

CORPORATE INFORMATION

Chairman Emeritus

M L Mittal

Board of Directors

(as on 30th May, 2013)

Chairman

Pramod Kumar Mittal

Executive Directors

Biswanath Bhattacharjee, *Director (Operations)*

Secretaries

S Subramanian, *Company Secretary*

R K Banthia, *Asst. Co. Secretary*

Management Council

Sandip Gupta, *Chief Financial Officer*

Rajeev Gadgil, *VP (Marketing)*

Dwijen Lahiri, *VP (Operations)*

Registered Office & Works

P.O. Pailan, Diamond Harbour Road

Kolkata - 700 104, West Bengal

Phone : +91 33 2453 2455 / 56, 2497 8183

Fax : +91 33 2497 8313 / 8547 / 8686

E-mail: gpikol@gontermann-peipers.com

Visit us at : www.gontermann-peipers.com

Company Identification No

L27106WB1966PLC101410

Non-Executive Directors

Mahesh Trivedi

Prof. Manoj Kumar Mitra

Dr. Shekhar Chaudhuri

Vinod Kothari

B K Roy, IFCI Nominee

S S Saswat, EXIM Bank Nominee

Shristi Mittal

Anil Sureka

R K Parakh

Susanta Ghosh

Bankers

Allahabad Bank

Uco Bank

State Bank Of India

Statutory Auditors

V Malik & Associates

Chartered Accountants

Cost Auditors

N B Bhattacharyya & Co.

Share Registrars

M/s MCS Limited

77/2A, Hazra Road,

Kolkata - 700 029, India

Phone : +91 33 2454 1892 / 93

Fax : +91 33 2454 1961

E-mail : mcskol@rediffmail.com

Annual General Meeting will be held on Friday, 27th September, 2013 at the Registered Office of the Company at 11.00 a.m. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

NOTICE

NOTICE is hereby given that the 44th Annual General Meeting of the Members of GONTERMANN-PEIPERS (INDIA) LIMITED will be held at the Registered Office of the Company at P.O. Pailan, Diamond Harbour Road, Kolkata - 700 104, West Bengal, on Friday, the 27th day of September, 2013, at 11.00 A.M. to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as at 31st March, 2013 and the Statement of Profit & Loss Account of the Company for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vinod Kothari, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Prof. Manoj Kumar Mitra, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. Shekhar Chaudhuri, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution which will be proposed as an Ordinary Resolution :

“RESOLVED that Mr. Susanta Ghosh, in respect of whom the Company has received notice in writing from a member under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

Dated : 30th May, 2013

By Order of the Board
Gontermann-Peipers (India) Limited

Registered Office :
P.O. Pailan, Diamond Harbour Road
Kolkata - 700 104, West Bengal

S. Subramanian
Company Secretary

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution / authority, as applicable, issued on behalf of the nominating organization.
3. Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 relating to the Special Business to be transacted at the Annual General Meeting is annexed.
4. The Register of Beneficial Owners, Register of Members and the Share Transfer Register of the Company will remain closed from Monday, 23rd September, 2013 to Friday, 27th September, 2013 (both days inclusive).
5. Members who have not encashed their dividend warrant(s) for the financial year ended 31st March, 2007 and 31st March, 2008 are requested to lodge their claims with MCS Limited, 77/2A, Hazra Road, Kolkata - 700 029.

6. Additional information pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, on Directors recommended by the Board of Directors for re-election/appointment at the Annual General Meeting is appearing as an annexure to this notice.
7. All requests for transfer of Equity Shares and allied matters along with the relevant transfer deeds and share certificates should preferably be sent directly to the Company's Registrar and Transfer Agent and those Members who are holding their DP Account with Depository may send their Transfer and allied matters advice through their respective DP to Depository.
8. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
9. Members are requested to intimate to the Company, queries, if any, regarding these accounts/ notice, at least 10 days before the Annual General Meeting to enable the Company to keep the information ready at the Meeting.
10. Members holding shares in physical form are requested to notify/send the following to the Registrar & Transfer Agent of the Company MCS Limited, 77/2A, Hazra Road, Kolkata 700029:-
 - i) particulars of their bank account and email id, in case the same have not been sent earlier;
 - ii) any change in their address/e-mail id/ECS mandate/bank details;
 - iii) share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account.
11. All the shareholders / transferee of shares (including joint holders) in physical form are requested to furnish a certified copy of their PAN Card to the company/RTA while transacting in the securities market including transfer, transmission or any other corporate action.
12. Members holding shares in the dematerialised form are requested to notify to their Depository Participant:
 - i) their email id.
 - ii) all changes with respect to their address, email id, ECS mandate and bank details.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item 6

The Board of Directors of the Company, at their meeting held on 11th February, 2013, appointed Mr. Susanta Ghosh, as an Additional Director of the Company with effect from that date. In terms of Section 260 of the Companies Act, 1956, read with Article 157 of Articles of Association of the Company, Mr. Susanta Ghosh will hold office of Additional Director up to the date of this Annual General Meeting. Pursuant to Sec 257 of the Companies Act, 1956, the Company has received a notice in writing with requisite deposit from a member signifying his intention to propose Mr. Susanta Ghosh for appointment as a Director of the Company. Pursuant to Section 264 of the Companies Act, 1956, Mr. Susanta Ghosh has consented to act as a Director, if appointed.

The Board recommends the resolution for your approval in the interest of the Company.

None of the Directors, other than Mr. Susanta Ghosh are concerned or interested in this resolution.

Dated : 30th May, 2013

Registered Office :
P.O. Pailan, Diamond Harbour Road
Kolkata - 700 104, West Bengal

By Order of the Board
Gontermann-Peipers (India) Limited

S. Subramanian
Company Secretary

ANNEXURE TO NOTICE
DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING
(In pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. Vinod Kohari	Prof. Manoj Kumar Mitra	Dr. Shekhar Chaudhuri	Mr. Susanta Ghosh
Date of Birth	01.09.1961	09.06.1951	04.08.1951	30.09.1967
Date of Appointment	28.01.2005	20.01.2003	17.05.2005	11.02.2013
Qualifications	B.Com., FCA, FCS	M. Tech (IIT)	B. Tech (Hons), IIT Kharagpur, Fellow of IIM Ahmedabad (Phd. Equivalent)	B.E. (Metallurgical)
Expertise in specific functional areas	Securitisation, Credit Derivatives & Leasing Finance	Engineering	Business Policy and Strategic Management	Investment decisions, productivity improvement, people management, plant operation (upstream and downstream), resources and contract negotiation
List of other Companies in which Directorship held*	<ol style="list-style-type: none"> Rupa & Company Ltd. JSW Ispat Steel Ltd. AllBank Finance Ltd. Vinod Kohari Consultants Pvt. Ltd. Wise Men's Consultancy Co. Pvt. Ltd. Academy of Financial Services Pvt. Ltd. Paragon Asset Reconstruction Pvt. Ltd Suvidha Micro Services Pvt. Ltd. Association of Leasing & Financial Services Indian Securitisation Foundation 	- None -	<ol style="list-style-type: none"> Gujarat Industries Power Company Ltd. Garden Reach Shipbuilders Engineers Ltd. West Bengal Electronics Industries Development Corporation Ltd. Oil India Ltd. 	<ol style="list-style-type: none"> Water and Energy Resource Management Ltd. Jharkhand Metals & Power Ltd. Ispat Jharkhand Steels Ltd. GLKK Trade Engineering & Invest Consortium Pvt. Ltd.
Chairman/Member of the Committees of the Board of other Companies on which he is a Director.	<p>Member</p> <ol style="list-style-type: none"> Rupa & Company Ltd. JSW Ispat Steel Ltd. 	- None -	<p>Member</p> <ol style="list-style-type: none"> Gujarat Industries Power Company Ltd. Garden Reach Shipbuilders Engineers Ltd. West Bengal Electronics Industries Development Corporation Ltd. 	- None -
No. of Equity Shares held in the Company	Nil	Nil	Nil	Nil

* Directorship in other Companies excludes foreign companies.

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Forty Fourth Annual Report of your Company together with the Audited Statement of Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS

The summarized financial results for the year ended 31st March 2013 are as under:

Particulars	(Rs in Lacs)	
	Year ended 31.03.2013	Year ended 31.03.2012
Sales/Income from Operations	13,579.89	13,559.95
Less: Excise Duty	1,174.38	1,124.88
	12,405.51	12,435.07
Other Income	112.63	231.15
Total Income	12,518.14	12,666.22
Total Expenditure	15,970.68	15,480.44
Profit/(Loss) before Exceptional and Extraordinary Items & Tax	(3,452.54)	(2,814.22)
Add: Exceptional Items	(57.54)	(52.19)
Add: Extraordinary items	25.63	182.77
Profit/(Loss) before Tax	(3,420.63)	(2,944.80)
Provision for Taxation		
– Tax related to earlier years	0.41	0.53
– Deferred Tax	(1,112.21)	(1,000.80)
Net Profit/(Loss) after Taxation	(2,308.83)	(1,944.52)

During the year under review, the net revenue from Sales was Rs. 12,405.51 Lacs as against Rs. 12,435.07 Lacs in the previous year representing a marginal fall in revenue. Operating Loss before interest and depreciation increased to Rs. 740.60 Lacs, as against Rs 240.24 Lacs during the previous year. Net loss after providing for interest, depreciation and tax increased to Rs. 2308.83 Lacs as against Rs. 1944.52 Lacs during the previous year mainly due to various factors such as finance cost, rising cost of raw materials, power and fuel and other consumables. The Management is hopeful of achieving higher level of production during the coming financial year.

DIVIDEND

In view of the accumulated losses, your Directors regret to state their inability to recommend any dividend for the year ended 31st March, 2013.

PERFORMANCE

CAST ROLL DIVISION

Production during the year under review decreased to 7296 MT as against 8645 MT during 2011-12. Sales decreased from 8264 MT in the last year to 7588 MT in the year 2012-13. Consequently, the total revenue from the Cast Roll division decreased to Rs. 10061.04 Lacs as compared to Rs. 11137.36 Lacs in the previous year.

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FORGE ROLL DIVISION

Production during the year under review increased to 945 MT as against 624 MT during the previous year. Forge Roll sales increased from 643 MT in the last year to 1005 MT in 2012-13. Consequently, the total revenue from the Forge roll division was Rs. 2095.20 Lacs compared to Rs. 1359.32 Lacs in the previous which reflects a growth of around of 54%.

EXPORTS

During the year under review the Company exported 2247 MT of Cast Rolls as compared to 2348 MT during the previous year. Your Company is exploring new markets for Cast Rolls in Venezuela, Colombia, Brazil, Canada & other Latin American countries while strengthening its presence in the existing markets. The initial foray into the untapped European & African markets of Spain, Russia and Kenya respectively have been fruitful.

The Company exported 151 MT of Forged Steel Roll as against 142 MT during the previous year. Your Company has made foray into new markets like Malaysia, Indonesia, Africa & Ethiopia, etc and is aggressively pursuing requirements in Thailand, Brazil, Egypt, Kenya & Vietnam.

CORPORATE DEBT RESTRUCTURING

The working of your Company was adversely affected on account of abnormal rise in cost of major raw materials, cost and time overrun in the expansion cum modernization, under utilization of capacity and for various other reasons.

As a result of this, the Company started facing liquidity crunch and it was not able to fulfill some of its financial obligations. In order to overcome debt repayment obligations, your Company made a reference to the Corporate Debt Restructuring Cell ("CDR Cell") through UCO Bank for restructuring of the debts of the Company through CDR Mechanism envisaged under the Reserve Bank of India (RBI) guidelines dated August 23, 2001 and subsequent amendments thereto. Pursuant thereto, the CDR -Empowered Group ("CDR - EG") approved a restructuring scheme in terms of which the Existing Facilities were restructured in December, 2012. The Company has executed the Master Restructuring Agreement in April, 2013 (the "MRA") with the CDR Lenders in furtherance of the CDR Scheme, besides various other related documents as envisaged under the CDR Scheme. Some of the salient features of the CDR Scheme are as follows:

- Cut Off Date : 1st January 2012;
- Rescheduling of Term Loan;
- Restructuring of Working Capital consisting of cash credit, packing credit, EPC, FBN and FBP;
- Reduction in Rate of interest;
- Conversion of LC devolvement and overdrawn due to Foreign Exchange rate difference on FCNR (B) demand Loan into Working Capital Term Loan;
- Funding of interest for the period from 1st January 2012 to 31st December, 2013 by way of conversion to Funded Interest Term Loan;
- Carving out Additional Capex requirement;
- Fresh Term Loan for Additional Capex;
- Reduction in FD margin on non fund based limits.

Once the CDR Scheme is fully implemented and put through effectively the operation of the company is expected to improve.

DIRECTORS

During the year under review, Mr Yadvendra Sahai, resigned as Managing Director of the Company with effect from 19th December, 2012.

The Board of Directors accepted the resignation of Mr Yadvendra Sahai and placed on record its appreciation for the valuable contribution made by him during his tenure with the Company.

Mr. Susanta Ghosh was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on 11th February, 2013 and holds office upto the ensuing Annual General Meeting. The Company has received Notice along with requisite deposit from a member under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. Susanta Ghosh as a Director of the Company.

Mr. Vinod Kothari, Prof Manoj Kuamar Mitra and Dr Shekhar Chaudhuri, Directors of the Company retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. The Board has recommended their re-appointment.

The details concerning the appointment / re-appointment of Directors are attached to the notice convening the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors state that:

- (i) in the preparation of the financial accounts for the year ended 31st March, 2013, the applicable accounting standards have been followed and there have been no material departure;
- (ii) they had selected such accounting policies and applied them consistently and made judgements and estimates that are 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 Accounting Year;
- (iii) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) they had prepared the financial accounts for the year ended 31st March, 2013 on a going concern basis.

COST AUDITOR

Your Company had appointed M/s N. B. Bhattacharyya & Co., Cost Accountant, as Cost Auditors, with the approval of the Central Government, for audit of cost records maintained by the Company for the financial year ended 31st March, 2012. The Cost Audit Report was filed by the Cost Auditor on 7th February, 2013 within the due date of 28th February, 2013.

In respect of the financial year ended 31st March, 2013, your Company, with the approval of the Central Government, has appointed M/s N. B. Bhattacharyya & Co., Cost Accountant, as Cost Auditors, for audit of cost records maintained by the Company. The due date for filing the Cost Audit Report is 30th September, 2013.

AUDITORS

The Board, on the recommendation of the Audit Committee, has proposed that M/s. V. Malik & Associates, Chartered Accountants, New Delhi having Firm Registration No 000155N, be re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting of the Company. M/s. V. Malik & Associates Chartered Accountants, New Delhi, have under section 224(1B) of the Companies Act, 1956, furnished certificate of their eligibility for the re-appointment.

