



GML/DEL/2022-23  
November 14, 2022

**Bombay Stock Exchange Limited**  
Floor 25, P J Towers, Dalal Street  
Mumbai- 400 001. INDIA.  
Scrip Code: 532726

**National Stock Exchange of India Limited**  
"EXCHANGE PLAZA",  
Bandra – Kurla Complex, Bandra (East)  
Mumbai - 400 051. INDIA.  
Symbol: GALLANTT

Sir/Madam,

**SUB: PRESS RELEASE**

Please find enclosed herewith our Press Release relating to the Unaudited Financial Results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2022 which we shall be releasing after sending this letter to you.

This is for your information and dissemination.

Thanking You,

Yours faithfully,  
**For GALLANTT ISPAT LIMITED**

Nitesh Kumar  
**COMPANY SECRETARY**  
M. No. F7496

**Encl: As above**

**GALLANTT ISPAT LIMITED**

(Formerly known as Gallantt Metal Limited)

Registered Office: "GALLANTT HOUSE", I -7, Jangpura Extension, New Delhi -110014

Telefax: 011-45048767/41645392, 033-46004831, E-mail: csgml@gallantt.com, Website: www.gallantt.com

Corporate Office: 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata - 700069 Tel: 033-46004831

CIN: L27109DL2005PLC350524

**GALANTT**

# Gallantt Ispat Limited

*(Formerly Gallantt  
Metal Limited)*

Q2 & H1FY23  
Investor  
Presentation



# Safe Harbour



The following slides may contain “forward looking statements” including, statements relating to the implementation of strategic initiatives by Gallantt Ispat Limited (“GIL” or “Company”) and future business developments and economic performance.

While these forward looking statements indicate the Company’s assessment with regard to the development of its business, there are a number of risks, uncertainties and other unknown factors that could cause actual developments and results to differ materially from the Company’s expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties the dealing with the Company, legislative developments, and other key factors that could affect the companies business and financial performance.

The Company undertakes no obligation to periodically revise any forward looking statements to reflect future/likely events or circumstances.



# Company overview



Incepted in 1984; leading manufacturer of TMT bars - integrated operations supported by captive power

