

52nd Annual Report 2012-2013



GWELD
SEAL OF TRUST

GEE LIMITED

From the Managing Director's Desk

Dear Shareholders,



I have great pleasure in presenting the 52nd Annual Report for the year ended 31st March, 2013.

The year 2012 has been extremely challenging for the Indian and Global Economy. Uncertainty has ruled in all sectors across all domains, be it economical, financial or political. The manufacturing industry saw this uncertainty translated into unpredictable demand patterns, increased credit restrictions, and a highly competitive environment driven by general overcapacity in most of the sectors.

In spite of this, Gee had another strong year in 2012 and has continued with the positive trend. Our results reflected the sound execution of our business plans, centered on expansion and disciplined cost and asset management. Among our achievements, we delivered our highest-ever sales, made substantial inroads to new markets, and continued aggressive launches of advanced new products. As a result, the company is well-positioned to reap the benefits whenever there is upsurge in economy.

For fiscal 2012-13, Gee reported net sales and revenues of 1862.98 million, a growth of 8%. The net income reported was 46.40 million. The profit margins were adversely affected on account of hike in the material cost and unpredictable movement in the currency market.

The Company's performance affirmed the wisdom of keeping our eyes on the horizon and feet on the ground. That means investing to capitalize on powerful macroeconomic trends, while at the same time maintaining a laser-like focus on operational excellence and customer service. The Company continued to strengthen its financial condition.

We gain confidence as the Indian and Global Economy is gaining traction and is expected to perform better in this fiscal. The resurgence of the global growth is crucial for industrial recovery in India. India is tipped for resurgent growth, with the reform measures undertaken recently. The measures include liberalization of FDI in multi-brand retail, amendment of the Banking Regulation Act and expeditious decisions on approvals for implementation of mega projects. The impact of these steps will be felt on macro parameters in the current fiscal. Economic growth is projected to be in the range of 6.1%-6.7% in 2013-14.

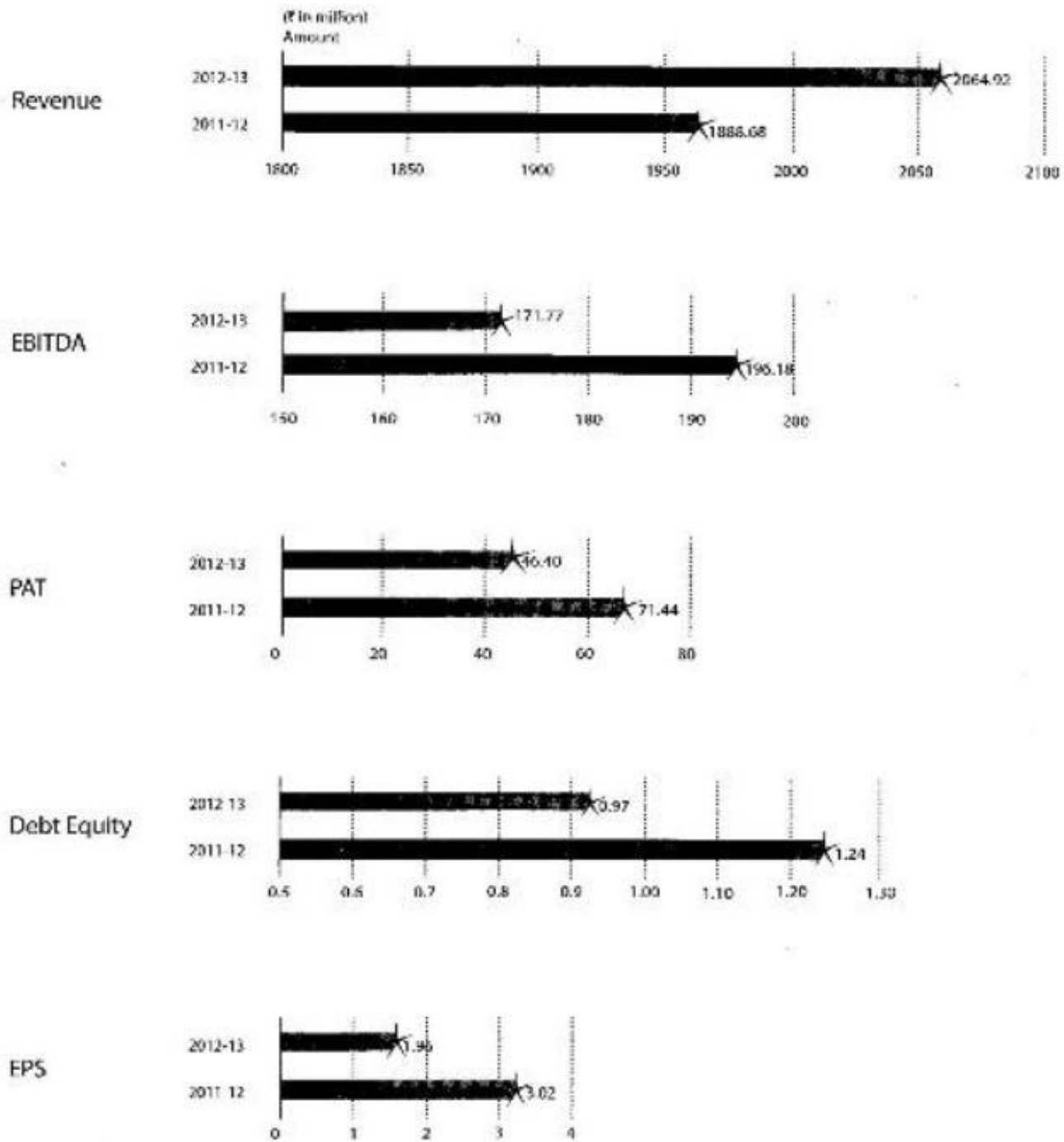
We resolve to put in our best to achieve greater heights in the time to come.

