Expenditure Written Off during the year	0.20	25.21
- Loss on sale of Assets	7.00	-
- Expenses relating to earlier years	-	17.76
	5,425.67	5,481.08
Less: Profit on sale of Assets	-	254.08
Less: Income Tax Paid	695.65	583.62
Cash Flow from Operating Activities before Working Capital changes	4,730.01	4,643.38
Changes in Working Capital:		
- Change in Inventories	(317.57)	(97.53)
- Change in Trade receivables	504.61	(834.57)
- Change in Short Term Loans & Advances	(4,067.11)	(3,813.53)
- Change in Short Term Borrowings	3,267.88	615.14
- Change in Trade Payables	(103.14)	1,328.00
- Change in Other Current Liabilities	(1,485.70)	2,397.66
- Change in Short Term Provisions	(388.75)	(10.18)
- Change in other current Assets	(29.99)	25.21
Net Cash Flow from Operating Activities (A)	2,110.25	4,253.58
B CASH FLOW FROM INVESTING ACTIVITIES		
Change in Fixed Assets	310.89	273.02
Changes in Investment	-	(1,767.42)
Change in Capital WIP	(1,515.97)	(737.57)
Net Cash Flow from Investing Activities (B)	(1,205.08)	(2,231.97)

Consolidated Cash Flow Statement for the year ended 31st March, 2016

(₹ in lacs)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(845.10)	(960.51)
Dividend Paid	(339.84)	(119.97)
Change in Share Capital	6.00	-
Change in Long Term Loans & Advances	(1,329.37)	12.61
Change in Long Term Borrowing	(200.00)	(2,374.00)
Change in Other Long Term Borrowing	1,627.17	1,680.84
Net Cash Flow from Financing Activities (C)	(1,081.14)	(1,761.03)
Net Cash Inflow / (Outflow)- (A to C)	(175.97)	260.58
Add: Opening Balance of Cash & Cash Equivalent	946.98	686.41
Closing Balance of Cash & Cash Equivalents	770.01	946.99
Cash & Cash Equivalent comprises of :		
(i) Cash in hand	249.33	630.78
(ii) Balance with Banks		
- Fixed deposits with Banks	388.23	302.58
- Balance with Banks	133.45	13.63
Total	771.01	946.99

As per our report of even date
For **ANOOP AGARWAL & CO.**
Chartered Accountants
Firm Regn. No. 001739C

(Amit Kumar Srivastava)
Partner
Membership No. 517195
Place : Kolkata
Dated : 30.05.2016

(C.P. Agrawal)
Chairman & Managing Director

(Amit Jalan)
Chief Financial Officer

(S.K. Agrawal)
Whole time Director

(Nitesh Kumar)
Company Secretary

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Corporate Information

1. Corporate Information

Gallantt Ispat Limited ('the Company' / 'GIL'), incorporated in the year 2005, is engaged in the business of Iron & Steel, Agro and Power. The Company was promoted by M/s. Gallantt Metal Limited, Chandra Prakash Agrawal, Mr. Prem Prakash Agrawal, Mr. Nitin M Kandoi and M/s. Chandra Prakash Agrawal & Sons (HUF). Company floated its capital base by coming out with Initial Public Offerings of Equity Shares in the year 2010. Company is listed on both the premier stock exchanges viz. Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Note 1: Significant Accounting Policies

1) Disclosure of Accounting Policies (AS-1)

a) Nature of Operation

Company is engaged in the business of manufacturing of iron & steel and agro products backed up by captive power plant through its factories located at Gallantt Estate, Sahjanwa, Sector-23, Gorakhpur Uttar Pradesh. Company procures its raw materials from various suppliers and coal used in the plants are purchased indigenously as well as imported from countries outside India. Manufactured goods are sold in domestic markets.

b) Accounting Concepts & Basis of Presentation

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the Act 1956"), as applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. GAAP comprises mandatory accounting standards as specified in the Companies (Indian Accounting Standards) Rules, 2015, the provisions of the Act, 2013 / the Act 1956 and guidelines issued by the Securities and Exchange Board of India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a

revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Basis of Consolidation

Associates are entities over which the company has significant influence but not control. Investments in the associate GALLANTT METAL LIMITED is accounted for using the equity method of accounting as laid down under Accounting standard 23, "Accounting for Investments in Associates in Consolidated Financial Statements". The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. Gallantt Metal Limited prepares Financial Statements for the Financial Year ended 31st March, 2016.

Company has two subsidiaries Shree Surabhi Flour Mills Private Limited And Shree Surabhi Wheat Products Private Limited. The Consolidated Financial Statements of the Group incorporate the financial statements of the Company and entities controlled by the Company (its 'subsidiaries'). Control exists when the Company has the power to direct the relevant activities of an entity that significantly affect the entity's return so as to have rights to the variable return from its activities. In assessing whether control exists, potential voting rights that are currently exercisable are taken into account. The results of subsidiaries acquired during the year are included in the Group income statement from the effective date of acquisition, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those detailed herein to ensure that the Group financial statements are prepared on a consistent basis. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

2) Valuation of Inventories (AS-2)

a) Stock of Raw Materials, Stores and spare parts

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are valued at cost. Costs of Inventories are ascertained on FIFO basis.

- b) Stock of Finished goods and semi-finished goods are valued at cost or net realizable value whichever is lower.
- c) Waste and scraps are accounted at estimated realizable value. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges

3) Cash Flow Statement (AS – 3)

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short term investments with an original maturity of three months or less.

4) Contingencies And Events Occurring After Balance Sheet Date (AS -4)

Disclosure of contingencies as required by the accounting standard is furnished in the Notes on accounts.

5) Net Profit Or Loss For The Period, Prior Period Items And Changes In Accounting Policies (AS –5):

Net Profit or loss for the period and prior period items are shown separately in the Profit & Loss Account.

6) Depreciation (AS – 6)

Depreciation is systematically allocated over the useful life of an asset as specified in part C of schedule II of Companies Act 2013. In respect of fixed assets (other than freehold land and capital work-in-progress) acquired during the year, depreciation/amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

7) Revenue Recognition (AS -9)

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

a) Sale of Goods Sales are recognized and accounted for when they invoiced to customers and are net of excise duty, Commercial Tax (UP VAT) on dispatch of products to customers. Net sales are shown after deducting Excise duty which is disclosed at appropriate places.

b) Interest: Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.

c) Dividends Dividend from investment is recognized when the Company in which they are held declares the dividend and when the right to receive the same is established.

d) Insurance, duty drawback and other claims are accounted for on receipt basis or as acknowledged by the appropriate authorities.

8) Accounting For Fixed Assets (AS – 10)

a) Fixed Assets are stated at their original cost of acquisition/installation less accumulated depreciation and net off subsidies, duties and taxes. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use.

b) Capital work in progress All expenses incurred for acquiring, erecting and commissioning of the fixed assets including interest on loan utilized for meeting capital expenditure are shown under capital work in progress.

9) Accounting For The Effects In Foreign Exchange Rates (AS – 11)

a) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transactions.

b) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account. However, in case of long term liabilities, where they relate to acquisition of fixed assets, the income or expense on account of exchange difference is adjusted to the carrying cost of such assets.

10) Accounting For Investments (AS – 13)

Investments, being long term in nature, are valued at cost of acquisition. Adjustment for increase/decrease in the value of investments, if any, will be accounted for on realisation of the investments.

11) Employee Benefits (AS – 15)

a) Short-term employee benefits are recognized

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as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

- b) The Company contributes to the employee's provident fund maintained under the Employees Provident Fund Scheme of the Central Government and the same is charged to the Statement of Profit & Loss. Provision for gratuity is made on the basis of actuarial valuation at the year end in conformity with the Accounting Standard -15.

12) Borrowing Costs (AS – 16)

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged as expense in the year in which these are incurred.

13) Segment Reporting (AS – 17)

a) Identification of Segments

Primary Segment

Business Segment:

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing & Sale of (a) Iron & Steel and allied products; (b) Agro Products like Atta, Suji, Maida, Bran etc., and (c) Power (d) Real Estate.

