



**GALLANT**

Building Tomorrow...

**GALLANTT METAL LIMITED**

Annual Report 2014-15



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## Letter to Shareowners

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

### **Your Company's Performance**

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

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

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

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

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

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

Yours truly,

**C. P. Agrawal**

CHAIRMAN

### *Dear Shareowners,*

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

#### **Economic Outlook and Industry**

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

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

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



## GALLANT METAL LIMITED

Corporate Identity Number (CIN): L27109WB2005PLC101553

### Corporate Profile

#### BOARD OF DIRECTORS

**Mr. Chandra Prakash Agrawal**  
*Chairman & Managing Director*

**Mr. Dineshkumar Raghbir**  
**Prasad Agarwal**  
*Whole Time Director*

**Mr. Nitin M Kandoi**  
*Director*

**Mr. Prashant Jalan**  
*Director-Plant Operation*

**Mr. Ramesh Kumar Choudhary**  
*Non-Executive Independent Director*

**Mr. Jyotirindra Nath Dey**  
*Non-Executive Independent Director*

**Mr. Prasant Kankrania**  
*Non-Executive Independent Director*

**Ms. Richa Bhartia**  
*Non-Executive Independent Director*

#### AUDITORS

A. K. Meharia & Associates  
*Chartered Accountants*

#### COST AUDITORS

U. Tiwari & Associates  
*Cost Accountants*

#### CHIEF FINANCIAL OFFICER

Mr. Sandip Kumar Agarwal

#### COMPANY SECRETARY

Mr. Rajesh Upadhyaya

#### REGISTERED OFFICE

1, Crooked Lane, Second Floor,  
Room Nos. 222 & 223  
Kolkata - 700 069  
Telefax: 033-40642189  
Website: [www.gallantt.com](http://www.gallantt.com)

#### BANKERS

State Bank of India

#### EQUITY SHARES LISTED

Bombay Stock Exchange Limited  
National Stock Exchange of India  
Limited

#### REGISTRARS & SHARE TRANSFER AGENT

Niche Technologies Pvt. Ltd.  
D-511, Bagree Market, 71, B.R.B.  
Basu Road, Kolkata - 700 001  
Ph.: 033-22357270/7271/ 3070/ 2234  
Fax: 033-22156823

#### WORKS OFFICE

Near Toll Gate, Village - Samakhiali,  
Taluka - Bachau, District - Kutch,  
Gujarat

#### AUDIT COMMITTEE

Mr. Prasant Kankrania-*Chairman*  
Mrs. Richa Bhartiya  
Mr. Jyotirindra Nath Dey

#### STAKEHOLDERS

**RELATIONSHIP COMMITTEE**  
Mrs. Richa Bhartiya-*Chairman*  
Mr. Prasant Kankrania  
Mr. Jyotirindra Nath Dey

#### NOMINATION AND REMUNERATION COMMITTEE

Mr. Jyotirindra Nath Dey-*Chairman*  
Mr. Prasant Kankrania  
Mrs. Richa Bhartiya

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Jyotirindra Nath Dey-*Chairman*  
Mr. Chandra Prakash Agrawal  
Mr. Dinesh Kumar R. Agarwal

#### 11th ANNUAL GENERAL MEETING

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

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# DIRECTORS' REPORT

## TO THE MEMBERS

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

### WORKING RESULTS

(₹ in Lacs)

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

### PERFORMANCE REVIEW

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

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

### DIVIDEND

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

### DIRECTORS' RESPONSIBILITY STATEMENT

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

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

judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.

- c. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The directors have prepared the annual accounts on a going concern basis.
- e. 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.
- f. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### CORPORATE GOVERNANCE

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

### LISTING INFORMATION

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

#### **CREDIT RATING**

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

#### **FIXED DEPOSITS**

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

#### **AUDITORS & AUDITORS' REPORT**

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

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

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

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

#### **COST AUDIT**

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

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

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

statements, some of which are outlined below:

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

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

#### **OUTLOOK AND EXPANSION**

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

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

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

#### **Expansion Project:**

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

#### **AWARD AND RECOGNITIONS**

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

#### **INSURANCE**

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

#### **PERSONNEL, INDUSTRIAL RELATIONS AND MARKETING**

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

personnel. The Company is giving employment to 539 employees.

#### **BOARD OF DIRECTORS AND SENIOR EXECUTIVE**

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

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

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

#### **TRANSFER TO RESERVES**

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

#### **INTERNAL COMPLAINT REGARDING SEXUAL HARRASSMENT**

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

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

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

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

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

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

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

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

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

#### **DETAILS OF POLICIES**

##### **(i) Nomination and Remuneration Policy**

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

##### **(ii) Corporate Social Responsibility Policy (CSR)**

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

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

##### **(iii) Risk Management Policy**

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

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

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

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

The details of establishment of the Vigil Mechanism Policy is displayed on the website of the Company [www.gallantt.com](http://www.gallantt.com) under the weblink :

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

**BOARD COMMITTEES**

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

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

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

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

**ASSOCIATE COMPANIES DURING THE YEAR –**

Company does not have Subsidiary Company.

**SECRETARIAL AUDITORS**

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

**RELATED PARTY TRANSACTIONS**

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

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

**PARTICULARS OF EMPLOYEES**

Particulars of Employees and Related disclosures

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

**MANAGERIAL REMUNERATION**

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

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

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

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

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

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

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

(c) percentage increase in the median remuneration of employees in the financial year : 28.85%

(d) number of permanent employees on the rolls of company : 539

(e) explanation on the relationship between average increase in remuneration and company performance:  
The profit before tax for the financial year ended March 31, 2015 increased by 128.72% and the profit after tax for the financial year ended March 31, 2015 increased by 125.49%, whereas the increase in median remuneration is 25.85%. The average increase in median remuneration is in line with the performance of the company.

(f) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;  
The total remuneration of KMP increased by 7.17%, whereas the profit before tax increased by 128.72% and the profit after tax increased by 125.49%.

(g) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:  
42.17% (non-Managerial personnel) 17.61% (Managerial Personnel)

(h) comparison of remuneration of each of the Key Managerial Personnel against the performance of the company;

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

(i) the key parameters for any variable component of remuneration availed by the directors;  
Company's financial results, the performance of the business unit, individual performance, skills and competence, fulfillment of various improvement targets or the attainment of certain financial objectives.

(j) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; 1 : 1.28 and 1 : 2.07.

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

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

#### PERFORMANCE EVALUATION

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

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

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

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

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

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

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

#### The criteria for evaluation are briefly provided below:

##### Role & Accountability

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

##### Objectivity

- Non-partisan appraisal of issues.

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

##### Leadership & Initiative

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

##### Personal Attributes

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

#### FAMILIARISATION PROGRAMME

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

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

The details of familiarisation programme have been posted in the website of the Company [www.gallantt.com](http://www.gallantt.com) under the weblink :

<http://goo.gl/xk90w2>

##### CODE OF CONDUCT

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

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

The full text of the Code is hosted on the Company's website [www.gallantt.com](http://www.gallantt.com) under the weblink :

<http://goo.gl/zc9dNe>

##### CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

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

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

<http://goo.gl/OMZ5EQ>

#### **MATERIAL CHANGES AND COMMITMENTS**

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

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

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

#### **EXTRACT OF ANNUAL RETURN**

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

#### **DECLARATION OF INDEPENDENCE**

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

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

#### **GENERAL**

- 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.

#### **ACKNOWLEDGEMENT**

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

On behalf of the Board

**C. P. Agrawal**

*Chairman*

#### **ANNEXURE A**

##### **A. CONSERVATION OF ENERGY**

- (a) Energy Conservation Measures Taken

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

- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy - Nil
- (c) 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.
- (d) Total energy consumption and energy consumption per unit of production as per Form "A" of the Annexure in respect of industries specified in the Schedule thereto:

#### **FORM -A**

##### **Disclosure of Particulars with respect to conservation of energy**

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

Particulars	2014-15	2013-14
Amount ₹ in Lacs	1,202.76	640.67
Rate Per Unit (₹)	8.19	9.36
<b>(b) Own Generation</b>		
Total Units in Lacs	1,978.95	1,779.53
Amount ₹ In Lacs	7,025.49	7,495.68
Rate per Unit	3.55	4.21
<b>2. Coal</b>		
Quantity- M.T.	2,45,925	2,31,162
Total Cost- Rs. in Lacs	12,541.12	12,232.59
Average rate-Rs. per M.T.	5,100	5,292
<b>3. Furnace Oil</b>		
Quantity (K. Ltrs.)	227.776	168.109
Total Cost (₹ Lacs)	90.31	70.30
Average Rate (₹ / K. Ltrs.)	39,649	41,818
<b>B. Consumption per unit of production</b>		
<b>1. Electricity (Unit/M.T.)</b>		
Sponge Iron	74	74
Rolling	107	98
SMS (Furnace)	788	745
<b>2. Coal (Kg/M.T.)</b>		
Sponge Iron	826	802
Rolling (M.S. Bar)	19	8
Power Plant (Per 1000 KWH)	551	692

## FORM -B

## Disclosure of Particulars with respect to technology absorption

## RESEARCH &amp; DEVELOPMENT (R&amp;D)

## Specific areas in which R &amp; 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.- Company is considering and taking initiative to increase exports.
2. Total foreign exchange used and earned

	2014-2015 (₹ in Lacs)	2013-2014 (₹ in Lacs)
CIF Value of imports	13,595.00	7,415.74
Expenditure in foreign currency	25.21	23.55
Earning in foreign currency	-	117.03

## Annexure-B

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Forming part of the Report of the Directors for the year ended 31st March, 2015)

#### OVERVIEW OF THE ECONOMIC ENVIRONMENT

The year saw continued volatility even in the midst of positive factors like declining oil prices and US economy showing signs of revival. 2014-15 has been a year marked by excitement and its share of challenges. The world economy continued to face risks related to geopolitical tensions, disruptive asset price shifts in financial markets, and stagnation/deflation in advanced economies during CY 2014. During CY 2014 slowing demand in some of the major developing economies led to the softening in crude and other global commodity prices. Though the price correction created financial stress in oil exporting countries and also resulted in disinflationary environment in many oil importing economies, it is expected to be a net positive to world economy in the short to medium term – especially for oil/commodity importing economies like India.

The decisive political mandate accorded in the general elections set the stage for surging hopes for a rapid economic turnaround of the Indian economy. While many macro-economic indicators have improved during the course of the year, the journey to realize the growth potential of the economy is slow and challenging. While the headline indicators point towards steady improvement, the recovery on the ground has been rather slow. Lower inflation has not resulted in significant improvement in demand conditions. The demand conditions have been quite challenging across sectors as borne out by the slow improvement in industrial production. Some of the other key underlying drivers like credit growth and fixed capital formation also highlight a very sluggish environment. Similarly, numbers related to the housing and real estate sector do not indicate a very positive trend either.

#### INDUSTRY OVERVIEW

The global steel industry continues to face problems of large surplus capacity. During the year, the pace of the national economy started looking up from mid year. Signs of economic recovery were visible. In 2014, global steel demand expanded by a mere 0.6% to 1.537 billion tonnes, primarily due to contraction of demand in emerging economies like China, Brazil, Russia and Turkey. Chinese demand fell by 3.3% in the year to 710.8 million tonnes, with the outlook for 2015 and 2016 showing signs of reducing further by 0-5% year-on-year (yoY). Developed nations like USA, Germany, South Korea and Japan continued to show growth support during the year. The global steel demand for 2015 and 2016 is forecast to grow by 0.5% and 1.6% respectively

to a level of 1.544 and 1.565 billion tonnes. Overall global crude steel production expanded by 1.2%, to 1.66 billion tonnes, from 1.64 billion tonnes in 2013.

India retained its position as the 4th largest steel producing country in the world, behind China, Japan and the USA. Several indigenous source mines were closed. This led to acute shortage and high price of iron ore for a part of the year. India's increasing urbanisation trend is being driven by a focus on building 'smart cities'. This, in turn, is driving growth in core sectors such as infrastructure, power and real estate. The automobile sector is on the path to recovery and likely to grow from 3.8% in 2014 to 11.4% in 2015. Meanwhile, the construction sector is expected to grow by 6.9%, compared to a growth rate of 4.1% in 2014. All these positives in combination will provide better opportunities to the steel industry.

#### OPPORTUNITIES

Over the long term, India continues to offer lot of opportunities that would continue to fuel the growth in the domestic steel industry for both, house as well as industrial products. The current lower per capita consumption of steel in the country coupled with rising aspirations of the large, younger generation offer tremendous growth opportunities

for the steel products. At the same time, with continued focus on infrastructure development and with the Government's push for the "Make-in- India" play, even the industrial products could see a sustained growth phase in future. A large and growing market like India is bound to draw competition interest and your Company believes in

its ability to address these opportunities and challenges to deliver strong and consistent performance in the coming years. India certainly is one such economy that is poised to grow significantly over the next decade with its per capita consumption nearly at one-fourth of the global average. A competitive and efficient domestic steel industry is a pre-requisite for India to succeed in its industrial vision for 'Make in India'.

#### THREATS AND RISKS

The cost of iron ore and coal constitute more than 80% of cost of production. Therefore the profitability of the Company depends on market price of these raw materials. The sure way to substantially reduce the cost of iron ore and coal is to have ownership of these raw materials. The company does not have any iron ore or coal mine and sources all of it from market. The road transportation cost, both for iron ore and coal, is steadily going up over the time. Global warming and climate change have been recognised by the company as serious concerns. Increase in competition, increase

in interest rates, inflation, fluctuating markets etc. are area of concern for the Companies.

## OUTLOOK

The Board is ever engaged in evaluating its options across the value chain and other options such as diversification/expansion etc. We see that the strengths that the company has, would allow it to have positive margins, albeit lower due to market forces. The company is taking all efforts to improve the quality and productivity to get more orders at competitive rates. Further, the business will continue to focus on improving its cost competitive position. These measures will ensure the company maintaining its leadership position in the regional market. Due to the own captive power plant, the company is able to quote better rates with high quality & productivity in the finished goods manufactured. Barring unforeseen circumstances the company is confident of achieving better results in the current year. 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 proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are

authorised, recorded and reported properly, applicable statutes, the Gallant Code of Conduct and Corporate policies are duly complied with. The internal control systems and procedures are designed to assist in the identification and management of risks, the procedure-led verification of all compliance as well as an enhanced control consciousness.

## 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 agreement with Stock Exchanges, Companies Act and other applicable laws and regulations.

## CAUTIONARY STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable investors to fully appreciate our prospects and take informed investment decisions. This report and other statement - written and oral - that we periodically make, contain forward-looking statements that set our anticipated results based on management plans and assumptions. Nothing in this Annual Report should be construed as a profit forecast.

On behalf of the Board

**C. P. Agrawal**

*Chairman*

## Annexure - C

### Nomination and Remuneration Policy

#### BACKGROUND

The objective of Gallant Metal'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 Gallant Metal'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 independence 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 Gallant Ispat Limited and is remunerated by Gallant Ispat 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-D****CORPORATE SOCIAL RESPONSIBILITY POLICY**

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

**1. CONCEPT & CONTEXT**

The purpose of this policy is to ensure Gallant Metal Limited ("GML" 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 Gallant Metal 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**

GML'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. GML 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 GML's social responsibility objectives and provides guidance on the social responsibilities of all individuals associated with the GML. GML's primary responsibility is to ensure the long-term success of the Gallant 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, Gujrat, 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

1. 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.
2. 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.

3. 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 effective, 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:
  1. Project Objectives
  2. Baseline Survey – As-is and To-be state basis, accordingly the outcome of the project will be measured.
  3. Implementation Schedules – Timelines for milestones of the project will need to be prescribed and agreed upon.
  4. Responsibilities and authorities.
  5. 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:
  - a. The Company would need to specify the projects/programmes to be undertaken by such an organization, for utilizing funds provided to it;
  - b. 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:
  - i. The CSR Partner(s) has a permanent office/ address in India;
  - ii. 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;
  - iii. Possesses a valid income-tax Exemption Certificate
  - iv. The antecedents of the CSR Partner are verifiable
  - v. Have requisite framework to report progress/ status of the projects on a quarterly basis on agreed parameters.
  - vi. Maintain a required level of auditable records on the CSR initiatives conducted in conjunction with GML 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-E****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](http://www.gallantt.com) and also attach herewith.
2. Composition of the CSR Committee : Mr. Jyotirindra Nath Dey, Chairman, Mr. Chandra Prakash Agrawal and Mr. Dineshkumar Raghbir Prasad Agarwal.
3. Average net profit of the Company for the last three financial years: ₹ 2156.33 Lacs.
4. Prescribed CSR expenditure (2% of the average net profit of the company for the last 3 financial years): ₹ 43.13 lacs.
5. Details of CSR spent during the financial year.
  - a) Total amount to be spent for the financial year: ₹ 43.13 Lacs
  - b) Amount unspent, if any: ₹ 26.61 Lacs
  - 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) ₹ In Lacs	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.	Construction of public amenities i.e construction of toilet	Promoting health care including preventive health care and sanitation. Toilets are constructed for public use.	Local and neighborhood areas of Kutch District of State of Gujarat wherein factory of the Company located	44.00	16.52	16.52	Direct

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 identified the project of providing toilets facilities for the general uses of Public and for this purposes Company has started building toilets. The projects are being run under the monitoring of the CSR Committee of the Board. The amount unspent during the year shall be utilized in the next financial year(s).
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 METAL LIMITED**  
**Jyotirindra Nath Dey**

Place: Kolkata

Date: 28.08.2015

Chairman of CSR Committee & Director  
(DIN: 00180925)

## Annexure - F

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

FOR THE FINANCIAL YEAR ENDED 31.03.2015

*[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 METAL 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. Gallant Metal Limited, (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, 2015, 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, 2015 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) 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, 1992;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f) 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;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- v) Related Laws governing manufacturing and sale of Steel and Power and the rules made thereunder and we have examined the systems and processes in place to ensure compliance with general laws like labour laws, competition law, environmental laws etc., considering and relying upon representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under these laws and other applicable sector specific Acts, Laws and Regulations applicable to the Company and its observance by them.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with National Stock Exchange Limited and BSE Limited.

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

We further report that the related documents that we have come across depict, that the Board of Directors of the Company is constituted as applicable with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act and 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 and majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there appear to be adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

- Borrowing money, where the money to be borrowed together with the money already

borrowed may exceed the paid up capital and free reserves of the company but shall not exceed ₹ 500 Crores under Section 180(1)(c) of the Companies Act, 2013;

- Creating / modifying any mortgage, hypothecation or other charge or encumbrance over the whole or substantially the whole of the Company's undertaking and properties and assets of the Company which borrowings and facilities together with the existing ones shall not exceed an aggregate limit of ₹ 500 Crores under Section 180(1)(a) of the Companies Act, 2013.
- Alteration of Articles 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.