Yours Sincerely,

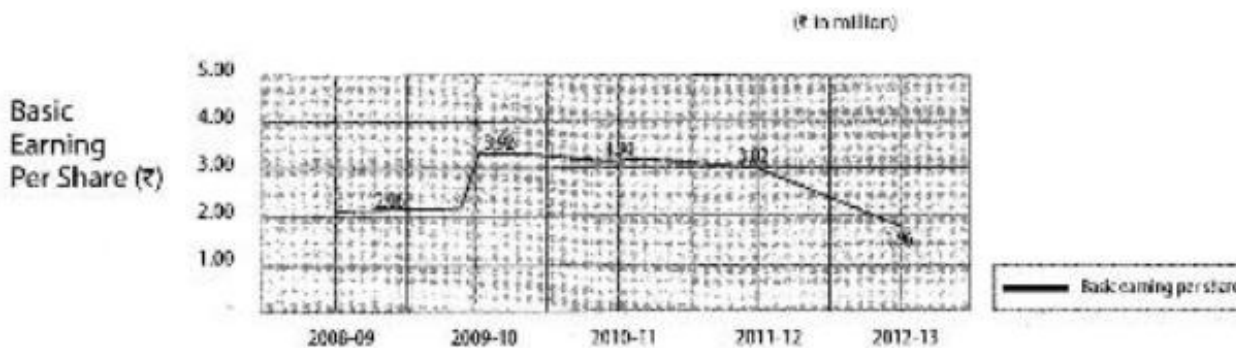
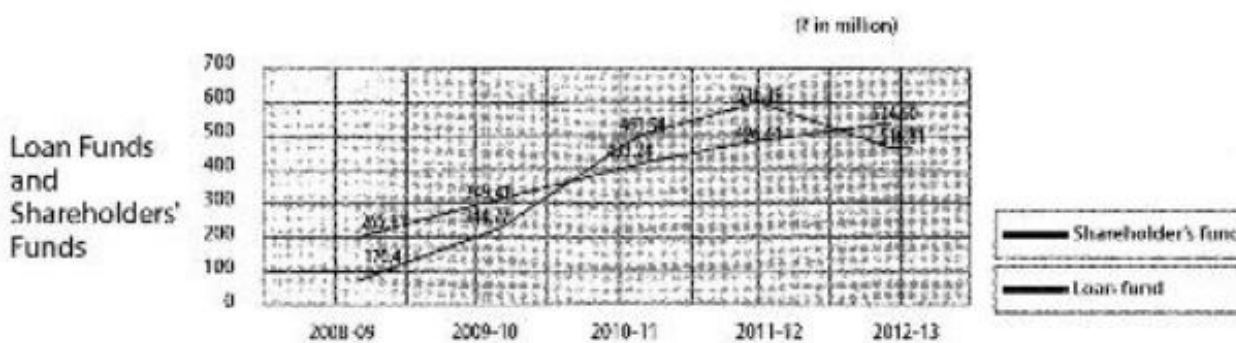
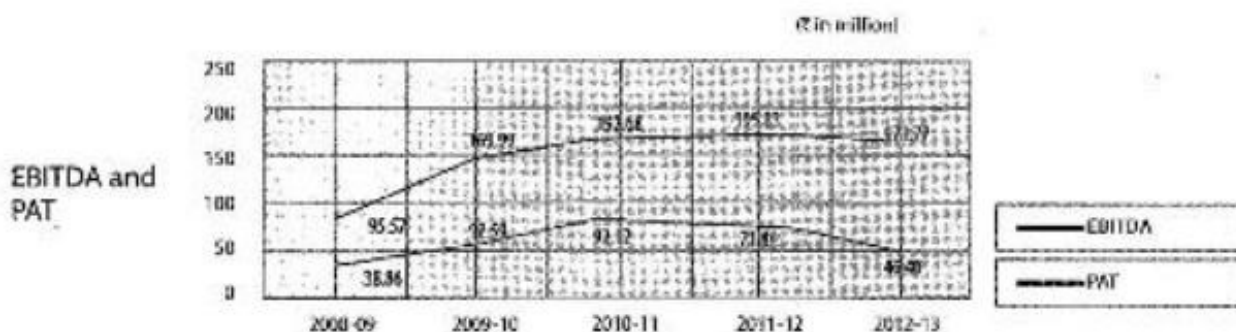
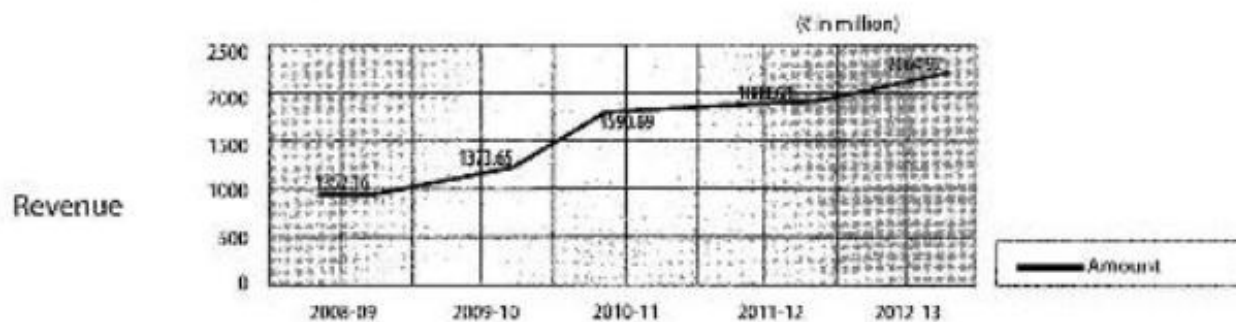
S.L. Agarwal

Managing Director

2012-2013 Highlights



Five Years at a glance



DIRECTORS' REPORT

Dear Shareholders

Your Directors have pleasure in presenting the 52nd Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2013.

Financial Results

Key aspects of your Company's financial performance for the year 2012-13 are tabulated below:-

Particular	₹ in million	
	2012-2013	2011-2012
Sales (Gross) & Other Income	2080.01	1896.88
Profit before Interest & Depreciation	171.77	195.83
Financial Charges	74.59	74.15
Depreciation	22.88	20.11
Profit before Taxes	74.30	101.57
Payment / Provision for Taxes	27.90	30.13
Profit after Taxes	46.40	71.44
Profit brought forward	247.57	199.37
Appropriation to:		
General Reserve	15.00	15.00
Proposed Dividend	7.08	7.08
Tax on Proposed Dividend	1.15	1.15
Profit carried to Balance Sheet	270.73	247.57

Dividend

Your Directors have also recommended, for consideration of shareholders at the Annual General Meeting, Dividend @ 15% (₹ 0.30/- per share of ₹ 2 each), on 2,36,25,878 equity shares. The Dividend will be paid in compliance with applicable regulations.

Business Operations

The Indian economy grew at the slowest pace in a decade at a mere 5% in 2012-13 compared to 6.9% in last fiscal. The net turnover of the Company increased by 7.6%, from INR 1732 million in 2011-12 to INR 1863 million in 2012-13. Exports of the Company grew substantially by 41% with the Company further exploring new markets with a view to boost the same.

Although the direct and indirect costs were under tight control, the raw material prices shot up sharply, leading to an increase of 2.3% in the Cost of goods sold. This hike in material consumption cost took a direct hit on the PBT margins, which slid down sharply by almost 2%, from INR 101.57 million in 2011-12 to INR 74.30 million in 2012-13.

As discussed in the last fiscal, the Company has taken Foreign Currency denominated loans to cut down on the interest cost. Although interest paid on these loans were lower than Rupee denominated loan, the appreciation in US Dollar vis-à-vis the INR led to substantial losses being booked on repayment and realignment of the loan on balance sheet date.

There was no addition to the fixed asset base of the Company in the current fiscal. In these turbulent times, the Company's strategy is to maximize the returns from the existing capital asset base and expand its reach across all sectors of the economy. The highlights and details are discussed under the Management Discussion and Analysis attached as Annexure - D to this report. The Company is confident of overcoming the hurdles posed by the economy in its lowest growth phase.

Energy, Technology & Foreign Exchange

A statement giving details of conservation of energy, technology absorption and foreign exchange earning and outgo in terms of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto in Annexure-A.

Fixed Deposits

The Company has neither accepted nor renewed any Fixed Deposit from the public during the year and as on 31st March 2013, there were no outstanding deposits.

CORPORATE MATTERS

Corporate Governance

The Company has complied with the Corporate Governance code as stipulated under the listing agreement executed with the Stock Exchange. A separate section on Corporate Governance along with a certificate from the auditors of the company confirming the compliance is annexed and forms part of this Report.

Directors

The respected Directors, Mr. Ashok Kumar, Director and Mr. Sujit Sen, Director, retire by rotation at the forthcoming Annual General Meeting and are eligible for re-appointment. The necessary resolutions are being placed before the shareholders for approval.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956.

Your Directors hereby confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the directors have 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 financial year and of the profit or loss of the company for that period;
- iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the directors have prepared the annual accounts on a going concern basis.

Internal Control System and Adequacy

Your Company maintains an adequate system of internal control including a suitable monitoring process. For the purpose of financial control, the Company is adequately staffed with experienced and qualified personnel at all levels and plays an important role in implementing and monitoring the statutory and internal policy control.

The internal audit department regularly conducts reviews to assess financial and operating controls at various locations of your Company. Any significant issue is brought to the notice of the Audit Committee.

Auditors

M/s. Ford, Rhodes, Parks & Co., Chartered Accountants, Mumbai retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. The Company has received certificates from them that their appointment will be within the limits prescribed under Section 224(1-B) of the Companies Act, 1956. The necessary resolution is being placed before the shareholders for approval.

Employees

There were no employees drawing remuneration in excess of ceiling(s) prescribed under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

Acknowledgement

Your Directors also wish to appreciate the dedication and commitment displayed by employees at all levels and also express their sincere thanks and appreciation to Financial Institutions, Banks and Shareholders, the State and Central Government, customers, dealers and suppliers for their continued support and co-operation.

For and on behalf of the Board

Place: Thane
Date: August 5th, 2013

S. L. AGARWAL
Managing Director

S. M. AGARWAL
Executive Director

Annexure A to the Directors' Report

[Additional Information in terms of Notification No.1029 of 16.12.1988 issued by the Department of Company Affairs]

[A] Conservation of Energy

The disclosure of conservation of energy has not been provided as the Company is not covered under the list of specified industries under the Disclosure of Particulars in the Report of Board of Directors Rules, 1988. However, required conservation measures mentioned below are undertaken by the Company:

- Fuel consumption in DG sets was reduced by using automatic change-over and APFC panels.
- Introduction of AC induction Motors in place of DC Motors.
- ETP/STP installations enabled use of recycled water.
- Blowers and cooling fans in equipment re-wired to run only when PDM equipment is in use.
- Introduction of gas fired heating system in replacement of static oven heaters.