Strong presence in fast developing states like UP and Gujarat



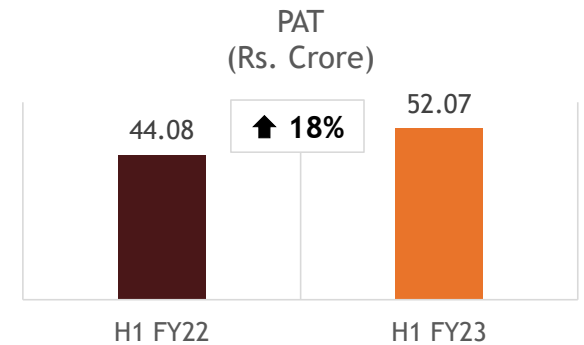
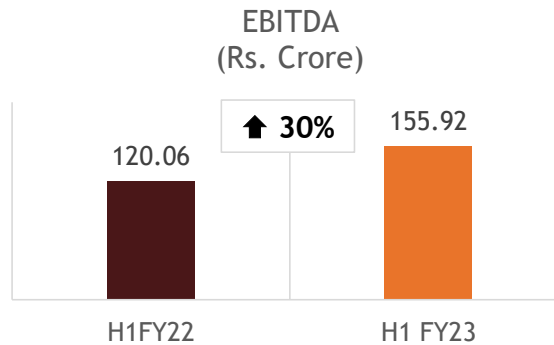
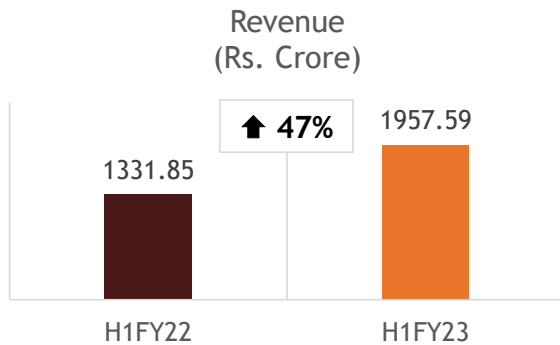
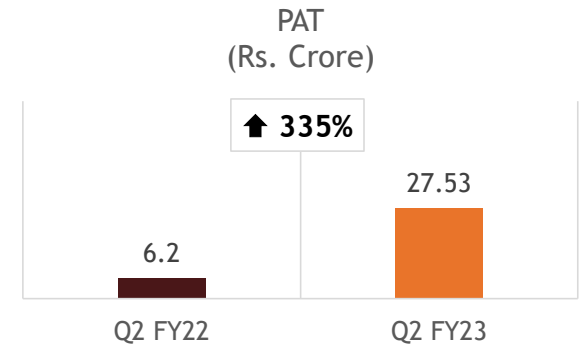
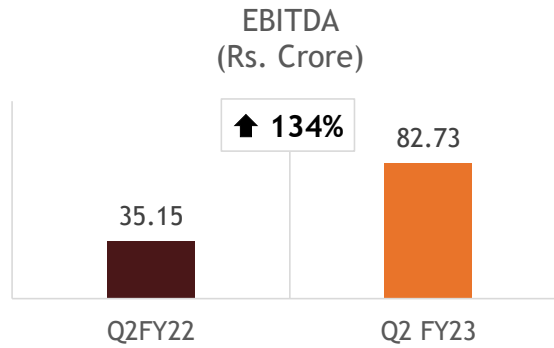
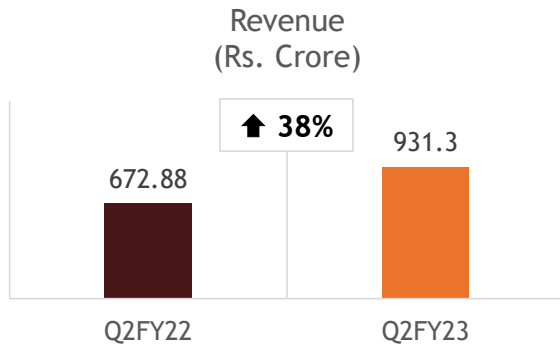
Caters to major customers including Adani, Reliance, L&T and UP Bridge Corpn

Amongst chosen vendors for construction of Shri Ram Janmbhoomi Mandir in Ayodhya



Listed in the Forbes Asia magazine as "200 BEST under a billion companies"

# Financial overview Q2 & H1FY23



## Highlights:

- Strong revenue growth reflective of healthy demand and increasing capex investments by both private and public sector in core areas
- Efficiency enhancement thrust supportive of improving profitability metrics

# Chairman Message



Chairman and MD, Chandra Prakash Agarwal commenting on the Q2 & H1FY23 results,

Commenting on the Q2 & H1FY23 results, Chairman and MD, Chandraprakash Agarwal said,

*“We are happy with our performance for the review period. Demand on the back of a large number of infrastructure projects in both our core markets, namely Uttar Pradesh and Gujarat has translated to a healthy growth in topline*

*Our thrust on reducing costs and use of increased power plant capacity is also resulting in improved profitability. Further, expansion and addition in capacities of various steel plants shall yield profitability from the next quarter (Q3) onwards. The commencement of operations at our pellet plant will further help drive down costs effective from FY24.*

*Gallantt Ispat today possesses the scale and capabilities to create value and contribute well to India’s infrastructure enhancement and growth. I look forward to continued progressive performance”.*