**Khushboo Goenka**

*Company Secretary*

ACS 22493; CP No. 8172

Place: Kolkata

Date: 28.08.2015

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,

#### GALLANT METAL LIMITED

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

- 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.
- We have followed the audit practices and processes 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.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and happenings of events etc.
- 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.
- 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.

**Khushboo Goenka**

*Company Secretary*

ACS 22493; CP No. 8172

Place: Kolkata

Date: 28.08.2015

**ANNEXURE-G****FORM NO. MGT-9****Extract of Annual Return** as on the financial period ended on 31st March 2015.

[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	L27109WB2005PLC101553
Registration Date	07/02/2015
Name of the Company	GALLANTT METAL 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	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S.N.	Name and Address of the Company	CIN/GIN	Holding Subsidiary/	% of Shares	Applicable Section
NOT APPLICABLE					

**IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY) GALLANTT METAL LTD.**

## 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	
<b>A. PROMOTERS</b>									
(1) Indian									
a) Individual / HUF	3649963	0	3649963	4.488	6554611	0	6554611	8.060	3.572
b) Central Government	—	—	—	—	—	—	—	—	—
c) State Government	—	—	—	—	—	—	—	—	—
d) Bodies Corporate	37862895	0	37862895	46.559	37862895	0	37862895	46.559	0.000
e) Banks / Financial Institutions	—	—	—	—	—	—	—	—	—
f) Any Other									
<b>Sub-total (A)(1)</b>	<b>41512858</b>	<b>0</b>	<b>41512858</b>	<b>51.047</b>	<b>44417506</b>	<b>0</b>	<b>44417506</b>	<b>54.619</b>	<b>3.572</b>

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	
(2) Foreign									
a) NRIs - Individuals	—	—	—	—	—	—	—	—	—
b) Other - Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corporate	—	—	—	—	—	—	—	—	—
d) Banks / Financial Institutions	—	—	—	—	—	—	—	—	—
e) Any Other	—	—	—	—	—	—	—	—	—
Sub-total (A)(2)	—	—	—	—	—	—	—	—	—
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>41512858</b>	<b>0</b>	<b>41512858</b>	<b>51.047</b>	<b>44417506</b>	<b>0</b>	<b>44417506</b>	<b>54.619</b>	<b>3.572</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks / Financial Institutions	—	—	—	—	—	—	—	—	—
c) Central Governments	—	—	—	—	—	—	—	—	—
d) State Governments	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies									
g) Foreign Institutional Investors (FII)	5000000	0	5000000	6.148					-6.148
h) Foreign Venture Capital Funds									
i) Others (Specify)	—	—	—	—	—	—	—	—	—
<b>Sub-total (B)(1)</b>	<b>5000000</b>	<b>0</b>	<b>5000000</b>	<b>6.148</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>-6.148</b>
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	24324431	0	24324431	29.911	27153590	0	27153590	33.390	3.479
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3684083	533	3684616	4.531	3553526	533	3554059	4.370	-0.161
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	5019205	0	5019205	6.172	4634443	0	4634443	5.699	-0.473
c) Others Specify									
1. NRI	1264473	0	1264473	1.555	1248231	0	1248231	1.535	-0.020
2. Overseas Corporate Bodies	—	—	—	—	—	—	—	—	—
3. Foreign Nationals	—	—	—	—	—	—	—	—	—
4. Clearing Members	511741	0	511741	0.629	309495	0	309495	0.381	-0.248
5. Trusts	5000	0	5000	0.006	5000	0	5000	0.006	0.000
6. Foreign Bodies - D.R.	—	—	—	—	—	—	—	—	—
<b>Sub-total (B)(2)</b>	<b>34808933</b>	<b>533</b>	<b>34809466</b>	<b>42.804</b>	<b>36904285</b>	<b>533</b>	<b>36904818</b>	<b>45.381</b>	<b>2.577</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>39808933</b>	<b>533</b>	<b>39809466</b>	<b>48.953</b>	<b>36904285</b>	<b>533</b>	<b>36904818</b>	<b>45.381</b>	<b>-3.572</b>
C. Shares held by Custodian for GDRs & ADRs									
<b>GRAND TOTAL (A+B+C)</b>	<b>81321791</b>	<b>533</b>	<b>81322324</b>	<b>100.000</b>	<b>81321791</b>	<b>533</b>	<b>81322324</b>	<b>100.000</b>	<b>0.000</b>

## ii. 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/encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/encumbered to total shares	
1	ANAND KUMAR GUPTA	168000	0.207	0.000				-0.207
2	ANJU PANSARI	102500	0.126	0.000				-0.126
3	ANUPAM AGARWAL	20400	0.025	0.000	20400	0.025	0.000	0.000
4	ANURAG KHTAN	17462	0.021	0.000				-0.021
5	ASHUTOSH AGARWAL	178591	0.220	0.000	178591	0.220	0.000	0.000
6	B ASHOK KUMAR	138500	0.170	0.000				-0.170
7	BRIJ MOHAN JOSHI	2500	0.003	0.000	2500	0.003	0.000	0.000
8	CHANDRA PRAKASH AGARWAL	650000	0.799	46.154	759500	0.934	39.500	0.135
9	DINESH CHANDRA AGRAWAL	135000	0.166	0.000				-0.166
10	DINESH KUMAR AGARWAL	210000	0.258	100.000	210000	0.258	100.000	0.000
11	GALLANTT ISPAT LIMITED	1982589	2.438	0.000	13749768	16.908	0.000	14.470
12	GALLANTT UDYOG LIMITED	24113127	29.651	60.755	24113127	29.651	60.755	0.000
13	GAURI SHANKAR AND CO (HUF)	115814	0.142	0.000				-0.142
14	HIPOLINE COMMERCE PVT LTD	11767179	14.470	0.000				-14.470
15	KARUNA JINDAL	5000	0.006	0.000	5000	0.006	0.000	0.000
16	KUSUM DEVI JALAN	19661	0.024	0.000	19661	0.024	0.000	0.000
17	MADHU AGARWAL	100000	0.123	0.000	100000	0.123	0.000	0.000
18	MANJU AGARWAL	135000	0.166	0.000				-0.166
19	NARAIN PRASAD AJITSARIA	2500	0.003	0.000	2500	0.003	0.000	0.000
20	NARESH CHANDRA AGARWAL	10000	0.012	0.000	10000	0.012	0.000	0.000
21	NIDHI JALAN	24500	0.030	0.000	24500	0.030	0.000	0.000
22	NITIN KANDOI	10500	0.013	4.762	10500	0.013	4.762	0.000
23	OM PRAKASH JALAN	26000	0.032	0.000	24000	0.030	0.000	-0.002
24	PREM PRAKASH AGARWAL	32500	0.040	0.000				-0.040
25	PREM PRAKASH AGRAWAL HUF	0	0.000	0.000	32500	0.040	0.000	0.040
26	PRIYA AGARWAL	100000	0.123	0.000	100000	0.123	0.000	0.000
27	PRIYANKA DAS	4938	0.006	0.000	4938	0.006	0.000	0.000
28	PRIYANKA GUPTA	109500	0.135	0.000				-0.135
29	RITU AGARWAL	2500	0.003	0.000	2500	0.003	0.000	0.000
30	SANTOSH KUMAR AGARWAL	350000	0.430	0.000	4231424	5.203	0.000	4.773
31	SANTOSH KUMAR AGRAWAL HUF	110000	0.135	0.000	110000	0.135	0.000	0.000
32	SHARDA DEVI JALAN	2500	0.003	0.000	2500	0.003	0.000	0.000
33	SHRUTI KANDOI	40000	0.049	0.000	40000	0.049	0.000	0.000
34	SHYAMA AGRAWAL	190000	0.234	0.000	190000	0.234	0.000	0.000
35	SMRITI AGARWAL	10000	0.012	0.000	10000	0.012	0.000	0.000
36	SONAL AGARWAL	10000	0.012	0.000				-0.012
37	SUBODH KUMAR JALAN	10000	0.012	0.000	10000	0.012	0.000	0.000
38	SUMESH KUMAR AGARWAL	100000	0.123	0.000	100000	0.123	0.000	0.000
39	SUNIL KUMAR SHIVANG PANSARI (HUF)	152500	0.188	0.000				-0.188
40	UMA AGARWAL	350000	0.430	0.000	350000	0.430	0.000	0.000
41	VINOD KUMAR TEKRIWAL	3597	0.004	0.000	3597	0.004	0.000	0.000
<b>T O T A L</b>		<b>41512858</b>	<b>51.047</b>	<b>36.520</b>	<b>44417506</b>	<b>54.619</b>	<b>34.132</b>	<b>3.572</b>

## iii. Change in Promoter's Shareholding

SI 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 ANAND KUMAR GUPTA				
a) At the Beginning of the Year	168000	0.207		
b) Changes during the year				
Date Reason				
30/09/2014 Transfer	-165500	0.204	2500	0.003
14/11/2014 Transfer	-2500	0.003	0	0.000
c) At the End of the Year			0	0.000
2 ANJU PANSARI				
a) At the Beginning of the Year	102500	0.126		
b) Changes during the year				
Date Reason				
31/12/2014 Transfer	-102500	0.126	0	0.000
c) At the End of the Year			0	0.000
3 ANUPAM AGARWAL				
a) At the Beginning of the Year	20400	0.025		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			20400	0.025
4 ANURAG KHETAN				
a) At the Beginning of the Year	17462	0.021		
b) Changes during the year				
Date Reason				
29/08/2014 TRANSFER	-17462	0.021	0	0.000
12/09/2014 Transfer	2400	0.003	2400	0.003
30/09/2014 Transfer	-2400	0.003	0	0.000
c) At the End of the Year			0	0.000
5 ASHUTOSH AGARWAL				
a) At the Beginning of the Year	178591	0.220		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			178591	0.220
6 B ASHOK KUMAR				
a) At the Beginning of the Year	138500	0.170		
b) Changes during the year				
Date Reason				
30/09/2014 Transfer	-138500	0.170	0	0.000
c) At the End of the Year			0	0.000
7 BRIJ MOHAN JOSHI				
a) At the Beginning of the Year	2500	0.003		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			2500	0.003
8 CHANDRA PRAKASH AGARWAL				
a) At the Beginning of the Year	650000	0.799		
b) Changes during the year				
DATE REASON				
14/11/2014 Transfer	109500	0.135	759500	0.934
c) At the End of the Year			759500	0.934
9 DINESH CHANDRA AGRAWAL				
a) At the Beginning of the Year	135000	0.166		
b) Changes during the year				

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
	Date	Reason		
	19/09/2014	Transfer	-135000	0.166
	c)	At the End of the Year		0
10	DINESH KUMAR AGARWAL			0.000
	a)	At the Begining of the Year	210000	0.258
	b)	Changes during the year		[NO CHANGES DURING THE YEAR]
	c)	At the End of the Year		210000
11	GALLANTT ISPAT LIMITED			0.258
	a)	At the Begining of the Year	1982589	2.438
	b)	Changes during the year		
	Date	Reason		
	10/10/2014	Transfer	11767179	14.470
	c)	At the End of the Year		13749768
12	GALLANTT UDYOG LIMITED			16.908
	a)	At the Begining of the Year	24113127	29.651
	b)	Changes during the year		[NO CHANGES DURING THE YEAR]
	c)	At the End of the Year		24113127
13	GAURI SHANKAR AND CO (HUF)			29.651
	a)	At the Begining of the Year	115814	0.142
	b)	Changes during the year		
	Date	Reason		
	19/09/2014	Transfer	-115814	0.142
	c)	At the End of the Year		0
14	HIPOLINE COMMERCE PVT LTD			0.000
	a)	At the Begining of the Year	11767179	14.470
	b)	Changes during the year		
	Date	Reason		
	10/10/2014	Transfer	-11767179	14.470
	c)	At the End of the Year		0
15	KARUNA JINDAL			0.000
	a)	At the Begining of the Year	5000	0.006
	b)	Changes during the year		[NO CHANGES DURING THE YEAR]
	c)	At the End of the Year		5000
16	KUSUM DEVI JALAN			0.006
	a)	At the Begining of the Year	19661	0.024
	b)	Changes during the year		[NO CHANGES DURING THE YEAR]
	c)	At the End of the Year		19661
17	MADHU AGARWAL			0.024
	a)	At the Begining of the Year	100000	0.123
	b)	Changes during the year		[NO CHANGES DURING THE YEAR]
	c)	At the End of the Year		100000
18	MANJU AGARWAL			0.123
	a)	At the Begining of the Year	135000	0.166
	b)	Changes during the year		
	Date	Reason		
	30/09/2014	Transfer	-135000	0.166
	c)	At the End of the Year		0
19	NARAIN PRASAD AJITSARIA			0.000
	a)	At the Begining of the Year	2500	0.003
	b)	Changes during the year		[NO CHANGES DURING THE YEAR]

SI 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
c) At the End of the Year			2500	0.003
20 NARESH CHANDRA AGARWAL				
a) At the Begining of the Year	10000	0.012		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			10000	0.012
21 NIDHI JALAN				
a) At the Begining of the Year	24500	0.030		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			24500	0.030
22 NITIN KANDOI				
a) At the Begining of the Year	10500	0.013		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			10500	0.013
23 OM PRAKASH JALAN				
a) At the Begining of the Year	26000	0.032		
b) Changes during the year				
Date Reason				
30/09/2014 Transfer	9000	0.011	35000	0.043
10/10/2014 Transfer	-5000	0.006	30000	0.037
17/10/2014 Transfer	-332	0.000	29668	0.036
24/10/2014 Transfer	-1668	0.002	28000	0.034
31/10/2014 Transfer	-500	0.001	27500	0.034
07/11/2014 Transfer	-2243	0.003	25257	0.031
14/11/2014 Transfer	-1257	0.002	24000	0.030
c) At the End of the Year			24000	0.030
24 PREM PRAKASH AGARWAL				
a) At the Begining of the Year	32500	0.040		
b) Changes during the year				
Date Reason				
08/08/2014 Transfer	-32500	0.040	0	0.000
c) At the End of the Year			0	0.000
25 PREM PRAKASH AGRAWAL HUF				
a) At the Begining of the Year	0	0.000		
b) Changes during the year				
Date Reason				
08/08/2014 Transfer	32500	0.040	32500	0.040
c) At the End of the Year			32500	0.040
26 PRIYA AGARWAL				
a) At the Begining of the Year	100000	0.123		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			100000	0.123
27 PRIYANKA DAS				
a) At the Begining of the Year	4938	0.006		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			4938	0.006
28 PRIYANKA GUPTA				
a) At the Begining of the Year	109500	0.135		
b) Changes during the year				
Date Reason				
14/11/2014 Transfer	-109500	0.135	0	0.000

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
c) At the End of the Year			0	0.000
29 RITU AGARWAL				
a) At the Begining of the Year	2500	0.003		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			2500	0.003
30 SANTOSH KUMAR AGARWAL				
a) At the Begining of the Year	350000	0.430		
b) Changes during the year				
Date Reason				
18/07/2014 Transfer	45640	0.056	395640	0.487
25/07/2014 Transfer	28819	0.035	424459	0.522
01/08/2014 Transfer	1377	0.002	425836	0.524
08/08/2014 Transfer	1213857	1.493	1639693	2.016
15/08/2014 Transfer	788981	0.970	2428674	2.986
22/08/2014 Transfer	551087	0.678	2979761	3.664
29/08/2014 Transfer	1123981	1.382	4103742	5.046
10/10/2014 Transfer	52354	0.064	4156096	5.111
17/10/2014 Transfer	75328	0.093	4231424	5.203
c) At the End of the Year			4231424	5.203
31 SANTOSH KUMAR AGRAWAL HUF				
a) At the Begining of the Year	110000	0.135		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			110000	0.135
31 SHARDA DEVI JALAN				
a) a) At the Begining of the Year	2500	0.003		
b) b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) c) At the End of the Year			2500	0.003
33 SHRUTI KANDOI				
a) At the Begining of the Year	40000	0.049		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			40000	0.049
34 SHYAMA AGRAWAL				
a) At the Begining of the Year	190000	0.234		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			190000	0.234
35 SMRITI AGARWAL				
a) At the Begining of the Year	10000	0.012		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			10000	0.012
36 SONAL AGARWAL				
a) At the Begining of the Year	10000	0.012		
b) Changes during the year				
Date Reason				
14/11/2014 Transfer	-10000	0.012	0	0.000
c) At the End of the Year			0	0.000
37 SUBODH KUMAR JALAN				
a) At the Begining of the Year	10000	0.012		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			10000	0.012

SI 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
38 SUMESH KUMAR AGARWAL				
a) At the Beginning of the Year	100000	0.123		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			100000	0.123
39 SUNIL KUMAR SHIVANG PANSARI (HUF)				
a) At the Beginning of the Year	152500	0.188		
b) Changes during the year				
Date Reason				
02/01/2015 Transfer	-70000	0.086	82500	0.101
09/01/2015 Transfer	-82500	0.101	0	0.000
c) At the End of the Year			0	0.000
40 UMA AGARWAL				
a) At the Beginning of the Year	350000	0.430		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			350000	0.430
41 VINOD KUMAR TEKRIWAL				
a) At the Beginning of the Year	3597	0.004		
b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c) At the End of the Year			3597	0.004
<b>TOTAL</b>	<b>41512858</b>	<b>51.047</b>	<b>44417506</b>	<b>54.619</b>

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

SI 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	6439182	7.918			
b) Changes during the year					
Date Reason					
10/10/2014 Transfer	-6439182	7.918	0	0.000	
27/03/2015 Transfer	6439182	7.918	6439182	7.918	
c) At the End of the Year			6439182	7.918	
2 ANGEL FINCAP PRIVATE LIMITED					
a) At the Beginning of the Year	394513	0.485			
b) Changes during the year					
Date Reason					
25/04/2014 Transfer	500	0.001	395013	0.486	
02/05/2014 Transfer	-250	0.000	394763	0.485	
09/05/2014 Transfer	268	0.000	395031	0.486	
23/05/2014 Transfer	-168	0.000	394863	0.486	
30/05/2014 Transfer	-200	0.000	394663	0.485	
06/06/2014 Transfer	140	0.000	394803	0.485	
13/06/2014 Transfer	2810	0.003	397613	0.489	
20/06/2014 Transfer	100	0.000	397713	0.489	
11/07/2014 Transfer	-200	0.000	397513	0.489	
10/10/2014 Transfer	500	0.001	398013	0.489	
31/10/2014 Transfer	-470	0.001	397543	0.489	