Secondary Segment

Geographical Segment:

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are as follows :

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

b) Allocation of Common costs

Common allocable costs are allocated to each segment according to the ratio of their respective turnover to the total turnover.

c) Unallocated items

The Unallocated Segment includes general

corporate income and expense items, which are not allocated to any business segment.

14) Related Party Disclosures (AS – 18)

Disclosure of related parties as required by the accounting standard is furnished in the Notes on accounts.

15) Earnings Per Share (AS – 20)

Basic and Diluted Earnings per shares are calculated by dividing the net profit attributable to the ordinary shareholders by the weighted average number of ordinary shares.

16) Accounting For Taxes On Income (AS – 22)

Provision for current income tax is determined on the basis of the amount of tax payable on taxable Income for the year.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full fiscal year.

17) Interim Financial Reporting (AS – 25)

The quarterly financial results are published in accordance with the requirements of listing Agreements/Regulations with stock exchanges.

18) Intangible Assets (AS – 26)

a) Internally generated intangible asset under development stage is recognized when it is demonstrated that it is technically feasible to use the same and the cost incurred for developing the same is ascertained. Technical Know-how so developed internally is amortized on a straight- line basis over its estimated useful life.

b) Intangible assets acquired by payment e.g., Trade marks, Goodwill and Technical Know-how are disclosed at cost less amortization on

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as at and for the year ended 31st March, 2016

a straight-line basis over its estimated useful life.

19) Excise Duty, Commercial Tax (U.P. Value Added Tax & Central Sales Tax) & Custom Duty

- a) The CENVAT credit available on purchase of raw materials and other eligible inputs is adjusted against excise duty payable on clearance of goods produced. The unadjusted CENVAT credit is shown under the head "Short Term Loans and Advances".
- b) The Company is eligible for automatic conversion of U.P. Value Added Tax & Central Sales Tax Liability for a period of 15 years into interest free loan from State Government of Uttar Pradesh, which shall be repayable after 15 years.

20) Consumption of Raw Materials, Stores & Spare Parts Etc.

Raw Materials, Stores and spare parts etc., consumed are exclusive of (a) Excise Duty on inputs under Cenvat Scheme, (b) Service tax input credits, (c) Insurance Claims received (d) Entry Tax under Uttar Pradesh Local Sales Tax Act and (f) VAT Input Credit under State laws, wherever applicable.

21) Service Tax & Cess

Various expenses are accounted for after deducting the input tax credit available in respect of Service Tax, Education Cess and Secondary & Higher Education Cess.

22) Preliminary Expenses

Preliminary expenses are amortized over a period of 5 years.

23) Impairment

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value being higher of value in use and net selling price. An impairment loss is recognized as an expense in

the Profit and Loss Account in the year in which an asset is impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

24) Prior Period Items

Prior period items, if any, are included in respective heads of accounts and material items are disclosed by way of notes on accounts.

25) Taxation

- a) Tax expenses comprise of income tax, corporate dividend tax, deferred tax including applicable surcharge and cess.
- b) Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.
- c) Provision for deferred tax or credit for release thereof is accounted for as ascertained in accordance with principles stated hereinabove.
- d) Tax on distributed profits payable in accordance with the provisions of Section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the period.

26) Contingent Liabilities (AS – 29)

Contingent Liabilities

Contingent Liabilities are determined on the basis of available information and which are not provided for is disclosed by way of notes to the Accounts.

Consolidated Notes to the Financial Statements as at and for the year ended 31st March, 2016

(₹ in lacs)

NOTE	2	SHARE CAPITAL	As at 31.03.2016	As at 31.03.2015
		Authorized Share Capital		
		4,65,00,000 Equity Shares of ₹ 10/- each	4,650.00	3,000.00
		(Previous year 3,00,00,000 Equity Shares of ₹ 10/- each)		
		Issued, Subscribed and Paip-up Share Capital		
		2,82,36,072 Equity Shares of ₹10/- each fully paid up	2,823.61	2,926.65
		Share Capital Suspense	—	(103.04)

Pursuant to the Scheme of Amalgamation of Gallantt Udyog Ltd with the company, inter Company holding of 1,02,45,592 no. of Equity Shares held by Gallantt Udyog Limited with the Company has stand cancelled. Further, 92,15,159 no. of Equity Shares have been allotted to the shareholders of Transferor Company M/s. Gallantt Udyog Limited. Hence, as a net effect of the above, 10,30,433 no. Equity shares of ₹ 10/- each has been reduced from the total paid up shares.

2.1 Details of shareholders holding more than 5% shares

Name of Shareholders	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	% of holding	No. of Shares	% of holding
Gallantt Metal Limited	72,51,992	25.68%	55,01,992	18.80%
Chandra Prakash Agrawal	49,36,088	17.48%	42,20,249	14.42%
AAR Commercial Co. Ltd.	31,86,006	11.28%	27,41,562	9.37%

2.2 The Reconciliation of the shares outstanding is set out below:

	2015-16	2013-14
Equity Shares at the beginning of the year (No.)	2,82,36,072	2,92,66,505
Less: Cancellation of 1,02,45,592 Shares hel by Gallant Udyog Limited	—	1,02,45,592
Add: Allotment of 92,15,159 Shares to the share holders of Gallantt Udyog Limited	—	92,15,159
Equity Shares at the end of the year (No.)	2,82,36,072	2,82,36,072

2.3 Disclosure regarding the Shares Issued for consideration other than cash

The Company, during the past years, undertook various Schemes including Merger of General Investment Division of Gallantt Udyog Limited and Merger of Companies with the Company. Further, the Company has concluded Bonus Issue of Equity Shares. Pursuant to the Schemes of Amalgamation and Arrangement ("the Schemes") under Sections 391 to 394 of the Companies Act, 1956 approved by the Honourable Calcutta High Court, the Company has recorded all necessary accounting effects, along with requisite disclosure in the notes to accounts. Further, during the financial year the company has allotted Equity Shares pursuant to the Scheme of Amalgamation of Gallantt Udyog Limited with the Company. The cumulative effects of these adjustments due to issue of Equity Shares for consideration other than cash has been disclosed hereunder.

Consolidated Notes to the Financial Statements

as at and for the year ended 31st March, 2016

(₹ in lacs)

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Particulars	No. of shares	Date of Order of H'ble Calcutta High Court
(a) Pursuant to Amalgamation of Gallantt Udyog Limited with the Company	92,15,159	14-May-15
Total	92,15,159	

NOTE	3	RESERVES AND SURPLUS	As at 31.03.2016	As at 31.03.2015
		Securities premium account		
		Balance at beginning of the year	17,732.19	22,102.19
		1,02,45,592 Equity Shares, with an acquisition cost of ₹ 53,94,55,920/- held by Gallantt Udyog Limited (being Transferor Company) cancelled. Out of total acquisition cost of ₹ 53,94,55,920/-, Capital Portion of ₹ 10,24,55,920/- is adjusted against Capital and Securities Premium portion of ₹ 43,70,00,000 adjusted against Securities Premium Account.	—	(4,370.00)
		Balance at the end of the year	17,732.19	17,732.19
		Amalgamation Reserve		
		Balance at beginning of the year	412.09	227.78
		New Creation out of Amalgamation of Gallantt Udyog with the Company	—	184.30
		Balance at the end of the year	412.09	412.08
		Capital Reserve		
		Capital Reserve on Consolidation (Subsidiary)	54.92	—
		Balance at the end of the year	54.92	—
		General Reserve		
		Balance at beginning of the year	4,998.82	4,998.82
		Balance at the end of the year	4,998.82	4,998.82
		Revaluation Reserve		
		Balance at beginning of the year	10.90	11.72
		Less: Depreciation / Adjustment	0.82	0.82
		Balance at the end of the year	10.08	10.90
		Statutory Reserve		
		Balance at beginning of the year	0.46	0.46
		Balance at the end of the year	0.46	0.46
		Surplus in the statement of Profit and Loss		
		Balance at beginning of the year	6,696.41	4,274.11
		Add: Profit for the year	4,795.37	2,710.92
		Add: Dividend paid to GUL	—	51.23
		Less:	—	—
		Proposed/Interim dividend	282.36	282.36
		Corporate Dividend Tax	57.48	57.48
		Balance at the end of the year	11,151.94	6,696.42
		Total	34,360.50	29,850.87

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(₹ in lacs)

NOTE 4 LONG TERM BORROWINGS		As at 31.03.2016		As at 31.03.2015	
Secured		Non-Current	Current	Non-Current	Current
Term Loans- From Banks		—	—	450.00	—
Unsecured					
Unsecured Loan From Directors		75.00	—	—	—
Unsecured Loan From Others		175.00	—	—	—
Total		250.00	—	450.00	—

Note. Company has repaid outstanding balance of Term loan to SBI. During the current Financial year.