AUDITORS' REPORT

The Auditors, in their statement under Companies (Auditor's Report) Order 2003, annexed to their Report, have drawn attention to the following:

- a) The outstanding advance for capital goods includes long outstanding advances to the tune of Rs.197.00 Lacs and advances to suppliers includes Rs.148.92 lacs in respect of which no confirmation/ schedule of delivery was available, the consequential revenue impact, if any is not ascertainable.
- b) Recognition of Net Deferred Tax Asset (DTA) of Rs.1463.15 Lacs (including Rs.1112.20 Lacs for the period) in the accounts upto 31st March 2013, based on the future profitability projections made by the management.
- c) Delay of more than six months in depositing of ESI aggregating to Rs.2.04 Lacs.

The Board of Directors inform that:-

- a) As regard advance for capital goods to the tune of Rs. 197.00 Lacs and advance to suppliers to the tune of Rs. 148.92 Lacs the management is confident that the same will be adjusted against supply of materials or realisation of advances.

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- b) As regard Net Deferred Tax Asset (DTA), based on the future profitability projections, management is confident of achieving the profitability in the coming years and the Company is virtually certain that there would be sufficient taxable income in the future against which the Deferred Tax Asset can be accounted for.
- c) As regard, ESI it is informed that the amount relates to the contractors who have not provided details relating to the contract workers no longer working under them.

The other notes referred by the Auditors are self-explanatory and do not require further elucidation.

FIXED DEPOSITS

During the year, your Company has not accepted any Deposits under Section 58A and Section 58AA of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.

CORPORATE GOVERNANCE

Your Company complies with the provisions laid down in Corporate Governance laws. It believes in and practices good corporate governance. The company maintains transparency and also enhances corporate accountability.

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, the following form part of this Annual Report:

- (i) Declaration regarding compliance of Code of Conduct by Board Members and Senior Management personnel;
- (ii) Management Discussion and Analysis;
- (iii) Report on the Corporate Governance;
- (iv) Auditors's Certificate regarding compliance of conditions of Corporate Governance.

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

In accordance with the requirements of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are set out in Annexure "A" and form part of this Report.

PARTICULARS OF EMPLOYEES

Your Company had 644 employees as on 31st March 2013. Particulars of the employees of the Company as required to be mentioned u/s. 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and Companies (Particulars of Employees)(Amendment) Rules 2011, are set out in Annexure "B" and form part of this report.

APPRECIATION

Your Directors wish to place on record their appreciation and acknowledge with gratitude the support and co-operation extended by the customers, vendors, bankers, financial institution, investors, and both the Central and State Government and their Agencies and look forward to their continued support. Your Directors also thank the employees at all levels, for their dedication, co-operation and continued support.

For and on behalf of the Board

Kolkata
30th May, 2013

M. Trivedi
Director

B. N. Bhattacharjee
Director (Operations)

ANNEXURE-A

STATEMENT CONTAINING PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULE, 1988, AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDING 31ST MARCH, 2013.

(A) CONSERVATION OF ENERGY

a) Energy Conservation Measures Taken

The Company is continuously engaged in the process of energy conservation through improved operational and maintenance practices. Following measures have been taken by the Company:

1. LPG based Heat Treatment Furnace with recuperator commissioned, thus reducing fuel consumption.
2. Fuel conversion work done on existing 30T Heat Treatment Furnace & 60T Dry Oven from Oil to LPG fuel, which are working satisfactorily.
3. LDO consumption for Ladle heating system has been reduced.
4. Cooling Tower power consumption reduced by water temperature, sensor & controller.
5. Electrical consumption reduced by installation of LED light fittings.
6. Variable machine drive consumption reduced by using AC VFD & DC drive.
7. All reciprocating compressor changed by screw compressor with VFD drive thus reducing power consumption and cost.
8. LPG based Rapid Heating furnace commissioned, thus reducing fuel consumption.
9. Crane with AC drive system introduced in machine shop, reducing the power consumption.
10. Small transformer installed at one of the induction furnace for holding & lining purpose which reduces power consumption.
11. Vertical CCM, Digital DC Drive installed & commissioned, thus reducing power consumption.

b) Additional Investment and Proposals, if any, being implemented for reduction of consumption of energy:

1. To change all tube lights and shed lighting to LED fully.
2. Installation of LPG fired, recuperator fitted, VFD operated Heat Treatment Furnaces.
3. To install an Energy Management System (EMS) with automatic recording of power consumption.
4. LT Energy & multifunctional meters to be installed.

c) Impact of Measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

The above measures have resulted/will result in reduction in energy consumption, increase in productivity and reduction in energy cost.

FORM 'A'

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A. Power and fuel consumption

	2012-2013	2011-2012
1. Electricity		
a) Purchased		
Unit (Kwh)	1,64,78,500	1,83,54,850
Total Amount (Rs.)	15,64,17,071	12,72,83,629
Rate/Unit (Rs.)	9.49	6.93
b) Own generation		
i) Through diesel generator		
Unit (Kwh)	79,620	1,31,867
Units per ltr. of HSD/Furnace Oil	1.71	3.78
Cost/Unit (Rs.)	28.07	11.46
c) Diesel/ Light Diesel Oil/Furnace Oil		
Quantity (K.ltr)	529	575
Total Amount (Rs.)	2,54,61,744	3,21,72,601
Average Rate (Rs./k.ltr)	48,132	55,939

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	2012-2013	2011-2012
d) LPG Gas		
Quantity (Kgs)	9,65,412	10,88,698
Total Amount (Rs.)	7,14,84,269	6,21,52,766
Rate/Unit (Rs.)	74	57
B. Consumption per M.T. of production		
	2012-2013	2011-2012
Electricity (Kwh/M.T)	2009	1994
Furnace Oil (Ltr/M.T.)	64	62
Coal (Kgs)	NIL	NIL
LPG(Kgs/M.T.)	117	117

(B) TECHNOLOGY ABSORPTION

FORM 'B'

**DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION,
RESEARCH AND DEVELOPMENT (R&D)**

1. SPECIFIC AREAS OF R&D CARRIED OUT BY THE COMPANY.

- Development of Microstructure re-engineered grade of ICDP Rolls through VCC route designed for thin gauge rolling at CSP mills.
- Developing a methodology to analyse ultrasonic signal (Echo Height) from shell/core interface of Rolls and elimination of the same.
- Improving bond strength and matrix hardness with modified micro-alloying practice and intermediate lamellar core & benchmarking for roll life improvement and higher yield.
- Creating value for customer by improving High Cr Iron and High Cr Steel grades produced through HCC route.
- Switch over to HCC route from Static route casting for large diameter Plate Mill work rolls.
- Improving the depth of hardness in Forged rolls by cryogenic and required multiple tempering treatment.
- Improving Cast quality of steel rolls with the help of MAGMA simulation software.

2. MEANS & OBJECTIVES

- a) The in-house R&D center of the company is recognised by the Government of India, Ministry of Science & Technology, Department of Scientific & Industrial Research. The R&D center is equipped with the MAGMA simulation software for casting, LEICA image analysis system, Computerised INSTRON Universal testing machine, LECO metallographical polishing unit, Computerised LECO C&S testing unit & ARL Optical Emission spectrometer, Krautkramer Ultrasonic tester, and other very sophisticated state of the art equipments for testing & R&D.
- b) GPI's entire product range is covered under ISO 9001:2008 certification & subject to stringent quality assurance checks & Testing. The R&D center of the company continuously carry out tests to ensure maximum assurance levels.

3. BENEFITS DERIVED AS A RESULT OF THE ABOVE R&D

- The company has established itself in the International market & repetitive and continuous export orders are being received both in cast and forge steel rolls.
- The company has been able to give customer specific solutions with substantially reduced response time gap, Synergistic relation with the steel industry has been maintained even in today's environment of rapid technological changes in the industry.
- With the help of MAGMA simulation software, the R&D center is being able to improve the methoding practice, by which Internal defects & rejections have been significantly reduced and overall quality of steel rolls have improved.
- The company has developed a new variety of ICDP rolls with indigenous technology.
- The company has developed a new variety of HiCr Steel rolls to replace forge rolls for HSM roughing stand.

4. FUTURE PLAN OF ACTION

- Development of Microstructure re-engineered grade of ICDP and HiCr Iron rolls designed for thin gauge rolling at CSP and multi high cold rolling Mills.
- Customer specific solutions with proactive steps to mitigate and maintain customer compliance.
- Improving depth of hardness in Forged work rolls by cryogenic treatment.
- Consolidating the quality and consistency of rolls through SOP, Kaizen, Ford 8D and Six Sigma analysis.

5. EXPENDITURE ON R & D

	(Rs. in Lacs)
a) Capital:	—
b) Recurring:	24.23
c) Total:	<u>24.23</u>
d) Total R&D expenditure as A percentage of total turnover	0.18%
Technology absorption, adaptation and innovation	: None

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to export; initiatives taken to increase exports; development of new export markets for products and services; and export plans

The Company exported 2247MT of Cast and Forge Rolls 151MT valued at Rs 3454.92 Lacs during the financial year ended 31st March, 2013.

The market expansion activities have met success in several advanced and developing markets like US, Italy, China, Malaysia, Libya, Thailand, Bulgaria, Taiwan, Indonesia etc. and the Company have been able to secure repeat orders from these territories.

Improved market penetration planned in Venezuela, Colombia, Brazil, Canada, Russia, Ukraine, Egypt, Africa, Ethiopia & other Latin American countries by appointing agents in different regions/areas.

2. Total foreign exchange used and earned

No.	Particulars	(Rs. In lacs)
1)	Foreign Exchange Earnings	3359.83
2)	Foreign Exchange Outgo:	
	CIF Value of Imports of raw materials, components & spare parts	250.19
	Capital Goods	15.29
	Others	49.04

Annexure-B

Information as per Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Director's Report for the year ended 31st March, 2013.

Employed for part of the Financial Year under review and were in receipt of remuneration aggregating not less than Rs. 60,00,000/-.

Name	Age	Designation/ Nature of Duties	Gross Remuneration (Rs.)	Net Remuneration (Rs.)	Qualification	Total Experience (years)	Date of Commencement of Employment	Previous Employment/ Position held
Yadvendra Sahai*	53	Managing Director	52,52,425	40,13,424	B.Tech (Metallurgy)	25	01.12.2011	Ispat Industries Ltd

* Resigned with effect from December 19, 2012.

- Remuneration received includes gross salary, allowances, taxable value of perquisites and Company's contribution to provident fund.
- The nature of employment of Mr. Yadvendra Sahai was contractual.
- The employees are not related to any of the Directors of the Company.
- There is no employee in the Company within the meaning of sub-clause (iii) of Clause (a) of sub-section (2A) of Section 217 of the Companies Act, 1956.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERVIEW

The financial year 2012-13 was much tougher year than expected. The global economy witnessed further lower economic growth in 2012 primarily due to the Euro Zone sovereign debt crisis, weak aggregate demand compounded by fiscal austerity, high public debt burdens, and financial sector fragility. As per the International Monetary Fund, the world Gross Domestic Product (GDP) witnessed a moderate growth of 3.2% in 2012 as compared to a growth of 4% in 2011. Advanced economies registered a sluggish growth rate of 1.2% in 2012 vis-à-vis 1.2% in 2011. US Economy registered a growth rate of 2.2% in 2012. In comparison to US, the euro zone economy contracted by 0.6% in 2012 as compared to 2011. The economies in developing Asia have weakened considerably during 2012 as the region's growth engines, China and India, both shifted into lower gear. China registered a decline in growth rate of 7.8% in 2012 vis-à-vis 9.2% in 2011. India's economy also declined at 5.5% in 2012 vis-à-vis 6.9% in 2011.

The performance of the Roll Industry is closely linked to the Steel Industry. World crude steel production reached 1,548 million tonnes in the year 2012, a marginal increase of 1.20% over 2011.

Steel demand has been rising steadily and will continue to do so led by the emerging economies, notably China and India catering to the needs of key steel end-user industries viz infrastructure, construction and automotive. Apparent steel use has reduced for European Union by 4.7% in 2012 over 2011. For China and India the growth in 2012 is 3.1% and 4.3% as compared to 2011.

India is ranked as the fourth largest producer of crude steel in the world in 2012 after China, Japan, and the USA. The major consumption sectors are infrastructure, construction, transportation, industrial applications, etc. It is expected that the conspicuous presence of India in the Global Steel will largely enable it to hold position as a decisive component in the Roll Industry.

OPPORTUNITIES & THREATS

The steel sector was affected badly during the world economic crisis and this had a strong impact on demand for rolls. Although the steel industry has been recovering since the global financial crisis, the recent Eurozone sovereign debt crisis has again created a lot of uncertainty in the market. The overall export volumes and realisations have declined due to the economies of developed nations not doing well.

Steel consumption in India grew just 3.3% to an annual 73.3 million tones in 2012-2013, or an average of about 60kg per capita against the global average of 215 kg. With such low consumption demand is expected to grow in the coming years with successful execution of Government's Five-Year planned mega infrastructural projects such as Dedicated Freight Corridors, Upgradation of Airports and Ports.

The steel production techniques in mills had undergone a change both in developed and emerging countries. The amount of energy required to produce a tonne of steel has been reduced by 50% in the past 30 years. For Roll makers, development of new age rolls and customization of product mix holds the future. This requires dedicated focus in R&D, quality initiatives and business excellence practices. GPI is geared up for this challenge. Currently, the company is implementing Total Productive Maintenance (TPM), under the guidance of the Japan Institute of Plant Maintenance (JIPM) Consultants & Six Sigma.

The Indian steel industry, which entered into a capacity enhancement stage from 2007-08 with new projects in both Greenfield and Brownfield, is projected to reach a capacity of 110 million tonnes by 2016-17. The projected growth will be supported by latest ongoing mega modernization plan implemented by public sector and private enterprises across India. As per India Steel Vision 2020 (World Steel Association), the total crude steel production for India is going to be 200 million tonnes.

In India, the cheaper imports and low-end inexpensive roll manufacturers continue to be a great challenge for the Company. Over capacity in China, CIS Countries and depressing steel market scenario in Europe is likely to compel foreign roll manufactures to enter aggressively in Indian Roll Market. The Company has taken effective steps to counter the same by providing greater value to our customers through after sales in-use Roll monitoring. The increasing trend in the input prices is a challenge, which would be countered through effective supply-chain management and strategic sourcing. Adverse foreign exchange movements would increase net purchase costs of our imported inputs - although these would be partially offset by gains of higher rupee realisations in export sales.

OPERATIONAL PERFORMANCE

CAST ROLL DIVISION

Production during the year under review decreased to 7296 MT as against 8645 MT during 2011-12. Sales decreased from 8264 MT in the last year to 7588 MT in the year 2012-13. Consequently, the total revenue from the Cast Roll division decreased to Rs. 10061.04 Lacs as compared to Rs. 11137.36 Lacs in the previous year.

FORGE ROLL DIVISION

Production during the year under review increased to 945 MT as against 624 MT during the previous year. Forge Roll sales increased from 643 MT in the last year to 1005 MT in 2012-13. Consequently, the total revenue from the Forge roll division was Rs. 2095.20 Lacs compared to Rs. 1359.32 Lacs in the previous which reflects a growth of around of 54%.

FUTURE OUTLOOK

As per the Global Economic Outlook the global economy is expected to grow by 2.4 per cent in 2013 as compared to 2.2 per cent in 2012.