SI 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
	28/11/2014 Transfer	300	0.000	397843	0.489
	05/12/2014 Transfer	1200	0.001	399043	0.491
	12/12/2014 Transfer	800	0.001	399843	0.492
	19/12/2014 Transfer	-50	0.000	399793	0.492
	31/12/2014 Transfer	100	0.000	399893	0.492
	09/01/2015 Transfer	-580	0.001	399313	0.491
	16/01/2015 Transfer	-500	0.001	398813	0.490
	23/01/2015 Transfer	-150	0.000	398663	0.490
	06/02/2015 Transfer	-1100	0.001	397563	0.489
	13/02/2015 Transfer	-50	0.000	397513	0.489
	27/03/2015 Transfer	-3000	0.004	394513	0.485
	c) At the End of the Year			394513	0.485
3	ELARA INDIA OPPORTUNITIES FUND LIMITED				
	a) At the Begining of the Year	5000000	6.148		
	b) Changes during the year				
	Date Reason				
	11/07/2014 Transfer	-100000	0.123	4900000	6.025
	01/08/2014 Transfer	-500000	0.615	4400000	5.411
	08/08/2014 Transfer	-1500000	1.845	2900000	3.566
	22/08/2014 Transfer	-1500000	1.845	1400000	1.722
	29/08/2014 Transfer	-1400000	1.722	0	0.000
	c) At the End of the Year			0	0.000
4	INDOVISION SECURITIES LIMITED				
	a) At the Begining of the Year	378888	0.466		
	b) Changes during the year				
	Date Reason				
	23/05/2014 Transfer	-18381	0.023	360507	0.443
	30/05/2014 Transfer	-11928	0.015	348579	0.429
	20/06/2014 Transfer	-191498	0.235	157081	0.193
	15/08/2014 Transfer	-18269	0.022	138812	0.171
	22/08/2014 Transfer	-18152	0.022	120660	0.148
	29/08/2014 Transfer	-3600	0.004	117060	0.144
	05/09/2014 Transfer	-2750	0.003	114310	0.141
	12/09/2014 Transfer	-21046	0.026	93264	0.115
	19/09/2014 Transfer	-12950	0.016	80314	0.099
	c) At the End of the Year			80314	0.099
5	JAI LAKSHMI SOLVENTS PRIVATE LIMITED				
	a) At the Begining of the Year	318795	0.392		
	b) Changes during the year				
	Date Reason				
	17/10/2014 Transfer	15000	0.018	333795	0.410
	24/10/2014 Transfer	98468	0.121	432263	0.532
	31/10/2014 Transfer	36647	0.045	468910	0.577
	07/11/2014 Transfer	48694	0.060	517604	0.636
	14/11/2014 Transfer	46054	0.057	563658	0.693
	21/11/2014 Transfer	24753	0.030	588411	0.724
	28/11/2014 Transfer	4328	0.005	592739	0.729
	12/12/2014 Transfer	6056	0.007	598795	0.736
	c) At the End of the Year			598795	0.736

SI 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
6	KARISHMA MARKETING PRIVATE LIMITED				
a)	At the Begining of the Year	0	0.000		
b)	Changes during the year				
Date	Reason				
27/03/2015	Transfer	2436564	2.996	2436564	2.996
c)	At the End of the Year			2436564	2.996
7	LEXI EXPORTS PVT LTD				
a)	a) At the Begining of the Year	11977179	14.728		
b)	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
c)	c) At the End of the Year			11977179	14.728
8	MAGENTA COMMERCE PRIVATE LTD				
a)	At the Begining of the Year	479117	0.589		
b)	Changes during the year			[NO CHANGES DURING THE YEAR]	
c)	At the End of the Year			479117	0.589
9	MATARANI VINTRADE PRIVATE LIMITED .				
a)	At the Begining of the Year	0	0.000		
b)	Changes during the year				
Date	Reason				
12/09/2014	Transfer	500000	0.615	500000	0.615
30/09/2014	Transfer	40500	0.050	540500	0.665
10/10/2014	Transfer	-540500	0.665	0	0.000
27/03/2015	Transfer	540500	0.665	540500	0.665
c)	At the End of the Year			540500	0.665
10	NAJMUDDIN GULAMHUSEIN KHERAJ				
a)	At the Begining of the Year	460311	0.566		
b)	Changes during the year				
Date	Reason				
08/08/2014	Transfer	11346	0.014	471657	0.580
15/08/2014	Transfer	1122	0.001	472779	0.581
31/10/2014	Transfer	221	0.000	473000	0.582
c)	At the End of the Year			473000	0.582
11	PARROT DISTRIBUTORS PRIVATE LIMITED				
a)	At the Begining of the Year	0	0.000		
b)	Changes during the year				
Date	Reason				
31/12/2014	Transfer	60830	0.075	60830	0.075
16/01/2015	Transfer	300000	0.369	360830	0.444
30/01/2015	Transfer	253086	0.311	613916	0.755
27/02/2015	Transfer	239721	0.295	853637	1.050
20/03/2015	Transfer	86669	0.107	940306	1.156
31/03/2015	Transfer	112312	0.138	1052618	1.294
c)	At the End of the Year			1052618	1.294
12	RICHIE CREDIT AND FINANCE PRIVATE LIMITE				
a)	At the Begining of the Year	2929551	3.602		
b)	Changes during the year				
Date	Reason				
11/04/2014	Transfer	27093	0.033	2956644	3.636
18/04/2014	Transfer	9314	0.011	2965958	3.647
05/09/2014	Transfer	125000	0.154	3090958	3.801
12/09/2014	Transfer	-1514479	1.862	1576479	1.939
19/09/2014	Transfer	-1514479	1.862	62000	0.076

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
	27/03/2015 Transfer	1514479	1.862	1576479	1.939
	c) At the End of the Year			1576479	1.939
13	SUSHEEL KUMAR SARAFF				
	a) At the Begining of the Year	455000	0.560		
	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
	c) At the End of the Year			455000	0.560
14	VIJAY KUMAR SARAFF				
	a) At the Begining of the Year	655000	0.805		
	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
	c) At the End of the Year			655000	0.805
	<b>TOTAL</b>	<b>29487536</b>	<b>36.260</b>	<b>27158261</b>	<b>33.396</b>

#### V. Shareholding of Directors and Key Managerial Personnel:

Sl No.	For each of the Directors of the Company and KMP	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (01.04.2014 - 31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Chandra Prakash Agrawal				
	At the beginning	300000	0.369	300000	0.369
	Date wise Increase/Decrease in Shareholding during the year specifying reason				
	At the end of the year	300000	0.369	300000	0.369
2	Dinesh Kumar Raghbir Prasad Agarwal				
	At the beginning of the year	210000	0.258	210000	0.258
	Datewise Increase/ Decrease in Shareholding during the year	—	—	—	—
	At the end of the year	210000	0.258	210000	0.258
3	Nitin M Kandoi				
	At the beginning of the year	10500	0.013	10500	0.013
	Datewise Increase/ Decrease in Shareholding during the year	—	—	—	—
	At the end of the year	10500	0.013	10500	0.013
5	Prashant Jalan	—	—	—	—
6	Sandip Kumar Agarwal	—	—	—	—
7	Rajesh Upadhyaya	—	—	—	—
8	Jyotirindra Nath Dey	—	—	—	—
9	Prasant Kankrania	—	—	—	—
10	Rajesh Kumar Jain*	—	—	—	—
11	Richa Bhartiya**				
12	Ramesh Kumar Choudhary				
	At the beginning of the year	100	0.00	100	0.00
	Datewise Increase/ Decrease in Shareholding during the year	—	—	—	—
	At the end of the year	100	0.00	100	0.00

\*Resigned w.e.f. 12.11.2014

\*\*Appointed w.e.f. 12.11.2014

## 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 Indebted- ness
Indebtedness at the beginning of the financial year					
1	Principal Amount	6111.05	0.00	0.00	6111.05
2	Interest due but not paid	0.00	0.00	0.00	0.00
3	Interest accrued but not due	0.00	0.00	0.00	0.000
<b>Total (1+2+3)</b>		<b>6111.05</b>	<b>0.00</b>	<b>0.00</b>	<b>6111.05</b>
Change in Indebtedness during the Financial Year					
	• Addition	0.00	0.00	0.00	0.00
	• Reduction	4462.79	0.00	0.00	4462.79
Net Change		4462.79	0.00	0.00	4462.79
Indebtedness at the end of the financial year					
1	Principal Amount	1648.26	0.00	0.00	1648.26
2	Interest due but not paid	0.00	0.00	0.00	0.00
3	Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (1+2+3)</b>		<b>1648.26</b>	<b>0.00</b>	<b>0.00</b>	<b>1648.26</b>

## 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	Dinesh Kumar Raghbir Prasad Agrawal	Prashant Jalan	
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	16.80	16.80	5.40	39.00
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL
2	<b>Commission</b>	NIL	NIL	NIL	NIL
3	<b>Others - Remuneration benefits</b>	NIL	NIL	NIL	NIL
	<b>Total (A)</b>	<b>16.80</b>	<b>16.80</b>	<b>5.40</b>	<b>39.00</b>

### B. Remuneration to Other Directors (All being Independent)

S.N.	Particulars of Remuneration	Name of Directors						Total Amount (₹ In Lacs)
		Nitin M Kandoi	Jyotirindra Nath Dey	Rajesh Kumar Jain	Prasant Kankrania	Ramesh Kumar Choudhary	Richa Bhartiya	
1	Fees for attending Board/ Committee Meetings	0.06	0.29	0.17	0.25	0.09	0.11	0.97
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)
		Chandra Prakash Agrawal	Sandip Kumar Agarwal	Rajesh Upadhyaya	
1	<b>Gross Salary</b>	16.80	10.07	10.06	36.93
	(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	<b>Others –Remuneration benefits</b>	NIL	NIL	NIL	NIL

**VII PENALTIES / PUNISHMENT/COMPOUNDING DURING THE FINANCIAL YAER**

No penalty/Punishment/Compounding Fees imposed on the Company.

# REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

## CORPORATE GOVERNANCE PHILOSOPHY

### Company Philosophy on Corporate Governance

The practice of responsible governance has enabled your Company to achieve sustainable growth, while meeting the expectations of all stakeholders and the society at large. Good Governance practices stem from the dynamic culture and positive mindset of the organization. It is about promoting corporate fairness, transparency and accountability. Besides complying with Clause 49 of the Listing Agreement, your Company has adopted various practices and set responsible

standards of business.

### 1. BOARD OF DIRECTORS

As on March 31, 2015 your Company's Board comprised of 8 Directors (out of which 50% of the Directors are Independent Directors) with Mr. Chandra Prakash Agrawal as Executive Chairman.

The composition of the Board as on March 31, 2015 is as follows:

- Executive Directors - 3
- Non-Executive Non-Independent Director - 1
- Non Executive Independent Directors - 4

Names of the Director		% to the total number of Directors
<b>I</b>	<b>Names of the Director</b>	50%
	<b>Independent Director</b>	
	Jyotirindra Nath Dey	
	Ramesh Kumar Choudhary	
	Prasant Kankrania	
	Richa Bhartiya	
<b>II</b>	<b>Non-Executive Non-Independent Director</b>	12.5%
	Nitin M Kandoi	
<b>III</b>	<b>Executive Director</b>	37.5%
	Chandra Prakash Agrawal	
	Dineshkumar Raghbir Prasad Agarwal	
	Prashant Jalan	

During the Financial Year 2014-15, Mrs. Richa Bhartiya was appointed as a Independent Director on the Board of the Company. This appointment meets the requirements of Section 149 of appointing woman director on the Board of the Company. Mr. Chandra Prakash Agrawal, Chairman and Managing Director and Mr. Dineshkumar Raghbir Prasad Agarwal, Whole-time Director have been reappointed as Managing Director and Whole-time Director respectively. Reappointment as above are subject to the approval of the shareholders of the Company.

The composition of the Board is in conformity with the requirements of Clause 49 of the Listing Agreement. None of the Directors are related to each other.

During the financial year 2014-15, Ten Board Meetings were held. These were held on 03.05.2014, 29.05.2014, 10.07.2014, 14.08.2014, 09.09.2014, 15.10.2014, 12.11.2014, 07.02.2015, 19.03.2015 and 27.03.2015.

As per the provisions of Section 149 read with Schedule IV to the Companies Act, 2013 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 meeting is mandatory as per the Section 149 read with Schedule IV to the Companies Act, 2013 and amended Clause 49 of the Listing Agreement.

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.

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 Clause 49 of the Listing Agreement.

Composition of the Board of Directors, their attendance

in the Board Meetings and other particulars as on 31st March, 2015 is as follows:

Name & Designation of the Directors	Category/Position	Last Annual General Meeting Attended	No. of Board Meetings Attended out of 10 meetings held during the year	No. of other directorships in public companies as on 31/03/2015	No. of committee positions held in other public companies as on 31/03/2015	
					Chairman	Member
Mr. Chandra Prakash Agrawal Chairman & Managing Director (DIN: 01814318)	Executive/Promoter	Yes	10	1	Nil	Nil
Mr. Dinesh Kumar Raghbir Prasad Agarwal Whole-time Director (DIN: 01017125)	Executive/Promoter	No	5	1	Nil	Nil
Mr. Prashant Jalan Director (Plant Operation) (DIN: 06619739)	Executive / Non-Promoter	No	4	Nil	Nil	Nil
Mr. Nitin M Kandoi Whole-time Director (DIN: 01979952)	Non-Executive/Promoter	No	6	1	Nil	Nil
Mr. Jyotirindra Nath Dey Director (DIN: 00180925)	Non-Executive/Non-Promoter	Yes	10	2	2	4
Mr. Rajesh Kumar Jain Director (DIN: 02113164)	Non-Executive/Non-Promoter	No	6	1	1	2
Mr. Prasant Kankrania Director (DIN: 05241947)	Non-Executive/Non-Promoter	Yes	10	Nil	Nil	Nil
Mrs. Richa Bhartiya Director (DIN: 06905283)	Non-Executive/Non-Promoter	No	5	Nil	Nil	Nil
Mr. Ramesh Kumar Choudhary Director (DIN: 00558707)	Non-Executive/Non-Promoter	No	9	Nil	Nil	Nil

**Notes:**

- Mr. Rajesh Kumar Jain, Mr. Jyotirindra Nath Dey, Mr. Piyush Kankrania, Mrs. Richa Bhartiya and Mr. Ramesh Kumar Choudhary have been considered as Independent Directors as they qualify to be Independent Directors as per the provisions of the Companies Act, 2013 and Clasue 49 of the Equity Listing Agreement.
- 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.
- None of the directors have inter se relationship.
- Mr. Rajesh Kumar Jain tendered his resignation from the Directorship of the Company with effect from 12.11.2014. Effective from the same date Mrs. Richa Bhartiya was appointed as an Additional Independent Director.

The details of shares held by the Directors of the Company in their individual names as on March 31,

2015 are furnished below:

Sr. No.	Name of Directors	No. of Shares held
1.	Chandra Prakash Agrawal	300000
2.	Mr. Dinesh Kumar R. Agrawal	210000
3.	Mr. Prashant Jalan	NIL
4.	Mr. Nitin M Kandoi	10500
5.	Jyotirindra Nath Dey	NIL
6.	Mr. Rajesh Kumar Jain	NIL
7.	Mr. Prasant Kankrania	NIL
8.	Mrs. Richa Bhartiya	NIL
9.	Ramesh Kumar Choudhary	100

**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 Clause 49 of the Listing Agreement. 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](http://www.gallantt.com).

### **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. The Board has complete access to any information within your Company which includes the information as specified in Annexure X to Clause 49 of the Listing Agreement and they are updated about their roles and responsibilities in the Company.

The Board, inter alia, reviews annual operating and capital expenditure plans and budgets, financial statements of business segments, compliance report(s) of all laws applicable to the Company, major legal and tax issues, policies/charters of committees of the Company, appointment and remuneration to Directors, minutes of the Committee Meetings of the Company, significant labour issues, presentations on Environment Health and Safety (EHS) initiatives, risk management, transactions involving sale of material investments, assets, which are not in normal course of business, foreign currency exposure, status of all investments made by the Company, declaration of dividend, issue of securities, short-term borrowings, any other proposal from the management regarding mergers, acquisitions and restructuring of investments, etc.

### **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://www.gallantt.com)

### **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.

#### **Meeting of Independent Directors**

During the year, meeting of Independent Directors was held to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

Mr. Jyotirindra Nath Dey, Chairman of the Meeting presented the views of the Independent Directors on matters relating to Board processes and the overall affairs of the Company to the full Board.

#### **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.

#### **Other Provisions as to Board and Committees**

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

During the year under review, none of the Directors of the Company was a member of more than 10 specified Committees or Chairman of more than 5

such Committees in companies in which he/she was a Director.

Your Company's Directors promptly notify any change(s) in the committee positions as and when they take place.

#### **Code of Conduct**

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

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

The full text of the Code is hosted on the Company's website of the Company [www.gallantt.com](http://www.gallantt.com)

#### **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 [Now, SEBI (Prohibition of Insider Trading) Regulations, 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. The Insider Trading Code and Code for Fair Disclosure have been disclosed on the Company's website [www.gallantt.com](http://www.gallantt.com) and circulated to all the Directors / employees and displayed at the Registered Office and Factory Office of the Company.

#### **Whistle Blower Policy**

Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors and employees) to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimisation of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.

Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The Whistle Blower Policy has been disclosed on the Company's website [www.gallantt.com](http://www.gallantt.com) and circulated to all the Directors / employees.

#### **COMMITTEES OF THE BOARD**

The Committees constituted by the Board play a very important role in the governance structure of the Company. The terms of reference of these Committees

are approved by the Board and are in line with the requirements of Companies Act, 2013 and Clause 49 of the Listing Agreement. The minutes of Committee meetings are tabled at the Board meetings and the Chairperson of each Committee briefs the members of the Board on the important deliberations and decisions of the respective Committees. The minutes of the proceedings of the Committee Meetings are captured in the same manner as the Board Meetings and in accordance with the provisions of the Companies Act, 2013. Currently, there are six (4) Committees of the Board, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and CSR Committee.

#### **AUDIT COMMITTEE**

The Audit Committee which acts as a link between the management, external and internal auditors and the Board of Directors of the Company is responsible for overseeing the Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of internal and statutory audits.