NOTE 5 DEFERRED TAX LIABILITY		As at 31.03.2016	As at 31.03.2015
Opening Balance		2,265.27	1,958.49
Add: On account of Timing difference in Depreciation		239.59	306.78
Total		2,504.86	2,265.27

NOTE 6 OTHER LONG TERM BORROWINGS		As at 31.03.2016	As at 31.03.2015
Interest free Loan in Lieu of VAT & CST		8,791.40	7,164.24
(Refer Note No 39)			
Total		8,791.40	7,164.24

NOTE 7 SHORT TERM BORROWINGS		As at 31.03.2016	As at 31.03.2015
Secured			
Cash Credit / Over Draft From Bank		5,732.96	5,598.74
Unsecured			
Unsecured Loan		3,133.66	—
Total		8,866.62	5,598.74

- a) Cash credit is secured by Hypothecation of entire current assets of the company (present & future) consisting of Raw Material, SIP, Finished goods, Store & Spares and Book Debts, Extension of first pari pasu charge over all the borrower's fixed assets (present & future) and personal Guarantee of Mr. C.P. Agrawal, Mr. P.P. Agrawal and Mr. Nitin M. Kandoi.
- b) Subsidiary company having over draft facility is secured against FDR

NOTE 8 TRADE PAYABLES		As at 31.03.2016	As at 31.03.2015
Trade Payables		1,404.14	1,507.28
Total		1,404.14	1,507.28

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as at and for the year ended 31st March, 2015

(₹ in lacs)

NOTE	9	OTHER CURRENT LIABILITIES	As at 31.03.2016	As at 31.03.2015
		Interest on long Term borrowings	-	5.39
		Other Payables	797.74	93.82
		Advance from Customers	1,172.24	2,475.42
		Advance against Property	5,790.00	5,750.00
		Excess Cheque Issued	307.39	1,228.43
		Total	8,067.37	9,553.06

NOTE	10	SHORT TERM PROVISIONS	As at 31.03.2016	As at 31.03.2015
		Proposed Dividend	-	282.36
		Corporate Dividend Tax	-	57.48
		Provision for Income Tax (Net of Advance Tax and TDS)	11.89	48.91
		Total	11.89	388.75

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NOTE	11	TANGIBLE FIXED ASSETS	GROSS BLOCK						DEPRECIATION				NET BLOCK				
			Balance AS ON 01.04.2015	Additions during the year	Adjust-ment	Total	SALES/ ADJ	SUBSIDY	Adjust-ment of Subsidy etc.	Total as on 31.03.2016	As on 01.04.2015	During the year on Revalued figure	During the year charged to P&L	Sales/Adj During the year	Total as on 31.03.2016	WDV as at 31.03.2016	WDV as at 31.03.2015
		Land	1,849.90	-	-	1,849.90	-	300.24	300.24	1,549.66	-	-	-	-	-	1,549.66	1,549.66
		Computer	52.61	4.56	-	57.17	-	4.40	4.40	52.77	37.94	5.61	5.61	-	43.55	9.22	10.28
		Vehicle	318.39	60.24	(74.94)	303.69	-	37.22	37.22	266.47	162.31	28.15	28.15	49.29	141.17	125.30	118.85
		Two Wheeler	5.04	-	-	5.04	-	0.56	0.56	4.48	1.88	0.32	0.32	-	2.20	2.28	2.60
		Office Equipment	36.05	14.47	-	50.52	-	3.19	3.19	47.33	21.81	5.68	5.68	-	27.49	19.84	11.04
		Furniture & Fixture	23.05	-	-	23.05	-	0.94	0.94	22.10	7.05	2.46	2.46	-	9.51	12.59	15.05
		Electrical Installation	1,060.46	-	-	1,060.46	-	160.45	160.45	900.01	302.20	95.20	95.20	-	397.40	502.62	597.81
		Factory Building (Common)	255.55	-	-	255.55	-	47.21	47.21	208.34	41.44	6.48	6.48	-	47.91	160.42	166.90
		Misc Assets	412.34	-	-	412.34	-	68.62	68.62	343.73	90.42	23.62	23.62	-	114.04	229.69	253.30
		Non Factory Building	771.12	-	-	771.12	-	115.66	115.66	655.46	58.86	10.33	10.33	-	69.18	586.28	596.60
		Factory Building (Flour Mill)	917.54	-	-	917.54	-	140.68	140.68	776.87	150.34	24.15	24.15	-	174.50	602.37	626.52
		Plant & Machinery (Flour Mill)	1,259.75	3.60	-	1,263.35	-	202.60	202.60	1,060.75	500.61	80.71	80.71	-	581.32	479.43	556.54
		Plant & Machinery (Rolling Mill)	4,008.84	-	-	4,008.84	-	765.94	765.94	3,242.90	1,144.56	192.65	192.65	-	1,337.21	1,905.69	2,098.34
		Plant & Machinery (SMS)	2,719.61	-	-	2,719.61	-	778.76	778.76	1,940.85	994.67	153.25	153.25	-	1,147.92	792.93	946.18
		Plant & Machinery (Sponge Iron)	5,908.32	-	-	5,908.32	-	96.19	96.19	5,812.13	1,268.76	207.95	207.95	-	1,476.70	4,335.43	4,543.38
		Factory Building (Rolling Mill)	1,627.37	-	-	1,627.37	-	178.79	178.79	1,448.57	241.30	45.29	45.29	-	286.59	1,161.99	1,207.28
		Factory Building (SMS)	1,463.53	-	-	1,463.53	-	264.21	264.21	1,199.32	236.76	37.29	37.29	-	274.05	925.28	962.57
		Factory Building (Sponge Iron)	1,809.75	-	-	1,809.75	-	-	-	1,809.75	253.14	56.93	56.93	-	310.06	1,499.69	1,556.62
		Office Building	232.35	-	-	232.35	-	-	-	232.35	10.30	3.79	3.79	-	14.09	218.25	222.05
		Railway Siding	900.91	-	-	900.91	-	-	-	900.91	166.65	59.90	59.90	-	226.54	674.37	734.27
		Pollution Equipment	224.26	-	-	224.26	-	-	-	224.26	12.43	12.43	12.43	-	24.86	199.40	211.83
		LAND (STEEL-BARGADWA)	63.55	-	-	63.55	-	-	-	63.55	-	-	-	-	-	63.55	63.55
		LAND (SARDAR NAGAR)	12.69	-	-	12.69	-	-	-	12.69	-	-	-	-	-	12.69	12.69
		LAND (BASTI)	6.61	-	-	6.61	-	-	-	6.61	-	-	-	-	-	6.61	6.61
		LAND (BIHAR)	11.71	-	-	11.71	-	2.94	2.94	8.77	-	-	-	-	8.77	11.41	11.41
		LAND LEASEHOLD UPSIDC	71.03	24.59	-	95.62	-	-	-	95.62	-	-	-	-	-	95.62	71.03
		BUILDING FACTORY (BORING NO.10)	119.68	-	-	119.68	-	-	-	119.68	79.51	6.93	6.11	-	86.45	33.23	40.16
		BUILDING FACTORY (BIHAR)	338.51	-	-	338.51	-	85.09	85.09	253.42	12.55	9.41	9.41	-	21.96	231.46	317.29
		BUILDING NON FACTORY (BIHAR)	94.68	-	-	94.68	-	23.80	23.80	70.88	2.01	1.17	1.17	-	3.18	67.70	90.24
		BUILDING FACTORY (BASTI)	55.27	-	-	55.27	-	-	-	55.27	25.94	1.55	1.55	-	27.49	27.79	29.34
		BUILDING NON FACTORY (BASTI)	5.06	-	-	5.06	-	-	-	5.06	1.17	0.08	0.08	-	1.24	3.82	3.89
		PLANT & MACHINERY (BASTI)	164.89	-	-	164.89	-	-	-	164.89	109.22	21.91	21.91	-	131.13	33.76	55.67
		PLANT & MACHINERY (BIHAR)	1,527.94	16.49	-	1,544.43	-	387.91	387.91	1,156.53	108.02	86.33	86.33	-	194.35	962.18	1,381.35