[B] TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT

Efforts made towards technology absorption and R&D is given as per Form-B annexed herewith.

[C] FOREIGN EXCHANGE EARNINGS & OUTGO

Details of earnings and outgo of foreign exchange are given in Schedule 22, Notes to the Accounts. The Company continues to strive to improve its export earnings.

FORM B (See Rule-2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

[A] RESEARCH & DEVELOPMENT (R&D)

1. SPECIFIC AREAS IN WHICH R&D CARRIED OUT BY THE COMPANY:

Improvement / Technology upgradation of the Company's existing products and Research and Development of alternate raw material with a view to improve quality, minimize imports and to reduce costs. A new spectrometer was added to enhance the quality standards across all product ranges.

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

- Wider range of electrodes, enhanced value equation and greater customer satisfaction.

3. FUTURE PLAN OF ACTION:

- The Company intends to pursue technology innovation, renewed up-gradation in its product range consistently to enhance consumer service and reduce costs at all levels.

4. EXPENDITURE ON R&D

	2012-2013	R in million) 2011-2012
a) Capital	--	--
b) Recurring	--	--
c) Total	--	--
d) Total R&D expenditure as a percentage of total turnover	--	--

[B] TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. EFFORTS IN BRIEF, MADE TOWARDS TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

The following measures are undertaken by the Company:

- Development of welding consumables for Super Thermal power plant with special chemical and mechanical properties.
- Development of Non-synthetic basic type of electrode for Hydro-Power electrical plants.
- Development of special binder for achieving extremely low hydrogen in the welding electrodes.
- Welding Consumables developed for cryogenic steels used in fertilizers and petrochemical sectors.
- Development of welding consumables for welding special grade of steels used in defence shipbuilding industries.
- Welding Consumables developed for armour steels used in army tanks.

**2. BENEFITS DERIVED AS A RESULT OF THE ABOVE EFFORTS,
E.g. Product Development, Import Substitution Etc.:**

The benefits derived from the mentioned technology absorption measures:

- Significant reduction in power and fuel cost.
- Improvement in quality of electrode.

3. PARTICULARS OF IMPORTED TECHNOLOGY IN THE LAST FIVE YEARS:

- a) Technology imported : N.A.
- b) Year of Import : N.A.
- c) Has technology been fully absorbed : N.A.
- d) If not fully absorbed, reason & future action plan : N.A.

Annexure B to the Directors' Report Report on Corporate Governance

Introduction

Your Company has complied in all material aspects with the provisions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange.

A report on the implementation of the Corporate Governance of the Listing Agreement by the Company is provided below.

Company's Philosophy

Corporate Governance is about commitment to values and integrity in directing the affairs of the Company. It is an integral part of strategic management. Its basic tenets are adherence to ethical business practices; responsibility and accountability; honesty and transparency in the functioning of the management and the Board; true, complete and timely disclosures; and compliance of law. The Company's philosophy is to uphold the core values of ethics and create maximum shareholder value without compromising the integrity of business practices.

The Board of Directors and the management of GEE Limited commit themselves to:

- Strive towards enhancement of shareholder value through sound business decisions
 - Prudent financial management and
 - High standards of ethics throughout the organization
- Ensure transparency and professionalism in all decisions and transactions of the Company

1. Board of Directors

During the year, 5 Board Meetings were held on 30.05.2012, 31.07.2012, 17.09.2012, 09.11.2012 and 31.01.2013

None of the Directors of the Board is a member of more than ten committees and they do not act as Chairman of more than five committees across all companies in which they are directors.

The composition of Directors and the attendance at the Board Meetings during the year and the last Annual General Meeting and also number of other directorships and Committee Memberships are given below:

Sl.No.	Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorships	No. of Member of other Committees	Chairmanship of other Committee(s)	Note No.
1	Mr. S.L. Agarwal	Managing Director	5	Yes	3	2	-	A
2	Mr. S.M. Agarwal	Executive Director	5	Yes	-	2	-	A
3	Mr. G.K. Saraf	Executive Director	-	No	5	-	-	A
4	Mr. M.P. Dhanuka	Executive Director (Marketing)	5	Yes	-	-	-	C
5	Mr. Ashok Kumar	Non-executive Director	-	No	-	3	-	B
6	Mr. Sujit Son	Non-executive Director	1	Yes	1	1	2	B
7	Mr. Utsav Kapadia	Non-executive Director	3	Yes	11	-	-	B
8	Mr. K.M. Panthali	Non-executive Director	4	Yes	1	3	1	B

A. Promoter Directors.

B. Non-executive and Independent Directors.

C. Executive and Independent Directors.

Equity Shares held by Directors

Name of the Director	No. of Equity shares
Mr. S.L. Agarwal	1,843,938
Mr. S.M. Agarwal	423,898
Mr. G. K. Saraf	197,868
Mr. Utsav Kapadia	93,122

2. Secretarial Standards

The Institute of Company Secretaries of India (ICSI) has laid down Standards on secretarial practices relating to meetings of the Board and Board Committees, General Meetings, dividends etc. The Secretarial and the operating practices of the Company are in line with the above Secretarial Standards.

All the information required under Annexure-I to Clause 49 of the Listing Agreement with Stock Exchanges is being placed before the Board at every meeting, with the current status duly updated.

3. Audit Committee**Composition & Meeting**

The Audit Committee's terms of reference conforms to section 292A of Companies Act, 1956 as well as Clause 49 of the Listing Agreement. During the Financial Year 2012-13, four meetings of Audit Committee were held as follows:-

Sl. No.	Name of Director	Status	Meetings attended (Y/N)			
			30.05.12	31.07.12	09.11.12	31.01.13
1	Mr. Sujit Sen	Chairman & Non-executive Independent Director	N	N	N	N
2	Mr. Ashok Kumar	Non-executive Independent Director	N	N	N	N
3	Mr. K. M. Panthaki	Non-executive Independent Director	Y	Y	Y	Y
4	Mr. S. L. Agarwal	Executive Non Independent Director	Y	Y	Y	Y
5	Mr. S. M. Agarwal	Executive Non-Independent Director	Y	Y	Y	Y

The Statutory Auditor (if need arise), Internal Auditors are invitees to the Audit Committee Meetings.

4. Remuneration Committee

Your Company has formed a Remuneration Committee to lay down the norms for determination of remuneration of the executive as well as non-executive directors and executives at all levels of the Company. The Remuneration Committee has been assigned to approve and settle the remuneration package with the optimum blending of monetary and non-monetary outlay.

Composition of Remuneration Committee

Sl. No.	Name of the Director	Status	Designation in Committee
1	Mr. Sujit Sen	Non-Executive Director	Chairman
2	Mr. Ashok Kumar	Non-Executive Director	Member
3	Mr. K. M. Panthaki	Non-Executive Director	Member

5. Remuneration Policy

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practices.

The remuneration of Executive Directors largely comprises basic remuneration and perquisites. There are no stock option benefits to any of the Directors. The non-executive Directors do not draw any remuneration from the Company.

Particulars of Directors' Remuneration during the financial year ended 31st March, 2013

Name of Director	Salary & Perquisites # (₹)	Sitting Fees (₹)	Total
Mr. S.L. Agarwal Managing Director	2,340,000	NIL	2,340,000
Mr. S.M. Agarwal Executive Director	1,405,996	NIL	1,405,996
Mr. G. K. Saraf Executive Director	2,253,336	NIL	2,253,336
Mr. M.P. Dhanuka Executive Director Marketing	3,067,800	NIL	3,067,800
Mr. Utsav Kapadia Director	-	15,000	15,000
Mr. K.M.Panthaki Director	-	20,000	20,000
Mr. Sujit Sen Director	-	5,000	5,000

Perquisites includes Leave Travel Allowance, Medical Expenses & Company's Contribution to Provident and Superannuation Funds and other Allowances.

