



GIL/GKP/2024-25  
August 13, 2024

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

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

Sir/Madam,

**SUB: PRESS RELEASE**

Please find enclosed herewith our Press Release relating to the Unaudited Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 2024 which we shall be releasing after sending this letter to you.

This is for your information and dissemination.

Thanking You,

Yours faithfully,  
**For GALLANTT ISPAT LIMITED**

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

**Encl: As above**

**GALLANTT ISPAT LIMITED**

CIN: L27109UP2005PLC195660

Registered Office & Gorakhpur Unit: Gorakhpur Industrial Development Authority (GIDA),  
Sahjanwa, Gorakhpur - 273209, Uttar Pradesh

Tele-fax: 0551 3515500, E-mail: csgml@gallantt.com, Website: www.gallantt.com

Gujarat Unit: Survey No. 175/1, Near Toll Gate, Samakhlyali, Bhachau, Distt. Kutch - 370150, Gujarat

**GALANTT**

# Gallantt Ispat Limited

Q1FY25 Investor  
Presentation

*Presence, Efficiency, Scale*



# Safe Harbour



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

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

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

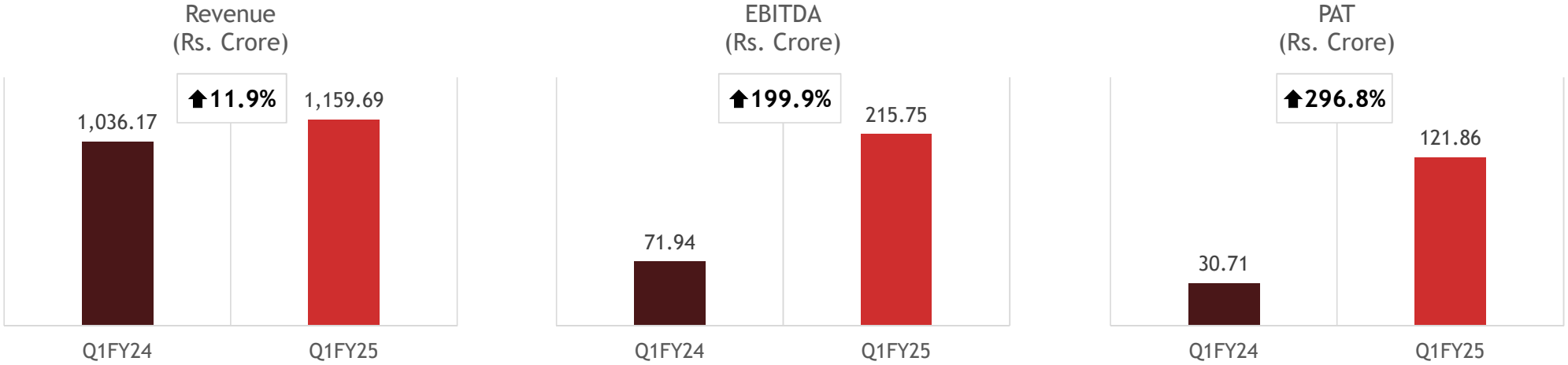
The Company undertakes no obligation to periodically revise any forward looking statements to reflect future/likely events or circumstances.







# Financial overview Q1FY25



- EBITDA and PAT increase are also driven by several efficiency and cost rationalisation initiatives which are sustainable
- ~20% improvement in sales volumes translate to improved realisations

**Strong and sustainable profit growth**



Presence

Efficiency

Scale

GALANT

# Production and sales volumes Q1FY25

## Production volumes

TOTAL					
Period	Power Plant	Pellet	DRI (Sponge Iron)	Steel Melt Shop (Billet)	Rolling Mill (TMT Bars)
Unit	MW (Mega Units)	MT	MT	MT	MT
Q1FY24	1,68,685	-	1,72,752	1,82,084	1,64,332
Q1FY25	2,02,589	1,35,321	2,06,084	2,20,576	1,99,887
% Change	20.1%	-	19.3%	21.1%	21.6%

Gorakhpur, Uttar Pradesh					
Period	Power Plant	Pellet	DRI (Sponge Iron)	Steel Melt Shop (Billet)	Rolling Mill (TMT Bars)
Unit	MW (Mega Units)	MT	MT	MT	MT
Q1FY24	97,507	-	95,413	1,05,890	1,03,925
Q1FY25	1,24,344	1,35,321	1,19,156	1,29,852	1,26,062
% Change	27.5%	-	24.9%	22.6%	21.3%