# The Gallantt locational advantage

## ▪ Gorakhpur, Uttar Pradesh

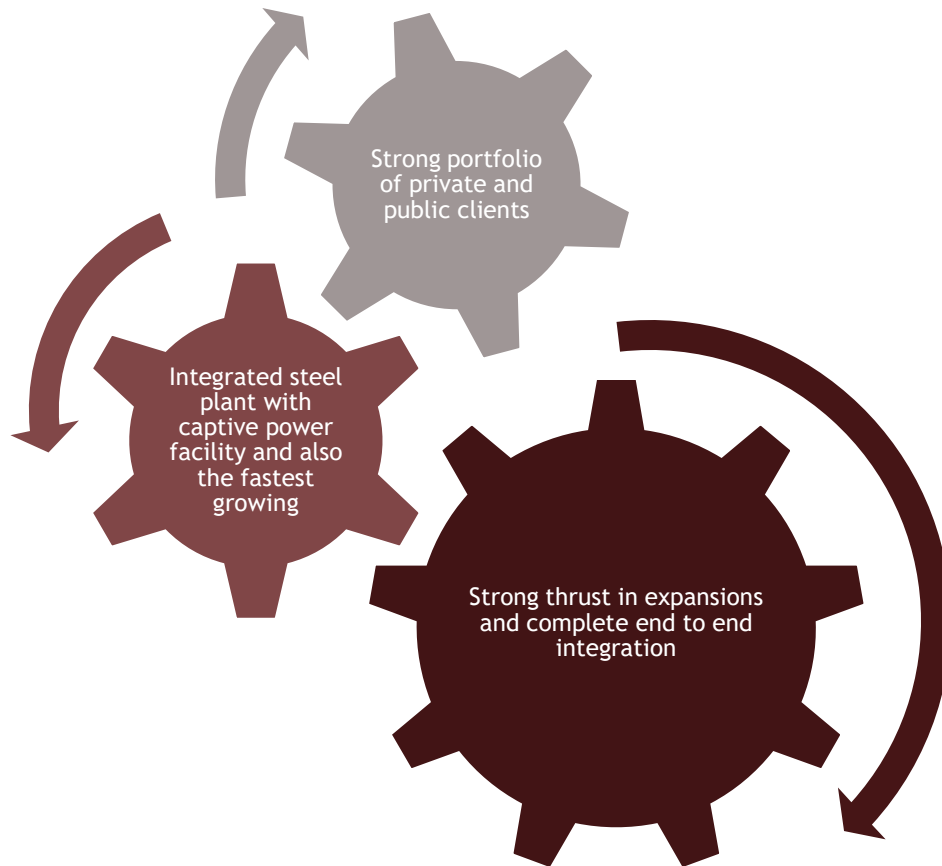
- Only player in Eastern UP; region which is witnessing significant development
- Customer serviceability:
  - Shorter delivery times to customers
  - Ability to deliver small quantities offering dealer benefit of lower storage costs
- Freight and distribution costs (raw material and finished goods) relative to other manufacturers across the country estimated to be lower.
- Industry friendly UP Government Industrial policy provides SGST refund ranges from 80%-90% of SGST paid in cash.

## ▪ Kutch, Gujarat

- Large scale industrial activity in state creates regular demand.
- Proximity to Kandla port enables better logistic facilities and costing
- With the said locational advantages we access and cater vast market of Rajasthan, and Maharashtra together with Gujarat.
- Due to vicinity of the port, we have choice to sell our product indigenously or export to get better price advantage.

- Confidence built with private and public sector over ~ 2 decades in our Gallantt Brand.
- Network of over 3000 dealers across both states

