



Chairman's Message

My Dear Shareowners,

We are pleased to present to you our 17th Annual Report for the Financial Year (FY) 2020-21.

The Covid-19 pandemic resulted in countries announcing lockdown and quarantine measures that sharply stalled economic activity. The year 2020-21 was an unprecedented one in every sense and it tested our resilience and patience to withstand enormous challenges, which brought out our collective strength to push through paradigm shifts. Global slowdown accompanied with nation lockdown and strict restriction on the movement of people and goods in India took a toll on the Indian Economy and the industries came to a literal halt. The steel industry suffered a setback due to the COVID19 pandemic outbreak and the consequent lockdowns. The industry's key customer sectors like automobiles, construction and oil & gas drillers struggled hard to survive due to prolonged shutdowns, disrupted supply chains, collapsing confidence and delayed investment and construction projects, as well as a decline in consumption activity across the globe.

Despite a tough market environment impacted by repeated lockdowns and a drop in steel demand, your Company was able to maintain performance both in terms of turnover and profitability. We are happy to share that during FY 2020-21, we were able to record robust revenue growth. Improved operational efficiencies and strict cost control led to increasing operational profitability.

Your Company achieved a top-line growth of 16.42% (Y-O-Y) driven by better realisation and improved market conditions, especially in H2 FY 2020-21. Strong operational turnaround translated into robust bottom-line performance as well. Your Company's EBITDA touched ₹ 11,333.52 Lacs and a net profit of ₹ 5,678.61 Lacs against ₹ 748.23 Lacs in the previous year registering a growth of 658.94%. Standalone Earnings per Share (EPS) stood at ₹ 6.98 (face value of ₹ 10/- each) and Consolidated Earnings per Share (EPS) stood at ₹ 10.01 (face value of ₹ 10/- each) for the Financial Year ended March 31, 2021.

Your Company over the last few years has adopted strategy to increase the volume of business by expanding the capacity of various plants. Plants capacity have been expanded and are operational now. Amalgamation of Companies with your Company is under process and post amalgamation of Gallantt Ispat, being a steel manufacturing company, with the Company, the production capacity will be increased manifold. This Amalgamation will unlock the true potential of our steel business and will enhance shareholder value. This is yet another significant milestone in the continuous growth journey of the business and has placed Gallantt Metal at the cusp of a high growth trajectory. We embarked on the journey of transformation and closed the year with a strong performance, leading us to a sense of optimism and confidence that we will attain greater heights in the year ahead.

Our people are vital to our success and we continue to focus on building their capabilities and driving a high-performance culture. During the year, numerous training programmes were rolled out for upskilling and professional growth. We also provided multiple learning and development opportunities to develop future leaders and keep the talent pipeline flowing. The health and safety of its workforce has always been paramount to Gallantt Metal. The Company has placed utmost priority on the health and safety of the employees.

To our shareowners, I thank you for your belief in Gallantt Metal and what it stands for. Also, I extend my sincere gratitude to all who make Gallantt Metal's progress possible. I would also like to extend my sincere appreciation to my fellow Board members and the senior management. Our employees have ensured that we maintain our position in a competitive landscape; I thank them for their hard work and professionalism. Gallantt Metal also acknowledges the support extended by various government agencies, partners, suppliers, the steel fraternity, investors and other stakeholders for their support and confidence in our business. Please stay safe.

Thanks,

C. P. AGRAWAL