Kutch, Gujrat					
Period	Power Plant	Pellet	DRI (Sponge Iron)	Steel Melt Shop (Billet)	Rolling Mill (TMT Bars)
Unit	MW (Mega Units)	MT	MT	MT	MT
Q1FY24	71,178	-	77,339	76,194	60,407
Q1FY25	78,244	-	86,928	90,724	73,825
% Change	9.9%	-	12.4%	19.1%	22.2%

## Sales volumes

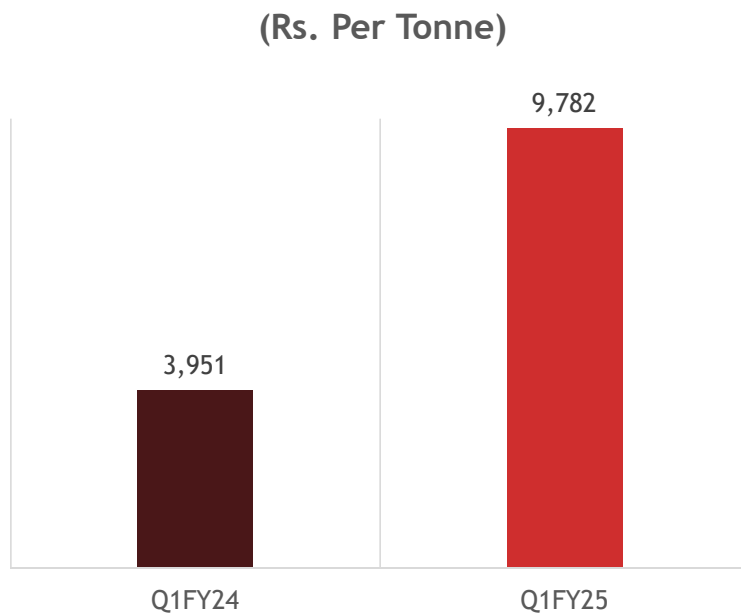
TOTAL				
Period	Pellet	DRI (Sponge Iron)	Steel Melt Shop (Billet)	Rolling Mill (TMT Bars)
Unit	MT	MT	MT	MT
Q1FY24	-	20,698	12,634	1,63,302
Q1FY25	13,993	8,865	15,275	1,97,294
% Change	-	-57.2%	20.9%	20.8%

Gorakhpur, Uttar Pradesh				
Period	Pellet	DRI (Sponge Iron)	Steel Melt Shop (Billet)	Rolling Mill (TMT Bars)
Unit	MT	MT	MT	MT
Q1FY24	-	9,370	-	1,02,641
Q1FY25	13,993	1,627	74	1,23,769
% Change	-	-82.6%	-	20.6%

Kutch, Gujrat				
Period	Pellet	DRI (Sponge Iron)	Steel Melt Shop (Billet)	Rolling Mill (TMT Bars)
Unit	MT	MT	MT	MT
Q1FY24	-	11,328	12,634	60,662
Q1FY25	-	7,238	15,201	73,525
% Change	-	-36.1%	20.3%	21.2%

Higher production and sales volumes reflective of a continuing strong demand environment driven by infrastructure investments

## EBITDA Per tonne



- Various cost rationalization and efficiency initiatives including:
  - Procurement of Railway Goods Rakes which have reduced freight costs and turnaround time besides ease of operation
  - Commencement of Pellet producing capacity for captive use as a part of Backward integration
  - Prudent mix of domestic and imported coal
  - Increased access to captive power reducing dependence on the grid
- All translating to sustainable improvement in EBITDA and cashflows



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Scale

## Successful preferred bidder for Iron Ore Mine

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Gallantt Ispat Limited has been declared as a Successful "Preferred Bidder" vide communication Letter received from the Director of Mines & Geology, Government of Rajasthan on June 15, 2024, for Composite Licence for Todupura Iron Ore Block District-Karauli in the state of Rajasthan.