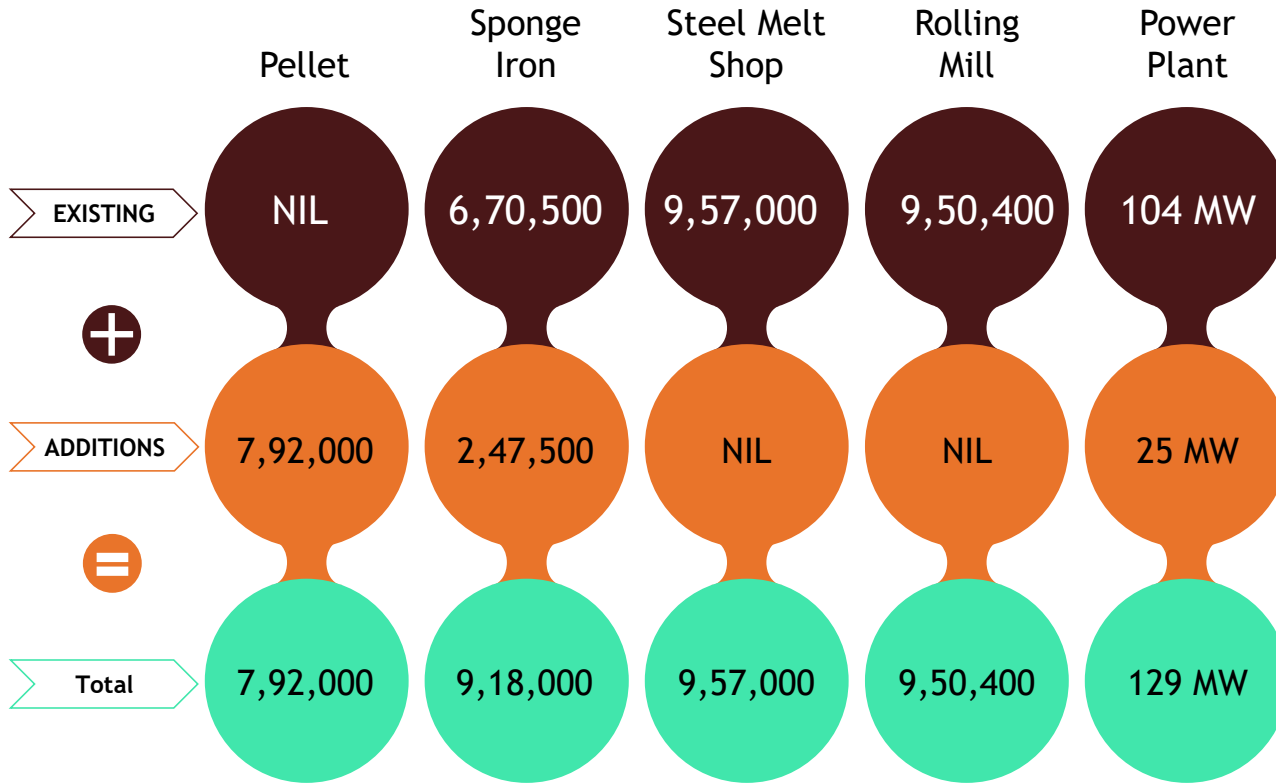
## Operational overview



- Enhanced capacities, improving demand drives growth
- Established scale and reach in core markets; strong client roster comprising public and private sector entities
- Increasing backward integration, major raw material transportation via own rail siding, increased use of own captive power drives efficiencies and profitability
- Launched Premium TMT Bar “Gallantt Advance” which gives better realization.



# Capacity expansion overview



- Both plants operating almost entirely on captive power
- Expansions funded by internal accruals
- Pellet plant is under installation and likely to commence production from March 2023.

## Expansion Overview

TOTAL				
Type	Units	Existing	Addition YTD	Total
Sponge Iron	MT	670500	247500	918000
Steel Melt Shop	MT	957000	0	957000
Rolling Mill	MT	950400	0	950400
Power Plant	MW	104	25	129

## Gorakhpur, Uttar Pradesh

Type	Units	Existing	Addition YTD	Total
Sponge Iron	MT	297000	247500	544500
Steel Melt Shop	MT	528000	0	528000
Rolling Mill	MT	528000	0	528000
Power Plant	MW	53	25	78

## Kutch, Gujrat

Type	Units	Existing	Addition YTD	Total
Sponge Iron	MT	373500	0	373500
Steel Melt Shop	MT	429000	0	429000
Rolling Mill	MT	422400	0	422400
Power Plant	MW	51	0	51

# Production and sales volumes Q2 FY23

## Production volumes

TOTAL				
Period	Power Plant	DRI	Steel Melt Shop	Rolling Mill
Unit	MW	MT	MT	MT
Q2FY22	1,31,821	1,06,510	1,48,204	97,727
Q2FY23	1,60,327	1,79,279	1,69,806	1,52,804
% change	21.6%	68.3%	14.6%	56.4%

Gorakhpur, Uttar Pradesh				
Period	Power Plant	DRI	Steel Melt Shop	Rolling Mill
Unit	MW	MT	MT	MT
Q2FY22	57,933	42,001	62,553	60,690
Q2FY23	1,00,241	1,07,581	1,09,352	1,06,098
% change	73.0%	156.1%	74.8%	74.8%

Kutch, Gujrat				
Period	Power Plant	DRI	Steel Melt Shop	Rolling Mill
Unit	MW	MT	MT	MT
Q2FY22	73,888	64,509	85,651	37,037
Q2FY23	60,086	71,698	60,454	46,705
% change	-18.7%	11.1%	-29.4%	26.1%