#### **Composition**

As on date, the Audit Committee comprises of three (3) Independent Directors. The members of the Audit Committee are Mr. Piyush Kankrania (Chairman), Mrs. Richa Bhartiya and Mr. Jyotirindra Nath Dey, all of whom possess accounting and financial management expertise/ exposure. Mr. Rajesh Upadhyaya, Company Secretary acts as the Secretary to the Audit Committee.

Mr. Prasant Kankrania, the Chairman – Audit Committee was present at the Annual General Meeting held on September 09, 2014.

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

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 Agreement 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 amended Clause 49 of the Listing Agreement. The recommendations of the Audit Committee are placed before the Board for its consideration and approval.

A total of Eight Audit Committee Meetings were held in the financial year 2014–15. The meetings were held on 03.05.2014, 29.05.2014, 10.07.2014, 14.08.2014, 09.09.2014, 12.11.2014, 07.02.2015, and 27.03.2015.

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	8
Mr. J. N. Dey	Member	Independent	8
Mr. R. K. Jain*	Member	Independent	5
Mrs. R. Bhartiya*	Member	Independent	3

\*Mr. R. K. Jain relinquishes as a Member of the committee consequent upon his resignation from the Directorship of the Company. Mrs. R. Bhartiya was appointed as a member of the Committee.

**The role of the Audit Committee, inter alia, includes the following:**

The role of the Audit Committee, inter alia, includes the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Reviewing with the management the quarterly, half-yearly, nine-monthly and annual financial statements, standalone as well as consolidated, before submission to the Board for approval;
3. Reviewing the Management Discussion and

- Analysis of the financial condition and results of operations;
- 4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report as per Section 134(3)(c) of the Companies Act, 2013;
  - b. Changes in the accounting policies and practices and the reasons for the same, major accounting entries involving estimates based on the exercise of judgment by management and significant adjustments made in the financial statements arising out of audit findings;
  - c. Compliance with listing and other legal requirements relating to financial statements;
  - d. Disclosure of any Related Party Transactions (RPTs); and
  - e. Qualifications in the draft audit report, if any.
- 5. Reviewing the financial statements of unlisted subsidiary companies (including joint ventures) and investments made by the unlisted subsidiary companies (including joint ventures);
- 6. Reviewing and considering the following w.r.t. appointment of auditors before recommending to the Board:
  - a. qualifications and experience of the individual/firm proposed to be considered for appointment as auditor;
  - b. whether such qualifications and experience are commensurate with the size and requirements of the company; and
  - c. giving due regard to any order or pending proceeding relating to professional matters of conduct against the proposed auditor before the Institute of Chartered Accountants of India or any competent authority or any Court.
- 7. Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, fixing of audit fees and approving payments for any other service;
- 8. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 9. Reviewing and approving quarterly and yearly management representation letters to the statutory auditor;
- 10. Reviewing management letters/letters of internal control weaknesses issued by the statutory auditors and ensuring suitable follow-up thereon;
- 11. Reviewing and monitoring the auditor's

independence and performance, and effectiveness of audit process;

12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Reviewing the appointment, removal and terms of remuneration of the Chief Internal Auditor of the Company;
14. Formulating in consultation with the Internal Auditor, the scope, functioning, periodicity and methodology for conducting the internal audit;
15. Evaluating the internal financial controls and risk management policies/system of the Company;
16. Discussion with the internal auditors on internal audit reports relating to internal control weaknesses and any other significant findings and follow-up thereon;
17. Reviewing the internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
18. Review and comment upon the report made by the statutory auditors (before submission to the Central Government) with regard to any offence involving fraud committed against the company by its officers/employees;
19. Approval or subsequent modification of transactions of the Company with related parties including appointment and revision in remuneration of related parties to an office or place of profit in the Company, its subsidiary company or associate company;
20. Reviewing the statements of significant related party transactions submitted by the management;
21. Reviewing and Scrutinizing the inter-corporate loans and investments;
22. Review of the Whistle Blower mechanism of the Company as per the Whistle Blower Policy. Overseeing the functioning of the same;
23. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
24. Approving the auditors (appointed under the Companies Act, 2013) to render any service other than consulting and specialised services;
25. Recommending to the Board of Directors, the appointment, remuneration and terms of appointment of Cost Auditor for the Company;
26. Review the cost audit report submitted by the cost auditor on audit of cost records before submission to the Board for approval;
27. Appointing registered valuers and defining the terms and conditions for conducting the valuation of assets/net-worth/ liabilities of the Company. Reviewing the valuation report and follow-up thereon;
28. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
29. Looking into reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
30. Review and approve policy formulated for determination of material subsidiaries;
31. Review and approve policy on materiality of related party transactions and also dealing with related party transactions; and
32. Any other matter referred to by the Board of Directors.

#### **NOMINATION AND REMUNERATION COMMITTEE (FORMERLY REMUNERATION COMMITTEE)**

During the year ended 31st March, 2015, the Remuneration Committee comprised of Mr. Jyotirindra Nath Dey, an Independent Director, as the Chairman and Mr. Prasant Kankrania and Mrs. Richa Bhartiya all independent Directors as Members. Mr. Rajesh Upadhyaya, Company Secretary acts as the Secretary to the Committee.

The Nomination and Remuneration Committee was constituted to discharge the Board's responsibilities relating to compensation of the Company's executive directors and senior management.

A total of five Nomination and Remuneration Committee Meeting were held in the financial year 2014-15. The meetings were held on 03.05.2014, 10.07.2014, 14.08.2014, 12.11.2014 and 27.03.2015.

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

Names	Designa-tion	Category	Committee Meeting Attended
Mr. J. N. Dey	Chairman	Independent	5
Mr. P. Kankrania	Member	Independent	5
Mrs. R. Bhartiya*	Member	Independent	2
Mr. R. K. Jain*	Member	Independent	4

\*Mr. R. K. Jain relinquishes as a Member of the committee consequent upon his resignation from the Directorship of the Company. Mrs. R. Bhartiya was

appointed as a member of the 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.

#### **Nomination and Remuneration Policy of the Company**

Nomination and Remuneration Policy has been given on the Directors Report.

#### **Remuneration of Directors**

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

The aggregate value of salary and perquisites paid for the year ended 31st March, 2015 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	16.80
Mr. Dineshkumar Raghbir Prasad Agarwal	Wholetime Director	16.80
Mr. Prashant Jalan	Director - (Plant Operation)	5.40

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. Mr. Chandra Prakash Agrawal and Mr. Dineshkumar Raghbir Prasad Agarwal, Executive Directors of the Company are under contract period of 5 years and Mr. Prashant Jalan is under a contract period of 3 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.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

During the year ended 31st March, 2015, the Stakeholders Relationship Committee comprised of Mrs. Richa Bhartiya, an Independent Director, as the Chairman and Mr. Prasant Kankrania and Mr. Jyotirindra Nath Dey all independent Directors as Members. Mr. Rajesh Upadhyaya, 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 rajesh@gallantt.com designated exclusively for the purpose.

A total of two Stakeholders Relationship Committee Meeting were held in the financial year 2014–15. The meetings were held on 03.05.2014 and 12.11.2014.

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

Names	Designa-tion	Category	Committee Meeting Attended
Mr. R. K. Jain	Chairman	Independent	2
Mr. P. Kankrania	Member	Independent	2
Mr. J. N. Dey	Member	Independent	2
Mrs. R. Bhartiya	Chairman	Independent	1

\*Mr. R. K. Jain relinquishes as a Member of the committee consequent upon his resignation from the Directorship of the Company. Mrs. R. Bhartiya was appointed as a member of the Committee.

During the year Company has not received complaints. As required under Clause 47(c) of the listing agreements entered into by the Company 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 Gallant Metal.

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.

The nomenclature and terms of reference of Shareholders/Investors Grievance Committee was changed to Stakeholders Relationship and Investors Grievance Committee pursuant to Section 178 of the Companies Act, 2013.

The terms of reference of the Committee were also amended pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The revised terms of reference includes enquiring into and redress complaints of shareholders and investors and to resolve the grievance of security holders of the Company.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

The composition of the CSR Committee is in line with provisions of Section 135 of the Companies Act, 2013.

The Committee met four (4) times during the financial year ended 31st March, 2015 on 03.05.2014, 29.05.2014, 12.11.2014 and 19.03.2015. 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, 2015 is detailed below:

Composition	Designation	Whether Meeting attended
Mr. Jyotirindra Nath Dey	Chairman	Yes
Mr. Dineshkumar R. Agarwal	Member	Yes
Mr. Chandra Prakash Agrawal	Member	Yes

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.

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](http://www.gallantt.com).

#### **SUBSIDIARY COMPANIES**

Your Company has no subsidiary Company. Also, 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 subsidiary.

#### **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 Gallant Metal 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.

Key Risk	Impact to Gallant Metal Limited	Mitigation Plans
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 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.

### RELATED PARTY TRANSACTIONS

Your Company has formulated a Policy on materiality of Related Party Transactions and also dealing with Related Party Transactions.

The necessary disclosures regarding the transactions with related parties are given in the Notes to the financial statements.

During the year under review, Your Company had not entered into any material transaction with any of its related parties.

### DISCLOSURES

#### i) Related Party Transactions

The policy on Related Party Transactions is hosted on the website of the Company [www.gallant.com](http://www.gallant.com)

#### ii) Disclosure of Accounting Treatment

Your Company has not adopted any alternative

accounting treatment prescribed differently from the Accounting Standards.

#### iii) Remuneration of Directors Criteria for making payments to Executive, 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 2014-15 are as follows:

Name of Director	Sitting Fees
Mr. Jyotirindra Nath Dey	29,000
Mr. Rajesh Kumar Jain	17,000
Mr. Prasant Kankrania	25,000
Mr. Ramesh Kumar Choudhary	9,000
Mrs. Richa Bhartiya	11,000
Mr. Nitin M Kandoi	6,000
<b>TOTAL</b>	<b>97,000</b>

Details of Remuneration to Executive Directors for the financial year ended March 31, 2015

Name	Designation	Aggregate Value of Salary & Perquisites (₹) (fixed components)
Mr. Chandra Prakash Agrawal	Managing Director	16,80,000
Mr. Dineshkumar R. Agarwal	Wholetime Director	16,80,000
Mr. Prashant Jalan	Director (Plant Operation)	5,40,000

#### iv) Management

Management Discussion and Analysis Report comprising of all information as prescribed under Clause 49 (VIII)(D) of the Listing Agreement 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.

#### v) Shareholders

The details relating to appointment and re-appointment of Directors as required under Clause 49(VIII)(E) of the Listing Agreement is provided in the Notice to the Annual general Meeting.

#### vi) Proceeds from Preferential Issue

Your Company has not raised fund through Preferential Issue.

#### vii) Strictures and penalties

There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on such matters during the last three years.

#### CEO/CFO CERTIFICATION

As required under Clause 49 (IX) of the Listing Agreement, the CEO/CFO certificate for the financial year ended 31st March, 2015, signed by Mr. Chandra Prakash Agrawal, CEO and Mr. Sandip Kumar Agarwal, CFO is annexed and forms part of this Report.

Your Company has complied with the mandatory requirements and adopted the non-mandatory requirements of the Listing Agreement.

#### General Body Meetings

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

Year	Venue	Date	Time
2014	RABINDRA OKARURA BHAVAN, DD-27/A/1, Sector – 1, DD Block, Salt Lake City - Kolkata – 700 091	09.09.2014	1.30 P.M.
2013	RABINDRA OKARURA BHAVAN, DD-27/A/1, Sector – 1, DD Block, Salt Lake City - Kolkata – 700 091	19.09.2013	1.30 P.M.
2012	RABINDRA OKARURA BHAVAN, DD-27/A/1, Sector – 1, DD Block, Salt Lake City - Kolkata – 700 091	25.09.2012	1.30 P.M.

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

AGM	AGM DATE	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.
2013	19.09.2013	Appointment of Mr. Prashant Jalan as a Whole-time Director (Plant Operation) of the Company
2012	25.09.2012	Alteration of Articles of Association for insertion of new Articles 96A & 125A

**Extraordinary General Meeting**

No Extraordinary General Meeting of the members was held

**Details of Resolutions passed through Postal Ballot**

No Resolution passed through Postal Ballot

**Court Convened Meeting of Shareholders**

No Court Convened Meeting was held.

**COMPLIANCE CERTIFICATE**

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

**Means of Communication:**

In accordance with Clause 54 of the Listing Agreement, the Company has maintained a functional website at [www.gallantt.com](http://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. 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](http://www.gallantt.com).

Shareholding Pattern and Corporate Governance Report and other Compliances are also filed electronically on NEAPS. NEAPS stands for NSE Electronic Application Processing System. NEAPS is a web based application designed by NSE for Corporates.

**Compliance Officer**

The Board has designated Mr. Rajesh Upadhyaya, Company Secretary as the Compliance Officer.

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

**General Shareholder Information**

1. Date, Time and Venue of 11th AGM	<b>Monday, 28th September, 2015 at 1.00 P.M. at NAZRUL MANCH, Office of the Municipal Councillors, Kamarhati, 1 M.M. Feeder Road, P.O. - Belgharia, Kolkata - 700 056</b>
2. Financial Calender	1st April to 31st March
3. Dates of book closure	22nd September, 2015 to 28th September, 2015
4. Listing on stock exchanges	Bombay Stock Exchange Ltd. (BSE) National Stock Exchange of India Ltd. (NSE)
5. Listing fees for 2015-16	Paid for both the Stock Exchanges
6. Electronic Connectivity	National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd.
7. Registered Office	1, Crooked Lane, Second Floor, Kolkata- 700 069. Telfax:- +91-33-40642189 Website: <a href="http://gallantt.com">gallantt.com</a> E-mail: <a href="mailto:rajesh@gallantt.com">rajesh@gallantt.com</a>
8. Works Office	Near Toll Gate, Village- Kamakhya, Taluka-Bachau, District- Kutch, Gujarat Tel: +91-2837283689 Telefax: +91-2837-283555/557
9. 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: <b>NICHE TECHNOLOGIES PVT. LTD.</b> 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: <a href="mailto:nichetechpl@nichetechpl.com">nichetechpl@nichetechpl.com</a> Web-site: <a href="http://www.nichetechpl.com">www.nichetechpl.com</a>
10 Dividend	Board has not recommended a dividend

## 11. Stock Market Data

Monthly high and low quotations of shares traded on Bombay Stock Exchange Ltd. and National Stock Exchange of India Limited for the Year 2014-15.

Month	BSE				NSE			
	Open Price	High Price	Low Price	Close Price	Open Price	High Price	Low Price	Close Price
Apr-14	18.9	23.65	18.1	19.1	18.6	23.75	17.55	19.25
May-14	18.85	25.4	17.8	21.6	19.1	26.4	16.1	21.65
Jun-14	22.95	25.3	21	22.55	22.45	24.8	20.7	22.55
Jul-14	23.5	23.75	20.65	22.2	23.85	24.25	20.5	22.15
Aug-14	21.85	27.1	21.3	24.05	21.7	27	20.4	24.1
Sep-14	24.2	24.2	17	18.2	24.05	24.9	16.85	18
Oct-14	17.75	24	15	22	17.85	23.4	15.1	22
Nov-14	21.65	30.1	21.65	25.6	21.8	30.1	21.8	25.65
Dec-14	25.5	25.6	21.25	23.85	25.2	26	21.05	23.8
Jan-15	24.9	28	22	26.3	24.05	28.4	21.7	26.6
Feb-15	27.9	27.9	24.1	25.45	28	28	24	25.5
Mar-15	26	27.65	22.05	23.4	25.5	27.6	22.1	23.8

### Distribution of Shareholding

The distribution of shareholding as on 31st March, 2015 was as follows

No. of Shares held	Shareholders		Shares	
	Number	% to total	Number	% to total
Upto 500	4,839	73.40	9,30,806	1.14
501-1,000	846	12.83	7,34,094	0.90
1,001-5,000	668	10.13	15,28,107	1.88
5,001-10,000	90	1.37	6,88,114	0.85
10,001-50,000	93	1.41	20,94,641	2.58
50,001-1,00,000	26	0.39	19,74,549	2.43
1,00,001 and Above	31	0.47	7,33,72,013	90.22
<b>Total</b>	<b>6,593</b>	<b>100</b>	<b>8,13,22,324</b>	<b>100</b>

### Categories of shareholding as on 31st March, 2015

Category (as Gallant reports to stock exchanges)	Shares Holdings	% of Total
<b>PROMOTERS' HOLDING</b>		
Promoters	4,44,17,506	54.62
<b>Total Promoters' Holding</b>	<b>4,44,17,506</b>	<b>54.62</b>
<b>PUBLIC SHAREHOLDING</b>		
<b>Institutional Investors</b>	Nil	Nil
Financial Institution Investor	Nil	Nil
<b>Others</b>		
Bodies Corporate	2,71,53,590	33.39
Individuals	81,88,502	10.07
NRI/OCBs	12,48,231	1.53
Trust	5,000	0.01
Clearing Memb/Clearing Cor (Demat shares in transit)	3,09,495	0.38
<b>Total Public Shareholding</b>	<b>3,69,04,818</b>	<b>45.38</b>
<b>GRAND TOTAL</b>	<b>8,13,22,324</b>	<b>100</b>

### 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.

### 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, 2015.

### Stock Code

Bombay Stock Exchange Limited  
532726

National Stock Exchange of India Limited  
GALLANT

### 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. rajesh@gallant.com. Members who hold shares in electronic form are requested to get their details updated with the respective Depositories.

### Covering letter of annual audit report to be filed with stock exchanges

In terms of Clause 31(a) of the Listing Agreement, the covering letter of the annual audit report to be filed with the stock exchanges (Form A) duly signed by the Managing Director, Executive Directors, Chief Financial Officer, Auditors of the company and Chairman of the Audit Committee would be filed with the stock exchanges along with the copies of the Annual Reports.

### Corporate Identity Number (CIN):

L27109WB2005PLC101553

### Investor's Correspondence

For investor matters:

Rajesh Upadhyaya  
Company Secretary and Compliance Officer  
Secretarial Department  
Gallant Metal Limited  
1, Crooked Lane, Second Floor,  
Room Nos. 222 & 223, Kolkata-700 069 (W.B.)  
Telefax:- +91-33-40642189

### ADOPTION OF NON-MANDATORY REQUIREMENTS

Except constitution of Remuneration Committee, the Company has so far not implemented other Non-Mandatory requirements of the Code of Corporate Governance.