The outlook for steel demand is cautious due to continued financial uncertainty and volatility of the markets. The global steel sector is expected to grow, although at a lower rate. The emerging economies are expected to perform much better than developed countries. The steel sector is only expected to grow by 2.5% in Europe and around 5.0% in the North America Free Trade Agreement Region. Chinese steel production and consumption will continue to out perform the rest of the world. The steel sectors in other emerging countries, such as India, Russia, Brazil and South Korea, will continue to grow, although the uncertain economic outlook may have some effect. In India, however, demand for steel from the domestic sector is creating a positive outlook as India is expected to perform better than most steel producing countries. Major public as well as private sector firms including SAIL, TATA Steel, JSW Steel are expanding production capacity. In steel production, India is expected to leave behind USA and Japan in a couple of years. However, it will substantially lag behind China that produce almost 700 million tonnes of steel per year.

World Steel Association in short range outlook, has projected global demand to increase by 2.9% in 2013, bettering 1.2% growth seen in 2012, and then improves further in 2014 with a 3.2% growth forecast. In India, it expects demand to sharply improve from 4.3% in 2012 to 5.9% in 2013 and then to 7.5% in 2014. The optimistic outlook for India is based on monetary easing measures and better foreign direct investment. In the longer run, a pickup in infrastructure projects and the investment cycle is critical for demand and to absorb domestic capacity increases by Public Sector and Private Sector steel enterprises.

Irrespective of this robust economic outlook for India in the days to come, management is well aware that this industry demonstrate predominantly a customer driven market. This indicate that price is a limiting factor which necessitate the best utilization the the Company's resources to maintain a healthy bottom-line. The Company's endeavor of TPM, SIX SIGMA, LEAN Management etc is drive to achieve this objective.

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FINANCIAL PERFORMANCE

The Company prepared its accounts in compliance with the applicable Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 and other relevant provisions of the said Act.

The summarized financial results for the year ended 31st March 2013 are as under:

	(Rs in Lacs)	
	Year ended 31st March, 2013	Year ended 31st March, 2012
Sales/Income from Operations	13,579.89	13,559.95
Less: Excise Duty	1,174.38	1,124.88
	12,405.51	12,435.07
Other Income	112.63	231.15
Total Income	12,518.14	12,666.22
Total Expenditure	15,970.68	15,480.44
Profit /(Loss) before Exceptional and Extraordinary Items & Tax	(3,452.54)	(2,814.22)
Add : Exceptional Items	(57.54)	(52.19)
Add : Extraordinary Items	25.63	182.77
Profit/(Loss) before Tax	(3,420.63)	(2,944.80)
Provision for Taxation		
– Tax related to earlier years	0.41	0.53
– Deferred Tax	(1,112.21)	(1,000.80)
Net Profit/(Loss) after Taxation	(2,308.83)	(1,944.52)

During the year under review, the net revenue from Sales was Rs. 12,405.51 Lacs as against Rs. 12,435.07 Lacs in the previous year representing a marginal fall in revenue. Operating Loss before interest and depreciation increased to Rs. 740.60 Lacs, as against Rs 240.24 Lacs during the previous year. Net loss after providing for interest, depreciation and tax increased to Rs. 2308.83 Lacs as against Rs. 1944.52 Lacs during the previous year mainly due to various factors such as high finance cost, raising cost of raw materials, power and fuel and other consumables. The Management is hopeful of in achieving higher level of production during the coming financial year.

RISKS & CONCERNS

Risks and opportunities are inseparable components of the Company's business. The Company has clearly identified and segregated its risks into various categories like strategic, operational, financial etc. and constituted an internal Risk Management Committee, comprising of heads of departments, to effectively manage the risks. The identified risks are prioritized in terms of likelihood and impact after discussion with the Risk Owners and ranking assigned to each risk. The internal Risk Management Committee meets periodically to identify and assess new risks, formulate mitigation plans, review the updates on the identified risks and implementation of the mitigation plans etc. The risk identification process and mitigation plans are subject to review by the Board of Directors.

Fortune of Roll Industry is associated with that of steel. The cyclic nature of the steel industry is and will continue to remain always a cause for concern. The Company faces the challenges posed by the World economic crisis leading to a loss of export business, an uncertain foreign exchange market and price volatility of some of the major inputs. The company also faces challenges with regard to increased competition and fast changing technology. Wherever necessary, the Company takes adequate insurance coverage of its assets for safeguarding from unforeseen risks.

QUALITY ASSURANCE

The Company continues to have ISO 9001:2008 accreditation from the Indian Register Quality Systems through commitment to quality and technological excellence. The Company is committed to maintain the highest quality of its products and stringent quality control procedures.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place systems of internal control which are commensurate with its size and the nature of its operations. These have been designed to provide assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies. The internal control system provides well documented standard operating procedures, guidelines, authorizations and approval procedures.

The internal control systems are regularly reviewed for effectiveness. The Company has engaged professional firm of Chartered Accountants to conduct internal audit. The internal auditors review the adequacy of control systems on a continuous basis to monitor their effectiveness with the objective to provide to the Audit Committee and the Board of Directors an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management, control and governance processes. The internal auditors assess opportunities for improvement in business processes, systems and control, provide recommendations designed to add value to the organization and follow up on the implementation of corrective actions and improvements in business processes after review by the Senior Management and Audit Committee.

The observations arising out of audit are periodically reviewed and compliance ensured. The summary of the Internal Audit observations is submitted to the Audit Committee of the Board of Directors. The observations are reviewed by the Audit Committee and expeditious implementation of corrective action ensured. The Audit Committee also reports to the Board of Directors significant audit observations, along with the status of the corrective action taken / planned.

In addition, various professional auditing firms are also hired for specific assignments on need basis.

SAFETY, HEALTH & ENVIRONMENT

Your Company is aware of the impact of its activities, products and services on the environment. The Company places highest priority to environmental protection and has consistently been able to achieve emission and discharge levels stipulated by the Environmental Regulatory bodies. Your Company gives top priority to hazardous waste management and waste recycling, greenery development and others program and successfully achieve its commitment. Your Company continues to have ISO 14001:2004, and OHSAS 18001:2007 accreditations for its activities related to its operations. Your Company is committed to conform to the internationally established standards for Environment Management and Occupational Health and Safety Management Systems.

Your Company gives highest priority to the safety of employees and visitors. The Safety Management systems are constantly being monitored for improvement and up-gradation to compete with the best in the industry through training and Mock drill on safety , Fire fighting. All unsafe conditions and unsafe practices are identified and its eliminated systematically.

Your Company believes in good health of its employees. To pursue this objective, efforts are being made on both treatment as well as maintaining good health. Medical Officer have been appointed to take care of the employees health and awareness programmes is also being conducted on ill effects of smoking, chewing tobacco etc. A round the clock Ambulance Service is maintained by your Company to meet any emergency in the factory or in the neighbouring areas. Your Company also gives priority on hygiene through water potability test and SWAB test.

On the occasion of World Environment day, tree saplings were planted by the employees in the factory premises.

During the year under review, your Company also observed the National Safety day in which safety slogans, safety talk, and safety norms were propagated.

SOCIAL COMMITMENTS

GPIL philosophy believes that corporate responsibility extends beyond the ambit of a company's facilities and offices and that true corporate citizenship must include common cause with society. In keeping with this belief, GPIL encourages different social events and development of health programme and human capital initiatives. Serving the local communities in and around the plant and promotion of sports and cultural events are some of the key activities undertaken by the Company.

The Company's social activities include Blood Donation camps, providing support for drinking water facility, infrastructural support to schools etc.

HUMAN RESOURCE DEVELOPMENT

Human Resource is valued as one of the most important asset by the Company. Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Various Human Resource initiatives are taken to align the HR Policies to the growing requirements of the business. Your Company has a structured induction process and management development programmes to upgrade skills of managers. Objective appraisal systems based on Key Result Areas (KRAs) are in place for senior management staff.

To achieve the organizational objective as well as individual, development needs to upgrade the gap of Knowledge & Skills the in-house Training programmes have been conducted for improvement in Safety, Functional Process, Quality & Behavioral improvement of employees which are imparted through in-house faculty comprising of Senior Executives of Company as well as external faculty.

In-house training modules have been developed on various subjects such as Quality Systems, TPM, Safety, Fire Fighting, Induction Training etc. which were regularly conducted for employees and trainees throughout the year.

Your Company participated at the Chapter Convention of Quality Circles (CCQC)-2012 held in September, 2012, one team from Machine Shop "Akanksha" was honoured with the "Gold Award".

Industrial relations continue to be cordial. Regular communication meetings are held with the workmen representatives to exchange views and to address mutual issues. It is noteworthy that not a single man day has been lost during the year on account of labour relations. The moral and commitment of the employees remained high through out the year.

The workforce of the Company stands at 644 as on 31.03.2013.

CAUTIONARY STATEMENT

Statements in the Management Discussions and Analysis Report describing the Company's projections or predictions may be construed as 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the company's operations include demand-supply conditions, raw material prices, changes in government regulations, tax regimes, economic developments within and outside the country and other factors such as litigation and other labour negotiations.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Board has adopted, and is committed to adopting, its obligations under relevant regulations and laws as well as any relevant best practices relating to Corporate Governance. This would ensure efficient conduct of affairs of the Company and help the Company achieve its goal of maximizing value for all its stakeholders. The Board lays significant emphasis on fair, transparent and ethical governance practices. The Company's Philosophy on Corporate Governance is:

- to have systems in place which will allow sufficient freedom to the Board of Directors and management to take decision towards the progress of the Company and to innovate while remaining within a framework of effective accountability.
- to provide transparent corporate disclosures and adopt high quality accounting practices.
- timely and proper dissemination of material price sensitive information and ensure insiders do not transact in securities of the Company till such information is made public.
- to adopt good Corporate Governance policies that will contribute to the efficiency of the enterprise, creation of wealth for the Shareholders and Country's economy.

Your Company is fully compliant with the requirements of the prevailing and applicable corporate governance codes. Your Company's compliance with requirements is presented in the subsequent sections of this Report.

BOARD OF DIRECTORS

The Company has a Non-Executive Promoter Chairman and the number of Independent Directors is more than one-half of the total number of Directors. The number of Non-Executive Directors (NEDs) at 91% is more than 50% of the total number of Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the companies in which he is a Director. The Directors have made necessary disclosures regarding Committee positions in other public companies as at March 31, 2013.

The following is the composition of the Board of Directors as on 31st March, 2013.

Category	No. of Directors	Percentage of total number of Directors
Promoter		
– Executive Director	Nil	—
– Non-Executive Directors	2	16.67
Executive Directors	1	8.33
Non-Executive/Independent Directors	7	58.33
Nominee Directors – representing lending institutions	2	16.67
Total	12	100.00

The attendance of Directors at Board Meetings held during the financial year and at the last Annual General Meeting and also the number of Directorships and Committee Memberships held by them in other Companies are given below.

Name of Director	No. of Board Meetings Attended	Attended Last AGM held on 28.09.2012	No. of Directorships in other Companies #		No. of Membership in Committee of Directors in other Companies \$	
			Chairman	Director	Chairman	Member
Mr. Pramod Kumar Mittal (Chairman)	—	No	2	1	—	—
Ms. Shristi Mittal	—	No	—	—	—	—
Mr. M. Trivedi	4	Yes	—	1	2	—
Prof. M.K.Mitra	4	No	—	—	—	—

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Name of Director	No. of Board Meetings Attended	Attended Last AGM held on 28.09.2012	No. of Directorships in other Companies #		No. of Membership in Committee of Directors in other Companies \$	
			Chairman	Director	Chairman	Member
Dr. Shekhar Chaudhuri	3	No	—	4	1	1
Mr. Vinod Kothari	2	No	—	3	1	1
Mr. B K Roy (IFCI Nominee)	3	No	—	3	—	2
Mr. S Balasubramanian ^(a)	—	No	—	5	—	1
Mr. S. S. Saswat (Exim Bank Nominee)	2	No	—	—	—	—
Mr. S. Ray ^(b)	—	N.A.	—	—	—	—
Mr. Anil Sureka ^(c)	2	No	—	1	—	—
Mr. R. K. Parakh ^(c)	4	Yes	—	1	—	1
Mr. Y Sahai ^(d)	3	Yes	—	—	—	—
Mr. Susanta Ghosh ^(e)	1	N.A.	—	3	—	—
Mr. B N Bhattacharjee	4	Yes	—	—	—	—

(a) Ceased to be Director w.e.f 13th August, 2012

(b) Ceased to be Director w.e.f 30th April, 2012

(c) Appointed as Director w.e.f 29th May, 2012

(d) Ceased to be Director w.e.f. 19th December, 2012

(e) Appointed as a Director w.e.f 11th February, 2013

Excludes directorships of private limited companies and of companies incorporated outside India.

\$ Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

Mr Pramod Kumar Mittal and Ms. Shristi Mittal are related to each other.

Four Board meetings were held during the year ended 31st March, 2013. The dates on which the Board meetings were held are 29.05.2012, 13.08.2012, 10.11.2012 and 11.02.2013.

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

Necessary information as mentioned in Annexure 1A to Clause 49 of the Listing Agreements has been placed before the Board for their consideration.

AUDIT COMMITTEE

The Company has an Independent Audit Committee constituted in terms of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The Committee exercises the powers and discharges the functions as stipulated in the said Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

Powers

- to investigate any activity within its terms of reference;
- to seek information from any employee;
- to obtain outside legal or other professional advice;
- to secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of Reference

The terms of reference of the Audit Committee broadly includes :-

- Review of accounting policies, financial reporting processes and disclosure of financial information.
- Recommend to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and fixation of audit fees as well as fees for other services being rendered by them.
- Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on :
 - ❖ any changes in accounting policies and practices;

- ❖ major accounting entries based on exercise of judgment by management;
 - ❖ qualifications in draft audit report;
 - ❖ significant adjustments arising out of audit;
 - ❖ the going concern assumption;
 - ❖ compliance with accounting standards;
 - ❖ compliance with stock exchange and legal requirements concerning financial statements;
 - ❖ any related party transactions as per Accounting Standard 18.
- Review reports of internal auditors and management response thereto.
 - Review the adequacy of the internal audit function, including the structure of the internal audit department, reporting structure coverage and frequency of internal audit.
 - Review statutory compliances.
 - Review performance of Statutory and Internal Auditors.

The internal auditors submit their reports periodically to the Audit Committee for review and discussion. The Committee reviews with the Statutory Auditors their observations and suggestions on accounts and accounting policies.

The Audit Committee reviews the quarterly Corporate Governance Report and also undertakes such other matters as may be delegated by the Board from time to time.

Minutes of each audit committee meeting are placed before and discussed in the meeting of the Board.

Composition

The Audit Committee comprises of six Non-Executive Professional Directors all of whom are Independent. The members of the committee are well versed in finance, accounts, treasury and company law.

The Managing Director and Whole-time Directors are permanent invitees to the Audit Committee meetings. Apart from the Committee Members, the Managing Director and the Whole-time Directors, the meetings of Audit Committee are also attended by the Chief Financial Officer, Accounts Head and other Operational/Departmental Heads. The Internal Auditors also attend the meetings to discuss their report with the Audit Committee. The Company Secretary acts as the Secretary to the Committee.