6. Share Transfer-cum-Shareholder / Investor Grievance Committee

Your Company has constituted a permanent Shareholders' Grievance Committee to look into the shareholders' grievances. The committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in quality of investor service.

Name	Category of Directorship	Designation
Mr. K.M.Panthaki	Non-Executive & Independent Director	Chairman
Mr. S.L.Agarwal	Executive Director	Member
Mr. S.M.agarwal	Executive Director	Member
Mr. Ashok Kumar	Non-Executive & Independent Director	Member
Mr. Sujit Sen	Non-Executive & Independent Director	Member

Complaint Status

During the year the Company has not received any complaints from the shareholders. As on date, there are no pending complaint of any shareholder.

7. General Body Meetings

The details of Annual General Meetings held during the last three years are as under :-

Year	Date	Time	Venue	Special Resolution Passed
2011-12	17th September, 2012	04.00 p.m.	Hotel Satkar Residency, Pokhran Road No.1, Thane(West) 400 606	0
2010-11	17th September, 2011	11.30 a.m.	Hotel Satkar Residency, Pokhran Road No.1, Thane(West) 400 606	0
2009-10	17th September 2010	01.00 p.m.	Hotel Satkar Residency, Pokhran Road No.1, Thane(West) 400 606	1

Details of the Last Three Extra Ordinary General Meetings

Year	Date	Time	Venue
2011-12	NIL	NIL	NIL
2010-11	NIL	NIL	NIL
2009-10	NIL	NIL	NIL

All the resolutions placed before the shareholders at the above meetings were approved.

8. Disclosures

Details of related party transactions during the year have been set out under Note No.38 of the Annual Accounts. However, these have no potential conflict with the interests of the company at large.

There were no instances of non-compliance or penalty, strictures imposed on the Company by Stock Exchanges / SEBI or any other statutory authorities on any matter related to capital markets, during the last three years.

Presently the Company does not have a Whistle Blower Policy but has a policy similar to it, which is called Open Talk. No personnel of the Company has been denied access to the Audit Committee.

GEE Limited has implemented a Code of Conduct based on its business principles along with implementation framework for its Directors and senior management of the Company. In compliance with the code, Directors and senior management of the Company have affirmed compliance with the Code for the year ended on 31st March 2013. A declaration to this effect signed by the Managing Director form part of this Annual Report.

9. Means of Communication

The financial results of the Company are published in widely circulating dailies such as Free Press Journal & Navashakti. Information released to the press at the time of declaration of results is also sent to 'The Bombay Stock Exchange' where the shares of the Company are listed for trading.

All the above results and documents are also displayed on the Company's official website www.geelimited.com

10. Management Discussion & Analysis Report

The comprehensive Management Discussion & Analysis Report has been enclosed with this report.

11. Compliance

Mandatory requirements

The Company has fully complied with the applicable mandatory requirements of the Clause 49.

Adoption of non-mandatory requirements

1. Tenure of Independent Directors

No specific tenure has been specified for the Independent Directors.

2. Remuneration Committee

The Company has Remuneration Committee that comprises of three members. The Chairman of the Committee is an independent Director.

3. Audit Qualifications

The Auditors have raised no qualification for the Financial Statements of the Company.

4. Whistle Blower Policy

The Company does not presently have a Whistle Blower Policy in place, but a similar policy called Open Talk. However, no personnel are denied access to the Audit Committee.

Compliance Certificate of the Auditors

The Statutory Auditors' Certificate that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange is annexed hereto as Annexure C to the Directors' Report.

12. CEO / CFO Certification

The Managing Director (de-facto Chief Executive Officer) has given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement, attached hereto in Annexure - E to the Directors' Report.

13. General Shareholder Information

Annual General Meeting (Date, Time & Venue)	Saturday, September 14, 2013 at 12.45 p.m. at Hotel Satkar Residency, Pokhran Rd. No. 1, Thane (W)-400604, Mumbai, Maharashtra
Financial Year	1st April 2012 - 31st March 2013
Dividend for Financial Year 2012-13	The Board of Directors has, subject to the approval of Shareholders at Annual General Meeting, recommended dividend @ 15% for the financial year 2012-13
Listing on Stock Exchange	Shares of the Company are listed on The Bombay Stock Exchange, Mumbai. Annual Listing fees have been duly paid to The Bombay Stock Exchange
Stock Code	504028
Financial Calendar 2013-14 (Tentative & subject to change)	<ol style="list-style-type: none"> 1. First Quarter result-31st July, 2013 2. Second Quarter result-31st October, 2013 3. Third Quarter result-31st January, 2014 4. Fourth Quarter result-30th May, 2014 5. Audited yearly result for the year ended March, 2014-End of May 2014
Register & Transfer Agents (both for Electronic & Physical Segment)	Sharepro Services (India) Pvt. Ltd., 13 AB Samhita Warehousing Complex, 2nd Floor, Off. Andheri Kurla Road, Sakinaka Telephone Exchange Lane, Sakinaka, Andheri East, Mumbai 400 072
Share Transfer Systems	The share transfers that are received in physical form are processed and the share certificates returned within 30 days of lodgement subject to the documents being valid and complete in all respects
Dematerialization of Shares	The Company's shares are available for dematerialization on both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Service Ltd. (CDSL). The ISIN No. allotted to equity shares of the Company is INE 064H01021
Regd. Office	Plot No. E-1, Road No.7, Wagle Industrial Estate, Thane(W) - 400604
Address for Correspondence	Plot No. 12B, MIDC, Kalyan Bhiwandi Road, Saravali, Kalyan (W) - 421 311
Compliance Officer	SANWARMAL AGARWAL (EXECUTIVE DIRECTOR) Tel: 02522 281176/88, Fax: 02522 281199, E-Mail: shares@geellimited.com

14. Share Price Performance

The monthly high and low quotations of equity shares of the Company traded on Bombay Stock Exchange (BSE) is tabled below:

Month	BSE		BSE SENSEX	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2012	33.00	29.80	17,664.10	17,010.16
May, 2012	35.95	23.50	17,432.33	15,809.71
June, 2012	34.50	26.35	17,448.48	15,748.98
July, 2012	33.40	26.30	17,631.19	16,598.48
August, 2012	28.60	24.90	17,972.54	17,026.97
September, 2012	31.45	26.75	18,869.94	17,250.80
October, 2012	30.00	26.35	19,137.29	18,393.42
November, 2012	29.00	26.15	19,372.70	18,255.69
December, 2012	28.95	25.80	19,612.18	19,149.03
January 2013	29.80	25.50	20,203.66	19,508.93
February, 2013	29.65	25.20	19,966.69	18,793.97
March 2013	28.35	23.05	19,754.66	18,568.43

* Source: BSE Website

15. Distribution of Shareholding as on 31st March, 2013

No. Of Shares	No. of Shareholders	%	No. of Shares	%
Less than 2500	1604	87.51	743,755	3.15
2501-5000	84	4.58	303,898	1.29
5001-10000	59	3.22	417,096	1.77
10001-15000	18	0.98	231,477	0.98
15001-20000	20	1.09	361,271	1.53
20001-25000	7	0.38	159,793	0.68
25001-50000	11	0.60	430,936	1.82
50001 and above	30	1.64	20,977,652	88.78
Total	1833	100.00	23,625,878	100.00

16. Shareholding Pattern of the Company as on 31st March, 2013

Category	No. of shares held	%
Promoters, Directors & their relatives and Associates Companies	15,380,376	65.10
Financial Institutions/Insurance Companies	639,717	2.71
Other Bodies Corporate	4,339,467	18.37
Individual	3,263,943	13.82
NRIs	2,118	0.01
Trust	257	0.00
Total	23,625,878	100.00

For and on behalf of the Board

Place : Thane
Date : August 5th, 2013

S. L. AGARWAL
Managing Director

Annexure C to the Directors' Report

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of

GEE Limited

We have examined the compliance with the conditions of Corporate Governance by GEE Limited (the 'Company') for the year ended March 31, 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the said compliance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us and representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

FORD, RHODES, PARKS & Co.
Chartered Accountants

Place : Mumbai
Date : August 5th, 2013

A. D. SHENOY
Partner
Membership No. FCA 11549

Annexure D to the Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS

Business Performance and Overview

The Indian economy grew at its slowest pace in a decade at a mere 5% in 2012-13, on the back of dismal performance by the agriculture, manufacturing and services sectors. The slowdown in 2011-12 and 2012-13 has been precipitated by domestic factors as well as factors emanating from the rest of the world, particularly advanced economies and India's major trading partners. The crisis in the Euro-zone area and slow growth in many other advanced economies have affected growth in India through dynamic linkages. Domestic factors, including the tightening of monetary policy, in order to control inflation, resulted in slowing down of investment and growth, particularly in the industrial sector. India's diversified trade patterns have not been able to insulate it from global stagnation.