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(₹ in lacs)

NOTE	11	TANGIBLE FIXED ASSETS	GROSS BLOCK						DEPRECIATION					NET BLOCK	
Particulars	Balance AS ON 01.04.2015	Additions during the year	Adjust-ment	Total	SALES/ ADJ	SUBSIDY	Adjust-ment of Subsidy etc.	Total as on 31.03.2016	As on 01.04.2015	During the year on Revalued figure	During the year charged to P&L	Sales/Adj During the year	Total as on 31.03.2016	WDV as at 31.03.2016	WDV as at 31.03.2015
MISC. FIXED ASSETS (BASTI)	20.33	-	-	20.33	-	-	-	20.33	14.39	2.28	2.28	-	16.66	3.67	5.94
OFFICE EQUIPMENT (BASTI)	1.52	-	-	1.52	-	-	-	1.52	1.45	-	-	-	1.45	0.08	0.08
COMPUTER (BASTI)	2.11	-	-	2.11	-	-	-	2.11	2.06	-	-	-	2.06	0.05	0.05
COMPUTER (BIHAR)	1.07	-	-	1.07	-	0.27	0.27	0.80	0.37	0.30	0.30	-	0.68	0.12	0.66
Two Wheeler (Subsidiary Co.)	-	0.53	-	0.53	-	-	-	0.53	-	0.05	-	-	0.05	0.48	-
Moto Car (Subsidiary Co.)	-	33.28	-	33.28	-	-	-	33.28	-	3.95	-	-	3.95	29.33	-
Total i)	28,353.39	157.76	(74.94)	28,436.21	-	3,665.66	3,665.66	24,770.55	6,060.12	1,186.13	1,181.31	49.29	7,196.95	17,573.60	19,077.61
Factory Building (Power Plant)	1,774.75	-	-	1,774.75	-	-	-	1,774.75	212.30	55.90	55.90	-	268.20	1,506.55	1,562.45
Plant & Machinery (Power Plant)	7,743.80	-	-	7,743.80	-	695.59	695.59	7,048.21	1,135.84	153.29	153.29	-	1,289.13	5,759.08	5,912.37
Total ii)	9,518.55	-	-	9,518.55	-	695.59	695.59	8,822.96	1,348.13	209.19	209.19	-	1,557.33	7,265.63	7,474.82
TOTAL (i+ii)	37,871.94	157.76	(74.94)	37,954.76	-	4,361.25	4,361.25	33,593.51	7,408.25	1,395.32	1,390.50	49.29	8,754.28	24,839.22	26,552.44

NOTE	12	INTANGIBLE FIXED ASSETS	GROSS BLOCK						DEPRECIATION				NET BLOCK				
		Particulars	Balance as on 01.04.2015	Additions during the year	Adjustment	Total	SALES/ ADJ	SUBSIDY	Adjustment of Subsidy etc.	Total as on 31.03.2016	As on 01.04.2015	During the year on Revalued figure	During the year charged to P&L	Sales/Adj During the year	Total as on 31.03.2015	WDV as at 31.03.2016	WDV as at 31.03.2014
		Computer Software	8.29	—	—	8.29	—	1.01	1.01	7.28	7.08	—	—	—	7.08	0.20	0.20
		Total	8.29	—	—	8.29	—	1.01	1.01	7.28	7.08	—	—	—	7.08	0.20	0.20
		GRAND TOTAL (Note 11 & 12)	37,880.23	157.76	(74.94)	37,963.05	—	4,362.26	4,362.26	33,600.79	7,415.33	1,395.32	1,390.50	49.29	8,761.37	24,839.42	26,552.64

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NOTE 13 NON CURRENT INVESTMENTS		As at 31.03.2016	As at 31.03.2015
Trade Investments		—	—
Non Trade Investments			
Investment in Equity Instruments of Associates Co. Gallantt Metal Limited (Quoted)-Note 13.1		5,855.25	3,919.18
3,78,62,895 Equity Shares in Gallantt Metal Ltd. (Market Value as on 31.03.2016 is ₹ 102,22,98,165)			
Gorakhpur Taxpark Pvt. Ltd (Un Quoted)		11.00	11.00
Total		5,866.25	3,930.18
13.1 Investment in Equity Instruments of Associates co. Gallantt Metal Limited			
Shares in Gallantt Metal Limited (At cost)- Quoted		3,919.18	3,919.18
(Capital Reserve of ₹ 9,187.38 Lacs arising on consolidation)			
Add Share in Profit / (Loss) of Associate Co. Gallantt Metal Limited upto 31.03.2016		1,936.07	—
		5,855.25	3,919.18
NOTE 14 LONG TERM LOANS AND ADVANCES		As at 31.03.2016	As at 31.03.2015
(Unsecured and considered good)			
Advances		1,300.18	4.35
Security deposits		66.63	33.10
Total		1,366.81	37.45
NOTE 15 INVENTORIES		As at 31.03.2016	As at 31.03.2015
(At lower of cost or net realisable value)			
Raw materials		2,612.58	2,294.01
Finished goods		1,286.55	971.21
Consumables stores and spares		1,011.70	1,242.02
Land at Real Estate Business		489.08	575.11
Total		5,399.91	5,082.35
NOTE 16 TRADE RECEIVABLES		As at 31.03.2016	As at 31.03.2015
(Unsecured and considered good)			
Outstanding for a period within six months		3,631.53	4,140.39
Outstanding for a period exceeding six months		344.62	340.36
Total		3,976.15	4,480.75

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NOTE	17	CASH AND CASH EQUIVALENTS	As at 31.03.2016	As at 31.03.2015
		Balance with Banks	133.45	13.63
		Cash in hand	249.33	630.78
		Fixed deposits with Banks	388.23	302.58
		Total	771.01	946.99
NOTE	18	SHORT TERM LOANS AND ADVANCES	As at 31.03.2016	As at 31.03.2015
		Advances to employees	–	0.34
		Prepaid expenses	25.03	24.12
		Mat Credit Entitlement	2,693.31	2,032.01
		Balance with government authorities:		
		- Excise & Service Tax	142.99	153.48
		- VAT	91.85	67.16
		- Other	720.00	415.39
		- Pradeshiya Industrial & Investment Corporation of U.P. Ltd (PICUP)	17,125.45	13,567.21
		(Refer Note No. 39 & 41)		
		Others	1,740.82	1,530.00
		Total	22,539.45	17,789.71
	18.1	Mat Credit Entitlement		
		Opening Balance	2,032.01	1,399.48
		Add: Addition during the year	661.31	632.52
		Total	2,693.32	2,032.00
NOTE	19	OTHER CURRENT ASSETS	As at 31.03.2016	As at 31.03.2015
		Preliminary Expenses (to the extent not written off)	29.85	0.20
		Pre Operative Expenses	0.14	–
		Total	29.99	0.20

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(₹ in lacs)

NOTE	20	REVENUE FROM OPERATIONS	Year Ended 31.03.2016	Year Ended 31.03.2015
		Sale of Products	61,289.64	57,345.79
		Income from Real Estate Division	827.61	2,714.65
		Less: Excise Duty	4,152.49	3,986.34
		Total	57,964.76	56,074.10
	20.1	Particulars of Sale of Products Net of Excise Duty		
		Maida	13,964.70	11,649.40
		Suji	3,455.30	3,646.67
		Atta	1,634.42	1,804.62
		Bran	4,865.45	4,147.94
		Daliya	155.47	–
		Sponge Iron	658.71	2,386.04
		Billets	–	432.52
		M.S Bar	32,455.22	29,343.97
		Miss rolled Bar	46.10	35.17
		Others	125.27	176.79
		Revenue	57,360.64	53,623.11
		Less : Cash Discount	22.66	35.52
		Claims on sales	200.83	228.14
		Add: Excise Duty	4,152.49	3,986.34
		Total	61,289.64	57,345.79
NOTE	21	OTHER INCOMES	Year Ended 31.03.2016	Year Ended 31.03.2015
		Interest income	112.44	–
		Miscellaneous Income	6.46	272.13
		Total	118.90	272.13
NOTE	22	CHANGES IN INVENTORIES OF FINISHED GOODS	Year Ended 31.03.2016	Year Ended 31.03.2015
		Inventories at the beginning of the year:		
		Finished Goods	971.21	1,041.41
		Total	971.21	1,041.41
		Inventories at the end of the year:		
		Finished Goods	1,286.55	971.21
		Total	1,286.55	971.21
		Net Decrease/(Increase)	(315.35)	70.20