During the financial year ended 31st March, 2013, four meetings of the Audit Committee were held on 29.05.2012, 13.08.2012, 10.11.2012 and 11.02.2013. The necessary quorum was present for all the meetings.

The composition of the Audit Committee and the meetings attended by the members are as under:

Name of Directors	No. of meetings attended during the year ended 31st March, 2013
Mr. M. Trivedi, Chairman	4
Prof. Manoj Kumar Mitra	4
Dr. Shekhar Chaudhuri	3
Mr. B K Roy(IFCI Nominee)	3
Mr. Vinod Kothari	2
Mr. S S Saswat (Exim Bank Nominee)	2
Mr. Anil Sureka*	2
Mr. R K Parakh*	3

* Appointed as a Member w.e.f 29th May, 2012

SHARE TRANSFER AND INVESTORS GRIEVANCE COMMITTEE

The Share Transfer and Investors Grievance Committee specifically looks into redressing of shareholder's and investors' complaints relating to transfer of shares, non-receipt of shares, non-receipt of declared dividends and also to ensure expeditious share transfer process. One meeting was held on 13th August, 2012 during the year ending 31st March, 2013.

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Composition and Attendance record of Share Transfer & Investors Grievance Committee :

Name of Directors	No. of meetings	Meetings attended
Mr. M. Trivedi, Chairman	1	1
Prof. Manoj Kumar Mitra	1	1
Dr. Shekhar Chaudhuri*	—	—
Mr. Vinod Kothari	1	—
Mr. S Ray**	—	—
Mr. Biswanath Bhattacharjee	1	1

* Ceased to be Member w.e.f. 29th May, 2012

** Ceased to be Member w.e.f. 30th April, 2012

Name & Designation of Compliance Officers:

1) Mr. S. Subramanian, Company Secretary and Mr. R.K. Banthia, Asst. Company Secretary.

Share transfers/transmissions etc. as approved by the Committee are notified to the Board at regular intervals.

During the year under review, no complaints have been received from investors. There are no pending complaints as on 31.03.2013.

REMUNERATION COMMITTEE

The broad terms of reference are to consider and approve the remuneration payable to the managerial persons including Managing Director / Whole-time Directors of the Company as prescribed under the Companies Act, 1956 or rules made thereunder. No meeting of the remuneration committee was held during the period ended 31st March, 2013.

The Composition of the Remuneration Committee is as below :

Name of Members	Category
Mr. M. Trivedi, Chairman	Independent, Non-executive
Prof. Manoj Kumar Mitra	Independent, Non-executive
Dr. Shekhar Chaudhuri	Independent, Non-executive
Mr. B K Roy, (IFCI Nominee)	Independent, Non-executive
Mr. Vinod Kothari	Independent, Non-executive
Mr. S S Saswat, (Exim Bank Nominee)	Independent, Non-executive

The details of the payments made to the Whole-time Directors during the year ended 31st March, 2013 is given below :

Name of the Directors and Designation	Salary & Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)	Service Contract (Years)	Period of Service Contract
Mr. S Ray* Director (Marketing & Technical Services)	4,41,133.00	Nil	4,41,133.00	5	10.11.2010 To 09.11.2015
Mr. Y Sahai** Managing Director	52,52,425.20	Nil	52,52,425.20	5	01.12.2011 To 30.11.2016
Mr. B N Bhattacharjee Director (Operations)	33,43,194.00	Nil	33,43,194.00	5	11.11.2011 To 10.11.2016

* Mr. Sushil Ray resigned as Director (Marketing & Technical Services) of the company with effect from 30th April, 2012.

** Mr. Y Sahai resigned as Managing Director of the company with effect from 19th December, 2012

- Service Contract – The service contract of the Managing Director/Executive Director /Director (Operations) can be terminated by either party giving three months notice to the other party or the Company paying three months salary in lieu thereof.
- Severance Fee – No Severance fee is payable to the Managing Director/Executive Director/Director (Operations)/ Director (Marketing & Technical Services).
- Stock Option – Nil.

Non-Executive Directors of the Company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its committees. The detail of sitting fees paid during the year 2012-13 to the Non-Executive Directors is given below:

Name of the Directors	Relationship with other directors	Business relationship with the Company, if any	Remuneration paid/ payable during the year ended 31st March 2013 (In Rs.)
Mr. M. Trivedi	None	None	1,25,000/-
Prof Manoj Kumar Mitra	None	None	1,25,000/-
Dr Shekhar Chaudhuri	None	None	90,000/-
Mr. B K Roy	None	Nominee of IFCI Ltd, a lender to the company	90,000/-
Mr Vinod Kothari	None	None	60,000/-
Mr. S Balasubramanian	None	None	—
Mr. S S Saswat	None	Nominee of EXIM Bank, a lender to the company	60,000/-
Ms. Shristi Mittal	Daughter of Mr. Pramod Kumar Mittal	Promoter Director	—
Mr. Anil Sureka	None	None	60,000/-
Mr. R K Parakh	None	None	1,05,000/-
Mr. Susanta Ghosh	None	None	15,000/-

OTHER COMMITTEES

In addition to the Committees mentioned hereinabove, the Board of Directors have two more committees viz., Finance Committee and Project Management Committee. No meeting of both the committees were held during the financial year ended 31st March, 2013.

CODE OF CONDUCT

The Company has adopted a Code of Conduct for members of the Board and senior management personnel of the Company. The Code has also been posted on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of the financial year 2012-13. A separate declaration to this effect is annexed to the Corporate Governance Report.

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GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under

Year Ended	Venue	Date	Time	Special Resolutions Passed
31.03.2012	P. O. Pailan Diamond Harbour Road, Kolkata-700 104, West Bengal	28.09.2012	11.00 A.M.	<ul style="list-style-type: none"> ● Appointment of Mr. Yadvendra Sahai as Managing Director of the Company ● Appointment of Mr. B. N. Bhattacharjee as Director (Operations) of the Company
31.03.2011		12.08.2011	11.00 A.M.	<ul style="list-style-type: none"> ● Appointment of Mr. Sushil Ray as Director (Marketing & Technical Services) of the Company
31.03.2010		25.08.2010	11.00 A.M.	None

No resolution were put through postal ballot last year. No resolution are placed for shareholder's approval at this Annual General Meeting which requires to be approved through postal ballot.

DISCLOSURES

1. All related party transactions have been disclosed in the Notes to Accounts forming part of this Annual Report. None of the transactions with any of the related parties were in conflict with the interest of the Company.
2. There were no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority for non-compliance by the Company, on any matter related to capital markets, during the last three years.
3. The company has adopted and complied with all mandatory requirements of Corporate Governance under Clause 49 of the Listing Agreement. The company has adopted non-mandatory, requirements under Clause 49 of the Listing Agreement to the extent relating to setting up of Remuneration Committee.
4. The Company has laid down procedures to inform Board Members about the Risk assessment & minimization procedures. These procedures are periodically placed and are reviewed by the Board of Directors. The Company has formulated and implemented a Risk Management Policy for Risk Assessment and Mitigation Procedures.
5. The applicable Accounting Standards as issued by the Institute of Chartered Accountants of India have been followed in preparation of the financial statements of the Company.
6. The Company has not made any capital issues during the financial year.
7. A certificate from the Director (Operations) and Chief Financial Officer with regard to the Annual Audited Accounts for the financial year ended 31st March, 2013 was submitted to the Board in compliance with Clause 49 of the listing agreement. The certificate is annexed to the Report.
8. There is no Whistle Blower mechanism in the Company.

MEANS OF COMMUNICATION

- The quarterly results of the Company were announced within forty five days of completion of the quarter. Audited annual results alongwith the results of the fourth quarter were announced within sixty days from the end of the financial year.
- The quarterly results/ Annual results/ Notices are published in The Financial Express (in English) and in Dainik Statesman/ Newz Bangla (in Bengali). The quarterly and annual results as well as the quarter end shareholding pattern is posted at the end of every quarter on the Company's corporate website www.gontermann-peipers.com
- Official news releases, if any, are given to the press and to the Bombay Stock Exchange Limited and The Calcutta Stock Exchange Association Limited.
- Management Discussion and Analysis Report is being presented as a part of the Annual Report.



Rolling Solutions

GENERAL SHAREHOLDERS INFORMATION

1) Annual General Meeting	
Day, date and time Venue	Friday. the 27th day of September, 2013, at 11.00 A.M. Registered Office at P.O. Pailan, Diamond Harbour Road, Kolkata - 700 104, West Bengal
2) Book Closure Date	23rd September, 2013 to 27th September, 2013 (both days inclusive)
3) Dividend Payment Date	NA
4) Financial Calendar	1st April, 2013 to 31st March, 2014
– Annual General Meeting	September, 2013
– Board Meeting for considering Unaudited quarterly results for first three quarters of the financial year ending 31st March, 2014	Within forty five days from the end of each quarter.
– Board Meeting for considering the Audited Results of the financial year ending on 31st March, 2014	Within sixty days from the end of the financial year.
5) Listing of Equity Shares on Stock Exchanges (with Stock Code)	
i) The Calcutta Stock Exchange Association Limited 7, Lyons Range, Kolkata – 700 001	10017005
ii) Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	504701

Note : Annual Listing Fees for the year 2013-2014 have been paid to the above Stock Exchanges. The Company has also paid the Annual Custodial Fees to both the Depositories.

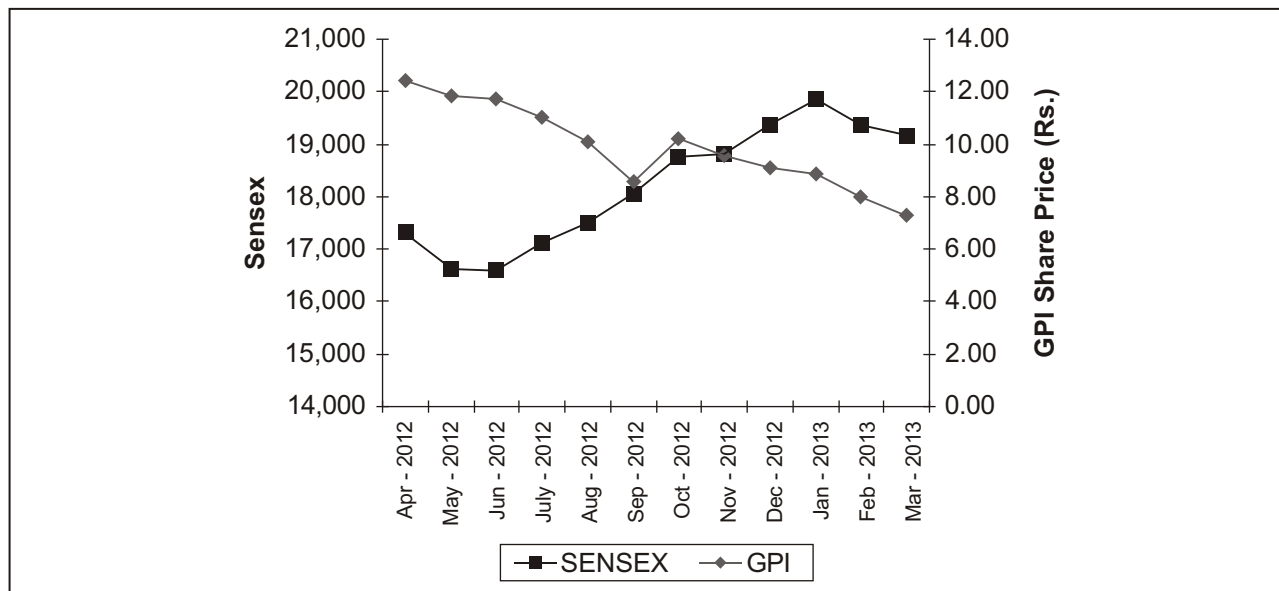
6) Stock Market Data

(i) Market Price

Months	Share Price Data on BSE		BSE Sensex	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
2012 April	14.00	10.88	17,664.10	17,010.16
May	14.00	9.67	17,432.33	15,809.71
June	13.68	9.75	17,448.48	15,748.98
July	12.60	9.50	17,631.19	16,598.48
August	11.00	9.24	17,972.54	17,026.97
September	9.74	7.39	18,869.94	17,250.80
October	11.89	8.55	19,137.29	18,393.42
November	10.58	8.60	19,372.70	18,255.69
December	9.70	8.47	19,612.18	19,149.03
2013 January	9.99	7.70	20,203.66	19,508.93
February	9.50	6.48	19,966.69	18,793.97
March	8.38	6.16	19,754.66	18,568.43

Source : Data relating to the Stock Exchange, Mumbai are taken from www.bseindia.com

(ii) Stock Performance



7) Registrars & Share Transfer Agents

MCS Limited
 77/2A, Hazra Road, Kolkata – 700 029.
 Phone Nos. : (033) 2476-7350/7354; Fax No. 91-33-2454 1961
 E-Mail : mcskol@rediffmail.com
 (Registered with SEBI as Share Transfer Agent – Category I)

8) Share Transfer System

The Company's Equity Shares are admitted with the Depository System of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as an eligible security under the Depositories Act, 1996. As such, facilities for dematerialisation of the Company's Equity shares is available vide ISIN : INE 530A01026 at both the depositories.

The Company has a Share Transfer & Investors Grievance Committee to look into various issues relating to the investors including share transfers. This Committee of the Board of Directors of the Company meets as and when required while the delegated authorities attend the transfer formalities. The total number of such meetings held during the year under review was one and the total number of shares physically transferred during the year was 326.

9) Unclaimed Dividends

Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years have to be transferred to the Investor Education and Protection Fund administered by the Central Government. The date of declaration of dividend and the corresponding dates when unclaimed dividends are due to be transferred to the Central Government is given below:

Financial Year	Date of declaration	Due Date for transfer to Investor Education and Protection Fund
2006-07	16th August, 2007	21st September, 2014
2007-08	27th September, 2008	2nd November, 2015

10) Investor Grievance Redressal System

The investor grievances against the Company are handled by the Company's Registrars and Share Transfer Agents, M/s. MCS Limited, Kolkata, in consultation with the Secretarial Department of the Company. The Registrars have adequate skilled staff with professional qualifications and advanced computer systems for speedy redressal of the investor grievances. The total process of settlement of a complaint right from its receipt to disposal is fully computerised to ensure settlement. It normally takes 15 days from the date of receipt of the complaint for disposal of investor grievances.