The slowdown was reflected in all sectors of the economy but the industrial sector suffered the sharpest deceleration. Inflation did ease in 2012-13 vis-à-vis higher levels prevailing in 2011-12. However, the pace of decline has been slow, denying requisite flexibility to the RBI to undertake sufficient reduction in the policy rates. Weaknesses in the major developed economies are at the root of the global economic slowdown. The problems in Europe, Japan and United States are spilling over to India through weaker demand for their exports and heightened volatility in capital flows and commodity prices. Further, with investment activity remaining subdued, the prospects of a recovery in industrial growth appear weak.

In this turbulent economic phase, the Company registered 8% growth in its turnover, compared to last financial year. The Company's overall strategy has been to register maximum repeat orders from existing customers. In this context, sales executives across regions and line of authority are working hard to maximize the revenue generation in each sphere.

Although, we worked hard to make a positive growth to our topline, the increase in raw material consumption cost by 2.29% from INR 1279.00 million to 1418.66 million overshadowed this growth by negatively impacting the net profit margins.

Employee benefit expense and other expense, both were in line with last year's ratios, at 3.5% and 12% respectively. This comments on the austere measures adopted by the Company to control expenses across all levels.

As discussed earlier, EBITDA margins went down by 2.11% from INR 196.18 million to INR 171.77 million.

Finance costs, a huge size of the Company's overall costs, went down marginally by 0.30%, from INR 74.50 million in 2011-12 to INR 74.55 million in 2012-13. The Company had taken up loans in Foreign Currency to save on the interest cost. However, the unexpected and unimagined depreciation in Indian Rupee vis-à-vis the US Dollar forced the Company to book notional losses on that front. Therefore, the Company booked a loss on account of foreign currency fluctuation on foreign currency loans to the tune of INR 12.38 million as compared to INR 6.84 million in the previous year.

PBT levels dropped by 1.88% of sales from INR 101.57 million to INR 74.30 million. PAT also subsequently slid by 1.63% of sales, from INR 71.44 million to INR 46.40 million.

Outlook, opportunities and threats

India's growth engine has shifted into lower gear. While a significant deceleration in exports has been a key factor behind the slowdown, India's economy also faces a number of structural challenges that hamper growth. A continued or broadened stagnation in global growth would in turn weigh heavily on Indian growth.

However, a slow recovery is likely to shape up in 2013-14 with progressive implementation of some of the reforms announced since mid-September 2012. These reforms include liberalization of FDI in multi-brand retail, amendment of the Banking Regulation Act and the setting up of the Cabinet Committee on Investments chaired by the Prime Minister to expedite decisions on approvals/ clearances for implementation of mega projects.

Economic growth may improve to 6.1% in the current fiscal 2013-14. The impact of the above mentioned reform measures on macro parameters will be felt in 2013-14.

India's steel production capacity is going to increase manifold in the coming years. The average per capita steel consumption has risen from 38 kgs in 2005-06 to 59 kgs in 2011-12 and is expected to rise further based on increased penetration of steel products. Crude steel production grew at 8% annually from 46.46 million tonnes in 2005-06 to 73.79 million tonnes in 2011-12. Real consumption of finished steel has grown at CAGR of 9.4% during the last six years.

All these figures comment on the viability of the steel industry and the unstoppable, if temporarily slowed, growth inherent in this industry. The welding industry, a directly proportional component of the steel industry will benefit from this growth statistics.

The revival of global growth is, therefore, crucial for industrial recovery in India. There is strong correlation between domestic and global IIP. In this depressing economic scenario, we would be lying if we say that we are not nervous or bothered. The anxious sentiment in the marketplace affects us, as everybody else. However, we continue to have the same unstinting confidence in our ability to succeed.

Human Resources

Human resources management plays a vital role in the development and growth of the Company's core assets, its employees. By adopting a partnering approach, the HR function strives to create and provide innovative solutions to ensure that the needs of both the Company and its employees are fulfilled.

Due to the various steps initiated in providing amenities to the employees, the Company continued to enjoy harmonious employee relations despite the tough times being faced by the economy.

Cautionary Statement

Details given hereinabove relating to various activities and future plans may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual performance may differ from those expressed or implied.

Annexure E to the Directors' Report

The Board of Directors

GEE Limited

Dear Sir,

It is hereby certified that the members of the Board of Director of the Company and the senior Management Personnel have affirmed the compliance with the Code of Conduct adopted by the Company in terms of clause 49(1) (D)(ii) of the Listing Agreement.

Place : Thane
Date : August 5th, 2013

S. L. Agarwal
Managing Director

Independent Auditor's Report To the members of GEE LIMITED

Report on the Financial Statements for the year ended 31st March, 2013

We have audited the accompanying financial statements of GEE LIMITED ("the Company") which comprise the balance sheet as at 31st March 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 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:

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2013;
- ii. in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- iii. 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"), as amended, 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.
2. As required by section 227(3) of the Act, we report that:
 - i. 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;
 - ii. 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;
 - iii. 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;
 - iv. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
 - v. on the basis of written representations received from the directors as on 31st March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 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 **Ford, Rhodes, Parks & Co.**
Chartered Accountants
Firm Registration No. 102860W

A.D. Shenoy

Partner

Membership No. 11549

Place: Thane

Date: May 30, 2013

Annexure to the Auditors' Report

[Referred to in paragraph pertaining to "Report on Other Legal and Regulatory Requirement" of our Report of even date to the members of GEE LIMITED on the financial statements for the year ended 31st March, 2013]

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of all the fixed assets.
(b) The fixed assets of the Company have been physically verified by the management at reasonable intervals during the year and no material discrepancies between the book records and the physical inventory have been noticed on such verification and the same has been properly dealt with in the books of account.
(c) During the year, the Company has not disposed off any substantial part of the fixed assets so as to affect the going concern.
2. (a) As explained to us, inventories have been physically verified by the management at reasonable intervals and also at the close of the year.
(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation with the size of the Company and the nature of its business.
(c) The Company has maintained proper records of inventory and the discrepancies between the physical inventory and the book records noticed on physical verification as mentioned in paragraph 2 (a) above were not material and have been properly dealt with in the books of account.
3. (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore clause (a), (b), (c) and (d) are not applicable.
(b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, clauses (f) and (g) of paragraph 4 of the Order are not applicable to the Company for the current year.
4. 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. During the course of our audit, we have neither come across nor have we been informed of any major weaknesses in the aforesaid internal control procedure.
5. (a) On the basis of our examination of the books of account and according to the information and explanations provided by the Management, we are of the opinion that the transactions that need to be entered into the register in pursuance of Section 301 of the Act have been so entered in the said register.
(b) According to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices, which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the Public within the meaning of the provisions of Sections 58A and 58AA of the Act.
7. The Company has appointed a firm of Chartered Accountants for conducting internal audit of the Company for the current financial year. In our opinion the internal audit system is commensurate with its size and nature of its business.
8. We have broadly reviewed the cost accounting records maintained by the company pursuant to the Companies (cost accounting records) Rules 2011, prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956 from this year. We are of the opinion that prima facie the prescribed cost records have been maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. (a) According to the information and explanations given to us by Management and on the basis of the examination of the books of account carried out by us, the Company has been 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 and any other material statutory dues applicable to it with the appropriate authorities during the year. There are no undisputed statutory dues outstanding as at 31st March 2013 outstanding for a period of more than six months from the date they became payable.
(b) According to information and explanations given to us by Management and the records of the Company, examined by us, there were no undisputed dues in respect of Sales Tax, Income-Tax, Custom Duty, Wealth-Tax, Excise Duty and Cess not deposited as at 31st March 2013 on account of any dispute
10. The Company has no accumulated losses as at 31st March, 2013. It has not incurred any losses during the financial year covered by the audit and in the immediately preceding financial year.
11. Based on our audit procedure and the information and explanations given to us by the Management, we are of the opinion that the Company has not defaulted in repayment of its dues to banks during the year.