On behalf of the Board

Place: Kolkata  
Date: August 28, 2015

**C. P. Agrawal**  
*Chairman*

### Declaration by the Managing Director (under Clause 49 of the Listing Agreement regarding compliance with Code of Conduct)

To  
The Members of  
**Gallant Metal Limited**

In accordance with Clause 49(II)(E) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended on 31st March, 2015.

Place: Kolkata  
Dated: August 28, 2015

**C. P. Agrawal**  
Managing Director  
(DIN: 01814318)

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

We have examined the compliance of the conditions of Corporate Governance by Gallantt Metal Limited for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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 the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company had complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that there are no investor grievances pending against the Company for the period exceeding one month as at 31st March, 2015 as per the records maintained by the Registrar and Transfer Agent of the Company and presented to the Stakeholders' Relationship Committee.

We further 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.

For **A.K. Meharia & Associates**  
*Chartered Accountants*  
Firm's Registration No.324666E  
**(A. K. Meharia)**  
*Partner*  
Membership Number: 053918

Place: Kolkata  
Dated: August 28, 2015

**CEO/CFO CERTIFICATION**

The Board of Director  
Gallantt Metal Limited  
1, Crooked Lane, Second Floor,  
Room Nos. 222 & 223, Kolkata – 700 069

**Re: Financial Statements for the Financial year 2014-15 – Certificate by CEO and CFO**

We, Chandra Prakash Agrawal, CEO and Mr. Sandip Kumar Agarwal, Chief Financial Officer, of Gallantt Metal Limited on the review of financial statements and cash flow statement for the year ended 31st March, 2015 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, 2015 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 the financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or purpose to take rectify these deficiencies.
5. We have indicated to the Auditors & the Audit Committee:
  - (i) there have been no significant changes in internal control over financial reporting during the period.
  - (ii) there have been no significant changes in accounting policies during the period.
  - (iii) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

Kolkata  
August 28, 2015

**Sandip Kumar Agarwal**  
*CFO*

**Chandra Prakash Agrawal**  
*Chief Executive Officer*

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS

## Report on the Financial Statements

We have audited the accompanying financial statements of GALLANT METAL LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Sec 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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, 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.

### 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit

evidence about the amounts and 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 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 financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2015;
- (b) in the case of the statement of Profit and Loss, of the profit 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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 and proper

returns adequate for the purposes of our audit have been received from branches not visited by us;

- (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from branches not visited by us;
- (d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
- (e) on the basis of written representations received from the directors as on 31st March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
- (f) with respect to the other matters included in the Auditor's Report in accordance with

Rule 11 of the Companies(Audit and Auditors) Rules, 2015, in our opinion and to the best of our information and according to the explanation given to us:

- i) The Company has disclosed the impact of pending litigations on its financial positions in its financial statements.
- ii) The Company has made provisions, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **A.K. Meharia & Associates**  
*Chartered Accountants*  
 Firm's Registration No.324666E  
**(A. K. Meharia)**

Place: Kolkata  
 Dated: May 28, 2015  
**Partner**  
 Membership Number: 053918

## ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) Fixed assets have been physically verified by the Management at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- ii) a) The inventory has been physically verified at reasonable interval by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The Company has maintained proper records of its inventories. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of accounts.
- iii) As per the information and explanation given to us, the company has not granted any loans, secured or unsecured to Companies, firms or other parties, covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, sub-clause (a), (b) of clause (iii) of Paragraph 3 of the order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and nature of its business, for the purchase of inventories, fixed asset and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal control system.
- v) The Company has not accepted any deposit from the public as stipulated under the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under and the directives issued by the Reserve Bank of India.
- vi) We have broadly reviewed the books of account maintained by the Company, pursuant to the Companies (Cost Records and audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that *prima facie*, the prescribed

accounts and cost 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.

vii) a) In our opinion and according to the information and explanations given to us, Company is generally been regular in depositing with appropriate authorities undisputed statutory dues, as required under

this clause and applicable to the Company during the year. There is no undisputed amount payable in respect of aforesaid statutory dues, outstanding for more than six months from the date they become payable as on 31st March, 2015.

b) According to the information and explanations given to us, there are no statutory dues that have not been deposited with the appropriate authorities on account of any dispute except for the amount mentioned below:

Name of the Statute	Nature of the Dues	Amount (₹ in lacs)	Period	Forum where dispute is pending
Income Tax Act	Income Tax	21.61	2009-10	CIT (Appeal)
Income Tax Act	Income Tax	139.20	2009-10	CIT (Appeal)
Income Tax Act	Income Tax	14.21	2010-11	CIT (Appeal)
Income Tax Act	Income Tax	48.06	2011-12	CIT (Appeal)
Wealth Tax Act	Wealth Tax	3.04	2006-07 2007-08	CIT (Appeal)

c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.

ix) Based on our audit procedure and on the basis of information and explanations given by the management, the Company has not defaulted in repayment of dues to financial institutions or banks. The Company has not issued any debentures.

x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.

xi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans were applied for the purpose for which these were obtained.

xii) In our opinion and according to information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **A.K. Meharia & Associates**  
*Chartered Accountants*  
Firm's Registration No.324666E

**(A. K. Meharia)**

*Partner*

Membership Number: 053918

Place: Kolkata

Dated: May 28, 2015

# Audited Balance Sheet as at 31st March, 2015

(₹ in lacs)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
<b>A. EQUITY AND LIABILITY</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	1	8,132.23	8,132.23
Reserve & Surplus	2	20,018.18	16,623.30
		<b>28,150.41</b>	<b>24,755.53</b>
<b>NON -CURRENT LIABILITIES</b>			
Long -term borrowings	3	—	631.27
Deferred Tax Liability (Net)	4	2,352.18	2,069.86
		<b>2,352.18</b>	<b>2,701.14</b>
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	5	9,109.13	10,589.86
Trade payables	6	69.66	845.45
Other current liabilities	7	1,046.33	2,898.01
Short-term provisions	8	1,706.64	1,737.45
		11,931.76	16,070.77
<b>Total</b>		<b>42,434.36</b>	<b>43,527.44</b>
<b>B. ASSETS</b>			
<b>NON -CURRENT ASSETS</b>			
Fixed Assets			
Tangible assets	9	21,172.94	20,667.64
Capital work in progress		491.93	676.48
Non-current Investment	10	4,260.37	4,260.37
Long-term loans and advances	11	38.74	38.79
		25,963.98	25,643.28
<b>CURRENT ASSETS</b>			
Inventories	12	8,566.48	8,476.32
Trade receivables	13	2,355.79	4,279.36
Cash & Bank Balances	14	597.10	402.39
Short-term loan and advances	15	1,633.53	2,178.16
Other current assets	16	3,317.48	2,547.93
		16,470.38	17,884.16
<b>Total</b>		<b>42,434.36</b>	<b>43,527.44</b>
The notes form an integral part of these financial statements.			
Significant Accounting Policies	1 to 40		

As per our Report of even date  
 For **A.K.MEHARIA & ASSOCIATES**  
 Chartered Accountants

**(A. K. Meheria)**  
 Partner  
 Membership No.:053918  
 Firm Reg No.:324666E  
 Place : Kolkata  
 Dated : The 28th Day of May, 2015

**Chandra Prakash Agrawal**  
**Dinesh R Agarwal**  
**Sandip Kumar Agarwal**  
**Rajesh Upadhyaya**

*Chairman & Managing Director*  
*Wholetime Director*  
*Chief Financial Officer*  
*Company Secretary*

# Audited Statement of Profit & Loss for the year ended 31st March, 2015

(₹ in lacs)

	Note No.	As at 31st March, 2015	As at 31st March, 2014
<b>A. INCOME :</b>			
Revenue from operations (gross)	17	80,803.82	75,104.81
Less : Excise Duty		8,770.36	8,204.27
<b>Revenue from operations (net)</b>		<b>72,033.46</b>	<b>66,900.55</b>
Other Income	18	171.62	134.69
<b>Total Revenue</b>		<b>72,205.08</b>	<b>67,035.24</b>
<b>B. EXPENSES</b>			
Cost of raw material and component consumed	19	56,114.80	55,075.02
Changes in inventory of finished goods and work in progress	20	369.68	(193.63)
Employee benefit expenses	21	1,440.47	1,180.16
Finance Cost	22	1,170.25	1,238.52
Depreciation and amortisation		1,686.26	1,713.43
Other expenses	23	7,745.98	6,413.83
Total Expenses		68,527.45	65,427.33
Profit/(Loss) before tax		3,677.63	1607.91
Tax expenses			
Current Tax		769.55	320.46
Less : MAT Credit		(769.55)	(320.46)
Wealth Tax		0.43	0.54
Deferred Tax		282.32	101.83
<b>Total tax expenses</b>		<b>282.75</b>	<b>102.37</b>
<b>Profit / (Loss) for the period</b>		<b>3,394.89</b>	<b>1,505.54</b>
<b>Earning per equity Share</b>			
Basic and Diluted (₹)		4.17	1.85
The notes form an integral part of these financial statements.			
Significant Accounting Policies	1 to 40		

As per our Report of even date  
 For A.K.MEHARIA & ASSOCIATES  
 Chartered Accountants

**(A. K. Meharia)**  
 Partner  
 Membership No.:053918  
 Firm Reg No.:324666E  
 Place : Kolkata  
 Dated : The 28th Day of May, 2015

**Chandra Prakash Agrawal**  
**Dinesh R Agarwal**  
**Sandip Kumar Agarwal**  
**Rajesh Upadhyaya**

*Chairman & Managing Director*  
*Wholetime Director*  
*Chief Financial Officer*  
*Company Secretary*

**GALLANT**

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# Cash Flow Statement for the year ended 31st March, 2015

(₹ in lacs)

	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>OPERATING ACTIVITIES</b>		
Net Profit before Tax as per Profit & Loss Account	3,677.63	1,607.91
Adjusted for:		
Depreciation and Amortisation expenses	1,686.26	1,713.43
Loss on sale / discarded of Fixed Assets (net)	114.13	14.14
Dividend Income	(27.51)	(27.51)
Finance Cost	1,170.25	1,238.52
Interest Income	(135.76) <b>2,807.38</b>	(103.89) <b>2,834.69</b>
Operating profit before working capital changes	6,485.01	4,442.60
Adjusted for:		
Trade and other receivables	2,492.05	(1,566.00)
Inventories	(90.16)	(567.86)
Trade and other Payables	(1,146.93)	(6,287.67)
	<b>1,254.95</b>	<b>(8,421.52)</b>
Cash generated from operating activities	7,739.96	(3,978.92)
Direct Tax Refund / Paid (Net)	(785.21)	(320.97)
<b>Net Cash From Operating Activities</b>	<b>6,954.75</b>	<b>(4,299.89)</b>
<b>INVESTING ACTIVITIES</b>		
Interest income	136.96	160.78
Purchase of fixed assets	(2,136.95)	(2,907.74)
Sale of fixed assets	15.80	22.46
Dividend income	27.51	27.51
Movement in loans and advances	0.00	0.00
<b>Net Cash used in Investing Activities</b>	<b>(1,956.68)</b>	<b>(2,696.99)</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of Long term borrowings	(2,152.38)	(1,008.62)
Short term borrowings (net)	(1,480.72)	7,934.78
Interest paid	(1,170.25)	(1,207.51)
<b>Net Cash used in Financing Activities</b>	<b>(4,803.36)</b>	<b>5,655.64</b>
<b>Net increase / (decrease) in cash and cash equivalent</b>	<b>194.72</b>	<b>(1,341.24)</b>
Opening balance of Cash and Cash Equivalent	402.39	1,743.63
<b>Closing balance of Cash and Cash Equivalent</b>	<b>597.10</b>	<b>402.39</b>

As per our Report of even date  
 For **A.K.MEHARIA & ASSOCIATES**  
*Chartered Accountants*

**(A. K. Meharia)**  
 Partner  
 Membership No.:053918  
 Firm Reg No.:324666E  
 Place : Kolkata  
 Dated : The 28th Day of May, 2015

Chandra Prakash Agrawal  
 Dinesh R Agarwal  
 Sandip Kumar Agarwal  
 Rajesh Upadhyaya

Chairman & Managing Director  
 Wholetime Director  
 Chief Financial Officer  
 Company Secretary

# Notes on Financial Statements for the year ended 31st March, 2015

(₹ in lacs)

NOTE	1	SHARE CAPITAL	As at 31.03.2015	As at 31.03.2014
<b>Authorized</b>				
8,30,00,000 (P.Y. 8,30,00,000) equity shares of ₹ 10/- each			8,300.00	8,300.00
<b>Issued, subscribed and paid-up</b>				
8,13,22,324 (P.Y. 8,13,22,324) equity shares of ₹ 10/- each			8,132.23	8,132.23
<b>Total</b>			<b>8,132.23</b>	<b>8,132.23</b>

## a. Terms/ rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders except in the case of interim dividend. In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount in proportion of their shareholding.

## b. Details of shareholders holding more than 5% shares in the company

Name of Shareholders	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	% of holding	No. of Shares	% of holding
Gallant Udyog Limited	2,41,13,127	29.65	2,41,13,127	29.65
Gallant Ispat Limited	1,37,49,768	16.91	—	—
Hipoline Commerce Pvt. Ltd.	—	—	1,17,67,179	14.47
Lexi Export Pvt. Limited	1,19,77,179	14.73	1,19,77,179	14.73
Elara India Opportunities Fund Ltd.	—	—	50,00,000	6.15
Santosh Kumar Agarwal	42,31,424	5.20	—	—
AAR Commercial Company Limited	64,39,182	7.92	64,39,182	7.92

NOTE	2	RESERVES AND SURPLUS	As at 31.03.2015	As at 31.03.2014
(a)	Securities Premium Account			
	Balance as per the last financial statements		1,050.00	1,050.00
(b)	Profit & Loss Account			
	Balance as per last financial statement		15,573.30	14,067.76
	Profit for the year		3,394.89	1,505.54
	Closing Balance		18,968.18	15,573.30
	<b>Total</b>		<b>20,018.18</b>	<b>16,623.30</b>

NOTE	3	LONG -TERM BORROWINGS	As at 31.03.2015		As at 31.03.2014	
			Non-Current	Current	Non-Current	Current
<b>Secured</b>						
Term Loans -from bank			—	—	626.38	1,526.00
<b>Unsecured</b>					<b>626.38</b>	<b>1,526.00</b>
Deferred sales tax loan			—	—	4.89	4.89
<b>Total</b>			—	—	<b>631.27</b>	<b>1,530.89</b>

- (i) Current portion of the loan have been grouped under "Current maturity of long term debt" (refer note - 7).
- (ii) Terms of repayment for secured borrowings
  - (a) Term loan amounting to ₹ Nil (P.Y. ₹ 2,152.38 lacs was repayable in 14 quarterly installments commencing from June 2012. Last installment paid in September 2014. Rate of interest 13.25% P.A as at the year end (P.Y. 13.25% P.A).

# Notes on Financial Statements for the year ended 31st March, 2015

(₹ in lacs)

## (iii) Nature of Security for secured borrowing

- (a) The security mentioned below has been provided for the term loan since been discharged as the term loan has been squared off.
- (b) The above term loans was secured by first pari pasu charge on all the fixed assets (present and future) and second paripasu charge on current assets of the plant situated in Kutch, Gujarat.
- (c) The above term loans was secured by equitable mortgage of house property of Sri S.K.Agarwal, relative of director and collateral security by pledge of 5,10,500 equity share of the company held by promoters.
- (d) The above term loans was guaranteed by the corporate guarantee of M/s. Gallant Udyog Ltd. to the extent of shares pledged aggregating 146.50 lacs equity shares of Gallant Metal Limite of ₹ 10/- each and corporate guarantee of M/s Hipoline Commerce Pvt. Ltd.
- (e) The above term loans was guaranteed by the personal guarantee of Sri C.P.Agarwal, Sri Dinesh R Agarwal, Sri Nitin Kandoi director of the company and Mr. S.K.Agarwal relative of the director.
- (f) Deffered sales tax loan was interest free and payable in 6 equal yearly installment of ₹ 4.89 lacs payable from 2011-12. Last installment paid in March, 2015.

NOTE 4 DEFERRED TAX LIABILITY (NET)	As at 31.03.2015	As at 31.03.2014
Deffered tax liability		
Related to fixed assets	2,379.03	2,093.60
Deffered Tax assets		
Disallowance under the Income tax Act,	26.86	23.74
<b>Total</b>	<b>2,352.18</b>	<b>2,069.86</b>

NOTE 5 SHORT -TERM BORROWINGS	As at 31.03.2015	As at 31.03.2014
Secured		
Working Capital loan from bank	1,648.26	3,958.67
	<b>1,648.26</b>	<b>3,958.67</b>
Unsecured		
Foreign currency Loans - Buyers credit	2,739.09	517.78
e-VFS from State Bank of India	4,721.78	6,113.41
	<b>7,460.87</b>	<b>6,631.19</b>
<b>Total</b>	<b>9,109.13</b>	<b>10,589.86</b>

- (i) The above working capital loan from bank is secured by first charge on all the current assets and second charge on fixed assets of the plant situated in Kutch, Gujarat bearing interest @ 12.00% P.A (P.Y. 11.70% ) on Cash Credit Account and @ 10% P.A. (P.Y. 10% ) on e-VFS Account at the end of the year.
- (ii) The above working capital loan from bank is secured by collateral security by pledge of 5,10,500 (P.Y. 5,10,500) equity share of the company held by promoters.
- (iii) The above working capital loans is guaranteed by the corporate guarantee of M/s. Gallant Udyog Ltd. to the extent of shares pledged aggregating 146.50 lacs equity shares of Gallant Metal Limite of ₹ 10/- each and corporate guarantee of M/s Hipoline Commerce Pvt. Ltd.
- (iv) The above working capital loan is guaranteed by the personal guarantee of Sri C.P.Agarwal, Sri Dinesh R Agarwal, Sri Nitin Kandoi director of the company and Mr. S.K.Agarwal relative of the director.