11) Distribution of Equity Shares as on 31st March, 2013

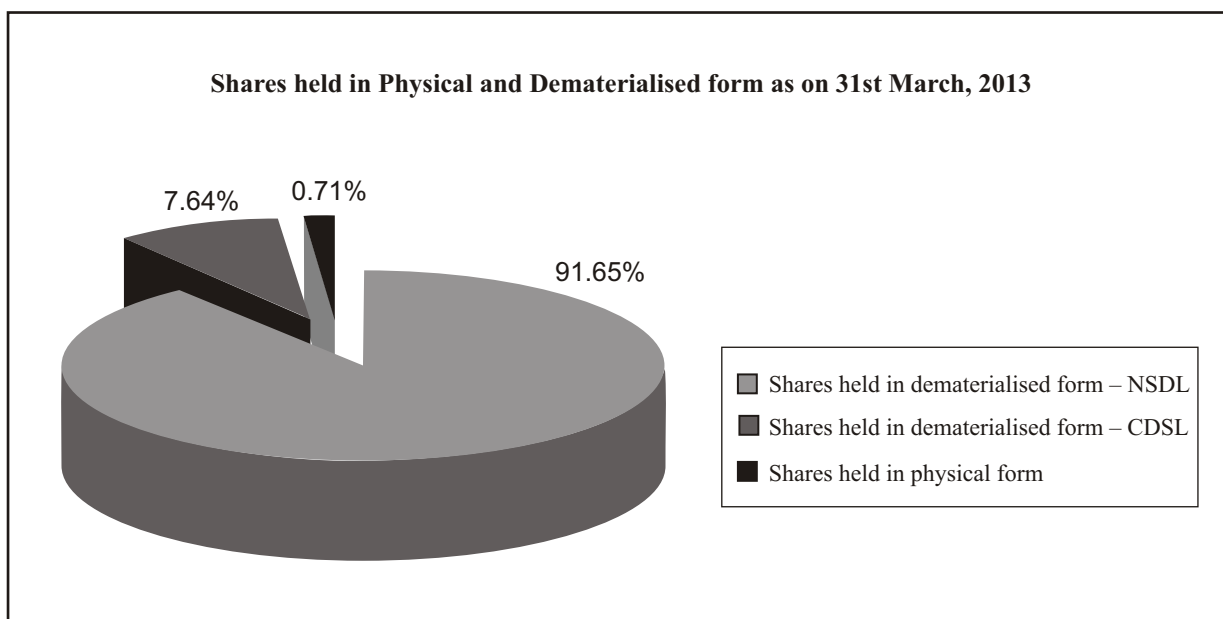
Number of Shares held	No. of Shares	No. of Shareholders	Percentage of Shareholding
1 to 500	552500	5319	3.97
501 to 10000	1806388	911	12.98
10001 to 50000	1018407	46	7.32
50001 to 100000	494951	8	3.56
100001 and above	10042754	16	72.17
Total	13915000	6300	100.00

12) Categories of Shareholders as on 31st March, 2013

Category	No. of Shares held	% of total shareholding
Promoter Group	7811073	56.13
Financial Institution / Insurance Cos./ Banks / Mutual Funds	29027	0.21
Bodies Corporate	2850897	20.49
Public & Others	3224003	23.17
Total	1,39,15,000	100.00

13) Dematerialisation of Shares and Liquidity

Approximately 99.29% of the Equity Shares have been dematerialised upto 31.03.2013. Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. 28.08.2000 as per notification issued by the Securities & Exchange Board of India.



GONTERMANN-PEIPERS (INDIA) LIMITED
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14) There are no outstanding GDRs/ADRs/Warrants or any Convertible instruments which are likely to have impact on the equity of the company.

15) Plant Location

P.O. Pailan, Diamond Harbour Road
Kolkata - 700 104, West Bengal
Phone Nos. (033) 2453 2455 / 56, 2497 8183 / 8294 / 8462
Fax : 91-33-2497-8313 / 8547 / 8686
E-mail : gpikol@gontermann-peipers.com
Website: www.gontermann-peipers.com

15) Address for Investor Correspondence

Mr. S. Subramanian
Company Secretary

Unit-in-charge
Unit : Gontermann-Peipers (India) Limited

Mr. R K Banthia
Asst. Company Secretary
Gontermann-Peipers (India) Limited
P.O. Pailan, Diamond Harbour Road
Kolkata - 700 104, West Bengal
Phone Nos. (033) 2453 2455 / 56,
2497 8183 / 8294 / 8462
Fax : 91-33-2497-8313 / 8547 / 8686
E-Mail : gpikol@gontermann-peipers.com
Website : www.gontermann-peipers.com

M/s. MCS Limited
77/2A, Hazra Road,
Kolkata – 700 029.
Phone Nos. : (033) 2454 1892/1893
Fax No. 91-33-2454 1961
E-Mail : mcskol@rediffmail.com
(Registered with SEBI as Share Transfer
Agent – Category I)

16) Exclusive e-mail ID for redressal of investors' complaints : investor@gontermann-peipers.com

Note : Shareholders holding shares in electronic mode should address all correspondence to their respective depository participants.

AFFIRMATION OF COMPLIANCE WITH THE CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT EXECUTIVES

It is hereby confirmed that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct, laid down by the Board of Directors, for the financial year 2012-2013.

Date : 30th May, 2013

Biswanath Bhattacharjeei
Director (Operations)

Auditor's Certificate regarding Compliance of Conditions of Corporate Governance

To
The Members of
Gontermann-Peipers (India) Limited

We have examined the compliance of conditions of Corporate Governance by Gontermann-Peipers (India) Limited, for the period from 1st April, 2012 to 31st March, 2013, as stipulated in Clause 49 of the Listing Agreements of the said company with the stock exchanges.

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 the 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 has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the company, as certified by the share transfer agents of the Company, based on the records maintained by them.

We further state that such compliances is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

For V. MALIK & ASSOCIATES
Chartered Accountants
Firm Registration No: 000155N
VIPIN MALIK
Proprietor
Membership No. 80468

Camp : Kolkata / New Delhi
Dated : 30th May, 2013

CEO / CFO CERTIFICATION

We, B. N. Bhattacharjee, Director (Operations) and Sandip Gupta, Chief Financial Officer of Gontermann-Peipers (India) Limited, certify that:

- (a) We have reviewed the financial statements and the Cash Flow Statement for the year ended 31st March, 2013 and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) 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.
- (b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2013 are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company, pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- (d)
 - (i) There has not been any significant change in internal control over financial reporting during the year ended 31st March, 2013;
 - (ii) There has not been any significant change in the accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - (iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

Kolkata
30th May, 2013

B. N. Bhattacharjee
Director (Operations)

Sandip Gupta
Chief Financial Officer

AUDITOR'S REPORT TO THE MEMBERS OF GONTERMANN-PEIPERS (INDIA) LIMITED

Report on the financial statements

We have audited the accompanying financial statements of Gontermann-Peipers (India) Limited which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and 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

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, 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.

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 March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the loss 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

Attention is drawn to the fact that:

- a) *The outstanding advance for capital goods includes long outstanding advances to the tune of Rs.197.00 Lacs and advances to suppliers includes Rs.148.92 lacs in respect of which no confirmation/schedule of delivery was available, the consequential revenue impact, if any is not ascertainable.*

- b) *Note No. (11) Regarding recognition of net deferred tax asset (DTA) of Rs.1463.15 lacs (including Rs.1112.21 Lacs for the period) recognized up to 31st March, 2013 based on the future profitability projections made by the management. However, we are unable to express any opinion on the virtual certainty of achieving these projections as required by Accounting Standard 22 “Accounting for Taxes on Income” and consequential impact, if any, of the recognition on such deferred tax asset.*

Had the impact of item stated above been considered, the loss for the year would have been Rs.3771.57 lacs (after adjusting deferred tax assets of Rs.350.94 lacs recognized upto 31st March, 2012) as against the reported loss of Rs.3420.63 lacs and balance in Reserve and Surplus would have been Rs.3269.74 Lacs as against the reported Reserve and Surplus of Rs.4732.89 lacs.

2. As required by section 227(3) of the Act, we report that:

- a) we have 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 appears from our examination of those books;
- 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.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For V. MALIK & ASSOCIATES
Chartered Accountants
Firm Registration No: 000155N
VIPIN MALIK
Proprietor
Membership No. 80468

Camp : Kolkata/New Delhi
Dated : 30th May, 2013

ANNEXURE TO THE AUDITOR'S REPORT TO THE MEMBERS OF GONTERMANN-PEIPERS (INDIA) LIMITED FOR THE YEAR ENDING 31ST MARCH 2013.

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) The nature of the Company's business/activities during the year is such that clause (xiii) and (xiv) of the paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company for the year ended 31st March 2013.
- (ii) In respect of its fixed Assets:
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us, the Company has physically verified certain assets during the year in accordance with a programme of verification, which in our opinion provides for physical verification of fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, the Company has not made any substantial disposals during the year.
- (iii) In respect of its inventories:-
 - (a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to information and explanations given to us, the procedure of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) As informed to us, the Company has not granted or taken any secured or unsecured loan to/from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods.
- (vi) In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act 1956, to the best of our knowledge and belief and according to the information and explanations given to us, there are no transactions that need to be entered in the register.
- (vii) As informed to us, the company has not accepted any deposits from the public within the purview of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- (viii) In our opinion, the Company has adequate internal audit system commensurate with the size and nature of its business.
- (ix) We have broadly reviewed the books of accounts maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima- facie, the prescribed accounts and records have been maintained. We have not, however made a detailed examination of the records to ascertain whether they are accurate or complete.
- (x) According to information and explanations given to us in respect of statutory and other dues:
 - a. The company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales-tax, Wealth tax, Custom Duty, Excise Duty, Cess Duty, cess and other statutory dues with the appropriate authorities during the year.
 - b. According to information and explanations given to us, no undisputed amount payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31st March 2013 for a period of more than six months from the date they became payable except *ESI aggregating to Rs.2.04 Lacs.*

c. Disputed dues in respect of

Nature of the dues	Amount (Rs. in Lacs)	Period to which amount relates	Forum where dispute is pending
Excise Duty	209.09	1975 to 1986	Hon'ble Calcutta High Court
	4.66	1993-1994	Tribunal (Central Excise)
	1.39	2002-2003	Joint Commissioner (Central Excise)
	8.60	1998-1999	Commissioner Appeal (Central Excise)
	2.02	2007-2008	Commissioner Appeal (Central Excise)
	2.09	2006-2007	CESTAT
	5.68	2007-2008	CESTAT
	4.57	2008-2009	CESTAT
	0.96	2008-2009	Commissioner Appeal (Central Excise)
	1.39	2007-2008	CESTAT
	0.31	2008-2009	Commissioner Appeal (Central Excise)
	6.31	2008-2009	Commissioner Appeal
Sales Tax	34.08	2007-2008	Revision Board of Commercial Tax
	87.64	2009-2010	Additional Commissioner
Service Tax	11.17	2006-2007 to 2008-2009	Tribunal (Central Excise)
	5.38	2009-2010	Commissioner Appeal (Central Excise)
	85.57	2004-2005 to 2007-2008	Commissioner Appeal (Central Excise)

have not been deposited since the matters are pending before relevant Appellate Authorities.

- (xii) The Company does not have accumulated losses at the end of the financial year and it has incurred cash losses in the current and immediately preceding financial year.
- (xiii) The defaults of the company towards repayment of the dues to banks has been adjusted upon rescheduling of loans in terms of the scheme for Corporate Debt Restructuring sanctioned, the effect of which has been given in the books of accounts during the period under review.
- (xiv) According to information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xv) In our opinion and according to information and explanations given to us, the Company has not given any guarantees for the loans taken by others from banks or financial institutions.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, term loans availed by the company were prima facie applied by the company during the year for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that short term funds to the extent of Rs. 29.00 Crores have been used in funding of a portion of losses.
- (xviii) The Company has not made any preferential allotment during the year.
- (xix) The Company has not raised any money by public issues during the year.
- (xx) To the best of our knowledge and according to information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For V. MALIK & ASSOCIATES
Chartered Accountants
Firm Registration No: 000155N
VIPIN MALIK
Proprietor
Membership No. 80468

Camp : Kolkata/New Delhi
Dated : 30th May, 2013

GONTERMANN-PEIPERS (INDIA) LIMITED
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BALANCE SHEET as at 31st March, 2013

	Note no.	As at 31st March, 2013 (Rs. in Lacs)	As at 31st March, 2012 (Rs. in Lacs)
(I) EQUITY AND LIABILITIES			
1. Shareholders' Funds			
a. Share Capital	1	1,523.37	1,523.37
b. Reserves and surplus	2	4,732.89	7,206.51
		6,256.26	8,729.88
2. Share Application Money Pending Allotment	2A	1,424.59	–
		1,424.59	–
3. Non-Current Liabilities			
a. Long- term borrowings	3	9,098.82	3,762.03
b. Other Long Term Liabilities	4A	188.53	–
c. Long -term provisions	4B	76.57	76.57
		9,363.92	3,838.60
4. Current Liabilities			
a. Short- term borrowings	5	3,613.87	8,165.49
b. Trade payables	6	3,499.21	3,364.27
c. Other current liabilities	7	1,260.60	2,861.41
d. Short- term provisions	8	402.02	366.48
		8,775.70	14,757.64
TOTAL EQUITY AND LIABILITIES		25,820.47	27,326.12
(II) ASSETS			
1. Non-Current Assets			
a. Fixed Assets	9		
i. Tangible assets		11,817.25	12,868.19
ii. Intangible assets		109.82	230.85
iii. Capital Work-in- progress		2,055.94	2,124.45
		13,983.01	15,223.50
b. Non current Investments	10	66.66	111.08
c. Deferred Tax Assets/ (Liabilities) (net)	11	1,463.15	350.94
d. Long -term loans and advances	12	1,351.00	1,386.23
		16,863.82	17,071.75
2. Current Assets			
a. Inventories	13	3,778.52	4,245.57
b. Trade Receivables	14	3,237.26	4,336.76
c. Cash and cash equivalents	15	597.46	420.47
d. Short-term loans and advances	16	1,095.60	965.64
e. Other current assets	17	247.81	285.93
		8,956.65	10,254.37
TOTAL ASSETS		25,820.47	27,326.12

Significant Accounting policies - Annexure I
Notes on Financial Statement

1-40

In terms of our attached report of even date

For and on behalf of the Board

For V. Malik & Associates
Chartered Accountants

Vipin Malik
Proprietor

Camp : Kolkata
Date : 30th May, 2013

S Subramanian
Company Secretary

Sandip Gupta
Chief Financial Officer

M Trivedi
Director

Susanta Ghosh
Director

B N Bhattacharjee
Director (Operations)