The Iron Ore investigated area is 260.71 hectares and the total deposit of Iron Ore is 85.42 million tonnes



## Chairman's Message



**Chairman and MD, Chandra Prakash Agrawal commenting on the Q1FY25 results,**

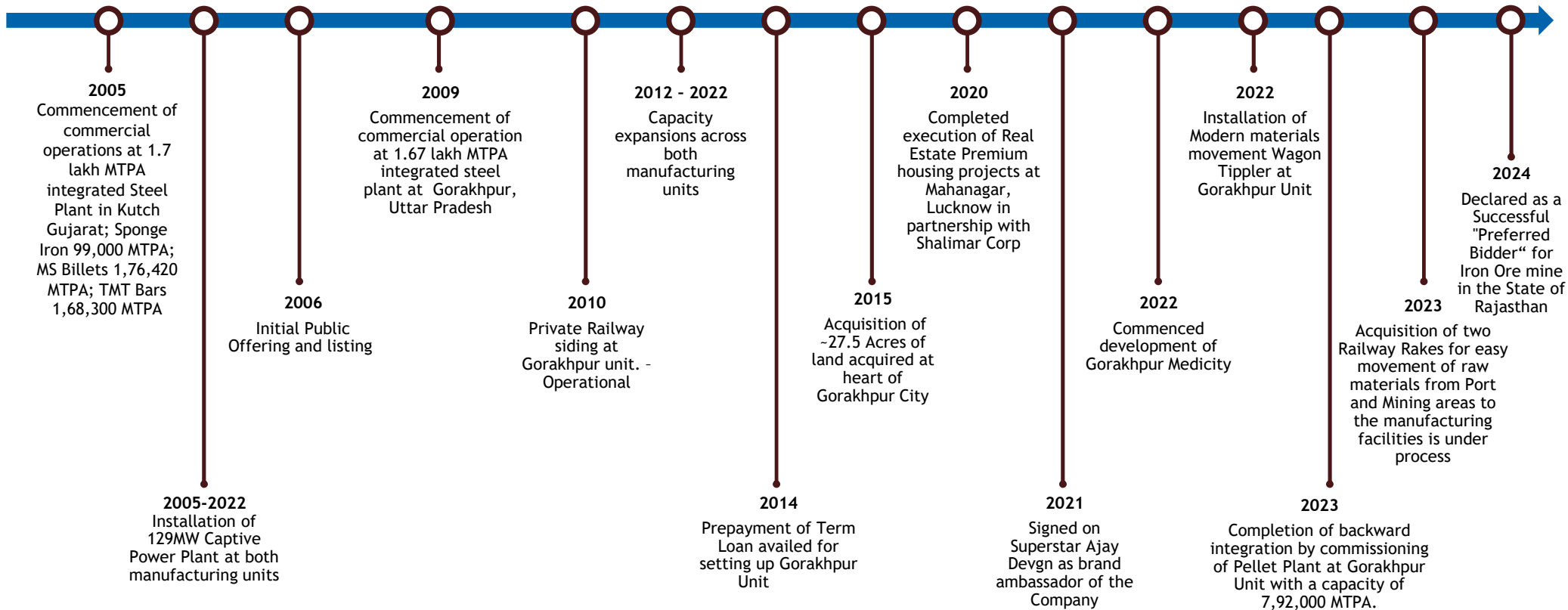
*“The first quarter of this fiscal year has seen a robust growth in volumes which has led to increased turnover. In line with our all round endeavour to optimize efficiencies our profitability too has increased significantly.*

*Continuing strong demand combined with a laser focus on cost reduction gives me confidence in our ability to sustain this strong financial and operating performance.”*





# Our journey





Presence

Efficiency

Scale

**GALANT**

Leading manufacturer of TMT bars - Capacity: 950,000 TPA

Profitable growth on the back of strong cost optimisation thrust, backward integration and value addition

Well entrenched presence in key consumption states of Uttar Pradesh and Gujarat

Strong presence in infra sector of both private and public sector

First generation promoter with over 40 years of experience across the Steel & Power sectors