NOTE 6 TRADE PAYABLES	As at 31.03.2015	As at 31.03.2014
Trade Payables (including acceptance)	69.66	845.45
<b>Total</b>	<b>69.66</b>	<b>845.45</b>

NOTE 7 OTHER CURRENT LIABILITIES	As at 31.03.2015	As at 31.03.2014
Current maturities of long -term debt (note - 3)	—	1,530.89
Statutory Dues	190.97	268.26
Other Payable	855.37	1,098.85
<b>Total</b>	<b>1,046.33</b>	<b>2,898.01</b>

# Notes on Financial Statements for the year ended 31st March, 2015

(₹ in lacs)

NOTE	8	SHORT -TERM PROVISIONS	As at 31.03.2015	As at 31.03.2014
		Provision for gratuity (Refer Note - 29)	17.20	21.48
		For Taxation	1,399.95	1,390.60
		Other Provision	289.48	325.37
		<b>Total</b>	<b>1,706.64</b>	<b>1,737.45</b>

NOTE	9	TANGIBLE ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
			Original cost As on 01.04.2014	Additions during the year	Sales/ Adjustment	Total As on 31.03.15	Upto 31.03.14	Depreciation for the year	Sales/ Adjustment	Total upto 31.03.15	As at 31.03.15
1	LAND	588.37	17.44	0.00	605.82	0.00	0.00	0.00	0.00	605.82	588.37
2	BUILDING	4,640.13	692.97	0.00	5,333.10	903.00	141.15	0.00	1,044.16	4,288.94	3,737.13
3	ROADS	69.77	419.82	0.00	489.60	5.83	30.77	0.00	36.59	453.00	63.94
4	PLANT & MACHINERY	23,256.48	1,010.79	0.00	24,267.27	8,585.63	883.59	0.00	9,469.22	14,798.05	14,670.85
5	ELECTRIC INSTALLATION & EQUIPMENT	1,809.69	3.18	24.21	1,788.66	671.42	423.57	7.90	1,087.09	701.57	1,138.27
6	FURNITURE & FIXTURE	75.75	4.55	1.52	78.77	28.17	13.26	1.52	39.90	38.87	47.58
7	VEHICLES	340.90	15.51	103.43	252.98	173.65	37.78	88.27	123.17	129.81	167.25
8	OFFICE EQUIPMENT	31.19	6.60	7.79	30.00	3.15	6.13	2.73	6.55	23.46	28.05
9	COMPUTER	51.09	5.60	45.27	11.42	44.21	2.88	42.83	4.27	7.16	6.88
10	LAB EQUIPMENT	66.09	0.00	0.00	66.09	17.30	11.97	0.00	29.27	36.82	48.79
11	Rolls	408.03	145.24	408.03	145.24	328.46	135.35	408.03	55.78	89.46	79.58
	<b>TOTAL: Rs.</b>	<b>31,337.49</b>	<b>2,321.70</b>	<b>590.25</b>	<b>33,068.94</b>	<b>10,760.82</b>	<b>1,686.46</b>	<b>551.28</b>	<b>11,896.00</b>	<b>21,172.94</b>	<b>20,576.68</b>
	<b>Previous Year</b>	<b>28,452.39</b>	<b>3,133.69</b>	<b>51.47</b>	<b>31,534.61</b>	<b>9,167.27</b>	<b>1,714.58</b>	<b>14.88</b>	<b>10,866.97</b>	<b>20,667.64</b>	<b>19,285.12</b>

## Notes:

- (i) Depreciation amount to ₹ 0.20 lacs has been transferred to preoperative expenses;
- (ii) The retained earning after computation of useful life of respective fixed assets in terms of the new provision of depreciation as per schedule II of the Company's Act, 2013 of ₹ 0.58 lacs is adjusted in depreciation for the year.
- (iii) Useful life of the Rolls is considered for one year, since the management consider it prudent that the actual useful life of the Rolls shall not be more than one year.

NOTE	10	NON -CURRENT INVESTMENTS	As at 31.03.2015	As at 31.03.2014
		Investment in associates (Unquoted, trade)		
		[21,00,000 (P.Y. 21,00,000) equity shares of ₹ 10 each fully paid up in Gallant Udyog Limited	3,150.00	3,150.00
		Investment in associates (Quoted, trade)		
		55,01,992 (P.Y. 55,01,992) equity shares of ₹ 10/- each fully paid up in Gallant Ispat Limited	1,110.20	1,110.20
		Investment in Government Securities (Unquoted, trade)		
		National saving Certificate (deposit with Government department as security)	0.17	0.17
		<b>Total</b>	<b>4,260.37</b>	<b>4,260.37</b>
		<b>Market value of quoted investments</b>	<b>22,263.81</b>	<b>16,805.83</b>

NOTE	11	LONG -TERM LOANS AND ADVANCES	As at 31.03.2015	As at 31.03.2014
		Security deposit		
		Unsecured, considered good	38.74	38.79
		<b>Total</b>	<b>38.74</b>	<b>38.79</b>

# Notes on Financial Statements for the year ended 31st March, 2015

(₹ in lacs)

NOTE 12 INVENTORIES		As at 31.03.2015	As at 31.03.2014
Raw Materials (includes in transit ₹ 1,412.89 lacs (P.Y ₹ 2.44 lacs)		4,687.48	4,268.11
Work -in -progress		24.57	38.23
Finished goods		2,566.90	2,922.92
Stores & Spares		1,287.53	1,247.06
<b>Total</b>		<b>8,566.48</b>	<b>8,476.32</b>
NOTE 13 TRADE RECEIVABLES (Unsecured considered good)		As at 31.03.2015	As at 31.03.2014
Outstanding for a period within six months		2,311.91	4,279.36
Outstanding for a period above six months		43.88	—
<b>Total</b>		<b>2,355.79</b>	<b>4,279.36</b>
NOTE 14 CASH AND BANK BALANCES		As at 31.03.2015	As at 31.03.2014
Cash and cash equivalents			
(a) Balances with banks			
On Current accounts		16.99	2.89
On fixed deposits accounts *		151.00	228.58
Cash on hand		18.11	19.79
		<b>186.10</b>	<b>251.26</b>
(b) Other bank balances			
Fixed deposit with bank to the extent held as margin money		411.00	151.13
		<b>411.00</b>	<b>151.13</b>
<b>Total</b>		<b>597.10</b>	<b>402.39</b>
* Fixed deposit with banks include deposit of ₹ 151.00 lacs (P.Y. ₹ 165.00 lacs) with maturity of more than 12 months.			
NOTE 15 SHORT -TERM LOANS AND ADVANCES (Unsecured considered good)		As at 31.03.2015	As at 31.03.2014
Advance income tax (net of provision for taxation)		166.41	141.40
Balance with Government Authorities		1,040.50	1,711.50
Other Advances *		426.63	325.26
<b>Total</b>		<b>1,633.53</b>	<b>2,178.16</b>
* Includes interest ₹ 18.18 lacs (P.Y. ₹ 19.38 ) accrued (net of taxes) on Fixed Deposits with Banks.			
NOTE 16 OTHER CURRENT ASSETS		As at 31.03.2015	As at 31.03.2014
MAT Credit Entitlement		3,317.48	2,547.93
<b>Total</b>		<b>3,317.48</b>	<b>2,547.93</b>
NOTE 17 REVENUE FROM OPERATIONS		2014-15	2013-14
Sale of products			
Finished goods		79,604.16	72,977.17
Other		1,332.82	2,217.55
		<b>80,936.98</b>	<b>75,194.72</b>
Less: Captive transfer		133.16	89.91
<b>Revenue from operations (gross)</b>		<b>80,803.82</b>	<b>75,104.81</b>
Less: Excise duty		8,770.36	8,204.27
		<b>72,033.46</b>	<b>66,900.55</b>

# Notes on Financial Statements for the year ended 31st March, 2015

(₹ in lacs)

NOTE 18 OTHER INCOME	2014-15	2013-14
Interest income on		
Fixed Deposit	54.60	76.61
Others *	81.15	27.27
Dividend on Non current investment	27.51	27.51
Other Income **	8.35	3.29
<b>Total</b>	<b>171.62</b>	<b>134.69</b>

\* Interest from others includes ₹ 44.35 lacs (P.Y ₹ 13.99 lacs ) late payment charges.

\*\* Other income includes provision no longer required ₹ 4.73 lacs (P.Y. ₹ 3.29 lacs).

NOTE 19 COST OF MATERIAL CONSUMED	2014-15	2013-14
Inventory at the beginning of the year	4,268.11	4,167.77
Add: Purchases	56,667.34	55,265.26
Less: inventory at the end of the year	60,935.44	59,433.03
	4,687.48	4,268.11
	<b>56,247.96</b>	<b>55,164.92</b>
Less: Captive transfer	133.16	89.91
<b>Cost of raw material consumed</b>	<b>56,114.80</b>	<b>55,075.02</b>

Imported and indigenous Raw Material consumed	2014-15	2013-14		
	₹ in lacs	% of total	₹ in lacs	% of total
Imported	14,504.13	25.79	25,510.86	46.24
Indigenous	41,743.83	74.21	29,654.06	53.76

NOTE 20 CHANGES IN INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS	2014-15	2013-14
Inventory at the end of the year		
Finished	2,566.90	2,922.92
Semi - Finished	24.57	38.23
	<b>2,591.47</b>	<b>2,961.15</b>
Inventory at the beginning of the year		
Finished	2,922.92	2,743.48
Semi - Finished	38.23	24.03
	<b>2,961.15</b>	<b>2,767.52</b>
Changes in inventories	<b>369.68</b>	<b>(193.63)</b>

NOTE 21 EMPLOYEE BENEFIT EXPENSES	2014-15	2013-14
Salary, Wages and Bonus	1,390.50	1,123.51
Contribution to Provident and other Fund	6.71	20.37
Staff Welfare expenses	43.26	36.27
<b>Total</b>	<b>1,440.47</b>	<b>1,180.16</b>

NOTE 22 FINANCE COST	2014-15	2013-14
Interest expenses	881.33	994.89
Other borrowing cost	288.92	243.63
<b>Total</b>	<b>1,170.25</b>	<b>1,238.52</b>

# Notes on Financial Statements for the year ended 31st March, 2015

(₹ in lacs)

NOTE	23 OTHER EXPENSES	2014-15	2013-14
<b>(a) Manufacturing expenses</b>			
Consumption of stores and spares	1,575.67	1,143.37	
(increase) / decrease of excise duty on inventory	(36.32)	19.74	
Power & Fuel	2,171.49	1,496.06	
Repairs to Plant & Machinery	321.05	263.44	
Repairs to Building	29.96	32.28	
Repairs to others	13.44	13.30	
Other manufacturing expenses	1,117.05	1,136.24	
	<b>5,192.33</b>	<b>4,104.44</b>	
<b>(b) Other establishment expenses</b>			
Rent	7.52	5.39	
Insurance	54.02	52.77	
Rates & Taxes	21.66	10.02	
Miscellaneous Expenses	338.66	241.52	
Loss on sale / Discard of fixed assets	114.61	14.14	
Commission & Brokerage	15.19	33.77	
Exchange differences (net)	37.74	376.62	
Carriage & Freight	1,670.07	1,437.58	
Corporate Social Responsibility (CSR)	16.52	—	
Expenses related to prior period	107.77	—	
Selling expenses	169.90	137.58	
	<b>2,553.65</b>	<b>2,309.39</b>	
<b>Total</b>	<b>7,745.98</b>	<b>6,413.83</b>	

\* Prior period expenses includes ₹ Nil (P.Y ₹ 0.60 lacs) in respective head of accounts.

\*\* (increase) / decrease of excise duty on inventory shown under expenditure represents differential excise duty on opening and closing stock of finished goods.

\*\*\* Miscellaneous expenses includes ₹ 45.48 lacs (P.Y. ₹ credit of ₹ 4.47 lacs) on account of Sundry Balance written off

Payment to auditor	2014-15	2013-14
Audit fee	3.16	2.90
Tax audit fee	0.50	0.45
Other services (certifictaion fee)	0.35	0.30
Reimbursement of expenses	0.94	0.53
	<b>4.95</b>	<b>4.18</b>

## NOTE 24 VALUE OF IMPORTS ON CIF BASIS

	2014-15	2013-14
Raw Materials (including in -transit)	13,581.89	7,388.24
Stores and spares	13.11	2.61
Capital Goods	—	24.89

## 25 INCOME AND EXPENDITURE IN FOREIGN CURRENCY

	2014-15	2013-14
<b>(a) Income</b>		
Sale of goods	—	117.03
<b>(b) Expenditure</b>		
Interest	25.21	23.55
Others	—	—

# Notes on Financial Statements for the year ended 31st March, 2015

(₹ in lacs)

26 EARNING PER SHARES	2014-15	2013-14
(i) Net profit after tax as per profit and loss account attributal to equity shareholders	₹ 33,94,88,624	₹ 15,05,53,896
(ii) Equity shares used as denominator for calculting EPS	8,13,22,324	8,13,22,324
(iii) Basic and Diluted Earning Per share (₹)	4.17	1.85
(iv) Face Value per equity share (₹)	10	10

## 27 TRADE PAYABLES

- (i) Trade Payable includes (i) ₹ Nil (P.Y. Nil) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSME) and (ii) ₹ 69.66 lacs (P.Y ₹ 845.45 lacs ) due to other parties.
- (ii) No interest is paid /payable during the year to any enterprise registered under the MSME.
- (iii) The above information has been determined to the extent such parties could be indentified on the basis of the information available with the company regarding status of suppliers under the MSME.

## 28 RELATED PARTY DISCLOSURES

(i) Associate Company	(ii) Key Managerial Personnel
Gallant Ispat Ltd	Mr. Chandra Prakash Agrawal
	Mr. Dinesh R. Agarwal
	Mr. Prashant Jalan
	Mr. Rajesh Upadhyaya
	Mr. Sandip Kumar Agarwal

Related Party Transaction & Balance			(₹ in lacs)
Nature of Transaction	Associates	Key Management Personnel	Total
Purchase of Goods	53.14		53.14
	(111.81)		(111.81)
Sale of Goods	21.30		21.30
	(131.06)		(131.06)
Loan Given	—		—
	(2,615.00)		(2,615.00)
Loan received back	—		—
	(2,615.00)		(2,615.00)
Loan Taken	—		—
	(1,150.00)		(1,150.00)
Loan Paid	—		—
	(1,150.00)		(1,150.00)
Interest Received	—		—
	(12.05)		(12.05)
Divedend Received	27.51		27.51
	(27.51)		(27.51)
Remuneration Paid	—	59.13	59.13
	(—)	(35.79)	(35.79)

29 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 15 "EMPLOYEE BENEFIT"	2014-15	2013-14
<b>(a) Components of Employer expenses</b>		
(i) Current Service Cost	34.06	25.78
(ii) Interest Cost	6.03	5.25
(iii) Expected return on Assets	(4.51)	(4.14)
(iv) Actuarial (gain) / Losses	(39.85)	(11.00)
(v) Total Expenses	(4.28)	15.89
<b>(b) Net Assets (Liability) recognized in Balance Sheet</b>		
(i) Present value of defined benefit obligation	78.67	77.87
(ii) Fair value of Plant Assets	61.46	56.39

# Notes on Financial Statements for the year ended 31st March, 2015

(₹ in lacs)

29	DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 15 "EMPLOYEE BENEFIT"	2014-15	2013-14
	(iii) Funded status (surplus / (Deficit)	(17.20)	(21.48)
	(iv) Net Assets / (Liability)	(17.20)	(21.48)
<b>(c)</b>	<b>Change in obligation during the year</b>		
	(i) Present value of defined benefit obligation at the beginning of the year	77.87	57.32
	(ii) Current Service Cost	34.06	25.78
	(iii) Interest Cost	6.03	5.25
	(iv) Actuarial (Gain) / Losses	(39.29)	(10.48)
	(v) Benefit Payment	—	—
	(vi) Present value of defined Benefit obligation at the end of the year	78.67	77.87
<b>(d)</b>	<b>Change in Assets</b>		
	(i) Plan Assets at the beginning of the year	56.39	51.73
	(ii) Expected return on plant Assets	4.51	4.14
	(iii) Actuarial Gain / (Loss)	0.56	0.52
	Employer Contribution during the year	—	—
	(iv) Plan Assets at the end of the year	61.46	56.39
<b>(e)</b>	<b>Actuarial Assumption</b>		
	(i) Discount Rate	7.74%	9.16%
	(ii) Expected return on Assets	8.00%	8.00%
	(iii) Salary increase	7.00%	7.00%
	(iv) Mortality	Indian Assurd Live Mortality (2006-08)	Indian Assurd Live Mortality (2006-08)

## 30 SEGMENT REPORTING

### (1) Primary Segment (By Business Segment):

The Company is engaged in the business of production of Iron, Steel & Power. The Company has two reportable business segments i.e. Steel and Power which have been identified in line with the Accounting Standard-17 on "Segment Reporting". Information about Primary Segment is as follows:

Particulars	2014-15	2013-14
<b>(i) Segment Revenue</b>		
(a) Steel	72,033.46	66,990.45
(b) Power	12,345.82	10,551.35
(c) Un allocable Income	171.62	134.69
<b>Sub Total</b>	<b>84,550.90</b>	<b>77,676.49</b>
Less: Inter Segment Revenue	12,345.82	10,551.35
<b>Net Segment Revenue</b>	<b>72,205.08</b>	<b>67,125.14</b>
<b>(ii) Segment Results</b>		
(a) Steel	(751.65)	(669.06)
(b) Power	5,427.92	3,275.87
<b>Sub Total</b>	<b>4,676.27</b>	<b>2,606.81</b>
Less :Interest	(1,170.25)	(1,133.59)
Less :Other Unallocable expenses	171.62	134.69
<b>Profit before Tax</b>	<b>3,677.63</b>	<b>1,607.90</b>
<b>(iii) Capital Employed</b>		
(Segment Assets less Segment Liabilities)		
(a) Steel	14,881.50	12,548.91
(b) Power	9,373.74	9,372.94
(c) Un-allocable	6,247.36	5,534.81
<b>Total Capital Employed</b>	<b>30,502.59</b>	<b>27,456.66</b>
<b>(iv) Capital Expenditure during the period</b>		
(a) Steel	2,306.95	2,644.03
(b) Power	14.75	489.66

# Notes on Financial Statements for the year ended 31st March, 2015

(₹ in lacs)

Particulars	2014-15	2013-14
(2) 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.		