Rolling Solutions

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2013

	Note no.	Year Ended 31.03.2013 (Rs. in Lacs)	Year Ended 31.03.2012 (Rs. in Lacs)
I. Revenue from operation	18	13,579.89	13,559.95
Less : Excise Duty		1,174.38	1,124.88
Revenue from operation		12,405.51	12,435.07
II. Other income	19	112.63	231.15
III. Total Revenue (I+II)		12,518.14	12,666.22
IV. Expenses			
a. Cost of material consumed	20	5,018.57	5,150.29
b. Change in inventory of finished goods, work-in-progress	21	337.37	(103.09)
c. Employee benefits expenses	22	2,371.93	2,344.10
d. Finance costs	23	1,684.07	2,102.76
e. Depreciation and amortisation expenses	24	1,027.87	951.70
f. Other Expenses	25	5,530.87	5,034.68
		15,970.68	15,480.44
V. Profit/(Loss) before Exceptional and Extraordinary items & Tax (III-IV)		(3,452.54)	(2,814.22)
VI. Exceptional Items	26	(57.54)	(52.19)
VII. Profit/(Loss) before Extraordinary Items & Tax (V-VI)		(3,395.00)	(2,762.03)
VIII. Extraordinary items	27	25.63	182.77
IX. Profit/(Loss) before Tax (VII- VIII)		(3,420.63)	(2,944.80)
X. Tax Expenses			
1) Current Tax			
i) Current Tax		-	-
ii) Tax related to earlier years		0.41	0.53
2) Deferred Tax		(1,112.21)	(1,000.80)
XI. Profit/(Loss) for the year		(2,308.83)	(1,944.52)
XII. Earning per share			
- Basic - in Rs.		(16.66)	(14.04)
- Diluted - in Rs.		(15.16)	(12.76)

**Significant Accounting policies - Annexure I
Notes on Financial Statement**

1-40

In terms of our attached report of even date

For and on behalf of the Board

For V. Malik & Associates
Chartered Accountants

Vipin Malik
Proprietor

Camp : Kolkata
Date : 30th May, 2013

S Subramanian
Company Secretary

Sandip Gupta
Chief Financial Officer

M Trivedi
Director

Susanta Ghosh
Director

B N Bhattacharjee
Director (Operations)

CASH FLOW STATEMENT for the year ended 31st March, 2013

	Year ended 31.03.2013 (Rs. in Lacs)	Year ended 31.03.2012 (Rs. in Lacs)
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	(3,420.63)	(2,944.80)
Adjustments for :		
Depreciation	1,027.87	951.70
Interest & Finance Expenses	1469.56	2,456.47
Loss / (Profit) on Fixed Assets sold / discarded	1.58	1.81
Loss / (Profit) on Sale of Investment	25.63	-
Interest Income	(44.37)	(31.12)
Operating Profit / (Loss) before working capital changes	(940.36)	434.06
Increase / (Decrease) in trade payables	(1,253.66)	(651.20)
Decrease / (Increase) in trade & other receivables	1,042.37	2,068.24
Decrease / (Increase) in inventories	467.06	616.85
Cash Generated from operations :	(684.59)	2,467.95
Direct taxes (paid) / Received	(11.61)	(33.09)
Net Cash flow from operating activities	(696.20)	2,434.86
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Fixed Assets	4.86	1.11
Sale of Investment	18.79	-
Interest received	44.89	35.98
Purchase of Fixed assets (including for new projects)	(18.84)	(790.02)
Net Cash used in Investing activities	49.70	(752.93)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Share application money received	1,424.58	-
Proceeds from long term borrowings	5,397.00	-
Proceeds from Bank borrowings (for working capital)	(4,551.62)	1,261.94
Repayment of loans	-	(531.65)
Interest & Finance charges paid	(1,446.48)	(2,451.65)
Net Cash flow from financing activities	823.48	(1,721.36)
(D) NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	176.98	(39.42)
(E) CASH & CASH EQUIVALENTS OPENING BALANCE	420.48	459.90
(F) CASH & CASH EQUIVALENTS CLOSING BALANCE	597.46	420.48

In terms of our attached report of even date

For V. Malik & Associates
Chartered Accountants

Vipin Malik
Proprietor

Camp : Kolkata
Date : 30th May, 2013

S Subramanian
Company Secretary

Sandip Gupta
Chief Financial Officer

For and on behalf of the Board

M Trivedi
Director

Susanta Ghosh
Director

B N Bhattacharjee
Director (Operations)

Notes to the Financial Statements for the year ended 31st March, 2013

	As at 31st March, 2013 Rs. in Lacs	As at 31st March, 2012 Rs. in Lacs
Note 1. SHARE CAPITAL		
Authorised		
2,50,00,000 (2,50,00,000) Equity Shares of Rs 10 each	2,500.00	2,500.00
50,00,000 (50,00,000) Preference Shares of Rs. 10 each	500.00	500.00
Issued, Subscribed and paid up		
1,39,15,000 (1,39,15,000) Equity Shares of Rs10 each Fully Paid Up	1,391.50	1,391.50
13,18,700 (13,18,700) 6% Cumulative Optionally Convertible Redeemable Preference Shares (COCRPS) of Rs. 10/- each fully paid up (Redeemable at par in two equal annual instalments commencing from 2013)	131.87	131.87
	1,523.37	1,523.37

Reconciliation of Number of shares

	As on 31st March, 2013		As on 31st March, 2012	
	No. of shares	Rs. in Lacs	No. of shares	Rs. in Lacs
Equity shares				
At the beginning of the year	1,39,15,000	1,391.50	1,39,15,000	1,391.50
Issued during the year	-	-	-	-
At the end of the year	1,39,15,000	1,391.50	1,39,15,000	1,391.50
Preference shares				
At the beginning of year	13,18,700	131.87	13,18,700	131.87
Issued during the year	-	-	-	-
At the end of the year	13,18,700	131.87	13,18,700	131.87

The Company has one class of Equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend as and when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

6% Cumulative Optionally Convertible Redeemable Preference Shares (COCRPS) 13,18,700 of Rs 10/- each fully paid up were issued to Export Import Bank of India and are redeemable at par in two equal annual installments commencing from 2013.

Details of shares held by shareholders holding more than 5% of aggregate shares in the company

Name of the share holder	As on 31st March, 2013		As on 31st March, 2012	
	No. of shares held	% of holding	No. of shares held	% of holding
Goldline Tracom Pvt. Ltd.	32,09,625	23.07	32,09,625	23.07
Securex Holdings Limited	12,15,102	8.73	12,15,102	8.73
Navdisha Real Estate Pvt. Ltd.	7,57,054	5.44	7,57,054	5.44

Notes to the Financial Statements (contd.)

		As at 31st March, 2013 Rs. in Lacs	As at 31st March, 2012 Rs. in Lacs
Note 2. RESERVES AND SURPLUS			
Capital Reserve *			
At the beginning of the year	172.58		172.58
Add - Addition during the year	-		-
At the end of the year		172.58	172.58
Share Premium Account			
At the beginning of the year	702.81		702.81
Add - Addition during the year	-		-
At the end of the year		702.81	702.81
Revaluation Reserve **			
At the beginning of the year	3,598.73		3,793.63
Less : Transfer to Profit & Loss Account towards additional Depreciation on revalued assets.	(164.79)		(194.90)
Less : Adjustment on account of Assets discarded /sold during the period	-		-
At the end of the year		3,433.94	3,598.73
General Reserve			
At the beginning of the year	80.00		80.00
Add - Transfer from Profit & Loss Account	-		-
At the end of the year		80.00	80.00
Surplus as per Profit & Loss Account			
At the beginning of the year	2,652.39		4,596.92
Profit /(Loss) for the period	(2,308.83)		(1,944.53)
At the end of the year		343.56	2,652.39
		4,732.89	7,206.51

* represents capital investment subsidy received from Govt.

** The Company's Land, Building and Plant & Machinery were revalued as on 31st March, 2007 by the consultants, wherein company's land was valued on present market value and Building, Plant and Machinery was valued on depreciated replacement cost basis resulting in to a net increase in the book value of such assets and capital reserve by Rs.4399.17 Lacs. Consequence to the said revaluation there is an additional charge of depreciation of Rs 164.79 Lacs (Rs. 194.90 Lacs) and an equal amount has been withdrawn from Revaluation reserve and credited to the Profit & Loss account. This has no impact on profit for the year.

Note 2A. SHARE APPLICATION MONEY PENDING ALLOTMENT

1,424.59	NIL
1,424.59	NIL

As per terms of the CDR scheme the Promoters have infused a sum of Rs.1424.59 Lacs by way of Promoters Contribution which has been reflected under the head 'Share Application Money Pending Allotment'. The Company will issue equity shares of Rs. 10/- each at a premium in the Financial Year 2013-14. The Company has sufficient authorized equity share capital to cover the share capital on allotment of equity shares pending allotment as of March 31, 2013

Notes to the Financial Statements (contd.)

Note 3. LONG TERM BORROWINGS

Secured

– From banks

Term Loan

Working Capital Term Loan

Funded Interest Term Loan

– From Other parties

As at 31st March, 2013 Rs. in Lacs	As at 31st March, 2012 Rs. in Lacs
4,212.83	3,442.59
3,815.14	–
1,057.39	–
13.46	319.44
9,098.82	3,762.03

Nature of securities and terms of repayment of Long Term Secured Loans

Nature of securities	Terms of repayment
Term loan amounting to Rs 4298.81 lacs (Rs. 4662.59 lacs) is secured by a pari-passu first charge on the Company's immovable properties and hypothecation of all the moveable properties (save and except book debts) both present and future, together with interest and all other monies payable in respect thereof, subject to prior charges created and/or to be created in favour of the Company's bankers on the stock and book debts for securing borrowing for working capital requirements.	Repayable in 40 quarterly installments commencing from 1st January, 2012. Last installment due in 31st December, 2021. Rate of interest is banks base rate ie 10.20% p.a. at the end of the year. (previous year 14.50% p.a.)
Working Capital Term loan I amounting to Rs 2900 lacs (Rs. NIL) in terms of CDR Scheme pending creation of pari-passu first charge on the Company's immovable properties and hypothecation of all the moveable properties (save and except book debts) both present and future, together with interest and all other monies payable in respect thereof, subject to prior charges created and/or to be created in favour of the Company's bankers on the stock and book debts for securing borrowing for working capital requirements.	Repayable in 36 quarterly installments commencing from 1st January, 2013. Last installment due in 31st December, 2021. Rate of interest is banks base rate ie 10.20% p.a. at the end of the year. (previous year NIL.)
Working Capital Term loan II amounting to Rs 993 lacs (Rs. NIL) in terms of CDR Scheme pending creation of pari-passu first charge on the Company's immovable properties and hypothecation of all the moveable properties (save and except book debts) both present and future, together with interest and all other monies payable in respect thereof, subject to prior charges created and/or to be created in favour of the Company's bankers on the stock and book debts for securing borrowing for working capital requirements.	Repayable in 36 quarterly installments commencing from 1st January, 2013. Last installment due in 31st December, 2021. Rate of interest is banks base rate ie 10.20% p.a. at the end of the year. (previous year NIL.)
Funded Interest Term loan on WCTL I & II amounting to Rs 507.74 lacs (Rs. NIL) in terms of CDR Scheme pending creation of pari-passu first charge on the Company's immovable properties and hypothecation of all the moveable properties (save and except book debts) both present and future, together with interest and all other monies payable in respect thereof, subject to prior charges created and/or to be created in favour of the Company's bankers on the stock and book debts for securing borrowing for working capital requirements.	Repayable in 32 quarterly installments commencing from 1st January, 2014. Last installment due in 31st December, 2021. Rate of interest is banks base rate ie 10.20% p.a. at the end of the year. (previous year NIL.)
Funded Interest Term loan on Term Loan amounting to Rs 576.75 lacs (Rs. NIL) in terms of CDR Scheme pending creation of pari-passu first charge on the Company's immovable properties and hypothecation of all the moveable properties (save and except book debts) both present and future, together with interest and all other monies payable in respect thereof, subject to prior charges created and/or to be created in favour of the Company's bankers on the stock and book debts for securing borrowing for working capital requirements.	Repayable in 32 quarterly installments commencing from 1st January, 2014. Last installment due in 31st December, 2021. Rate of interest is banks base rate ie 10.20% p.a. at the end of the year. (previous year NIL.)
Rupee Loan amounting to Rs 13.46 lacs (Rs 19.37 lacs) Under Equipment Finance/Refinance scheme is Secured by an exclusive charge on the assets purchased/to be purchased under the Scheme.	Repayable in EMI ranging from 3 to 5 years. Rate of interest range from 8.44% to 9.04% (previous year 8.44% to 9.04%)

-Installments falling due in respect of above Loans upto 31.03.2014 have been grouped under "Current maturity of long-term debts" (Refer note 7).

Notes to the Financial Statements (contd.)

	As at 31st March, 2013 Rs. in Lacs	As at 31st March, 2012 Rs. in Lacs
Note 4A. OTHER LONG TERM LIABILITIES		
Other Long Term Liabilities	188.53	-
	188.53	-
Note 4B. LONG TERM PROVISIONS		
Provision for Employee benefits - For Leave encashment	76.57	76.57
	76.57	76.57
Note 5. SHORT TERM BORROWINGS		
Secured		
Working Capital loans from banks (including foreign currency Rs. 465.48 Lacs, Previous Year Rs. 2226.25 Lacs)	3,410.22	7,884.04
Unsecured		
Buyers Credit arrangements	203.65	281.45
	3,613.87	8,165.49

Working capital loans are secured against Hypothecation of Raw Materials, Finished Goods, stock in Process, Stores & Spare parts, Trade bills, Movables etc and Personal Guarantee of Promoters of the company and joint mortgage through second charge on the immovable properties of the Company.

Due to Exchange rate fluctuation, working capital has become overdrawn by a sum of Rs.Nil (Previous Year 375.60 lacs).

	As at 31st March, 2013 Rs. in Lacs	As at 31st March, 2012 Rs. in Lacs
Note 6. TRADE PAYABLE		
Micro Small and medium Enterprises	4.87	4.19
Others	3,494.34	3,360.08
	3,499.21	3,364.27
Note 7. OTHER CURRENT LIABILITIES		
Current maturities of long term debts	190.95	1,625.28
Interest Accrued but not due on Loans	28.48	39.67
Interest Accrued and due on Loans - Refer Note 31	-	11.88
Unclaimed Dividend	0.85	0.85
Advance from Customers	106.16	250.14
Creditors for capital goods	480.77	491.68
Other payable		
Statutory dues	59.05	52.80
Other Liabilities (including employee contractual obligations)	394.34	389.10
	1,260.60	2,861.40
Note 8. SHORT TERM PROVISIONS		
Provision for Employee benefits - For Gratuity	183.10	140.51
For Leave encashment	16.92	12.36
Others		
Provision for Warranty Charges	198.00	198.00
Provision for Taxation (net)	4.00	15.61
	402.02	366.48

Notes to the Financial Statements (contd.)