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NOTE	23	COST OF MATERIALS CONSUMED	Year Ended 31.03.2016	Year Ended 31.03.2015
		Opening Stock	2,869.12	2,465.59
		Add: Purchases	41,700.57	40,628.49
		Expenses on Raw Material	383.68	597.74
		Freight on Raw Material	88.12	40.83
		Freight on Coal	2,706.85	1,916.05
		Freight On Wheat	253.98	231.91
		Total	48,002.32	45,880.61
		Less: Closing Stock	3,101.66	2,294.01
		MATERIALS CONSUMED	44,900.66	43,586.60

	23.1	PARTICULARS OF MATERIAL CONSUMED	Year Ended 31.03.2016	Year Ended 31.03.2015
		Wheat	20,213.94	17,909.16
		Iron Ore	1,320.95	2,529.90
		Pellets	6,311.08	8,659.74
		Coal	9,954.05	8,763.07
		Dolomite	160.33	112.78
		Refractories	206.51	76.44
		Scrap	42.30	258.91
		Others	6,691.50	5,276.60
		Total	44,900.66	43,586.60

	23.2	COST OF MATERIALS CONSUMED	2015-16		2014-15	
			₹ In Lacs	% of Total	₹ In Lacs	% of Total
		Imported	4,652.07	10.36%	3,379.77	7.75%
		Indigenous	40,248.59	89.64%	40,206.83	92.25%
		Total	44,900.66	100.00%	43,586.60	100.00%

NOTE	24	EMPLOYEE BENEFIT EXPENSES	Year Ended 31.03.2016	Year Ended 31.03.2015
		Salary, Wages and Bonus	615.34	614.73
		Contribution to Provident and other Fund	56.31	54.62
		Staff Welfare expenses	4.04	9.82
		Total	675.69	679.17

	25	FINANCIAL COST	Year Ended 31.03.2016	Year Ended 31.03.2015
		Interest Expenses	758.33	900.37
		Other Borrowing Cost	86.77	60.14
		Total	845.10	960.51

	26	DEPRECIATION AND AMORTIZATION EXPENSES	Year Ended 31.03.2016	Year Ended 31.03.2015
		Depreciation on Tangible Assets	1,394.51	1,459.90
		Total	1,394.51	1,459.90

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NOTE	27	OTHER EXPENSES	Year Ended 31.03.2016	Year Ended 31.03.2015
		Manufacturing Expenses:		
		Consumption of stores and spare parts	1,115.15	1,785.98
		Repairs to Plant & Machinery	290.82	423.49
		Repairs to others	151.20	93.30
		Handling Expenses	436.18	391.84
		Power & Fuel	4,354.27	3,041.68
		Packing Material Consumed	213.51	270.35
		Selling & Administration Expenses:		
		Audit Fees	4.87	3.99
		Selling & Distribution Exp.	347.35	217.30
		Rates ,Taxes & Fees	37.19	27.91
		Insurance Exp.	46.88	39.35
		Rent	0.60	15.83
		Misc. Exp.	55.64	11.51
		Power & Fuel (Office)	12.27	5.71
		Printing & Stationary	1.24	6.46
		Telephone Exp.	17.00	14.45
		Travelling & conveyance Exp.	29.81	32.44
		Director Remuneration	63.60	47.39
		Foreign Currency Conversion Loss	177.78	60.19
		Expenses for Corporate Social Responsibility	42.00	40.00
		Total	7,397.36	6,529.17

	28	VALUE OF STORES, CHEMICALS AND PACKING MATERIALS CONSUMED	2015-16		2014-15	
			₹ In Lacs	% of Total	₹ In Lacs	% of Total
		Imported	28.88	2.17%	7.16	0.35%
		Indigenous	1,299.79	97.83%	2,049.17	99.65%
		Total	1,328.67	100.00%	2,056.33	100.00%

NOTE	29	VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF	Year Ended 31.03.2016	Year Ended 31.03.2015
		Raw Material	4,652.07	3,379.77
		Stores, Chemical and packing Material	28.88	7.16
		Capital Goods	—	9.01
		Total	4,680.95	3,395.94

	30	EARNING PER SHARE	Year Ended 31.03.2016	Year Ended 31.03.2015
(i)		Net Profit After Tax as per statement of Profit And Loss attributable to Equity Shareholder (₹)	47,95,37,397	27,10,91,666
(ii)		Weighted Average number of equity share used as denominator for calculating Basic EPS	2,82,36,072	2,82,36,072
(iii)		Weighted Average number of equity share used as denominator for calculating Diluted EPS	2,82,36,072	2,82,36,072
(iv)		Basic Earning per Share (₹)	16.98	9.60
(v)		Diluted Earning per Share (₹)	16.98	9.60
(vi)		Face Value Per Share (₹)	10.00	10.00

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NOTE	31	RELATED PARTY DISCLOSURE AS PER AS- 18 (AS IDENTIFIED BY THE MANAGEMENT)	
I.	Associate Company, Firm, Subsidiaries and Other Related Parties	Gallant Metal Ltd Chandra Prakash Agrawal & Sons (HUF) Prem Prakash Agrawal HUF Shree Surabhi Flour Mill Pvt. Ltd. Shree Surabhi Wheat Products Pvt. Ltd.	
II.	Key Managerial Personnel	Mr.Chandra Prakash Agrawal Mr.Prem Prakash Agrawal Mr.Nitin M Kandoi Mr. Santosh Kumar Agrawal Mr.Mayank Agrawal Mr. Amit Jalan Mr. Nitesh Kumar	
III.	Relatives of Key Managerial Personnel	Mrs. Madhu Agarwal Mr. Ashutosh Agrawal Mrs. Smriti Agrawal Mrs. Shyama Agrawal Mrs. Shruti Kandoi Mrs. Pallavi Agrawal Mrs. Uma Agrawal	

RELATED PARTY TRANSACTION:				
Nature of Transaction	Associate Co. & Firm	Key Managerial Personnel	Relatives of Key Managerial Personnel	Total
Salary/ Remuneration	–	70.36	50.40	120.76
	(–)	(63.66)	(45.95)	(109.62)
Interest paid	85.68	–	–	85.68
	(–)	(–)	(–)	(–)
Loan Taken	3,619.32	–	–	3,619.32
	(–)	(–)	(–)	(–)
Loan Repaid	3,619.32	–	–	3,619.32
	(–)	(–)	(–)	(–)
Purchase	5.78	–	–	5.78
	(22.65)	(1.76)	(–)	(24.41)
Sale	145.13	18.55	1.65	165.32
	(53.14)	(235.36)	(–)	(288.51)
Lease Rent Paid/ Received	14.31	–	–	14.31
	(0.24)	(0.06)	(0.06)	(0.36)
Advance Received Against Land	1,225.00	–	–	1,225.00
	(–)	(–)	(–)	(–)
Repayment of Advance Received Against Land	500.00	–	–	500.00
	(–)	(–)	(–)	(–)

The Amount Shown in Bracket () Denotes Previous year figure

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NOTE 32 EMPLOYEE BENEFITS DISCLOSURE AS PER AS-15

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognized as expense for the year is as under:

Particulars	2015-16	2014-15
Employer' contribution to Provident Fund	33.39	20.95
Employer' contribution to ESIC	10.65	12.67

Defined Benefit Plans

The Employee' gratuity fund scheme managed by a Life Insurance Corporation of India is a defined benefit Plan.