31 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)	2014-15	2013-14
<b>Description</b>		
(i) Curtailing the assured benefit of exemption granted to New Industrial unit in Kutch, Gujarat. The Company is entitled to exemption for 100% of the duty paid in Cash after utilization of CENVAT Credit for 5 years from the date of Commercial Production. Hon'ble High Court of Gujarat has granted the verdict in favor of Company, Department preferred appeal in Supreme Court.	595.96	595.96
(ii) Custom / Excise duty on Capital Goods imported / purchased under EPCG Scheme, against which export obligation is to be full filled. (Bank guarantee against the pledge of Fixed deposit for ₹ 151.00 lacs has been provided against the same)	—	95.76
(iii) Disputed liability in respect of sales tax (₹ 42.00 lacs has been paid against the same).	—	80.04
(iv) Wealth tax demand from A.Y 2006-07 to 07-08.	3.04	3.04
(v) Claim against the company not acknowledged debt in respect of disputed liability of freight with railway. Case is pending in Hon'ble Highcourt, Gujarat.	161.45	161.45
(vi) Hon'ble High court of Gujarat has declared collection of green cess by the State Act ultra vires the constitution and the same is therefor void and ordered to refund the green cess collected. We had applied for refund.	25.56	25.56
(vii) Income Tax (A.Y. -2009-10) demand raised by Addl. CIT and have filed appeal before the Commissioner Income Tax, Appeal	21.69	21.69
(viii) Income Tax (A.Y. -2010-11) demand raised by Addl. CIT and have filed appeal before the Commissioner Income Tax, Appeal (out of demand amount deposited Rs. 41.00 lacs)	139.20	139.20
(ix) Income Tax (A.Y. -2011-12) demand raised by Addl. CIT and have filed appeal before the Commissioner Income Tax, Appeal	14.20	14.20
(x) Income Tax (A.Y. -2012-13) demand raised by Addl. CIT and have filed appeal before the Commissioner Income Tax, Appeal	48.07	—
(xi) Benefit on import of coal from AIFTA Preferential Tariff denied by the Kandla custom. We have preferred appeal to Commissioner of Custom.	39.03	39.03
(xii) Demand raised by the Addl. Commissioner of Central Excise, Rajkot against utilisation of CENVAT credit of Basic Excise duty for payment of Education and Higher education Cess and filed appeal for the same before CESTAT, Ahmedabad.	49.22	49.22
(xiii) Commissioner of Central excise, Kutch Commissionerate issued Show Cause Notice on excise duty liability on sales tax incentive availed by the company.	170.12	0.00

32 DERIVATIVES:	2014-15	2013-14
No of contract	5	2
Type	Buy	Buy
USD Equivalent	15.03	8.24
INR Equivalent	937.46	507.52

The year end foreign currency exposures that have not been hedged by the derivative instrument or other wise are given below.

# Notes on Financial Statements for the year ended 31st March, 2015

(₹ in lacs)

Amount payable in foreign currency on account of the following:

	2014-15		2013-14	
	USD Equivalent	INR Equivalent	USD Equivalent	INR Equivalent
Trade Payable	28.78	1,801.63	0.02	1.15
<b>33 DETAILS OF SALE OF PRODUCTS</b>			<b>2014-15</b>	<b>2013-14</b>
M.S.Round Bar			62,261.24	47,331.56
Billet			7,073.84	15,684.82
Misroll			850.75	577.93
Sponge Iron			647.98	1,178.59
Others			1,332.82	2,217.55
Captive transfer			(133.16)	(89.91)
			<b>72,033.46</b>	<b>66,900.54</b>
<b>34 DETAILS OF INVENTORIES</b>			<b>2014-15</b>	<b>2013-14</b>
<b>(a) Raw Materials</b>				
Iron Ore / Pellets			2,659.02	2,895.43
Coal			1,246.39	626.14
M.S.Scrap			610.20	568.43
Others			171.87	178.11
<b>Total</b>			<b>4,687.48</b>	<b>4,268.11</b>
<b>(b) Work -in -Progress</b>				
Sponge Iron			24.57	38.23
<b>(c) Finished Goods</b>				
M. S. Round Bar			1,602.39	1,970.03
Billet			692.56	724.30
Misroll			14.40	15.16
Sponge Iron			257.56	213.43
			<b>2,566.90</b>	<b>2,922.92</b>
<b>35 DETAILS OF RAW MATERIALS CONSUMED</b>			<b>2014-15</b>	<b>2013-14</b>
Iron Ore / Pellets			19,584.07	16,664.17
Coal			12,541.12	12,232.59
M.S.Scrap			16,464.98	21,356.92
Sponge Iron			2,834.58	829.42
M.S.Billet			2,234.10	1,926.63
Others			2,589.12	2,155.00
Captive transfer			(133.16)	(89.91)
			<b>56,114.80</b>	<b>55,074.82</b>
<b>36 The notes to accounts relating to CSR expenditure</b>			<b>2014-15</b>	<b>2013-14</b>
(a) Gross amount required to be spent by the company during the year			43.13	—
(b) Amount spent during the year on			—	—
			<b>Amount Paid</b>	<b>Yet to be paid</b>
Construction of public amenities			16.52	—
				<b>Total</b>
				16.52

**37** Previous year figures have been regrouped and rearranged wherever considered necessary.

**38** During the year the company has revised the estimated useful life of its fixed assets to align with the useful life as provided in schedule II of the Company's Act, 2013. The retained earnings after completion of useful life of the fixed assets are adjusted with the depreciation and amortisation in terms of the provision of the Act

**39** Balance of some of the sundry debtors, sundry creditors, loans & advances are subject to confirmation from the respective parties.

**40** Based on the profitability projection, the Company is certain that there would be sufficient taxable income in the future to claim the "MAT credit Entitlement".

# Notes on Financial Statements for the year ended 31st March, 2015

## Annexure I

### Statement of Significant Accounting Policies and Practices

#### (I) Basis of Preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statement to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read with rule 7 of the company's (Accounts) rules, 2014 and the relevant provisions of the Companies Act, 2013 / Companies Act 1956 as applicable. The financial statement have been prepared on an accrual basis and under the historical cost convention.

#### (II) Revenue Recognition :

- (a) Sale of goods is recognized when they are invoiced to customers and are inclusive of excise duty, sales tax but exclusive of sales return and turnover discounts.
- (b) Insurance, duty drawback and other claims are accounted for on receipt basis or as acknowledged by the appropriate authorities.
- (c) Independent marketable products produced by the company and used for captive consumption is accounted for at approximate prevailing market price under cost of material consumed.

#### (III) Use of estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known / materialised.

#### (IV) Fixed Assets :

- (a) Fixed Assets are stated at cost of acquisition/installation less accumulated depreciation (other than 'Freehold Land' where no depreciation is charged). The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use.
- (b) All expenses incurred for acquiring, erecting and commissioning of the fixed assets including interest on loan utilized for meeting capital expenditure and incidental expenditures incurred during the implementation of the project are shown under "Capital Work in Progress". The advance given for acquiring fixed assets is also shown along with the "Capital Work in Progress".

#### (V) Depreciation and Amortisation :

- (a) In respect of fixed assets (other than free hold land and capital work in progress) acquired during the year, depreciation / amortisation is charged on straight line basis so as to write off the cost of the assets over the useful life in terms of the provision of schedule II of the companies Act 2013, (The 'Act') . For the fixed assets acquired prior to 1st April, 2014, the carrying amount is depreciated over the remaining useful life of the assets in terms of the "Act" except for the Rolls for which useful life is considered for one year.
- (b) Preliminary expenses are amortized over a period of 5 years from the date of transaction.

#### (VI) Investments :

Investments are classified into current and Long-term investment. Current Investments are stated at lower of cost and fair market value. Long Term Investments are stated at cost after deducting provision, if any, for diminution in value considered to be other than temporary in nature.

#### (VII) 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.

#### (VIII) Earning per share :

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 outstanding during the year.

#### (IX) Borrowing Cost :

Borrowing Costs that are directly attributable to the acquisition or construction of Qualifying Assets are capitalized as part of cost of such assets. Other Borrowing Costs are charged as expense in the year in which these are incurred.

#### (X) Valuation of Inventories :

Inventories of Raw Materials, work -in -Progress, Stores and Spares, Goods in transit, Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Cost comprises all cost of purchases, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. The excise duty in respect of closing inventory of finished goods is included as part of finished goods. Cost formula

# Notes on Financial Statements for the year ended 31st March, 2015

used are First -in -First -out.

(XII) **Excise Duty & Custom Duty :**  
Excise duty in respect of finished goods lying in the factory premises and Custom duty on goods lying in customs bonded warehouse are provided for and included in the valuation of inventory.

(XIII) **Foreign Currency Transaction :**

- (a) All transactions in foreign currency are recorded at the rate of exchange prevailing on the date when the relevant transaction take place.
- (b) Monetary items denominated in foreign currency at the year end are restated at the year end rates. Any income or expenses on account of exchange differences either on settlement or on transaction is recognized in the Profit and Loss account except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.
- (c) The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expenses / income over the life of the contract. Exchange differences on such contracts, except the contracts which are long -term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rate change. Any gain / loss arising on forward contracts which relate to acquisition of fixed assets is recognized to the carrying cost of such assets.

(XIV) **Taxation :**

- (a) Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961, Deffered tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and law that are enacted or substantively enacted as on the balance sheet date. Defferd tax assets is recognised and carried forward only to the extent that there is virtual certainty that the assets will be realised in future.
- (b) Minimum Alternate Tax (MAT) is recognised as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the company recognises MAT credit as an asset in accordance with the Guidance Note issued by the "ICAI", the said asset is created by way of credit to the Profit & Loss Account and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent company does not have convincing evidence that it will pay normal tax during the specified period.

(XV) **Employee Benefits :**

- (a) 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 Profit & Loss Account. The company has no obligation, other than the contribution payable to the provident fund.
- (b) The company operates defined benefit plan for gratuity for its employees. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year end using projected unit credit method. Actuarial gain and losses is recognized in the period in which they occur in the statement of profit and loss.

(XVI) **Provisions, Contingent Liabilities and Contingent Assets :**  
A provision is recognized when there is a present obligation as a result of past event, that probably requires an outflow of resources and a reliable estimate can be made to settle the amount of obligation. These are reviewed at each year end and adjusted to reflect the best current estimates. Contingent liabilities are not recognised but disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

(XVII) **Segment Reporting :**

- (a) The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.
- (b) Inter-division transfer of power generated by Power Plant unit is transferred to other unit at approximate prevailing market price at which other unit purchase power from Paschim Gujarat Vij. Company Limited (A Government of Gujarat Enterprise).

As per our Report of even date  
For **A.K.MEHARIA & ASSOCIATES**  
*Chartered Accountants*

**(A. K. Meharia)**  
Partner  
Membership No.:053918  
Firm Reg No.:324666E  
Place : Kolkata  
Dated : The 28th Day of May, 2015

**Chandra Prakash Agrawal**  
**Dinesh R Agarwal**  
**Sandip Kumar Agarwal**  
**Rajesh Upadhyaya**

*Chairman & Managing Director*  
*Wholetime Director*  
*Chief Financial Officer*  
*Company Secretary*



**GALLANTT METAL LIMITED**

CIN : L27109WB2005PLC101553

1, Crooked Lane, 2nd Floor, Room No. 222 & 223

Kolkata - 700 069, West Bengal, India

Website : [www.gallantt.com](http://www.gallantt.com)



## GALLANT METAL LIMITED

CIN:L27109WB2005PLC101553

Registered Office: 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069

Phone No. 033-40642189, Fax No. 033-40642189

E-mail : rajesh@gallant.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 Eleventh Annual General Meeting of GALLANT METAL LIMITED (CIN:L27109WB2005PLC101553) will be held on Monday, 28th September, 2015 at 1.00 P.M. at – NAZRUL MANCH, Office of the Municipal Councillors, Kamarhati, 1 M.M. Feeder Road, P.O. - Belgharia, Kolkata - 700 056 to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015 including the Audited Balance Sheet as at March 31, 2015 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nitin M Kandoi (DIN: 01979952), who retires by rotation and being eligible, offers himself for reappointment.
3. 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, A. K. Meharia & Associates, Chartered Accountants having Registration No. (ICAI Registration No. 324666E), 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, 2016.”

#### SPECIAL BUSINESS:

4. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2016 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 (Firm Registration 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, 2015, 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”.

5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** subject to the provisions of sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the reappointment of Mr. Chandra Prakash Agrawal (DIN : 01814318) as Managing Director of the Company, not liable to retire retiring by rotation, for a period of five years commencing from September 01, 2015 on the terms and conditions including remuneration set out in the Agreement dated August 28, 2014 entered into between the Company and Mr. Chandra Prakash Agrawal with specific authority to the Board of Directors to vary the terms and conditions of appointment including remuneration payable to Mr. Chandra Prakash Agrawal provided that the remuneration payable to Mr. Chandra Prakash Agrawal shall not exceed the maximum limits for payment of managerial remuneration specified in the Companies Act, 2013.”

**"RESOLVED FURTHER THAT** approval be and is hereby accorded to the remuneration, perquisites, benefits and amenities payable as per the terms and conditions of the Agreement entered into by Mr. Chandra Prakash Agrawal with the Company for the aforesaid appointment and as set out in the statement annexed to the Notice including the following:

**Salary**:-At the rate of ₹1,50,000/- (Rupees One Lac Fifty Thousand only) per month from 1st September, 2015 in the scale of ₹1,50,000 – ₹10,000 – ₹2,00,000/- with provision for annual increment of ₹10,000/- from the beginning of the Financial Year i. e. 01.04.2016.

**Perquisites**:- He will be entitled to reimbursement of medical expenses and leave travel concession for self and family, club fees & premium for medical/accidental insurance subject to maximum amount not exceeding ₹3,00,000/- in a financial year. For the purpose of calculating the ceiling, the perquisites shall be evaluated as per Income Tax Rules, 1961.

**Others**: Use of car for Company's business, telephone and other communication facilities at residence/other places, reimbursement of travelling, entertainment and all other expenses for the purpose of business incurred by him shall not be treated as perquisites.

**Commission**: No commission shall be paid.

**Minimum Remuneration**: The above salary will be payable to the Managing Director even in case of loss or inadequacy of profits in respect of any financial year during his tenure of office in compliance with Schedule V to the Companies Act, 2013.

**Sitting Fees**: The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

**Gratuity, Encashment of Leave, Provident Fund etc.**: He will be entitled to gratuity, Encashment of Leave, Provident Fund etc. as per rules of the Company.

**"RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Chandra Prakash Agrawal any remuneration, perquisites, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013 as may be decided by the Board of Directors, subject to necessary sanctions and approvals."

**"RESOLVED FURTHER THAT** the Board of Directors

of the Company be and are hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Mr. Chandra Prakash Agrawal in the light of further progress of the Company which shall be in accordance with the prescribed provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or reenactment thereof, for the time being in force)."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto".

6. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** subject to the provisions of sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the reappointment of Mr. Dinesh Kumar Raghbir Prasad Agarwal (DIN : 01017125) as Whole-time Director of the Company, liable to retire retiring by rotation, for a period of five years commencing from November 01, 2015 on the terms and conditions including remuneration set out in the Agreement dated August 28, 2014 entered into between the Company and Mr. Dinesh Kumar Raghbir Prasad Agrawal with specific authority to the Board of Directors to vary the terms and conditions of appointment including remuneration payable to Mr. Dinesh Kumar Raghbir Prasad Agarwal provided that the remuneration payable to Mr. Dinesh Kumar Raghbir Prasad Agarwal shall not exceed the maximum limits for payment of managerial remuneration specified in the Companies Act, 2013."

**"RESOLVED FURTHER THAT** approval be and is hereby accorded to the remuneration, perquisites, benefits and amenities payable as per the terms and conditions of the Agreement entered into by

Mr. Dinesh Kumar Raghbir Prasad Agarwal with the Company for the aforesaid appointment and as set out in the statement annexed to the Notice including the following:

**Salary:** At the rate of ₹1,50,000/- (Rupees One Lac Fifty Thousand only) per month from 1st September, 2015 in the scale of ₹1,50,000 – ₹10,000 – ₹2,00,000/- with provision for annual increment of ₹10,000/- from the beginning of the Financial Year i. e. 01.04.2016.

**Perquisites:** He will be entitled to reimbursement of medical expenses and leave travel concession for self and family, club fees & premium for medical/accidental insurance subject to maximum amount not exceeding ₹3,00,000/- in a financial year. For the purpose of calculating the ceiling, the perquisites shall be evaluated as per Income Tax Rules, 1961.

**Others:** Use of car for Company's business, telephone and other communication facilities at residence/other places, reimbursement of travelling, entertainment and all other expenses for the purpose of business incurred by him shall not be treated as perquisites.

**Commission:** No commission shall be paid.

**Minimum Remuneration:** The above salary will be payable to the Whole-time Director even in case of loss or inadequacy of profits in respect of any financial year during his tenure of office in compliance with Schedule V to the Companies Act, 2013.

**Sitting Fees:** The Whole-time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

**Gratuity, Encashment of Leave, Provident Fund etc.:** He will be entitled to gratuity, Encashment of Leave, Provident Fund etc. as per rules of the Company.

**"RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Dinesh Kumar Raghbir Prasad Agarwal remuneration, perquisites, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013 as may be decided by the Board of Directors, subject to necessary sanctions and approvals."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to alter and/or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration,

perquisites, benefits and amenities payable to Mr. Dinesh Kumar Raghbir Prasad Agarwal in the light of further progress of the Company which shall be in accordance with the prescribed provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or reenactment thereof, for the time being in force)."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto".

7. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mrs. Richa Bhartiya (DIN 06905283) who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from 12th November, 2014, pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a Notice from a member proposing her candidature for the office of Independent Director and who is eligible for appointment, be and is hereby appointed as Independent Director of the company who shall hold office up to 11th November, 2019."

By Order of the Board

**Rajesh Upadhyaya**

(Company Secretary)

Date: August 28, 2015

Membership No. : FCS 7495

Place: Kolkata

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 Directors proposed to be appointed/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 Clause 49 of the Listing Agreement with the Stock Exchanges, are provided are being provided.
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 between 11 a.m. to 1.00 p.m.
8. The Register of Members and Share Transfer Books shall be closed from Tuesday, September 22, 2015 to Monday, September 28, 2015 (both days inclusive) for the purposes of Annual General Meeting.
9. 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 Technologies Pvt. Ltd. (Niche).
10. 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.
11. **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.**
12. 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 (corresponding provisions of Section 219 of the Companies Act, 1956). Members may also note that the Notice of the 11th AGM and the Annual Report for FY 2014-15, copies of audited financial statements, directors' report, auditors' report etc. will also be available on the website of the Company, [www.gallantt.com](http://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.
13. 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.

14. The Register of Directors and Key Managerial Personnel and their shareholding will be available for inspection by the members at the AGM.

#### **15. 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 Clause 35B of the Listing Agreement, 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 National Securities Depository Limited (NSDL).
- 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.
- III. 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.
- IV. The remote e-voting period commences on **25th September, 2015** (9:00 am) and ends on **27th September, 2015** (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 21st September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

#### **V. The process and manner for remote e-voting are as under:**

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
  - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/ PIN for remote e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder - Login
  - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of "Gallantt Metal Limited".
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (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, to the Scrutinizer through e-mail to [tanmayks@gmail.com](mailto:tanmayks@gmail.com)

with a copy marked to evoting@nsdl.co.in

**B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :**

- (i) Initial password is provided in the Annexure or at the bottom of the Attendance Slip for this AGM (enclosed herewith).
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2015.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or rajesh@gallantt.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.