Note 9. FIXED ASSETS

(Rs. in Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	AS AT 01.04.2012	ADDITION	DEDUCTION	AS AT 31.03.2013	UPTO 01.04.2012	FOR THE PERIOD	DEDUCTION	UPTO 31.03.2013	AS AT 31.03.2013	AS AT 31.03.2012
<i>Tangible Assets</i>										
LAND	2,318.70	-	-	2,318.70 (a)	-	-	-	-	2,318.70	2,318.70
BUILDING	3,810.66	-	-	3,810.66	1,135.22	122.02	-	1,257.24	2,553.42	2,675.44
PLANT & MACHINERY	17,669.37	9.41	3.47	17,675.31 (b)	10,055.18	885.66	0.18	10,940.66	6,734.65	7,614.19
FURNITURE & FIXTURE, COMPUTER & OFFICE EQUIPMENT	458.56	2.42	-	460.98	295.30	35.58	-	330.88	130.10	163.26
VEHICAL	149.20	-	7.11	142.09 (c)	52.60	13.07	3.96	61.71	80.38	96.60
TOTAL	24,406.49	11.83	10.58	24,407.74	11,538.30	1,056.33	4.14	12,590.49	11,817.25	12,868.19
CAPITAL WORK-IN-PROGRESS	2,124.46	1.71	70.23	2,055.94	-	-	-	0.00	2,055.94	2,124.46
TOTAL	26,530.95	13.54	80.80	26,463.68	11,538.30	1,056.33	4.14	12,590.49	13,873.19	14,992.65
PREVIOUS YEAR TOTAL	25,769.03	2,396.60	1,634.68	26,530.95	10,544.64	1,011.45	17.79	11,538.30	14,992.65	
<i>Intangible Assets</i>										
COMPUTER SOFTWARE	623.16	15.29	-	638.45	405.44	125.91	-	531.35	107.10	217.72
TECHNICAL KNOWHOW	52.04	-	-	52.04	38.91	10.41	-	49.32	2.72	13.13
TOTAL	675.20	15.29	-	690.49	444.35	136.32	-	580.67	109.82	230.85
PREVIOUS YEAR TOTAL	667.80	7.40	-	675.20	309.20	135.15	-	444.35	230.85	

(a) Title deeds for land valuing Rs.15.09 lacs (Rs 15.09 lacs) are yet to be executed in favour of the company.

(b) Includes Rs.23.20 lacs (Rs. 23.20 lacs) being the value of fixed assets not owned by the company.

(c) Includes Rs.37.80 lacs (Rs. 37.80 lacs) being assets purchased under hire purchase scheme.

Borrowing cost attributable to acquisition/construction of qualifying assets aggregating to Rs .00 lacs (Previous year Rs. 353.71 lacs) in respect of ongoing expansion plan of cast roll, which has already exceeded the schedule implementation date has been capitalised.

Notes to the Financial Statements (contd.)

	As at 31st March, 2013 Rs. in Lacs	As at 31st March, 2012 Rs. in Lacs
Note 10. NON-CURRENT INVESTMENTS		
Equity - Non-Trade (Quoted)		
6,66,400 (6,66,400) Equity Shares of Rs.10 each in JSW Ispat Steel Limited *	66.64	66.64
In Preference Shares - Non-Trade (Quoted)		
Nil (4,44,266) Preference Shares of Rs.10 each in JSW Ispat Steel Limited	-	44.42
Investment in Government Securities (Unquoted Trade)		
7 years National Savings Certificates	0.02	0.02
	66.66	111.08
Aggregate Book Value of Quoted Investments.	66.64	111.06
Aggregate Market Value of Quoted Investments.	55.18	101.00
Aggregate Book Value of Un-quoted Investments.	0.02	0.02
* Investment in the Equity shares of JSW Ispat Steel Ltd. (JISL) have been pledged with the lenders of JISL as collateral security against financial facilities provided by the lenders to JISL.		
Note 11. DEFERRED TAX ASSETS / (LIABILITIES) (NET)		
Deferred Tax Liability on account of -		
Depreciation	900.83	992.46
Less : Deferred Tax Assets on account of -		
Timing Difference of Taxes, Duties, Cess etc.	161.17	198.89
Provision for doubtful debts	338.86	97.55
Provision for Warranty	64.25	67.30
Carry forward losses as per Income Tax Act	1,799.70	979.66
	2,363.98	1,343.40
	1,463.15	350.94
Note 12. LONG TERM LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Capital advances	1,348.48	1,343.70
Security Deposits	2.52	2.84
Other Loans & advances	-	39.69
	1,351.00	1,386.23

Notes to the Financial Statements (contd.)

	As at 31st March, 2013 Rs. in Lacs	As at 31st March, 2012 Rs. in Lacs
Note 13. INVENTORIES		
a. (i) Raw Materials	212.37	320.55
(ii) Raw Materials (In Transit)	7.97	7.97
b. Work in progress	1,007.70	819.29
c. Finished Stock	530.82	992.73
d. Stores & spare parts	399.63	421.15
e. Chillers & moulds	979.45	1,040.91
f. Rotation scrap	640.58	642.97
	3,778.52	4,245.57
Details of Raw Material		
Scrap	73.88	38.77
Nickel/Ferro Nickel/Nickel bearing scrap.	34.23	28.01
Nickel Magnesium	8.32	103.78
Ferro Alloys	30.97	35.04
Fluxes and other Materials	14.05	30.46
Forged Blanks	58.89	92.46
	220.34	328.52
Details of Work-in-progress		
Cast Rolls	794.79	704.42
Forge Rolls	209.97	63.62
Special General Castings	2.94	12.58
Others	-	38.67
	1,007.70	819.29
Details of Finished Stock		
Cast Rolls	418.50	768.02
Forge Rolls	106.49	218.88
Special General Castings	5.83	5.83
	530.82	992.73
For mode of valuation , please refer Annexure I.		
Note 14. TRADE RECEIVABLES		
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment -		
Unsecured Considered Good	1,390.53	951.81
Unsecured considered doubtful	983.87	226.62
Less : Provsion for doubtful debts	(983.87)	(226.62)
Trade Receivables outstanding for a period less than six months from the date they are due for payment -		
Secured Considered Good	69.03	56.25
Unsecured Considered Good	1,777.70	3,328.70
	3,237.26	4,336.76

Notes to the Financial Statements (contd.)

	As at 31st March, 2013 Rs. in Lacs	As at 31st March, 2012 Rs. in Lacs
Note 15. CASH AND CASH EQUIVALENTS		
i) Cash and Cash Equivalents		
a) Balance with banks	29.28	47.39
b) Cash in Hand	3.22	1.47
ii) Other Bank Balances		
Unpaid Dividend Account	0.85	0.85
Balances with banks to the extent held as margin money (Includes Rs. 175.09 Lacs (Rs. 166.27 Lacs) having more than 12 months maturity)	564.11	370.76
	597.46	420.47
Note 16. SHORT TERM LOANS AND ADVANCES		
Other Loan & advances		
– Unsecured considered good		
Loans and advances to related parties (refer note no 35)	349.40	349.40
Other Loan and advances	746.20	616.24
– Unsecured considered doubtful	60.39	60.39
Provision for doubtful debts	(60.39)	(60.39)
	1,095.60	965.64
Note 17. OTHER CURRENT ASSETS		
Interest Receivable on Loans, Deposits etc.	22.24	22.76
Export Benefits Receivable	107.31	178.11
Balance with Central Excise Authorities	58.86	52.81
Prepaid Expenses	59.40	32.25
	247.81	285.93

Notes to the Financial Statements (contd.)

	Year Ended 31.03.2013 Rs. in Lacs	Year Ended 31.03.2012 Rs. in Lacs
Note 18. REVENUE FROM OPERATION		
Sale of Products	13,133.08	13,044.18
Sale of Services - Processing Charges	247.94	131.20
Other Operating Revenue		
– Export Incentive	65.15	105.22
– Process Waste Sale	133.72	279.35
	13,579.89	13,559.95
Details of sale of Products :		
Cast Rolls	10,928.44	11,886.12
Forge Rolls	2,450.12	1,513.79
Special Castings	30.88	133.04
Less - Compensation for quality	(276.36)	(488.77)
	13,133.08	13,044.18
Note 19. OTHER INCOME		
Interest Income	44.37	31.12
Liabilities Written Back	8.44	74.08
Exchange rate difference (Net)	57.58	43.15
Insurance Claims	0.03	77.56
Other non operating income	2.21	5.24
	112.63	231.15
Note 20. COST OF MATERIAL CONSUMED		
Raw material		
Opening Stock	328.52	1,032.49
Add : Purchases	4,920.98	4,663.64
	5,249.50	5,696.13
Less : Sales	10.59	217.32
Closing Stock	220.34	328.52
	5,018.57	5,150.29
Details of Raw material consumed		
Scrap (Excluding Rotation Scrap)	2,242.71	2,458.52
Nickel/Ferro Nickel/Nickel bearing scrap.	606.65	868.42
Nickel Magnesium	235.54	261.38
Ferro Alloys	710.26	857.72
Fluxes and other Materials	108.88	109.88
Forged Blanks	1,114.53	594.37
	5,018.57	5,150.29
Imported and Indigenous Raw materials consumed.		
Imported	4.19	23.52
Indigenous	95.81	76.48
	5,018.57	5,150.29

Notes to the Financial Statements (contd.)

	Year Ended 31.03.2013 Rs. in Lacs	Year Ended 31.03.2012 Rs. in Lacs
Note 21. CHANGE IN INVENTORY		
Opening Stock		
– Finished Goods	992.74	517.72
– Process Stock	819.29	1,408.12
– Chiller and Moulds	1,040.91	855.62
– Rotation Scrap	642.98	569.43
	3,495.92	3,350.89
Add : Purchases of Chillers & moulds	–	41.92
	3,495.92	3,392.81
Less :Closing Stock		
– Finished Goods	530.82	992.73
– Process Stock	1,007.70	819.29
– Chiller and Moulds	979.45	1,040.91
– Rotation Scrap	640.58	642.98
	3,158.55	3,495.90
	337.37	(103.09)
Note 22. EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	1,812.79	1,848.70
Contribution to Provident and other Funds	303.76	252.35
Staff Welfare Expenses	255.38	243.05
	2,371.93	2,344.10
Note 23. FINANCE COST		
Interest on Loans	1,469.56	1,843.57
Other Borrowing costs	151.79	169.44
Net loss on Currency Fluctuation and transaction	62.72	443.46
	1,684.07	2,456.47
Less: Interest Capitalised	–	353.71
	1,684.07	2,102.76
Note 24. DEPRECIATION		
Depreciation and amortisation expenses	1,192.66	1,146.60
Less : Transfer from Revaluation Reserve	(164.79)	(194.90)
	1,027.87	951.70

Notes to the Financial Statements (contd.)

	Year Ended 31.03.2013 Rs. in Lacs	Year Ended 31.03.2012 Rs. in Lacs
Note 25. OTHER EXPENSES		
Manufacturing Expenses		
Stores & Spare Parts Consumed *	1,091.94	1,171.11
Power and Fuel	2,533.63	2,216.09
Repairs & Maintenance:-		
Plant and Machinery	68.90	91.07
Buildings	8.66	18.25
Others	62.53	58.50
Processing Charges	127.46	162.25
	3,893.12	3,717.27
Selling & Distribution Expenses		
Commission on Sales	3.57	37.67
Packing, Forwarding & Transport Charges	330.43	503.57
	334.00	541.24
Establishment Expenses		
Payment to Statutory Auditors:-		
For Audit Fees	5.00	5.00
For Company Law & Other Matters	1.78	2.25
For Tax Audit	1.00	1.00
For Re- imbursement of expenses	0.72	0.86
Cost Audit Fees	0.24	0.18
Rent & Hire Charges	3.28	9.91
Travelling & conveyance	112.23	190.18
Irrecoverable Debts, Claims and Advances Written off	103.57	84.32
Provision for doubtful Debts & Advances	757.25	73.03
Insurance	38.38	39.33
Rates & Taxes	3.53	8.68
Sales Tax	7.31	24.42
Donation	0.30	0.20
Directors' Fees	7.30	6.80
Communication Expenses	16.70	27.06
Advertisement	1.41	6.28
Loss on Fixed Assets sold/discarded (Net)	1.58	1.81
Miscellaneous Expenses	242.17	294.86
	1,303.75	776.17
	5,530.87	5,034.67
* Imported and Indigenous Stores & spare parts consumed. %		%
Imported	4.37	3.27
Indigenous	95.63	96.73
	1,091.94	1,171.11
Note 26. EXCEPTIONAL ITEMS		
Prior period Items (Net)	2.96	(52.19)
Interest Reversal - CDR	(60.50)	-
	(57.54)	(52.19)
Note 27. EXTRA ORDINARY ITEMS		
Expenses of abandoned Iron Ore Project written off	-	182.77
Loss On Sale of Investments	25.63	-
	25.63	182.77

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Note 28. Contingent Liabilities

(Rs in Lacs)

		2012-2013	2011-2012
1.	Estimated amount of contracts remaining to be executed on Capital account and not provided for (Net of Advances)	835.09	840.64
2.	Contingent Liabilities not provided for in respect of: -		
	(i) Outstanding Bank Guarantees	906.62	1162.21
	(ii) Bills discounted with banks	146.27	320.50
	(iii) Central Excise claims against show cause notices being disputed by the company	247.08	247.08
	(iv) Service Tax claims against show cause notices being disputed by the company	102.12	102.12
	(v) Sales Tax demands for earlier years being disputed by the Company	121.72	49.36
	(vi) Maximum demand charges payable to West Bengal State Electricity Board to the extent and up to the period disputed by the company, against which a case is pending with Hon'ble Calcutta High Court.	208.88	208.88
	(vii) Customs Duty demand against import of a machine, being contested by the Company	1.50	1.50
	(viii) Capital goods imported under E.P.C.G. scheme without payment of customs duty against future export obligations.	535.39	515.05
3.	Estimated amount of contracts remaining to be executed on revenue account and not provided for	1786.80	1400.10

29. There is no indication of any impairment based on external/internal factors and hence no provision for the impairment loss has been recognized in terms of Accounting Standard 28 Impairment of Assets, issued by The Institute of Chartered Accountants of India.
30. Director remuneration aggregating to Rs.43.44 lacs (57.76) paid in earlier year to the Ex-Managing Director after adjustment of his dues with the company is in excess of the limit specified under section 198 of the Companies Act, 1956 as well as the approval received from the Ministry of Corporate Affairs, however the said remuneration is as per the approval obtained from Remuneration Committee, Board of Directors of the company as well as approved by the shareholders of the company. The company has initiated the process of recovery of the above excess remuneration from Ex Managing Director and the recoverable amount appears under the head short term loans and advances.
31. Pursuant to the application submitted to the Corporate Debt Restructuring (CDR) Cell for restructuring of Company's financial facilities, the final restructuring package was approved by CDR-Empowered Group on December 28, 2012. The Master Restructuring Agreement has also been signed with the lenders participating in the CDR package on April 26, 2013. The scheme is applicable effective January 1, 2012. The impact of the restructuring has been taken in the financial results.

The Salient Features of the Scheme are as follows :-

- **Cut off Date:-** 01st January 2012
- **CDR lender's :-** UCO Bank (Monitoring Institution), Allahabad Bank and State Bank of India.
- **Term Loan - UCO Bank**
 - Repayment of balance principal of Rs 42.99 crore in 40 quarterly ballooning installment commencing from 1st January, 2012 and ending on 31st December, 2021.
 - Term loan to carry interest rate which shall be equal to the referring banks base rate.
 - Interest funding for a period of 24 Months ie from 1st January, 2012 till 31st Dec., 2013 into Funded Interest Term Loan (FITL) of Rs 9.03 crore. *However, interest on Term Loan from 1st*

January 2012 till 31st march 2013 of Rs 5.77 Crore has been converted into Funded Interest Term Loan and excess interest/penal interest on Term Loan of Rs 2.51 Crores has been reversed.