## Sales volumes

TOTAL				
Period	Power Plant	DRI	Steel Melt Shop	Rolling Mill
Unit	MW	MT	MT	MT
Q2FY22	-	1,783	43,888	96,687
Q2FY23	-	28,110	11,896	1,41,134
% change	-	1476.7%	-72.9%	46.0%

Gorakhpur, Uttar Pradesh				
Period	Power Plant	DRI	Steel Melt Shop	Rolling Mill
Unit	MW	MT	MT	MT
Q2FY22	-	525	-	59,658
Q2FY23	-	6,133	-	94,224
% change	-	1068.2%	-	57.9%

Kutch, Gujrat				
Period	Power Plant	DRI	Steel Melt Shop	Rolling Mill
Unit	MW	MT	MT	MT
Q2FY22	-	1,258	43,888	37,029
Q2FY23	-	21,978	11,896	46,911
% change	-	1647.2%	-72.9%	26.7%

# Production and sales volumes H1 FY23

## Production volumes

TOTAL				
Period	Power Plant	DRI	Steel Melt Shop	Rolling Mill
Unit	MW	MT	MT	MT
H1FY22	2,60,932	2,23,478	2,98,589	2,14,071
H1FY23	3,04,933	3,32,896	3,27,473	2,91,310
% change	16.9%	49.0%	9.7%	36.1%

Gorakhpur, Uttar Pradesh				
Period	Power Plant	DRI	Steel Melt Shop	Rolling Mill
Unit	MW	MT	MT	MT
H1FY22	1,22,068	1,00,423	1,37,223	1,32,009
H1FY23	1,72,922	1,86,550	1,92,260	1,86,695
% change	41.7%	85.8%	40.1%	41.4%

Kutch, Gujrat				
Period	Power Plant	DRI	Steel Melt Shop	Rolling Mill
Unit	MW	MT	MT	MT
H1FY22	1,38,864	1,23,055	1,61,366	82,062
H1FY23	1,32,011	1,46,346	1,35,213	1,04,614
% change	-4.9%	18.9%	-16.2%	27.5%

## Sales volumes

TOTAL				
Period	Power Plant	DRI	Steel Melt Shop	Rolling Mill
Unit	MW	MT	MT	MT
H1FY22	-	1,783	70,046	2,04,105
H1FY23	-	44,723	28,400	2,86,258
% change	-	2408.5%	-59.5%	40.3%

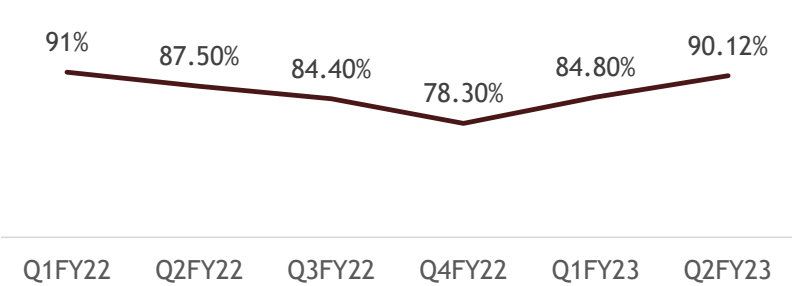
Gorakhpur, Uttar Pradesh				
Period	Power Plant	DRI	Steel Melt Shop	Rolling Mill
Unit	MW	MT	MT	MT
H1FY22	-	525	-	1,22,558
H1FY23	-	12,896	-	1,80,512
% change	-	2356.3%	-	47.3%

Kutch, Gujrat				
Period	Power Plant	DRI	Steel Melt Shop	Rolling Mill
Unit	MW	MT	MT	MT
H1FY22	-	1,258	70,046	81,547
H1FY23	-	31,828	28,400	1,05,747
% change	-	2430.3%	-59.5%	29.7%