Disclosures pursuant to Accounting Standard-15 "Employment Benefit":

	2015-16	2014-15
(a) Component of Employer Expenses		
(i) Current Service Cost	30.21	30.31
(ii) Interest Cost	5.77	2.49
(iii) Expected return on Assets	5.10	3.49
(iv) Actuarial (Gain / Losses)	19.46	7.76
(v) Total Expenses	50.34	37.07
(b) Net Assets (Liability) recognized in Balance Sheet		
(i) Present Value of defined benefit obligation	127.72	72.35
(ii) Fair Value of Plant Assets	75.00	63.71
(iii) Fund Status (Surplus/ Deficit)	-52.72	-8.64
(iv) Net Assets / (Liability)	-52.72	-8.64
(c) Change in obligation during the year		
(i) Present value of defined benefit obligation at the beginning of the year	72.35	31.06
(ii) Current Service Cost	30.21	30.31
(iii) Interest Cost	5.77	2.49
(iv) Actuarial (Gain / Losses)	19.86	8.49
(v) Benefit Payment	(0.47)	—
(vi) Present value of defined Benefit obligation at the end of the year	127.72	72.35
(d) Change in Assets		
(i) Plan Assets at the beginning of the year	63.71	39.67
(ii) Expected return on Plant Assets	5.10	3.49
(iii) Actuarial (Gain/ Loss)	0.40	0.73
(iv) Plan Assets st the end of the year	75.00	63.71
(e) Actuarial Assumption		
(i) Discount Rate	8.00%	8.00%
(ii) Expected return on Assets	8.00%	8.80%
(iii) Salary Increase	9.00%	9.00%
(iv) Mortality	IALM 2006-08	IALM 2006-08

NOTE 33 SEGMENT REPORT

(A) Primary Segment (By Business Segment):

The Company is engaged in the business of production of Steel Products, Wheat Products & Power. The Company has three reportable business segments i.e. Steel, Agro & Power which have been identified in line with the A.S. -17 "Segment Reporting". Consequent upon amalgamation of Gallantt Udyog Limited with the Company, entire business including Real Estate business of Gallantt Udyog Limited is transferred to the Company. Hence, Real Estate is a new business segment of the Company. Information about Primary Segment is as follows:

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SEGMENT WISE REPORTING		
Particulars	2015-16	2014-15
1 Segment Revenue		
(A) Agro	23,871.35	20,994.97
(B) Steel	33,265.80	32,364.48
(C) Power	5,462.77	4,804.86
(D) Real Estate	827.61	2,714.65
(E) Unallocated Income	118.90	272.13
Total Segment Revenue	63,546.43	61,151.09
Less: Inter Segment Revenue-Power	5,462.77	4,804.86
Net Sales/Income from Operation	58,083.66	56,346.23
2 Segment Result		
(A) Agro	1,755.90	715.88
(B) Steel	(1,440.38)	(2,144.81)
(C) Power	3,210.39	2,712.10
(D) Real Estate	741.58	2,714.65
Total Segment Result	4,267.49	3,997.82
Add: Unallocated Income	—	—
Less: Interest	845.10	960.51
Less: Other Unallocable Expenses (Net)	243.53	19.61
Total Profit before Tax	3,178.86	3,017.70
3 Segment Assets		
(A) Agro	8,912.80	4,512.65
(B) Steel	39,613.16	35,329.49
(C) Power	7,348.92	7,474.82
(D) Real Estate	1,288.54	2,762.88
(E) Unallocated	9,923.12	9,521.97
	67,086.54	59,601.81
Segment Liability		
(A) Agro	4,745.50	4,011.34
(B) Steel	18,889.75	13,886.70
(C) Power	—	—
(D) Real Estate	—	—
(E) Unallocated	6,267.18	9,029.29
	29,902.43	26,927.33
4 Capital Employed		
(A) Agro	4,167.30	501.31
(B) Steel	20,723.41	21,442.79
(C) Power	7,348.92	7,474.82
(D) Real Estate	1,288.54	2,762.88
(E) Unallocated	3,655.94	492.68
Total Capital Employed	37,184.11	32,674.48

(B) Secondary Segment (By Geographical Segment)

The Secondary Segment is based on geographical demarcation i.e. India & Rest of the World. There is no reportable segment under above category.

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34	CONTINGENT LIABILITIES	2015-16	2014-15
	Contingent liabilities not provided for in respect of:		
(i)	Guarantee given by the bank on behalf of the Company to Purvanchal Vidyut Vitran Nigam for Electricity connection.	210.00	210.00
(ii)	Guarantee given by the bank on behalf of the Company to Purvanchal Vidyut Vitran Nigam for Electricity connection.	223.00	60.00
(iii)	Guarantees given by the bank on behalf of the Company to Uttar Pradesh Pollution Control Board for NOCs.	2.00	2.00
(iv)	Guarantee given by the bank on behalf of the Company to Uttar Pradesh Rajya Nirman Nigam against Security.	4.00	4.00
(v)	Guarantee given by the bank on behalf of the Company to Paradip Port Trust against Security.	33.20	6.48
(vi)	Irrevocable Letter of Credit Issued by State Bank of India in favour of Agrawal Coal Corporation Pte Ltd Singapore amounting to USD 371000 for Supply of Non Coking Coal. (Rate as on 31.03.2016 1USD = Rs 66.33).	246.08	–
(vii)	Irrevocable Letter of Credit Issued by State Bank of India in favour of Adani Globle Pte Ltd amounting to USD 1255308 for Supply of Non Coking Coal. (Rate as on 31.03.2016 1USD = Rs 66.33).	832.65	–
(viii)	In respect of Wheat price for the year 1991-92 to the extent of ₹3.71 Lacks being the wheat supplied by Food Corporation of India at an enhanced rate, which is disputed.	3.71	3.71
(ix)	Company has entered into a Collaboration Agreement dated January 27, 2012 with SAS Hotels and Properties Private Limited (now known as Shalimar Corp Ltd) for development of building complex and other structures at Lucknow. For the purposes of the projects as above Shalimar Corp Ltd. had been granted Term Loan facilities by Punjab National Bank (Banker/PNB). At the request of Shalimar Corp. Limited and as per the terms of sanction of the above Term Loan and with the approval of the Board of Directors of the Company, Company has extended Corporate Guarantee in favour of Punjab National Bank. Company has complied with necessary formalities in this behalf. Further, in accordance with the terms of the Loan agreement and to secure the above Term Loan with the approval of the Board of Directors of the Company, Company has given on mortgage its immovable property situated at Shankerpurwa, Islambari, Lucknow, U.P.	10,000.00	10,000.00
(x)	A search operation was carried out by Income Tax Authorities on 27.02.2014 & 28.02.2014, company has moved to settlement commission and the due taxes had already been paid by the company. However, during the course of proceedings of assessment procedure further demand, if any, arises at the time of order from Honourable Settlement Commission, the same will be considered at due time. However at present there is no demand raised by any Income tax authority.		

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35	MANAGERIAL REMUNERATION PAID/PAYABLE TO DIRECTORS	2015-16	2014-15
	Managing Director		
	Remuneration	13.20	12.00
	Whole Time Director/ Director		
	Remuneration	39.60	35.39
	During the year the company has paid ₹ 87000 against sitting fee to the directors. The Company has not given any perquisite to its directors during the year.		
	Payment to Auditors		
	i) Audit Fees	2.50	2.25
	ii) Tax and VAT Audit Fees	0.25	0.25
	iii) Other Services (Certification fees)	0.67	1.49
	Total	3.42	3.99

Note 36: Impairment of Assets

Pursuant to the Accounting Standard (AS 28)-“Impairment of Assets” issued by The Institute of Chartered Accountant of India, the Company assessed its fixed assets for impairment as at March 31, 2016 and concluded that there is no significant impairment in fixed asset that needs to be recognized in the books of accounts.

Note 37: Disclosure as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The company has not received any intimation from “suppliers” regarding status under the Micro, Small and medium Enterprises Development Act 2006 and hence disclosures, if any, relating to amount unpaid as at the year end together with the interest paid/payable as required under the said act have not been furnished.

Note 38: Balance of the Sundry Debtors, Creditors, Loans and advances are subject to confirmation from respective parties.