XIII. Mr. Tanmay Kumar Saha, Practicing Company Secretary, (Membership No. 27396 and CP No. 11918) of 11, Sardar Para, 2nd Floor, Badamtala, Brahmapur, Kolkata – 700 096 has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutineer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.gallantt.com](http://www.gallantt.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited.

**16. Since e-voting facility (including Ballot Forms) is provided to the Members pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, voting by show of hands are not allowed.**

**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. 4:**

The Board of Directors at its meeting held on August, 10, 2015 appointed M/s. U. Tiwari & Associates, Cost Accountants (Firm Registration No. 23872), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31st March, 2016, 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. 4 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. 4 of this Notice.

#### **Item No. 5:**

The tenure of Mr. Chandra Prakash Agrawal as Managing Director was upto 31st August, 2015. Subject to the approval of the Shareholders in the next General Meeting, the Board of Directors have at their Meeting held on August 28, 2015, pursuant to the approval of the Nomination and Remuneration Committee, approved the re-appointment of Mr. Chandra Prakash Agrawal as Managing Director of the Company for a period of 5 years w.e.f. 1st September, 2015. He is a Bachelor of Commerce from Gorakhpur University having multifunctional experience of more than twenty Nine years. He is very well versed in all aspects of marketing, finance, costing, technical matters and administration. He is aged about 60 years. The proposed remuneration will be within overall limit of Schedule V of the Companies Act, 2013. In his term of office spanning Ten years, Mr. Chandra Prakash Agrawal has contributed extensively towards the growth of the Company and has been actively responsible for the installation, implementation and functioning of units of the project of the Company and attainment of the highest standards of quality. By focussing on key areas such as Finance, ERP implementation, Value Engineering, Process Documentation, Environment Health and Safety measures, he has significantly strengthened the foundation of the Company. The turnover of the Company has increased considerably under his guidance. In view of the significant contributions made by him, the Board of Directors recommend the appointment of Mr. Chandra Prakash Agrawal as a Managing Director designated as Chairman & Managing Director of the Company for a period of five years on the remuneration as detailed hereinbelow, which shall be effective from September 01, 2015.

Mr. Chandra Prakash Agrawal 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 3,00,000 Equity Shares in the Company. Further, he is a Director of Gallant Ispat Limited and working in the capacity of Managing Director.

Briefly, the terms and conditions of the re-appointment and remuneration of Mr. Chandra Prakash Agrawal are as follows:

1. He shall carry out such duties as may be entrusted to him subject to the supervision of the Board of Directors.
2. The re-appointment shall be for a period of 5 (five) years w.e.f. 01.09.2015.
3. Remuneration:

**Salary :** At the rate of ₹1,50,000/- (Rupees One Lac Fifty Thousand only) per month from 1st September, 2015 in the scale of ₹1,50,000/- ₹10,000/- ₹2,00,000/- with provision for annual increment of ₹10,000/- from the beginning of the Financial Year i. e. 01.04.2016.

**Perquisites:** He will be entitled to reimbursement of medical expenses and leave travel concession for self and family, club fees & premium for medical/accidental insurance subject to maximum amount not exceeding ₹3,00,000/- in a financial year. For the purpose of calculating the ceiling, the perquisites shall be evaluated as per Income Tax Rules, 1961.

**Others:** Use of car for Company's business, telephone and other communication facilities at residence/ other places, reimbursement of travelling, entertainment and all other expenses for the purpose of business incurred by him shall not be treated as perquisites.

**Commission:** No commission shall be paid.

**Minimum Remuneration:** The above salary will be payable to the Managing Director even in case of loss or inadequacy of profits in respect of any financial year during his tenure of office in compliance with Schedule V to the Companies Act, 2013.

**Sitting Fees:** The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

**Gratuity, Encashment of Leave, Provident Fund etc.:** He will be entitled to gratuity, Encashment of Leave, Provident Fund etc. as per rules of the Company.

Modification / revision in remuneration and terms and conditions of appointment are subject to the approval of the members of the Company.

None of the Directors other than Mr. Chandra Prakash Agrawal is interested or concerned in the said resolution.

The proposed resolution is required to be passed as a Ordinary Resolution as required under Schedule V to the Companies Act, 2013 and as such, the Directors commend your approval. In compliance with the provisions of Section 197 and 198 of the Companies Act, 2013, the terms of remuneration specified above are now being placed before the members in General Meeting for their approval.

Mr. Chandra Prakash Agrawal satisfies all the conditions as set out in Part I of Schedule V as also under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible to be appointed as a Managing Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Agreement entered into with Mr. Chandra Prakash Agrawal in terms of the Ordinary Resolution under item No. 5 of the notice will be made available for inspection at the Registered Office of the Company on any working day, prior to the date of this Eleventh Annual General Meeting between 11.00 A. M. and 1.00 P. M. and will also be available for inspection from 1.00 P.M. at the place and date of the Meeting.

#### **Item No. 6**

The tenure of Mr. Dineshkumar Raghbir Prasad Agarwal as Whole-time Director was upto 30th October, 2015. Subject to the approval of the Shareholders in the next General Meeting, the Board of Directors have at their Meeting held on August 28, 2015, pursuant to the approval of the Nomination and Remuneration Committee, approved the re-appointment of Mr. Dineshkumar Raghbir Prasad Agarwal as Whole-time Director of the Company for a period of 5 years w.e.f. 1st November, 2015. Mr. Dineshkumar Raghbir Prasad Agarwal, a promoter of the Company having experience of 27 years in the steel industry, is a Commerce Graduate. Mr. Dineshkumar Raghbir Prasad Agarwal is involved in the operations of the steel manufacturing facility of the Company. 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. Dineshkumar Raghbir Prasad Agarwal supervises the operation and functioning of steel and power plants, besides he supervises Purchase and procurement departments of the Company.

He is aged about 48 years. The proposed remuneration will be within overall limit of Schedule V of the Companies Act, 2013. In his term of office since inception, Mr. Dineshkumar Raghbir Prasad Agarwal 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. In view of the significant contributions made by him, the Board of Directors recommend the reappointment of Mr. Dineshkumar Raghbir Prasad Agarwal as a Whole-time Director for a period of five years on the remuneration as detailed hereinbelow, which shall be effective from November 01, 2015.

Mr. Dineshkumar Raghbir Prasad Agarwal 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 2,10,000 Equity Shares in the Company.

Further, he is a Director of the following Companies:

1. Ganesh Laxmi Processors Private Limited
2. G L Sarees Private Limited
3. Kadodara Power Private Limited
4. GL Steel And Power Limited
5. GL Minerals Private Limited
6. GL Overseas Private Limited

Briefly, the terms and conditions of the re-appointment and remuneration of Mr. Dineshkumar Raghbir Prasad Agarwal are as follows:

**Salary:** At the rate of ₹1,50,000/- (Rupees One Lac Fifty Thousand only) per month from 1st September, 2015 in the scale of ₹1,50,000/-₹10,000/-₹2,00,000/- with provision for annual increment of ₹10,000/- from the beginning of the Financial Year i. e. 01.04.2016.

**Perquisites:** He will be entitled to reimbursement of medical expenses and leave travel concession for self and family, club fees & premium for medical/accidental insurance subject to maximum amount not exceeding ₹3,00,000/- in a financial year. For the purpose of calculating the ceiling, the perquisites shall be evaluated as per Income Tax Rules, 1961.

**Others:** Use of car for Company's business, telephone and other communication facilities at residence/ other places, reimbursement of travelling, entertainment and all other expenses for the purpose of business incurred by him shall not be treated as perquisites.

**Commission:** No commission shall be paid.

**Minimum Remuneration:** The above salary will be payable to the Whole-time Director even in case of loss or inadequacy of profits in respect of any financial year during his tenure of office in compliance with Schedule V to the Companies Act, 2013.

**Sitting Fees:** The Whole-time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

**Gratuity, Encashment of Leave, Provident Fund etc.:** He will be entitled to gratuity, Encashment of Leave, Provident Fund etc. as per rules of the Company.

No director, key managerial personnel or their relatives, except Mr. Dineshkumar Raghbir Prasad, to whom the resolution relates, is interested or concerned in the resolution.

The proposed resolution is required to be passed as an Ordinary Resolution as required under the amended Schedule V to the Companies Act, 2013 and as such, the Directors commend your approval. In compliance with the provisions of Section 196 and 197 of the Companies Act, 2013, the terms of remuneration specified above are now being placed before the members in General Meeting for their approval.

The Agreement entered into with Mr. Dinesh Kumar Raghbir Prasad Agarwal in terms of the Ordinary Resolution under item No. 6 of the notice will be made available for inspection at the Registered Office of the Company on any working day, prior to the date of this Eleventh Annual General Meeting between 11.00 A. M. and 1.00 P. M. and will also be available for inspection from 1.00 P.M. at the place and date of the Meeting.

**Item No. 7:**

Mrs. Richa Bhartiya was appointed on the Board of your company on 12th November, 2014, as Additional Director in the capacity as Non Executive Independent Director. Mrs. Richa Bhartiya has vast experience, knowledge and standing in the area of Accounts, Finance, Taxation and Corporate Law.

As per the provisions of Section 149 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mrs. Richa Bhartiya has given a declaration to

the Board that she meets the criteria of independence as provided under Section 149(6) of the Act.

The matter regarding appointment of Mrs. Richa Bhartiya as Independent Director was placed before the Nomination & Remuneration Committee, which commends her appointment as an Independent Director up to 11th November, 2019.

In the opinion of the Board, Mrs. Richa Bhartiya fulfils the conditions specified in the Act and the Rules made there under for appointment as Independent Director and she is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mrs. Richa Bhartiya as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the company.

The Board commends acceptance of the resolution set out in Item No. 7 of the convening Notice. Mrs. Richa Bhartiya is interested and concerned in the Resolution mentioned at Item No. 7 of the Notice. Other than Mrs. Richa Bhartiya no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice.

By Order of the Board

**Rajesh Upadhyaya**

(Company Secretary)

Membership No. : FCS 7495

**Road Map of Venue of 11th Annual General Meeting**



NAZRUL MANCH,  
Office of the Municipal Councillors,  
Kamarhati, 1, M. M. Feeder Road,  
P.O. – Belgharia, Kolkata – 700056

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE ELEVENTH ANNUAL GENERAL MEETING**  
 (In pursuance of Clause 49 of Listing Agreement)

<b>Details of Mr. Chandra Prakash Agrawal, seeking reappointment, are as under:</b>	
Name of the Director	Chandra Prakash Agrawal
Director Identification No.	01814318
Date of Birth	25.12.1955
Date of First Appointment	01.04.2005
Qualifications	B-Com(H) from Gorakhpur University
Expertise in specific functional areas	He is Promoter of the Company has an overall experience of 29 years. He is closely associated with Gallant Ispat Limited. Over the period he has understood the business techniques in the field of Production, Marketing, Accounts, Finance etc.
Remuneration and Terms and conditions	As stated hereinabove.
No. of Board Meetings attended	10 (Ten)
Directorship in other Companies	Gallant Ispat Limited
Membership/Chairmanship of Committees of the other public companies on which he is a Director	Member, CSR Committee of Gallant Ispat Limited
No. of Shares held in the Company	3,00,000
Relationship with any Directors of the Company	No

<b>Details of Mr. Dineshkumar Raghbir Prasad Agarwal, seeking reappointment, are as under:</b>	
Name of the Director	Mr. Dineshkumar Raghbir Prasad Agarwal
Director Identification No.	01017125
Date of Birth	13.12.1967
Date of First Appointment	07.02.2005 (Since Incorporation)
Qualifications	B-Com(H)
Expertise in specific functional areas	He is Promoter of the Company has an overall experience of 27 years. Over the period he has understood the business techniques in the field of Production, Purchase, Marketing etc.
Remuneration and Terms and conditions	As stated hereinabove.
No. of Board Meetings attended	5 (Five)
Directorship in other Companies	Ganesh Laxmi Processors Private Limited G L Sarees Private Limited Kadodara Power Private Limited GL Steel And Power Limited GL Minerals Private Limited GL Overseas Private Limited
Membership/Chairmanship of Committees of the other public companies on which he is a Director	NIL
No. of Shares held in the Company	210000
Relationship with any Directors of the Company	No

<b>Details of Mr. Nitin M Kandoi, seeking reappointment, are as under:</b>	
Name of the Director	Mr. Nitin M Kandoi
Director Identification No.	01979952
Date of Birth	21.07.1972
Date of First Appointment	11.02.2005 (Since Incorporation)
Qualifications	B-Com(H) from Bombay University
Expertise in specific functional areas	He is Promoter of the Company has an overall experience of 19 years. He was closely associated with Govind Mills Limited and Gallantt Udyog Limited. 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.
Remuneration and Terms and conditions	Being Non-Executive Non-Independent Director, he is eligible for sitting fees for attending meeting of Board of Directors of the Company.
No. of Board Meetings attended	6 (Six)
Directorship in other Companies	NIL
Membership/Chairmanship of Committees of the other public companies on which he is a Director	NIL
No. of Shares held in the Company	10500
Relationship with any Directors of the Company	No

<b>Details of Mrs. Richa Bhartiya, seeking appointment, are as under:</b>	
Name of the Director	Richa Bhartiya
Director Identification No.	06905283
Date of Birth	04.05.1987
Date of First Appointment	12.11.2014
Qualifications	B-Com(H) from Calcutta University and Chartered Accountant
Expertise in specific functional areas	She has an overall experience of 5 years in Accounts, Finance, Taxation and Company Law Matter etc.
Remuneration and Terms and conditions	Sitting Fees for attending meeting of the Board and Committee
No. of Board Meetings attended	5 (Five)
Directorship in other Companies	NIL
Membership/Chairmanship of Committees of the other public companies on which he is a Director	NIL
No. of Shares held in the Company	NIL
Relationship with any Directors of the Company	No



**GALLANT METAL LIMITED**

CIN:L27109WB2005PLC101553

Registered Office: 1, Crooked Lane, Second Floor, Room Nos. 222 &amp; 223, Kolkata – 700069

Phone No. 033-40642189, Fax No. 033-40642189

E-mail : rajesh@gallantt.com

**ATTENDANCE SLIP****11th Annual General Meeting**

Folio No. / DP ID & Client ID:	
No. of Equity Shares Held:	

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the 11th Annual General Meeting of the Company at the NAZRUL MANCHA', Office of the Municipal Councillors, Kamarhati, 1, M. M. Feeder Road, P.O. – Belgharia, Kolkata - 700056 at 1.00 P.M. on Monday, the 28th September, 2015.

Member's Name : \_\_\_\_\_ Proxy's Name : \_\_\_\_\_

**Note:**

1. Please fill this attendance slip and hand it over at the entrance of the Hall.
2. Members/Proxy Holders/Authorised Representatives are requested to show their Photo ID Proof for attending the Meeting.
3. Authorized Representatives of Corporate members shall produce proper authorization issued in their favour.

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*(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)*

**FORM OF PROXY**

Folio No.: \_\_\_\_\_ DPID No. : \_\_\_\_\_ Client ID No.: \_\_\_\_\_

Name of the Member(s): \_\_\_\_\_ Email Id: \_\_\_\_\_

Registered Address: \_\_\_\_\_

I/We, being a member / members of GALLANT METAL LIMITED hereby appoint:

1. Name: \_\_\_\_\_ E-mail Id \_\_\_\_\_  
Address: \_\_\_\_\_ or failing him/her
2. Name: \_\_\_\_\_ E-mail Id \_\_\_\_\_  
Address: \_\_\_\_\_ or failing him/her
3. Name: \_\_\_\_\_ E-mail Id \_\_\_\_\_  
Address: \_\_\_\_\_



as my / our Proxy to vote for me / us, on my / our behalf at the 11th ANNUAL GENERAL MEETING of the Company held on Monday the 28th day of September, 2015 and at any adjournment thereof in respect of the following resolutions:

Resolution No.	Particulars	For	Against
<b>Ordinary Business</b>			
1	Adoption of Balance Sheet, Statement of Profit & Loss, Report of Auditors and Board of Directors for the year ended 31st March, 2015.		
2	Re-Appointment of Mr. Nitin M Kandoi as Director who is retiring by rotation.		
3	Ratification of appointment of Auditors.		
<b>Special Business</b>			
4	Approval of payment of Remuneration to Cost Auditor.		
5	Reappointment of Chandra Prakash Agrawal as a Managing Director		
6	Reappointment of Dineshkumar Raghbir Prasad Agarwal as a Whole-time Director		
7	Appointment of Richa Bhartiya as an Independent Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015.      Signature of Member \_\_\_\_\_

Signature of Proxyholder(s): 1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

Revenue  
Stamp

NOTE: The Form of Proxy duly completed must be deposited at the Registered Office of the Company, 1, Crooked Lane, Second Floor, Room Nos. 222 & 223, Kolkata – 700069 not later than 48 hours before the time for holding the meeting.

**GALLANT METAL LIMITED**

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E-mail : rajesh@gallantt.com

*(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)***ANNEXURE TO THE NOTICE FOR THE 11TH ANNUAL GENERAL MEETING  
OF THE COMPANY TO BE HELD ON 28TH DAY OF SEPTEMBER, 2015**Name & Registered Address :  
of Sole/First named Member

Joint Holders Name (If any) :

Folio No. / DP ID &amp; 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 Clause 35B of the Listing Agreement, 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, 28th day of September, 2015 at 1.00 p.m. at "NAZRUL MANCH", Office of the Municipal Councillors, Kamarhati, 1, M.M. Feeder Road, P.O. - Belgharia, Kolkata - 700 056 and at any adjournment thereof. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide the e-voting facility. The e-voting facility is available at the link <https://www.evoting.nsdl.com>.

EVEN (Electronic Voting Event Number)	USER - ID	PASSWORD
102882		

The E-voting facility will be available during the following voting period:

Remote e-Voting start on	Remote e-Voting end on
25th September, 2015 at 9:00 a.m. (IST)	27th September, 2015 at 5:00 p.m. (IST)

#Please read the instructions mentioned in the Notice before exercising your vote.

By Order of the Board  
For Gallantt Metal Ltd.Place: Kolkata  
Date : 28.08.2015**Rajesh Upadhyaya**  
Company Secretary  
Membership No. : FCS 7495

Encl: AGM Notice/ Attendance Slip / Proxy Form