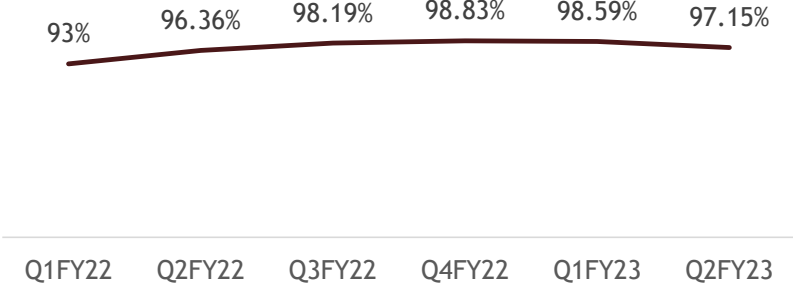
# Captive power led operations



% of Captive power consumed - Gorakhpur, UP



% of Captive power consumed - Kutch, Gujarat



**Operations predominantly driven by captive power**

## Established brand

GALANTT

Gallantt and Gallantt Advance are well recognized brands in the markets the Company operates in

Bollywood star, Ajay Devgn is the brand ambassador Gallantt TMT bars

PAN India outreach. Branding outreach over print, electronic and social media



GALANTT  
advance

सॉलिड भी...फ्लेक्सिबल भी  
निर्माण का रियल हीरो

The advertisement features actor Ajay Devgn in a green polo shirt and white cargo pants, holding a large, silver TMT bar diagonally across his body. The background is a mix of red and blue geometric shapes. The GALANTT logo and 'advance' sub-brand are in the top left. At the bottom, there is a slogan in Hindi: 'सॉलिड भी...फ्लेक्सिबल भी निर्माण का रियल हीरो'.

# Key customers



# UP, Gujarat - Strong infrastructure investment thrust



Strong infrastructure push in both states of operation driven by public and private sector participation

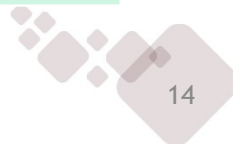
## Key infrastructure projects: Uttar Pradesh

Project Name	Sector	Total Project Cost (in Rs. crore)
Road Upgradation (Greater Noida-Ballia) Project	Transport	29,825.00
Coal Based Power (Ghatampur) Project	Energy	17,237.80
Prayagraj Power Generation Co. Ltd. - Coal based super-critical thermal power project	Energy	15,537.00
Lalitpur Power Generation Company Ltd.	Energy	14,306.00
Yamuna Expressway Connecting Greater Noida to Agra	Transport	14,000.00
Prayagraj Power (Bara) Project	Energy	12,000.00
Setting up of 1320 MW coal based power unit at Jawaharpur in Etah district	Energy	10,566.00
Obra C Thermal Power Project	Energy	8,777.71

## Key infrastructure projects: Gujarat

Project Name	Sector	Total Project Cost (in Rs. crore)
Sardar Sarovar Project (Narmada)	Water Sanitation	39,240.45
Mundra Thermal Power Project	Energy	22,001.00
Execution of 84.4 km Ahmedabad-Gandhinagar Metro Rail Project	Transport	21,500.00
Mundra Ultra Mega Power Project	Energy	17,900.00
Atomic Power (Kakrapara) Project	Energy	12,600.00

This is a representation of the significant infrastructure development activity in Gallantt Ispat's key markets. Gallantt's potential contribution to any of these projects cannot be assessed



# Promoter group

## CHANDRAPRAKASH AGRAWAL

Chairman & Managing Director

- First generation entrepreneur possessing more than 37 years of multifunctional experience
- In his term of office spanning over seventeen years, has contributed extensively towards the growth of the Company and has been actively responsible for the planning, installation, implementation and functioning of units of the Company and the attainment of the highest standards of quality

## DINESH AGRAWAL

Director - Administration

- First generation entrepreneur, having over three decades of experience in the steel, Mining and Textile industries
- Co-founder of the Company; is actively involved in strategic planning, future expansion, business development and day today administration of the Gujarat Unit

## NITIN M KANDOI

Director-Plant Operation

- Actively involved in the operations of the Uttar Pradesh steel manufacturing facility of since 1995
- Instrumental in the implementation of technological advances made in the manufacturing processes
- Manages the operation and functioning of steel and power plants, besides Purchase and procurement Departments of the Company



# Growth outlook

## Sales to be driven by

- Increased capacity utilisation: Utilisation levels expected to increase from present 75% to 80% in FY23
- Increasing contribution from newly launched Premium TMT Bar “Gallantt Advance”