Note 39:

As per incentive scheme of State Government of Uttar Pradesh vide Government Order No. 1502/77-6-2006-10 tax/04 dated 1st June 2006 and which have been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30th November 2007 and amended from time to time, the company is eligible for Interest free loan equivalent to the amount of VAT & CST liability for 15 years and which shall be re-payable after 15 years. The company has claimed ₹ 8,791.40 lacs up to 31st March 2016 (upto previous year ₹7,164.24 Lacs) on account of Interest Free Loan from State Government of Uttar Pradesh. Out of total claim of ₹ 8,791.40 lacs, ₹7,219.01 lacs has not been deposited to Commercial Tax department in accordance with an order of Hon’ble High Court of Allahabad in writ petition no. 8886/2011, and order dated 05.11.2015. However, ₹ 1,572.39 Lacs have already been deposited upto August, 2011.

Note 40:

As per incentive scheme of State Government of Uttar Pradesh vide Government Order No. 1502/77-6-2006-10 tax/04 dated 1st June 2006 and which have been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30th November 2007 and amended from time to time, the company is eligible for incentives i.e. Capital investment subsidy @ 20% of fixed capital investment, infrastructure subsidy @ 10% of total fixed capital investment and 5% additional capital subsidy being the first unit in Purvanchal region. Company has claimed for ₹12,262.00 lacs against the capital investment made upto 31st May 2012. The incentive received of ₹2,428.00 Lacs has been credited in fixed assets in the ratio of capital investment made. No provision has been made for the unrealized claim of ₹9,834.00 lacs in the books.

Note 41:

As per incentive scheme of State Government of Uttar Pradesh vide Government Order No. 1502/77-6-2006-10 tax/04 dated 01st June 2006 and which have been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30th November 2007 and amended from time to time the company is eligible for incentives including freight subsidy on Iron Ore equivalent to the freight paid to Railway and local handling expenses upto maximum of 5% of the railway freight. During the year company has provided an amount of ₹3,558.24 lacs (Previous year ₹3,203.30 lacs), which has been adjusted with freight paid on Iron Ore in Profit Loss account and shown as Advance recoverable in Balance sheet. The total amount receivable against the freight subsidy as on 31.03.2016 was ₹15,553.07 lacs (Previous year ₹11,994.83. Lacs).

Note 42:

As per incentive scheme of State Government of Uttar Pradesh vide Government Order No. 1502/77-6-2006-10 tax/04 dated 1st June 2006 and which have

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been elaborated in Government Order No. 2941/77-6-2006-10 tax/04 dated 30th November 2007 and amended from time to time the company is eligible for various incentives and benefits which includes Capital Investment subsidy, Infrastructure Subsidy, additional capital subsidy, Freight Subsidy and interest free loan against VAT & CST.

The State Government has disbursed part payment of ₹24.28 crores of the subsidy on the investment made till May, 31, 2009 to the company as we were declared eligible for the subsidy and other benefits. We have further submitted our Capital subsidy claim of ₹98.34 crores adjusting ₹24.28 crores already received, on the investment made up to May 31, 2012 and a claim of ₹155.53 crores as freight subsidy and refund of already deposited VAT/CST ₹15.72 crores due up to March 2016 making a total of ₹269.59 crores as on March 2016 which is pending for disbursement before the nodal agency (PICUP) of the scheme. As the state Government vide its order dated 18.11.2011 and 11.02.2015 refused the balance payment of subsidies, we have filed writ petition before the Hon'ble High Court of Allahabad, Lucknow Bench and Hon'ble High Court, Allahabad vide its order and judgment dated 05.11.2015 directed State Government to pay subsidies forthwith as per scheme and take a fresh decision within three months in relation to the benefits of interest free loan against VAT; and have also stayed recovery of taxes till a fresh decision

is taken. State Government has filed an SLP before the Hon'ble Supreme Court challenging this order which was dismissed on 29.02.2016 resulting order of the Hon'ble High Court dated 05.11.2015 becomes final.

State Government, in its meeting held on 04.04.2016 decided to make payment of subsidies as directed by Hon'ble High Court and have further decided to ask for six months time from Hon'ble High Court to complete the process of payment. On said application of the State Government, Hon'ble High Court has rejected the same and directed the State Government to appraise the Petitioner about the decision taken not later than three weeks. In these circumstances, disbursement of subsidies is expected shortly.

Note 43:

License Agreement: License Agreement entered into between the Company and Shree Surabhi Flour Mills Private Limited (Surabhi) granting Surabhi to occupy, use, run and operate the Basti Flour Mill unit of the company has been terminated as the unit has been already sold and transferred to them.

Note 44: Unpaid and Unclaimed Amount of Dividend and Share Application Money

Following amount of Unpaid Share Application Money and Unpaid Dividend has not been claimed and paid till 31.03.2016

Nature of Money	Relevant F.Y.	Bank Account Details	Amount Lying (₹ in Lacs)
Share Application Money	2010-11	HDFC Bank Account No. 00142300001609	71,900.00
Final Dividend for 2011	2010-11	HDFC Bank Account No. 00142300001876	9,929.00
Final Dividend for 2012	2011-12	HDFC Bank Account No. 00142300002332	5,419.00
Final Dividend for 2013	2012-13	IDBI Bank Account No. 0135103000007344	17,307.00
Final Dividend for 2014	2013-14	IDBI Bank Account No. 0135103000007900	3,026.50
Final Dividend for 2015	2014-15	IDBI Bank Account No. 0135103000008587	3,109.00
Interim Dividend for 2016	2015-16	ICICI Bank Account No. 001105026007	1,25,19,403.00

Note 45:

The Company has a single class of equity shares with par value of ₹ 10/- per share. The equity shareholders are entitled to receive dividend as declared from time to time. The voting right of an equity shareholder on a poll (not on show of hands) are in proportion to its shares of the paid up equity capital of the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion to their shareholdings.

Note 46:

Gallantt Udyog Limited (amalgamated with the Company and hereinafter referred to as "GUL") had entered into Builder Agreement dated January 27, 2012 with M/s. SAS Hotels & Properties Private Limited (now known as Shalimar Corp Ltd), an Indian Company within the meaning of Companies Act, 1956 inter alia engaged in the business real estate. Pursuant to the Agreement, GUL had entered into real estate business

with "Shalimar Corp Ltd. Pursuant to the agreement as above, GUL had offered and granted exclusive rights to Shalimar Corp Ltd. to develop residential complexes on Company's land located at Shankerpurwa, Islabari, Lucknow, Uttar Pradesh. As a consideration for the said agreement GUL is receiving 13% share of the total sales realisation. Further, agreement as above states that Shalimar Corp Limited to develop the properties and to market the same for mutual benefits of the parties. As decided by the parties to the Builder Agreement, the project will be developed as residential complex in the name and style of "SHALIMAR GALLANT".

Note 47: Company has acquired two subsidiaries during the year M/s. Shree Surabhi Flour Mills Private Limited (Surabhi Flour) and M/s. Shree Surabhi Wheat Products Private Limited (Surabhi Wheat). Also, Company holds more than twenty percent shareholding of Gallantt Metal Limited and hence, Gallantt Metal Limited has been termed as Associate of the Company within the meaning of Section 2(6) of the Companies Act, 2013.

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Company applied for allotment of Equity Shares in Surabhi Wheat. Surabhi Wheat allotted 1,25,00,000 Equity Shares to the Company on February 15, 2016 and 75,00,000 Equity Shares on March 30, 2016.

Surabhi Flour has been acquired as subsidiary of the Company by purchase of 2,00,00,000 Equity Shares from the existing shareholders of Surabhi Flour on March 30, 2016.

Company has complied with the requisite formalities in the matter of formation of subsidiaries as above.

Note 48: In accordance with the approval of the Board of Directors and subsequent resolution passed by the shareholders of the Company through Postal Ballot and E-voting under Sections 180(1)(a) and 188 and all other applicable provisions, if any, of the Companies Act, 2013, and the relevant Rules framed thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), Company has sold out and transferred Flour Mill Unit located at Gram-Mauja- Chipli, Thana-Durgavati, District-Kaimur (Bhabhua), Bihar to Shree Surabhi Wheat Products Private Limited on 11.05.2016 for a sale consideration of ₹12,70,00,000/- (Rupees Twelve Crore Seventy Lacs only). Company has received full amount of consideration.