Executes premium construction projects

Growth predominantly from internal accruals; Net debt free





Presence

Efficiency

Scale

## The Gallantt locational advantage

**GALLANTT**

- **Gorakhpur, Uttar Pradesh**
  - Only Integrated Steel Plant in Uttar Pradesh; a region which is witnessing significant development
  - Enhanced customer serviceability:
    - Shorter delivery times
    - Ability to deliver small quantities offering dealer benefit of lower storage costs
  - Lower Freight and distribution costs (raw material and finished goods)
  - Industry friendly UP Government Industrial policy provides SGST refund ranging from 80-90% of SGST
- **Kutch, Gujarat**
  - Large scale industrial activity in state
  - Proximity to Kandla port
    - Translates to lower logistic costs
    - Option to sell domestically or export
  - Presence affords extended access to Rajasthan and Maharashtra
- **Network of over 2700 dealers across both states**





Driving  
operational  
efficiencies

## Backward integration



### Pellets

- 792,000 MT/annum pellets capacity in Gorakhpur caters to entire production requirement
- Captive production estimated to be ~10-15% lower than market costs
- Better quality of inputs like Sponge Iron and Billets translates to better Quality of Finished Products.



### Coal

- Linkages with Northern Coalfields Limited, Eastern Coalfields Limited and Central coalfields Limited ensures continued availability
- Sourcing directly from international bulk miners translate to improved and consistent quality



# Logistics and power



## Rail infrastructure

- Railway sidings at both units to facilitate efficient material movement and connectivity
- Modern material wagon tippler at Gorakhpur unit helps reduce wastage, minimize delays
- Two railway good racks ensures smooth operation besides reducing cost



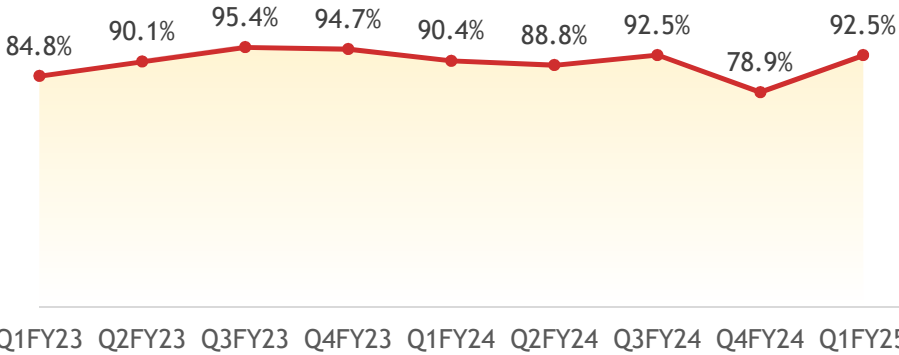
## Captive Power

- Total captive power capacity: 129 MW
- Availability of captive power ensures minimal dependence on the grid