- FITL to carry interest @ 10.20% p.a. Repayment of FITL in 32 quarterly ballooning installment commencing from 1st January, 2014 and ending on 31st December, 2021.
- **Working Capital Facilities - Allahabad Bank, UCO Bank & State Bank of India**
 - In order to have desired and healthy Current Ratio, conversion of current working capital amounting to Rs. 29 crores into Working Capital Term Loan-I (WCTL-I), carrying interest rate which shall be equal to the referring banks base rate. Repayment of WCTL-I in 36 quarterly ballooning installment commencing from 1st January, 2013 and ending on 31st December, 2021.
 - Convert LC devolved/to be devolved amounting to Rs 8.18 cr and overdue due to exchange rate difference Rs 1.75 cr into Working Capital Term Loan-II (WCTL-II), carrying interest rate which shall be equal to the referring banks base rate. Repayment of WCTL-II in 36 quarterly ballooning installment commencing from 1st January, 2013 and ending on 31st December, 2021.
 - Funding of interest on WCTL I & II for a period of 24 Months ie from 1st January, 2012 till 31st December, 2013 into Funded Interest Term Loan (FITL) of Rs 8.18 cr. However, interest on WCTL I and WCTL II for the period from 1st January 2012 till 31st march 2013 of Rs 5.08 Crores has been converted into Funded Interest Term Loan and excess interest/working interest charged on Working Capital Interest facility of Rs 5.23 Crores has been reversed. FITL to carry interest @ 10.20% p.a. Repayment of FITL in 32 quarterly ballooning installment commencing from 1st January, 2014 and ending on 31st December, 2021.
 - Sustainable Working Capital Limit backed by Drawing Power of Rs 41 crore shall carry an interest rate which shall be equal to the referring banks base rate.
- **Project Finance for balancing Equipment UCO Bank**

Additional Capex amounting to Rs 19.74 crore is required for which term loan from UCO Bank of Rs.9.05 crores @ 12% p.a., repayable in 24 quarterly ballooning installment commencing from 1st January, 2014 and ending on 31st December, 2020.
- The promoters contribution as per CDR scheme has been infused within 31st March, 2013.

32. In accordance with the Accounting policy and Accounting Standard -29, provision has been made for estimated warranty liability in respect of rolls sold to customers. The details of the same is as under –

(Rs in Lacs)

Particulars	2012-2013	2011-2012
a) Opening warranty provision	198.00	198.00
b) Provision made during the year	276.37	488.77
c) Less: Amount of warranty claims settled during the year	276.37	488.77
d) Closing warranty provision	198.00	198.00

33. Basis for calculation of basic & diluted earnings per share is as under:

Sl. No.	Particulars	2012-2013	2011-2012
A	Profit/ (Loss) after Taxation (Rs. in Lacs)	(2308.83)	(1944.53)
B	Present weighted average number of Equity Shares (Rs.10 each)	139.15	139.15
C	Potential weighted average number of Equity Shares (Rs.10 each)	13.19	13.19
D	Total (Present & Potential) weighted average number of Equity Shares (Rs.10 each)	152.35	152.35
E	Basic Earnings per Share (Rs.)	(16.66)	(14.04)
F	Diluted earning per Share (Rs.)	(15.16)	(12.76)

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34. Segment Information

The Company's segment information as at and for the period ended 31st March 2013 are as below:

(Rs in Lacs)

Sl. No.	Particulars	2012-2013	2011-2012
1	Segment Revenue		
	a) Cast Roll Division	10875.71	11930.63
	b) Forge Roll Division	2704.18	1629.32
	Sales / Income from Operations	13579.89	13559.95
2	Segment Results		
	<i>Profit/(Loss) before Tax and Interest & Finance charges from each segment</i>		
	a) Cast Roll Division	(1978.77)	(824.43)
	b) Forge Roll Division	242.21	(17.61)
	Less : Interest & Finance charges	1684.07	2102.76
	Profit / (Loss) before Tax	(3420.63)	(2944.80)
	Less : Provision for Taxation	0.41	0.53
	Less : Provision for Deferred Tax	(1112.21)	(1000.80)
	Profit / (Loss) After Tax	(2308.83)	(1944.53)
3	Capital Employed		
	a) Cast Roll Division	19862.65	19805.42
	b) Forge Roll Division	721.82	2477.26
	Total	20584.47	22282.68

35. Related Party Disclosures

a) *Name of the related parties*

Persons having a direct or indirect control over the company	None
Subsidiary Company	None
Fellow Subsidiary Companies	None
Associate Companies & Joint Ventures	None
Key Management Personnel and their Relative	Mr. Pramod Kumar Mittal Mr. B. N. Bhattacharjee Mr. Yadvendra Sahai (Upto 19.12.2012) Mr. Sushil Ray (Upto 30.04.2012)
Enterprises over which Key Management Personnel / Shareholders / Relatives have Significant influence *	JSW Ispat Steel Limited (Upto 20.06.2012) Global Steel Holdings Ltd Balasore Alloys Ltd. Delta Steel Company Plc Global Steel Phillippines Plc Navoday Management Services Ltd. Navoday Consultants Ltd. Goldline Tracom (P) Ltd. Navdisha Real Estate Pvt Ltd. Navoday Niketan Pvt Ltd Navoday Highrise Pvt Ltd

* The parties stated are related parties in the broader sense of the item and are included for making the financial statements more transparent.

Note : Related party relationship is as identified by the Company and relied upon by the Auditors.

b) Related Party Disclosures (Rs. in Lacs)

Nature of Transactions	Key Management Personnel and their Relatives	Enterprises over which Key Management Personnel/ Share Holders / Relatives have significant influence	Total
Sale of Finished goods:			
JSW Ispat Steel Ltd. (Upto 20.06.2012)		526.96 (1895.82)	526.96 (1895.82)
Purchases of raw materials:			
JSW Ispat Steel Ltd. (Upto 20.06.2012)		57.98 (—)	57.98 (—)
Balasore Alloys Limited		82.25 (—)	82.25 (—)
Salary / Managerial Remuneration:			
Mr. Yadvendra Sahai	52.52 (20.35)		52.52 (20.35)
Mr. B. N. Bhattacharjee	33.43 (13.61)		33.43 (13.61)
Mr. L. K. Poddar	— (111.71)		— (111.71)
Mr. Saumitra Banerjee	— (21.97)		— (21.97)
Mr. Sushil Ray	4.41 (20.31)		4.41 (20.31)
Balance outstanding as at the year end – Debit			
JSW Ispat Steel Limited (Upto 20.06.2012)		424.73 (708.91)	424.73 (708.91)
Global Steel Philippines Plc		349.40 (349.40)	349.40 (349.40)
Balance outstanding as at the year end – Credit			
Balasore Alloys Limited		16.06 (6.25)	16.06 (6.25)
Share Application Money pending Allotment			
Goldline Tracom Pvt. Ltd.		250.00 (—)	250.00 (—)
Navdisha Real Estate Pvt. Ltd.		200.00 (—)	200.00 (—)
Jaltarang Vanijya Pvt. Ltd.		300.00 (—)	300.00 (—)
Mita Holdings Pvt. Ltd.		674.59 (—)	674.59 (—)

36. Value of Imports on C.I.F. Basis
Raw Material
Components & Spares
Capital Goods

	2012-2013 (Rs in Lacs)	2012-2013 (Rs in Lacs)
	204.05	1007.48
	46.14	97.40
	15.29	7.33

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	2012-2013 (Rs in Lacs)	2012-2013 (Rs in Lacs)
37. Expenditure in Foreign Currency		
Travelling	6.52	30.17
Commission	3.57	37.67
Interest	21.27	23.70
Others	17.68	3.09
38. Earnings in Foreign Currency		
Export of goods on F.O.B basis		
(Including through third parties)	3359.83	3590.57

39. Significant accounting policies and practices adopted by the company are disclosed in the statement annexed to these financial statements as Annexure I.
40. Previous period's figures, which are given in brackets, have been re-grouped/re-arranged wherever necessary.

Signatories to all Notes 1 to 40

In terms of our attached report of even date

For V. Malik & Associates
Chartered Accountants

Vipin Malik
Proprietor

Camp : Kolkata
Date : 30th May, 2013

S Subramanian
Company Secretary

Sandip Gupta
Chief Financial Officer

For and on behalf of the Board

M Trivedi *Director*

Susanta Ghosh *Director*

B N Bhattacharjee *Director (Operations)*

Annexure I

Summary of Significant Accounting Policies

(Annexed to and forming part of financial statements for the year ending 31st March,2013)

i) System of Accounting

The Company prepares its accounts on accrual basis, in accordance with the normally accepted accounting principles. The following however are exceptions:-

- a) Insurance claims and interest on overdue payments from customers, due to uncertainty in realisation, are accounted for on actual receipt basis.
- b) Interest on overdue payments to suppliers is accounted for on actual payment/acceptance basis.
- c) Customer's claims against the company for replacement of rolls etc. are accounted for on final settlement of the claims.
- d) Estimated liability in respect of performance of Rolls is provided for based on past experience and historical data.
- e) All the assets and liabilities have been classified as current or non current as per company's normal operating cycle and other criteria set out in the Revised Schedule VI of the Companies Act 1956. Based on the nature of the products and the time between the acquisition of the assets for processing and their realization in cash and cash equivalent, the company has ascertained its operating cycle to be less than 12 months.

ii) Revenue Recognition

Revenue from sale of goods and services rendered is recognized upon passage of title and rendering of services to the customers, which generally coincides with delivery.

iii) Fixed Assets

- a) Fixed Assets are stated at cost net of recoverable taxes and including incidental expenses, erection/commissioning and interest etc. for the period up to the date of commencement of commercial production or up to the date the asset is put to use.
- b) In case of revaluation of Fixed Assets, the original cost is written up by the revalued figure. The revalued figure is considered in the accounts and the differential amount is transferred to Capital Reserve.
- c) Contribution made/expenses incurred for creation of fixed assets not owned by the Company are capitalised and depreciated over a period of 5 years.
- d) Machinery spares which can be used only in connection with an item of fixed asset and whose use as per technical assessment is expected to be irregular are capitalised and depreciated over the residual life of the respective assets.
- e) The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price and 'Value in use' of the assets. The estimated future cash flows considered for determining the value in use are discounted to their present value at the weighted average cost of capital.

iv) Depreciation

- a) Depreciation on original & revalued assets are provided on Straight Line Method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

- b) The classification of Plant & Machinery into continuous and non-continuous process has been carried out as per technical certification. Depreciation thereon, has been provided accordingly during the year.
- c) Depreciation on assets added/disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal of the respective assets.
- d) The difference between depreciation on the revalued amounts and original cost is transferred from Revaluation Reserve to Profit & Loss Statement.
- e) In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

v) Intangible Assets

Expenditure incurred on rights/properties, where benefit is expected to flow in future, is disclosed as intangible assets.

Expenditure incurred on cost of acquisition of ERP software package and implementation thereof are amortised over a period of 5 years on straight Line Method.

vi) Investments

- a) Current Quoted Investments are stated at lower value of “at cost” or “market rate” on individual investment basis,
- b) Unquoted /long term investments are considered “ at cost”, unless there is a permanent decline in the value thereof, in which case adequate provision is made against the diminution in the value of Investment.

vii) Foreign Currency Transactions

- a) Foreign Currency Transactions are recorded on the basis of exchange rates prevailing on the date of transaction.
- b) Foreign currency assets and liabilities (other than those covered by forward contracts) as on the Balance Sheet date are revalued in the accounts on the basis of exchange rates prevailing at the close of the year and exchange difference arising therefrom is adjusted to the cost of fixed assets or Profit & Loss Statement, as the case may be.
- c) In case of transactions covered by forward contracts, the difference between the contract rate and the exchange rate prevailing on the date of transaction, is adjusted to the cost of fixed assets or Profit and Loss Statement, proportionately over the contract period.

viii) Research and Development

Research and Development expenditure of revenue nature are charged to Profit & Loss Statement, while Capital Expenditure are added to the cost of fixed assets in the year in which these are incurred.

ix) Inventory Valuation

- a) Finished and semi finished inventories are valued at cost derived by activity based accounting or net realizable value whichever is lower.

Raw material & other inventories are valued at cost on weighted average basis or net realisable value whichever is lower. Cost of inventories comprise of costs of purchases, cost of conversion and other cost incurred in bringing the inventory to present location and condition.

- b) Rotation scrap is valued at estimated realisable value. The Scrap roll receivable against free replacement of rolls to customers is considered in stock on actual receipt.

x) Customs & Excise Duty

The company accounts for Excise Duty at the point of manufacture of finished goods. Similarly, Custom Duty on imported materials in transit / lying in bonded warehouse is accounted for at the time of import / bonding of materials.

xi) Earning per Share

Earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii) Retirement Benefits

- a) The Company funds the incremental Gratuity liability for its employees on the basis of actuarial valuation.
- b) Leave liability to employees is accounted for on actuarial valuation basis.

xiii) Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

xiv) Taxation

Provision for Income Tax comprises of current tax and deferred tax charged or released. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being difference between taxable and accounting income/expenditure that originate in one period and are capable of reversal in one or more subsequent period(s). Deferred tax assets are not recognized unless there is "virtual certainty" that sufficient future taxable income will be available against which such deferred tax asset will be realized.

xv) Contingencies

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of notes to the accounts.



ATTENDANCE SLIP

GONTERMANN-PEIPERS (INDIA) LIMITED

Registered Office: P.O. Pailan, Diamond Harbour Road, Kolkata - 700 104, West Bengal

Folio / DP ID - Client ID No.

No. of Share(s) held:

Name and Address of the Shareholder(s)

[Empty box for Name and Address of the Shareholder(s)]

I/We hereby record my/our presence at the FORTY FOURTH ANNUAL GENERAL MEETING of the Company held at the Registered Office of the Company at P.O. Pailan, Diamond Harbour Road, Kolkata - 700 104, West Bengal, on Friday, the 27th September, 2013 at 11.00A.M.

Signature of the shareholder or proxy

- Note : 1. Please fill Attendance Slip and hand it over at the entrance of the meeting Hall.
- 2. This Attendance Slip is valid only in case shares are held on the date of meeting.



PROXY FORM

GONTERMANN-PEIPERS (INDIA) LIMITED

Registered Office: P.O. Pailan, Diamond Harbour Road, Kolkata - 700 104, West Bengal

Folio / DP ID - Client ID No.

No. of Share(s) held:

I/We of being a member/members of Gontermann-Peipers (India) Limited hereby appoint..... of or failing him of as my/our proxy to vote for me/us on my/our behalf at the FORTY FOURTH ANNUAL GENERAL MEETING to be held on Friday, the 27th September, 2013 at 11.00 A.M. or at any adjournment thereof.

Signed this..... day of.....2013.

Affix Re. 1/- Revenue Stamp

Note(s):

1. The proxy need NOT be a member.
2. The proxy form signed across revenue stamp should reach Company's registered office at least 48 hours before the scheduled time of meeting.
3. Company reserve the right to ask for identification of the proxy
4. Proxy cannot speak at the meeting or vote on a show of hands