12. As per the books and records, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. Clause (XIII) of the Order is not applicable as the Company is not a chit fund Company or nidhi/ mutual benefit fund/society.
14. The Company has not dealt or traded in shares, securities, debentures or other investments during the year.
15. According to the information given to us and Managements' representation the Company has not given any guarantee for the loans taken by others from banks or financial institutions during the year.
16. On the basis of our review of utilization of funds pertaining to term loans on overall basis and related information and explanations as made available to us, the term loans taken by the Company have been utilized for the purpose for which they were obtained.
17. On the basis of our review of utilization of funds on overall basis and related information and explanations as made available to us and as represented to us by the Management, funds raised on short-term basis have not been used for long-term investments and vice-versa during the year.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
19. The Company has not issued any debentures and hence para XIX of the Order is not applicable.
20. The Company has not raised any money by way of public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **FORD, RHODES, PARKS & Co.**
Chartered Accountants
Firm Registration No. 102860W

A. D. SHENOY
Partner
Membership No. FCA 11549

Place : Mumbai
Date : May 30, 2013

Balance Sheet As At 31st March 2013

Particulars	Note	In Rupees As at 31 st March 2013	In Rupees As at 31 st March 2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	47,251,756	47,251,756
Reserves & Surplus	3	487,349,950	449,191,056
		534,601,706	496,442,812
Non Current Liabilities			
Long-term borrowings	4	180,472,969	241,984,335
Deferred Tax Liabilities (Net)	5	37,281,220	28,823,515
Long-Term Liabilities	6	802,622	695,840
		218,556,811	271,503,690
Current Liabilities			
Short-term borrowings	7	287,105,817	350,317,664
Trade Payables	8	79,473,934	72,680,600
Other current liabilities	9	116,627,494	74,205,453
Short-term Provisions	10	25,237,577	26,237,577
		508,444,822	523,441,294
Total Equity & Liabilities		1,261,603,339	1,291,387,796
ASSETS			
Non-Current Assets			
Fixed Assets	11		
Tangible Assets			
Capital Work-in-progress		514,608,418	517,795,625
Non current investments	12	3,168,316	
Long Term Loans and Advances	13	29,787,220	29,587,218
		13,053,671	9,657,596
		560,617,625	557,040,439
Current Assets			
Inventories	14		
Trade Receivables	15	311,017,393	338,106,253
Cash and Bank Balances	16	275,003,389	265,423,513
Short-term loans and advances	17	32,728,818	55,289,942
Other Current Assets	18	80,067,259	73,197,770
		2,168,855	2,329,879
		700,985,714	734,347,357
Total Assets		1,261,603,339	1,291,387,796
Significant Accounting Policies	1		
Notes to Accounts	2-41		

The accompanying notes are an integral part of the financial statements

As Per our attached Report of even date
For **FORD, RHODES, PARKS & Co.**
Chartered Accountants
Firm Registration No. 102860W

A. D. SHENOY
Partner
Membership No. FCA 11549

Place : Thane
Date : May 30, 2013

For and on behalf of the Board

S. L. AGARWAL
Managing Director

S. M. AGARWAL
Executive Director

Statement of Profit And Loss For The Year Ended 31st March 2013

Particulars	Note	In Rupees Year Ended March 2013	In Rupees Year Ended March 2012
Revenue from operations (Gross)	19	2,064,919,440	1,888,678,204
Less: Excise Duty		201,935,071	157,088,492
Net Revenue from Operations		7,862,984,369	1,731,589,712
Other Income	20	15,096,187	8,201,688
		1,878,080,556	1,739,791,400
Expenses			
Cost of Materials Consumed	21	1,433,844,388	1,327,091,357
(Increase)/decrease in inventories	22	(15,181,427)	(48,089,831)
Employee Benefits Expenses	23	65,576,504	61,482,748
Other Expenses	24	222,068,989	203,122,735
		1,706,308,454	1,543,607,009
Profit before Interest, Depreciation & Tax		171,772,102	196,184,391
Finance Costs	25	74,591,259	74,561,931
Profit before Depreciation & Tax		97,180,843	121,682,460
Depreciation	11	22,881,499	20,110,391
Profit Before Tax		74,299,344	101,572,069
Tax Expense			
Current Tax		17,000,000	18,000,000
Previous Years Tax		2,445,167	1,751,124
Deferred Tax		8,457,705	10,387,891
Total Tax expense		27,902,872	30,134,015
Profit after Tax		46,396,471	71,438,054
Earning Per Equity Share (Face value of ₹2 each)			
Basic & Diluted		1.96	3.02
Significant Accounting Policies &	1		
Notes to Accounts	2-41		

The accompanying notes are an integral part of the financial statement

As Per our attached Report of even date

For **FORD, RHODES, PARKS & Co.**

Chartered Accountants

Firm Registration No. 102860W

A. D. SHENOY

Partner

Membership No. FCA 11549

Place : Thane

Date : May 30, 2013

For and on behalf of the Board

S. L. AGARWAL

Managing Director

S. M. AGARWAL

Executive Director

Cash Flow Statement For The Year Ended 31st March 2013

Particulars	In Rupees Year Ended March 2013	In Rupees Year Ended March 2012
A. Cash flow from Operating Activities		
Net profit before tax as per Statement of Profit & Loss	74,299,344	101,572,069
Adjusted for:	22,881,498	20,110,391
Depreciation	(252,578)	(678,402)
Unrealised foreign exchange gain on exports	(231,875)	1,033,430
Unrealised foreign exchange loss on imports	(18,600)	(18,773)
Dividend Received	(2,235,565)	
Sundry Balance w/off	74,591,259	74,151,309
Gross Interest Paid	716,369	516,708
Bad Debt	736,362	-
Loss on sale of Fixed Asset	96,186,870	95,114,663
Operating Profit before Working Capital Changes	170,486,214	196,686,732
Adjusted for:		
(Increase) / Decrease in Inventories	27,088,860	(85,813,550)
(Increase) / Decrease in Trade receivables	(10,043,667)	(72,003,307)
(Increase) / Decrease in Loans & Advances	(12,593,990)	(1,415,302)
(Increase) / Decrease in Other current Assets	161,023	(284,111)
Increase / (Decrease) in trade payables & other Liabilities	51,789,598	1,252,028
Increase / (Decrease) in short Term provision	(1,000,000)	
Cash Generated from Operations	225,888,038	38,422,489
Less : Taxes Paid	(17,116,739)	(20,253,747)
Net Cash generated from Operations	208,771,300	18,168,742
B. Cash flow from Investing Activities		
Investment in Margin deposit	5,473,058	(28,773,131)
Sale of Fixed Assets	2,787,325	-
Purchase of Fixed Assets	(26,386,295)	47,705,059
Investment in Non current Investment	(200,002)	
Investment in Res. Flat in Thane	-	1,886,543
Dividend Received	18,600	18,773
Net Cash Used in Investing Activities	(18,307,314)	(78,345,960)
C. Cashflow from Financing Activities		
Proceeds from cash credit facility	27,852,984	(38,962,154)
(Repayment) / proceeds short term & long term borrowings	(164,951,214)	185,354,623
Interest Paid	(62,216,244)	(67,316,205)
Dividend paid and tax thereon	(8,237,577)	(8,292,330)
Net Cash from Financing Activities	(207,552,050)	70,783,934
Net Increase / Decrease in Cash & Cash Equivalents	(17,088,065)	10,606,715
Opening Balance of Cash & Cash Equivalents	18,649,248	8,042,532
Closing Balance of Cash & Cash Equivalents	1,561,183	18,649,248
Components of Cash and Cash Equivalents at the year end		
Balance with Banks		
In Current Account	185,967	17,509,209
In Foreign Banks	203,118	574,861
Cash / Cheque on Hand		
Cash on Hand	526,129	323,481
Cash at Overseas Branch	645,969	241,697
Total	1,561,183	18,649,248

Notes :

- a) Cash Flow Statement has been prepared under the Indirect method as set out in the Accounting Standard-3 as per the Companies (Accounting Standards) Rule, 2006
- b) Fixed Deposit with bank having more than 12 months maturity are not included in cash and cash equivalents
- c) Figures in bracket indicates outflows.
- d) Previous year figures are regrouped and reclassified, wherever necessary.