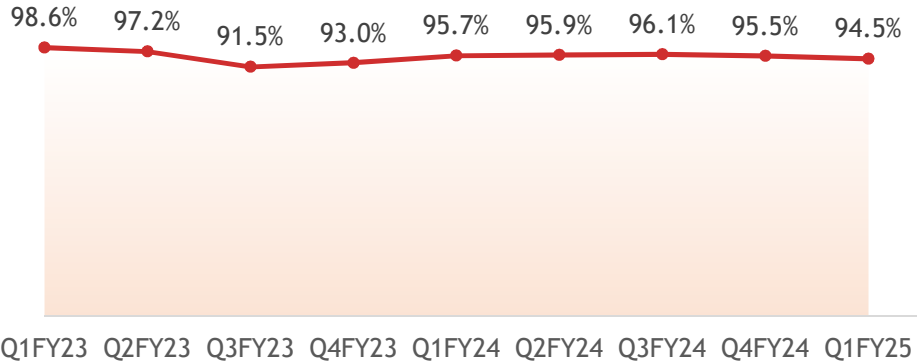


# Power: Own vs purchased

### % of Captive power consumed - Gorakhpur, UP



### % of Captive power consumed - Kutch, Gujarat



Operations predominantly driven by captive power



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# Capacity overview



7,92,000  
MT

Pellet



9,18,000  
MT

Sponge  
Iron



9,57,000  
MT

Steel Melt  
Shop



9,50,400  
MT

Rolling  
Mill



129  
MW

Power  
Plant

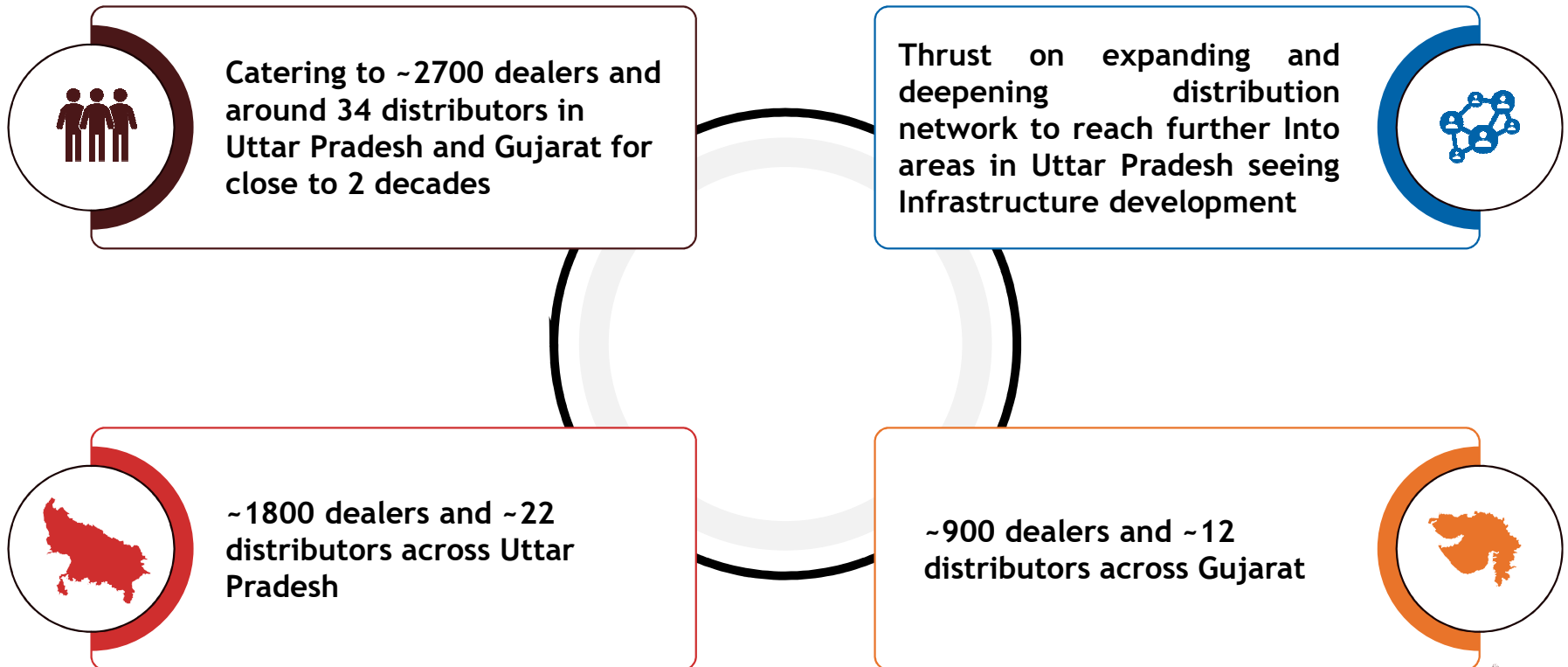
## Plant wise breakup

TOTAL		
Type	Units	Total
Sponge Iron	MT	9,18,000
Steel Melt Shop	MT	9,57,000
Rolling Mill	MT	9,50,400
Power Plant	MW	129
Pellet Plant	MT	7,92,000

Gorakhpur, Uttar Pradesh		
Type	Units	Total
Sponge Iron	MT	5,44,500
Steel Melt Shop	MT	5,28,000
Rolling Mill	MT	5,28,000
Power Plant	MW	78
Pellet Plant	MT	7,92,000

Kutch, Gujrat		
Type	Units	Total
Sponge Iron	MT	3,73,500
Steel Melt Shop	MT	4,29,000
Rolling Mill	MT	4,22,400
Power Plant	MW	51

## Dealer & Distributor strength and relationship





## EPC and construction

- Evaluating opportunities to monetise ~27.5 acre land owned by Gallantt Ispat
- Group Housing project with ultra modern facilities under the name “Shalimar Gallant”
- Plans to enter into new venture of real estate and infra including construction of hotels and malls