## Profitability

- Backward integration - pellet plant expected to reduce cost considerably
- Reduced dependence on Grid
- Infrastructure enhancement, to translate improved operational efficiencies and lower wastage
- Material handling system installed to eliminate manual holding of racks. This will improve our efficiency and reduce our costs

## Enabling environment

- Steel contributes ~2% to India’s economy - critical to India’s growth story
- India is expected to be the world’s third largest construction market in 2022.
  - Expected to spend USD 1.4 trillion on infrastructure through ‘National Infrastructure Pipeline’ in the next five years

## STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

Sl No.	Particulars	Rs. in Lakhs					
		Quarter ended			Half Year ended		Year ended
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1.	<b>Income from operations</b>						
	(a) Revenue from operations	93,130.77	1,02,103.88	67,288.26	1,95,234.65	1,32,440.76	3,01,737.60
	(b) Other income	443.48	81.61	454.93	525.09	745.10	5,360.80
3.	<b>Total income (1 + 2)</b>	93,574.25	1,02,185.49	67,743.19	1,95,759.74	1,33,185.85	3,07,098.41
4.	<b>Expenses</b>						
	(a) Cost of raw materials consumed	81,955.20	81,743.98	56,903.62	1,63,699.18	1,13,213.73	2,45,703.81
	(b) Purchase of stock in trade	572.89	428.94	93.68	1,001.83	233.95	657.22
	(c) Changes in inventories of finished products, work in progress and contracts in progress	(5369.63)	4,303.63	98.43	(1066.00)	(6103.29)	(5082.95)
	(d) Employee benefits expense (Refer Note 7)	2,147.41	2,021.59	1,704.92	4,169.00	3,362.76	7,203.60
	(e) Finance costs	733.23	372.45	525.22	1,105.68	1,033.54	2,046.35
	(f) Depreciation and amortization expense	2,494.50	2,484.55	2,333.40	4,979.05	4,677.34	9,209.26
	(g) Excise duty	-	-	-	-	-	-
	(h) Other expenses	5,994.23	6,368.40	5,426.28	12,362.63	10,471.54	23,630.73
	<b>Total expenses [4(a) to 4(h)]</b>	88,527.83	97,723.54	67,085.54	1,86,251.37	1,26,889.57	2,83,368.02
5.	<b>Profit / (loss) before exceptional items and tax (3 - 4)</b>	5,046.42	4,461.95	657.65	9,508.37	6,296.29	23,730.38
6.	Exceptional items	-	-	-	-	-	-
7.	<b>Profit / (loss) before tax (5 + 6)</b>	5,046.42	4,461.95	657.65	9,508.37	6,296.29	23,730.38
8.	Tax expense / (credit)						
	(a) Current tax	696.44	583.18	43.96	1,279.62	1,496.41	3,888.10
	(b) Deffered tax	1,596.07	1,424.69	-6.46	3,020.76	391.81	2,258.35
	<b>Total tax expense / (credit)</b>	2,292.51	2,007.87	37.50	4,300.38	1,888.22	6,146.45
9.	<b>Net Profit / (loss) for the period (7 - 8)</b>	2,753.91	2,454.08	620.15	5,207.99	4,408.07	17,583.94
10.	Other comprehensive income (Net of tax)						
	(a) Items that will not be reclassified to profit or loss	26.88	26.88	29.34	53.76	58.67	196.31
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income (A + B)</b>	26.88	26.88	29.34	53.76	58.67	196.31
11.	<b>Total comprehensive income (9 + 10)</b>	2,780.79	2,480.96	649.49	5,261.75	4,466.74	17,780.25
12.	Paid-up equity share capital ( Face value Rs. 10 per Share )	24,128.09	24,128.09	8,132.23	24,128.09	8,132.23	8,132.23
13.	Earning/(loss) per share (not annualised for quarters) Basic EPS - in Rupees	1.14	1.02	0.76	2.16	5.42	21.62
14.	Earning/(loss) per share (not annualised for quarters) Diluted EPS - in Rupees	1.14	1.02	0.76	2.16	5.42	21.62

**GALANTT**

**Thank  
You**

