



GIL/KOL/2017-18
April 10, 2017

Bombay Stock Exchange Limited Floor 25, P. J. Towers, Dalal Street, Mumbai – 400 001. INDIA	National Stock Exchange of India Limited "EXCHANGE PLAZA", Bandra – Kurla Complex, Bandra (East), Mumbai- 400 051. INDIA.
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Dear Sir/Madam,

SUB: NEWS CLARIFICATION – METRO RAILWAYS AT GORAKHPUR

This is to inform you that we are receiving frequent telephone calls and emails from our shareholders who are showing their concern on price fall of the share of the company. They are also curious to know about the status of the acquisition of the land of the company for the proposed metro rail project at Gorakhpur. Some of them have misunderstood that the land of the factory is going to be acquired.

We have enquired in detail with RITES and GDA (Gorakhpur Development Authority) who are preparing the Detailed Report and have come to know that route of the proposed metro will pass in front of one of our plots measuring approximate 2 lacs sq.ft having frontage of 270 ft situated adjacent to Saket Nagar Colony at Gorakhpur. This plot is situated on 100 ft wide main road; and in case if metro is constructed, they may require to widen this 100 ft space to 150 ft resulting an acquisition of 50 ft depth x 270 ft width totalling to just 13500 sq.ft. of our plot, which is just 1% of the total land bank of the company.

However, we shall be getting compensation for the same at the circle rate of Rs.3500/- per Sq.ft. which is equal to the market rate, as such there will not be any commercial loss for the company. Moreover, valuation of the rest of the plot will increase on account of the facility of metro.

This is further to clarify that factory site of the Company at Gorakhpur is located at GIDA (Gorakhpur Industrial Development Authority) Industrial Area, Sahjanwa, Gorakhpur, U.P. which is 20-25 Kms. away from the city of Gorakhpur and our factory site does not fall under the proposed metro route.

As a good to the investors we would like to mention here that:

1. Company has maintained excellent momentum throughout the year in terms of profitability and turnover. We have well achieved all our previous projections and

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Factory : AL-5, Sector-23, Sahjanwa, District - Gorakhpur-Uttar Pradesh
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Company Secretary

also confident that we will be reporting robust performance in every sphere in the years to come.

2. Expansion in capacity of various units is in progress and running very fast so as to get completion of the same within the scheduled time frame. In fact, we are running and working on it two months ahead of our schedule and it is expected that expansion project would be complete before the scheduled time. It shows the efficient management of available resources and hard work on the part of the entire team.
3. Company is regular in paying dividend to the shareowners from the year Company got listed with the stock exchanges. We, at Gallantt Ispat, expect to maintain the dividend payment in the years to come.
4. Hon'ble Prime Minister has laid down the foundation for AIIMS (All India Institute of Medical Sciences) and reviving manufacturing facilities of FCI (Fertilizer Corporation of India) in Gorakhpur on 22/07/2016 with total investment of Rs.7000 Crores (Seven Thousand Crores). After sworn in as Chief Minister of U.P., Hon'ble Yogi Adityanath, M.P. from Gorakhpur has further opened new era of development in Gorakhpur by announcing metro rail project, four lane roads and other developmental activities. All these developmental activities shall be requiring huge quantity of steel and since we are the only integrated steel plant in the region, will have locational benefit of the same, which in turn will certainly improve the profitability and turnover of the company.

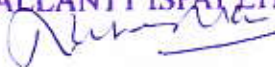
This is for your record and necessary dissemination in order to keep every stakeholder informed.

Thanking you,

Yours faithfully,

For GALLANTT ISPAT LIMITED

GALLANTT ISPAT LTD.



Company Secretary

Nitesh Kumar

COMPANY SECRETARY