

GIL/DEL/2023-24  
September 11, 2023

**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: OUTCOME OF THE BOARD MEETING – 11.09.2023**  
**- Meeting of the Board commenced at 12.30 p.m. and concluded on 1.00 p.m.**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors at their meeting held on today the 11<sup>th</sup> September, 2023, *inter alia* has considered and approved following important businesses:

**1. TO SET UP A NEW DRI KILN HAVING A CAPACITY OF 1,65,000 MTPA**

The Board of Directors of Gallant Ispat Limited, at their meeting held today, has approved the setting up a new Direct Reduced Iron (DRI) Kiln having a capacity of 1,65,000 MTPA at the Company's manufacturing facilities at Gorakhpur, Uttar Pradesh.

The total investment towards the project which is expected to be operational in the first quarter of FY2025 is Rs. 125 Crores. The project will be fully financed out of internal accruals.

This is to further inform you that the new kiln will enable the Company to completely utilize the output of its pellet plant. It will also reduce wastage and enhance operational efficiencies. The pellet plant with a capacity of 792,000 MT commenced commercial operations in July 2023. It was set up to reduce any external dependence for pellets.

The new DRI Kiln also offers several other benefits as listed below:

- 12MW of additional power through Waste Heat Recovery Boiler (WHRB) which will reduce the overall power cost by 15%.
- The increased power will contribute towards reduced carbon emissions.
- Additional revenues of approximately Rs. 50 Crore per annum on sale of DRI (Sponge) produced in this new kiln.
- These sales will further increase State Goods and Services Tax (SGST) refund by Rs. 25 Crore, under the Incentive Scheme of the Government of Uttar Pradesh

**GALLANTT ISPAT LIMITED**

(Formerly known as Gallantt Metal Limited)

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

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

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

CIN: L27109DL2005PLC350524

- Full capacity utilization capacity of the Pellet Plant will reduce overheads and the overall cost of pellet manufacturing

Further, the meeting discussed that in an endeavour to enhance consumption of in-house produced pellets, the Company proposes to install an additional furnace of 30 ton per heat capacity. This furnace is expected to improve production capability by 15%. The installation of this furnace will cost around Rs. 25 Crores and it is expected to be operational in the beginning of calendar 2024.

Thereafter, the Board discussed that These proposals are on the back of other operational initiatives taken by Gallantt Ispat earlier in the current financial year. In July 2023, Pellet Plant of the Company having capacity of 7,92,000 MTPA with an investment of approximately Rs. 300 Crores, became operational and Company has also completed the purchase of two railway rakes with an investment of Rs. 55 Crores. One railway rake has been handed over to the railway and the second is expected by January 2024. These investments towards operational enhancements comprise:

<b>Pellet Plant</b>	Rs. 300 Crores
<b>Railway Rake / Goods Train</b>	Rs. 55 Crores
<b>DRI Kiln</b>	Rs. 125 Crores
<b>Steel Melt Shop</b>	Rs. 25 Crores
<b>Total</b>	<b>Rs. 505 Crores</b>

All these investments have been funded /are being funded out of internal accruals. Further, it was decided in the Board Meeting to start execution on this project immediately without delay.

A copy of press release is attached herewith.

Please acknowledge the receipt and oblige.

Thanking you,

Yours faithfully,

**For GALLANTT ISPAT LIMITED**

Nitesh Kumar  
(COMPANY SECRETARY)  
M.N. F7496

Encl: As above

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## GALLANTT ISPAT LIMITED

"GALLANTT HOUSE", I-7, Jangpura Extension, New Delhi-110 014

### **GALLANTT ISPAT LIMITED TO SET UP A NEW DRI KILN HAVING A CAPACITY OF 1,65,000 MTPA**

#### **Initiative to enable optimal utilisation of pellet plant and enhanced efficiencies**

**Gorakhpur, September 11, 2023:** The Board of Directors of Gallant Ispat Limited, at their meeting held today, has approved the setting up a new Direct Reduced Iron (DRI) Kiln having a capacity of 1,65,000 MTPA at the Company's manufacturing facilities at Gorakhpur, Uttar Pradesh.

The total investment towards the project which is expected to be operational in the first quarter of FY2025 is Rs. 125 Crores. The project will be fully financed out of internal accruals.

The new kiln will enable the Company to completely utilise the output of its pellet plant. It will also reduce wastage and enhance operational efficiencies. The pellet plant with a capacity of 7,92,000 MT commenced commercial operations in July 2023. It was set up to reduce any external dependence for pellets.

The new DRI Kiln also offers several other benefits as listed below:

- 12MW of additional power through Waste Heat Recovery Boiler (WHRB) which will reduce the overall power cost by 15%
- The increased power will contribute towards reduced carbon emissions
- Additional revenues of approximately Rs.50 Crores per annum on sale of DRI (Sponge) produced in this new kiln
- These sales will further increase State Goods and Services Tax (SGST) refund by Rs. 25 Crores, under the Incentive Scheme of the Government of Uttar Pradesh
- Full capacity utilisation capacity of the Pellet Plant will reduce overheads and the overall cost of pellet manufacturing

Further, in an endeavour to enhance consumption of in-house produced pellets, the Company proposes to install an additional furnace of 30 ton per heat capacity. This furnace is expected to improve production capability by 15%. The installation of this furnace will cost around Rs. 25 Crores and it is expected to be operational in the beginning of calendar 2024.

These proposals are on the back of other operational initiatives taken by Gallantt Ispat earlier in the current financial year. In July 2023, Pellet Plant of the Company having capacity of 7,92,000 MTPA with an investment of approx. Rs. 300 Crores, became operational and company has also

completed the purchase of two railway rakes with an investment of Rs. 55 Crores. One railway rake has been handed over to the railway and the second is expected by January 2024. These investments towards operational enhancements comprise:

<b>Pellet Plant</b>	Rs. 300 Crores
<b>Railway Rake / Goods Train</b>	Rs. 55 Crores
<b>DRI Kiln</b>	Rs. 125 Crores
<b>Steel Melt Shop</b>	Rs. 25 Crores
<b>Total</b>	<b>Rs. 505 Crores</b>

All these investments have been funded /are being funded out of internal accruals.

## About Gallantt Ispat Ltd

Gallantt Ispat Ltd with a capacity of 9,50,400 MT operates in Kutch, Gujarat and in Gorakhpur, Uttar Pradesh.

At the Kutch, Gujarat unit, the operations are spread over 116 acres of free hold land which house an integrated steel plant that manufactures Sponge Iron, Mild steel billets and Re-Rolled products (TMT bars). To cater to its power requirements, the Company has also set up a 51 MW captive power plant.

The Gorakhpur, U.P unit operates across 113 acres of land allotted by Gorakhpur Industrial Development Authority. The operations comprise an integrated steel plant to manufacture Sponge Iron, Mild Steel Billets, Re-Rolled products (TMT bars). To cater to its power requirements, the Company has also set up a 78 MW captive power plant. The unit has its own private railway siding for transportation of raw material that is iron ore and coal.

Around 5000 people are employed directly or indirectly across both plants.

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For more information on the Company, please log on to [www.gallantt.com](http://www.gallantt.com) or contact:

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### Safe Harbour:

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Gallantt Ispat Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.