As Per our attached Report of even date

For **FORD, RHODES, PARKS & Co.**
Chartered Accountants
Firm Registration No. 102860W

A. D. SHENOY
Partner
Membership No, FCA 11549

For and on behalf of the Board

S. L. AGARWAL
Managing Director

S. M. AGARWAL
Executive Director

Place : Thane
Date : May 30, 2013

Note 2 :**SHARE CAPITAL****1. Particulars of Authorised, Issued & Subscribed Capital**

Share Capital	As at 31 March 2013		As at 31 March 2012	
	Number	₹	Number	₹
Authorised				
Equity Shares of Rs. 2/- each	50,000,000	100,000,000	50,000,000	100,000,000
Total	50,000,000	100,000,000	50,000,000	100,000,000
Issued				
Equity Shares of Rs. 2/- each	23,644,778	47,289,556	23,644,778	47,289,556
Total	23,644,778	47,289,556	23,644,778	47,289,556
Subscribed & Paid up				
Equity Shares of Rs. 2/- each fully paid up	23,625,878	47,251,756	23,625,878	47,251,756
Total	23,625,878	47,251,756	23,625,878	47,251,756

2. Reconciliation of Shares at beginning and at year end

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	23,625,878	47,251,756
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	23,625,878	47,251,756

3. Particulars of Holding Company

Not Applicable

4. Rights, Preference and Restrictions of Share holders

Equity shares of the company has per value of Rs.2/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets if any after distribution of all preferential accounts. The distribution will be pro rate to the equity share held by the shareholder.

Apart from right, restrictions and preferences prescribed by the companies Act 1956. The Articles of Association of the company elaborately deal with the above. The reader is requested to refer to respective document for details.

5. Particulars of Shareholders holding 5% or more shares

Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Share held	% of Holding	No. of Share held	% of Holding
Vidya Finvest Pvt. Ltd.	5,796,667	24.54%	5,644,835	23.89%
Pan Ernami Cosmed Ltd.	2,250,000	9.52%	2,250,000	9.52%
Shankarlal Agarwal	1,843,938	7.80%	1,752,016	7.42%
Venkatesh Shelter Pvt. Ltd.	1,656,167	7.01%	1,656,167	7.01%
Vitro Commodities Pvt. Ltd.	1,542,939	6.53%	1,542,939	6.53%

6 There are no shares reserved for issue under options and contracts commitments for the sale of shares / disinvestment

7. Particulars of shares issued for consideration other than cash, shares brought back & bonus shares in last 5 years

Particulars	Year (Aggregate No. of Shares)				
	2008-09	2009-10	2010-11	2011-12	2012-13
Equity Shares:					
Fully paid up pursuant to contract (s) without payment being received in cash	901,786	-	-	-	-
Fully paid up by way of bonus shares	3,150,117	4,725,175	-	-	-
Shares bought back	-	-	-	-	-

Pursuant to order of the Honorable High Court, Mumbai during the year 2008-09, 901,786 Equity shares have been issued for the consideration other than cash to amalgamating companies in the Scheme of Amalgamation of Ferroscol India Private Limited, Filarc Engineers Private Limited, Sagar Merchandise Private Limited with GEE Limited.

8 There are no securities convertible into equity and preference share.

9 Particulars of call in arrears by directors and officers of the Company.

Unpaid Calls	Amount
By Directors	NIL
By Officers	NIL

Notes Annexed to and Forming part of the Financial Statement for the year ended 31st March 2013

Particulars	In Rupees Year Ended March 2013	In Rupees Year Ended March 2012
Note 3 : RESERVES & SURPLUS		
Capital Reserve	21,196,428	21,196,428
Capital Subsidy Reserve	2,186,546	2,186,546
Share Premium	93,028,690	93,028,690
Revaluation Reserve	4,646,567	4,646,567
General Reserve		
Balance as per Last Financial Statement	80,561,810	65,561,810
Add : Amount transferred from Surplus in Statement of Profit & Loss	15,000,000	15,000,000
Closing balance	95,561,810	80,561,810
Balance in statement of Profit and Loss		
Balance as per Last Financial Statement	247,571,015	199,370,538
Add : Profit for the year	46,396,472	71,438,053
Less : Appropriations		
Transfer to general reserve	15,000,000	15,000,000
Proposed final equity dividend	7,087,764	7,087,764
Tax on proposed final equity dividend	1,149,813	1,149,813
Total appropriation	23,237,577	23,237,577
Net surplus in statement of Profit & Loss	270,729,910	247,571,015
	487,349,951	449,191,056

Notes Annexed to and Forming part of the Financial Statement for the year ended 31st March 2013

Particulars	In Rupees Year Ended March 2013	In Rupees Year Ended March 2012
Note 4:		
LONG-TERM BORROWINGS		
Term Loans-Secured		
Indian Rupee Term Loan from Banks	76,909,424	97,572,204
Foreign Currency Loan from Banks	86,931,797	137,480,444
Vehicle Loans from Financial Institutions	7,699,332	5,499,270
	171,540,553	240,551,918
Other Loans and advances		
Deferred Sales Tax Loan	1,432,417	1,432,417
Loan from corporates	7,500,000	-
	8,932,417	1,432,417
	180,472,970	241,984,335
Note 5:		
DEFERRED TAX LIABILITY		
As per Last Financial Statement	28,823,515	18,440,624
Add : Transfer from Statement of Profit & Loss	8,457,705	10,382,891
	37,281,220	28,823,515
Note 6:		
LONG-TERM LIABILITIES		
Unclaimed Dividend	840	840
Interest Free Deposit from Dealers	801,782	695,000
	802,622	695,840
Note 7:		
SHORT-TERM BORROWINGS		
Cash Credit with Banks (secured)	273,251,354	245,398,369
Foreign Currency Loan from Banks (secured)	2,570,000	56,441,013
Buyer's Credit (secured)	11,284,463	48,478,282
	287,105,817	350,317,664
Note 8:		
TRADE PAYABLES		
Trade payables	74,786,052	64,994,992
Trade payables for capital purchases	4,687,883	7,685,608
	79,473,935	72,680,600
Note 9:		
OTHER CURRENT LIABILITIES		
Current maturities of long-term borrowings	51,234,312	24,096,000
Interest accrued but not due on borrowings	123,343	825,287
Interest accrued and due on borrowings	-	3,474,671
Advance from customers	34,660,693	12,804,508
Advance against land	-	5,500,000
Other payables		
- Other Liabilities	15,018,443	15,767,329
- Duties & taxes payable	15,590,704	11,737,658
	116,627,494	74,205,453

Notes Annexed to and Forming part of the Financial Statement for the year ended 31st March 2013

Note 11 :
FIXED ASSETS

(In Rupees)

Description	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
	As at 1-4-2012	Additions	Deductions	As at 31-3-2013	Upto 1-4-2012	For the year	Declinations	Upto 31.03.13	As on 31.03.2013	As on 31.03.2012
Tangible Assets										
Freehold Land	50,321,628	-	-	50,321,628	-	-	-	-	50,321,628	50,321,628
Lease hold Land	15,596,085	-	-	15,596,085	377,211	-	-	377,211	15,218,874	15,218,874
Building										
- Factory	218,657,128	3,425,907	118,075	221,966,960	19,583,675	7,136,649	15,512	26,704,812	195,262,148	199,073,453
- Office	1,444,519	-	-	1,444,519	463,604	23,546	-	487,150	957,369	980,915
Flat at Sludhanchal	3,678,807	-	-	3,678,807	296,872	59,965	-	356,837	3,321,970	3,381,935
Flat and Machinery	241,079,823	10,531,431	-	251,611,254	40,481,619	10,927,064	-	51,408,683	200,202,571	200,598,203
Electrical Equipment	22,613,781	502,753	-	23,116,534	3,148,804	1,893,203	-	4,242,007	18,874,527	19,464,977
Furniture	9,057,406	159,890	-	9,217,096	1,428,045	578,046	-	2,006,691	7,210,405	7,628,761
Office Equipment	3,452,113	341,063	10,500	3,702,676	1,132,594	230,834	-	1,363,430	2,419,246	2,319,518
Computers	6,080,372	377,372	-	6,457,744	3,957,227	689,670	-	4,646,897	1,810,847	2,123,146
Motor Cars	21,708,201	7,879,764	6,229,654	23,358,311	5,023,987	2,142,523	2,817,030	4,349,480	19,008,831	16,684,214
Total Tangible Assets	593,689,863	23,217,980	6,356,229	610,551,614	75,894,240	22,081,499	2,832,542	95,943,197	514,608,418	517,795,625
Capital Work-in-Progress	-	3,168,316	-	3,168,316	-	-	-	-	3,168,316	-
Grand Total	593,689,863	26,386,296	6,356,229	613,719,930	75,894,240	22,081,499	2,832,542	95,943,197	517,776,734	517,795,625
As on 31-03-2012	545,994,804	131,778,026	84,072,967	593,689,863	55,783,847	20,110,391	-	75,894,238	517,795,625	490,200,957