**Value Addition  
thrust**

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## Premium offerings

Introduced a stronger and more durable value added offering under the brand Gallantt Advance

Bollywood star Ajay Devgn is the brand ambassador

Emphasis on branding, use of electronic and social media

GALANTT

The advertisement features a man with a beard and a green polo shirt holding a long, silver, textured metal rod diagonally across his body. The background is a mix of red and blue geometric shapes. In the top left corner, the GALANTT logo is displayed above the word 'advance' in a red box. In the bottom left corner, there is a slogan in Hindi: 'सॉलिड भी...फ्लेक्सिबल भी' followed by 'निर्माण का रियल हीरो'.

GALANTT  
advance

सॉलिड भी...फ्लेक्सिबल भी  
निर्माण का रियल हीरो



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## Capex plans & timelines (*Future plans*)

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Direct Reduced Iron (DRI) Kiln having a capacity of 1,65,000 MTPA at the Company's manufacturing facilities at Gorakhpur, Uttar Pradesh is expected to be completed by FY2025. The cost towards this is ~Rs. 125 crore.

The Company has installed an additional furnace of 30 ton per heat capacity. This furnace will improve production capability by 10%. The benefit of this will convert into much better capacity utilisation (better production) in current financial year.

Pellet plant was commissioned in July 2023 and the capacity utilization for FY 2023-24 is just 58%. In the financial year 2024-25 company shall witness full year operations and benefits of this backward integration at Gorakhpur.

The Company has also completed the purchase of two railway rakes with an investment of Rs. 55 crore in 2<sup>nd</sup> Half of FY 2023-24. FY 2024-25 will witness full years benefit of this two goods railway racks.














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# ESG Initiatives

-  Plantations at factory premises
-  Water conservation and harvesting
-  Modern technology and equipment to lesser consumption of electricity
-  Recycling of water and other natural resources across factory premises and factory operations
-  Modern equipment to follow pollution guidelines of the State and Centre
-  Regular training programs across all teams
-  Modern technology to adhere to the limits to air, water and sound pollutants.
-  Focus on greenery
-  Free meal distribution to public at large under the poverty line
-  Maha Yogi Gorakhnath University, Gorakhpur
-  Facilitated Fatima Hospital, Gorakhpur to set up Dialysis centre

# Promoter Group

## CHANDRA PRAKASH AGRAWAL

Chairman & Managing Director

- First generation entrepreneur possessing more than 40 years of multifunctional experience
- In his term of office spanning over seventeen years, has contributed extensively towards the growth of the Company and has been actively responsible for the planning, installation, implementation and functioning of units of the Company and the attainment of the highest standards of quality

## DINESH R. AGARWAL

Director - Administration

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

## NITIN M KANDOI

Director-Plant Operation

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



# Uttar Pradesh, Gujarat - Strong infrastructure investment thrust

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

## Key infrastructure projects: Uttar Pradesh

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

## Key infrastructure projects: Gujarat

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

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



# Growth outlook

## Efficiencies

- Technological upgradation across facilities to enhance capacity utilization from present 80% to 95%
- Installation of Modern Rail tippler contributing towards lower wastage faster turnaround time
  - Full benefit to be visible in current year

## Rationalising input dependency

- Commencement of pelletisation plant operations removes dependency on external suppliers
  - Ensures consistent quality and lower costs
- Already contributing to savings of Rs 1000 pmt; full benefit expected to be visible in FY25

## Value addition

- Evaluating the introduction of a value added offering from the Gallantt Advance stable

## Distribution and reach

- Expanding distributor and dealer reach across Uttar Pradesh

## EPC and Construction

- Monetisation of land towards setting up of premium residential complexes

# Financial outlook

FY26 (E) revenue: ~Rs. 5,000 crore +/-5%

To be driven by targeting to achieve capacity utilisations levels of >90%

- EBITDA margins in FY 2023 was 9%, which in FY 2024 has increased to 11% and is expected to expand by 200 basis points to 13% in FY25.