Note 49: In accordance with the approval of the Board of Directors and subsequent resolution passed by the shareholders of the Company through Postal Ballot and E-voting under Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, and the relevant Rules framed thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) Company has sold out and transferred Flour Mill Unit located at 60 KM Stone, Gorakhpur-Lucknow Highway, Sabdaiyan Kalan, Basti, Maharajganj District of Uttar Pradesh to Shree Surabhi Flour Mills Private Limited on 03.05.2016 for a sale consideration is ₹10,36,00,000/- (Rupees Ten Crore Thirty Six Lacs only). Company has received full amount of sales consideration.

Note 50: In accordance with the recommendation of the Board of Directors and subsequent approval of the shareholders of the Company through Postal

Ballot and E-voting, during the year, Company has altered Memorandum and Articles of Association of the Company so as to align it with the Companies Act, 2013 and to include the Real Estate business in its Main Object Clause. Company has complied with requisite formalities in this behalf. Registrar of Companies, West Bengal has granted its approval for the alteration in the Memorandum and Articles of Association of the Company.

Note 51: During the year, Board of Directors of the Company has declared and paid Interim Dividend to the shareholders of the Company Re. 1/- (Rupee One) per Equity Share. March 29, 2016 has been fixed as the Record Date for the purposes of determining the eligibility of the shareholders who are eligible to receive interim dividend for the financial year 2015-16. Total out flow on account of Interim Dividend was ₹ 2,82,36,072/- subject to tax.

Note 52: Pursuant to the Scheme of Amalgamation of Gallantt Udyog Limited filed with the Honorable High Court at Kolkata, Honorable High Court, vide its order dated May 14, 2015 has approved amalgamation as above. As per the Scheme of Amalgamation, Board of Directors, at their meeting held on June 26, 2015, has allotted 92,15,159 no. of Equity Shares to the shareholders of the Transferor Company M/s. Gallantt Udyog Limited. Company has applied for listing of the said newly allotted shares with the stock exchanges. Both the Stock Exchanges viz. Bombay Stock Exchange Limited and National Stock Exchange of India Limited has granted listing and trading approval to the said shares.

Note 53: Corporate social responsibility As per Section 135 of the Act, a CSR committee has been formed by the Company. The funds are utilised throughout the year on the activities which are specified in Schedule VII of the Act. The utilisation is done by way of direct contribution towards aforesaid activities. Details of the CSR have been given in the Directors' Report in the Annual Report.

Note 54: Previous year figures have been regrouped and reclassified wherever necessary to facilitate comparison with current year figures.

As per our report of even date
For **ANOOP AGARWAL & CO.**
Chartered Accountants
Firm Regn. No. 001739C

(Amit Kumar Srivastava)
Partner
Membership No. 517195
Place : Kolkata
Dated : 30.05.2016

(C.P. Agrawal)
Chairman & Managing Director

(Amit Jalan)
Chief Financial Officer

(S.K. Agrawal)
Whole time Director

(Nitesh Kumar)
Company Secretary

NOTES

**GALLANTT ISPAT LIMITED**

CIN: L27109WB2005PLC101650

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

Telefax : +91 33 40642189, Email: nitesh@gallantt.com

Website: www.gallantt.com

(ANNEXURE TO THE NOTICE FOR THE 12TH ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD ON 26-09-2016)

Name & Registered Address

of Sole/First named Member:

Joint Holders Name (If any) :

Folio No. / DP ID & Client ID:

No. of Equity Shares Held :

Dear Shareholder,

Subject: Process and manner for availing E-voting facility:

Pursuant to 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 E-voting facility to the members to cast their votes electronically on all resolutions proposed to be considered at the Annual General Meeting (AGM) to be held on Monday 26th September, 2016 at 2.00 p.m. at Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017 and at any adjournment thereof.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The e-voting facility is available at the link <https://www.evotingindia.com>.

The Electronic Voting Particulars are set out below:

EVSN	User ID	PAN / Sequence No.
(Electronic Voting Sequence Number)		
160823051		

The E-voting facility will be available during the following voting period:

Remote e-Voting Start On	Remote e-Voting End On
23 rd September, 2016 at 9.00 A.M.(IST)	25 th September, 2016 at 5.00 P.M.(IST)

Please read the instructions mentioned in the Notes of the AGM Notice before exercising your vote.

Registered Office:

1, Crooked Lane,
Second Floor, Room Nos. 222 & 223,
Kolkata-700 069.

Date: August 08, 2016

Place: Kolkata

For Gallantt Ispat Limited

Nitesh Kumar
(Company Secretary)

**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

FORM MGT - 12

ATTENDANCE FORM/BALLOT FORM

Annual General Meeting, Monday, the 26th day of September, 2016 at 2.00 p.m. at Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017.

Name of the Shareholder	
Address	
Registered Folio/ DP ID & Client ID	
No of Shares held	
Name of the Proxy / Authorised Representative, if any	

I/We hereby exercise my/our attendance/vote(s) in respect of the resolutions set out in the Notice of 12th Annual General Meeting (AGM) of the Company to be held on Monday, 26th September, 2016, by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below :

Resolutions No.	Resolution(s)	No. of Shares	(For) I/We Assent to the Resolution	(Against) I/We Dissent to the Resolution
	Ordinary Business			
1	To receive, consider and adopt a) Audited Financial Statements of the Company for the year ended March 31, 2016 together with the Report of the Board of Directors and Independent Auditors report thereon; and b) Audited Consolidated Financial Statements of the Company for the year ended March 31, 2016 together with Independent Auditors Report thereon.			
2	To confirm payment of Interim Dividend on Equity Shares for the Financial Year ended 31st March, 2016.			
3	Re-Appointment of Mr. Nitin M Kandoi as Director who is retiring by rotation.			
4	Ratification of appointment of Auditors.			
	Special Business			
5	Approval of payment of Remuneration to Cost Auditor.			
6	Approval of Fee for Service of documents to the Shareholders under section 20(2) of the Companies Act, 2013.			

Signature of Shareholder/ Proxy/ Authorised Representative

Note: This Form is to be used for exercising attendance/voting at the time of 12th Annual General Meeting to be held on Monday, the 26th September, 2016 by Shareholders/Proxy. Duly filled in and signed ballot form should be dropped in the Ballot Box kept at the Venue of AGM.

**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)

FORM MGT - 11

FORM OF PROXY

Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No. / *DP-ID & Client	

**Applicable for Investors holding shares in electronic form.*

I / We, being the member (s) of shares of the above named company, hereby appoint:

1.	Name:	Address:
	E-mail Id:	Signature:

Or failing him

2.	Name:	Address:
	E-mail Id:	Signature:

Or failing him

1.	Name:	Address:
	E-mail Id:	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Monday, the 26th day of September, 2016 at 2.00 p.m. at **Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata - 700 017**, and at any adjournment thereof in respect of such resolutions as is/are indicated below:-

** I/We wish my/our above Proxy to vote in the manner as indicated in the box below:-

Resol. No.	Resolution(s)
	Ordinary Business
1	To receive, consider and adopt a) Audited Financial Statements of the Company for the year ended March 31, 2016 together with the Report of the Board of Directors and Independent Auditors report thereon; and b) Audited Consolidated Financial Statements of the Company for the year ended March 31, 2016 together with Independent Auditors Report thereon.
2	To confirm payment of Interim Dividend on Equity Shares for the Financial Year ended 31st March, 2016.
3	Re-Appointment of Mr. Nitin M Kandoi as Director who is retiring by rotation.
4	Ratification of appointment of Auditors.
	Special Business
5	Approval of payment of Remuneration to Cost Auditor.
6	Approval of Fee for Service of documents to the Shareholders under section 20(2) of the Companies Act, 2013.

Signed this day of 2016.

Affix Re.1 Revenue Stamp

Signature of Shareholder

Signature of Proxy holder(s)

Notes:

- This form should be signed across the stamp as per specimen signature registered with the Company.
- This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- A proxy need not be a member of the Company.
- A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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.
- **This is only optional. Please put a 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



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