To be driven by

- Continuing cost rationalization initiatives
- Full year benefit of pelletisation plant and railway racks
- Minimal dependence on grid
- Better capacity utilisation
- Addition of 1,65,000 Metric Tons of DRI unit by December 2024

**Productivity and growth initiatives to be driven almost entirely by internal accruals**



# P&L Q1FY25



## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

Sr. No.	Particulars	Quarter ended			Rs. in Lakhs
		30.06.2024	31.03.2024	30.06.2023	31.03.2024
		Unaudited	Audited	Unaudited	Audited
1.	<b>Income from operations</b>				
	(a) Revenue from operations	1,15,969.44	1,17,738.95	1,03,617.41	4,22,711.75
	(b) Other income	115.23	336.61	129.20	685.06
2.	<b>Total income (A + B)</b>	<b>1,16,084.67</b>	<b>1,18,075.56</b>	<b>1,03,746.61</b>	<b>4,23,396.81</b>
3.	<b>Expenses</b>				
	(a) Cost of raw materials consumed	80,378.14	86,629.98	82,515.61	3,23,865.27
	(b) Purchase of stock in trade	2,376.84	2,311.78	3,763.94	13,508.88
	(c) Changes in inventories of finished products, work in progress and contracts in progress	497.24	(2,220.61)	735.70	(3,571.56)
	(d) Employee benefits expense	2,827.10	2,910.70	2,471.76	10,817.98
	(e) Finance costs	642.63	755.11	622.04	2,820.30
	(f) Depreciation and amortization expense	3,000.21	3,408.64	2,458.20	11,552.75
	(g) Excise duty	0.00	0.00	0.00	0.00
	(h) Other expenses	8,428.54	9,752.56	7,065.36	33,271.45
	<b>Total expenses [3(a) to 3(h)]</b>	<b>98,150.70</b>	<b>1,03,548.16</b>	<b>99,632.61</b>	<b>3,92,265.07</b>
4.	<b>Profit / (loss) before exceptional items and tax (2 - 3)</b>	<b>17,933.97</b>	<b>14,527.40</b>	<b>4,114.00</b>	<b>31,131.74</b>
5.	Exceptional items				
6.	<b>Profit / (loss) before tax (4 + 5)</b>	<b>17,933.97</b>	<b>14,527.40</b>	<b>4,114.00</b>	<b>31,131.74</b>
7.	Tax expense / (credit)				
	(a) Current tax	5,080.91	3,824.37	657.02	5,555.52
	(b) Deferred tax	666.12	1,163.64	386.31	3,042.41
	<b>Total tax expense / (credit)</b>	<b>5,747.03</b>	<b>4,988.01</b>	<b>1,043.33</b>	<b>8,597.93</b>
8.	<b>Net Profit / (loss) for the period (6 - 7)</b>	<b>12,186.94</b>	<b>9,539.39</b>	<b>3,070.67</b>	<b>22,533.81</b>
9.	Other comprehensive income (Net of tax)				
	(a) Items that will not be reclassified to profit or loss	47.65	(30.17)	21.96	35.72
	(b) Items that will be reclassified to profit or loss	-	-	-	-
	<b>Total other comprehensive income (A + B)</b>	<b>47.65</b>	<b>(30.17)</b>	<b>21.96</b>	<b>35.72</b>
10.	<b>Total comprehensive income (8 + 9)</b>	<b>12,234.59</b>	<b>9,509.22</b>	<b>3,092.63</b>	<b>22,569.53</b>
11.	<b>Paid-up equity share capital (Face value Rs. 10 per Share)</b>	<b>24,128.09</b>	<b>24,128.09</b>	<b>24,128.09</b>	<b>24,128.09</b>
12.	Earning/(loss) per share (not annualised for quarters) in Rupees				
	Basic	5.05	3.95	1.27	9.34
	Diluted	5.05	3.95	1.27	9.34

Presence

Efficiency

Scale

# The Gallantt Group

**GALLANTT**

## Gallantt Cement

- Cement manufacturing unit at Gorakhpur with an annual capacity of 6,00,000 MTPA
- Commenced commercial operations in 2022



## Gallantt Flour

- Modern Flour Mill unit with an annual production capacity of 1,08,000 MTPA
- Commenced commercial operations in March 2009



*Note: Gallantt Ispat does not have any holding in either Gallantt Cement or Gallantt Flour*





## Contact Us

**GALLANTT**

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**GALANTT**

**Thank  
You**