Notes Annexed to and Forming part of the Financial Statement for the year ended 31st March 2013

Particulars	In Rupees Year Ended March 2013	In Rupees Year Ended March 2012
Note 10 :		
SHORT -TERM PROVISIONS		
Provision for taxation	17,000,000	18,000,000
Proposed equity dividend	7,087,764	7,087,764
Provision for tax on proposed equity dividend	1,149,813	1,149,813
	25,237,577	26,237,577
Note 12 :		
NON-CURRENT INVESTMENTS		
Investments in Properties		
- Land at Haryana	3,640,288	3,640,288
- Residential Flat in Thane	25,773,330	25,773,328
	29,413,618	29,413,616
Non-trade investments (valued at cost unless otherwise stated)		
Investment in equity instruments (quoted)		
201 (31st March 2011 : 201) equity shares of Rs. 10 each fully paid-up in Gee Shipping Co. Ltd.	6,125	6,125
50 (31st March 2011 : 50) equity shares of Rs. 10 each fully paid-up in Great Offshore Ltd.	1,524	1,524
28 (31st March 2011 : 28) equity shares of Rs. 10 each Fully paid-up in Mahindra Lifespace developers Ltd. (Market value : Rs. 62,752 P.Y.; Rs. 76,499)	853	853
Investment in equity instruments (unquoted)		
2002 (31st March 2011 : 2002) equity shares of Rs. 10 each fully paid-up in The TJSB Bank Ltd.	100,100	100,100
1000 (31st March 2011 : 1000) equity shares of Rs. 10 each fully paid-up in Saraswat Co-op Bank Ltd.	10,000	10,000
Investment in Government securities (unquoted)		
National Savings Certificate	255,000	55,000
	373,602	173,602
	29,787,220	29,587,218
Note 13 :		
LONG-TERM LOANS AND ADVANCES		
Capital advances (unsecured, considered good)	3,134,089	1,688,806
Security Deposit at overseas branch	290,158	290,158
Security Deposits (unsecured, considered good)	9,629,424	7,678,632
	13,053,671	9,657,596

Notes Annexed to and Forming part of the Financial Statement for the year ended 31st March 2013

Particulars	In Rupees Year Ended March 2013	In Rupees Year Ended March 2012
Note 14 :		
INVENTORIES		
(At cost or market value, whichever is lower)		
Raw Material	130,074,475	169,701,510
Packing Material	9,805,356	11,311,323
Work in Process	36,559,805	42,754,590
Finished Goods	116,799,316	95,423,105
Stores, Tools, Dies	17,778,441	18,915,725
	311,017,393	338,106,253
Note 15 :		
TRADE RECEIVABLES		
(Unsecured, considered good unless otherwise stated)		
- Debts outstanding for more than 6 months	14,116,849	20,469,476
- Others	260,886,540	244,954,037
	275,003,389	265,423,513
Note 16 :		
CASH & BANK BALANCE		
Cash & Cash equivalents		
- Balances with banks	185,967	17,509,209
- Balance in foreign banks	203,118	574,861
- Cash at overseas branch	645,969	241,697
- Cash on hand	526,129	323,481
	1,561,183	18,649,248
Other Bank Balances		
Margin Money deposit	31,167,635	36,640,694
	31,167,635	36,640,694
	32,728,818	55,289,942
Note 17 :		
SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good, recoverable in cash or in kind or for value to be received)		
Employee advances (unsecured, considered good)	2,779,004	2,232,873
Advance to suppliers	12,924,197	14,107,722
Advance income-tax	19,499,835	22,564,481
Balances with statutory/ government authorities	39,227,781	32,385,697
Other advances	5,636,442	1,906,997
	80,067,259	73,197,770
Note 18 :		
OTHER CURRENT ASSETS		
Interest Accrued but Not Due on Fixed Deposits	1,116,415	605,403
Interest Receivable	57,940	315,930
Land held for Sale		134,346
Earnest Money Deposit	994,500	1,274,200
	2,168,855	2,329,879

Notes Annexed to and Forming part of the Financial Statement for the year ended 31st March 2013

Particulars	In Rupees Year Ended March 2013	In Rupees Year Ended March 2012
Note 19 :		
REVENUE FROM OPERATIONS		
Revenue from Sale of Products		
- Domestic	1,828,897,377	1,721,070,813
- Export	236,022,063	167,607,391
	2,064,919,440	1,888,678,204
Less : Excise Duty Recovered	201,935,071	157,088,492
Revenue from operations (net)	1,862,984,369	1,731,589,712
Note 20 :		
OTHER INCOME		
Other non-operating Income		
- Insurance Claim	-	52,425
- Others	5,852,312	1,178,435
Exchange Difference (net)	7,008,308	6,970,828
	12,860,621	8,201,688
Note 21 :		
COST OF MATERIALS CONSUMED		
Raw Material		
Opening Stock	169,701,510	142,156,803
Add : Purchases	1,324,378,484	1,290,613,429
Less : Closing Stock	130,074,475	169,701,510
	1,364,005,519	1,263,068,722
Packing Material		
Opening Stock	11,311,323	7,619,757
Add : Purchases	68,332,903	67,714,201
Less : Closing Stock	9,805,356	11,311,323
	69,838,870	64,022,635
Total Material Consumed	1,433,844,389	1,327,091,357
Note 22 :		
(INCREASE)/DECREASE IN INVENTORIES		
Opening Stock		
- Finished Goods	95,423,105	64,823,016
- Work-in-Process	42,754,590	25,264,848
	138,177,695	90,087,864
Less : Closing Stock		
- Finished Goods	116,799,317	95,423,105
- Work-in-Process	36,559,805	42,754,590
	153,359,122	138,177,695
	(15,181,427)	(48,089,831)
Note 23 :		
EMPLOYEE BENEFIT EXPENSE		
Salaries, wages and bonus	57,531,376	52,381,287
Contribution to Provident and other Fund	4,429,921	3,768,989
Gratuity Expense	148,330	301,633
Staff Welfare Expenses	3,466,877	5,030,839
	65,576,504	61,482,748

Notes Annexed to and Forming part of the Financial Statement for the year ended 31st March 2013

Particulars	In Rupees Year Ended March 2013	In Rupees Year Ended March 2012
Note 24 :		
OTHER EXPENSES		
Manufacturing Expenses		
Approval and Testing Expenses	8,153,445	8,167,989
Power & Fuel	64,803,496	41,741,309
Factory Expenses	12,650,904	12,549,584
Stores Consumed	22,140,819	25,927,341
Excise Duty Paid	1,379,348	5,449,762
Contractual Labour Charges	13,975,742	10,788,335
Repairs & Maintenance	7,568,800	6,400,868
Insurance	951,474	845,452
	131,624,028	111,870,640
Administrative & Selling Expenses		
Auditor's Remuneration	172,216	296,205
Carriage Outwards	31,114,595	30,038,689
Donations	219,851	321,150
Administrative Expenses	760,382	882,223
Bad Debts	716,369	516,708
Legal & Professional Charges	11,818,040	8,447,688
Commission	3,394,716	3,297,055
Advertisement & Publicity	781,579	317,511
Marketing Expenses	1,191,323	2,099,302
Rent	1,707,658	1,666,796
Vehicle Running & Maintenance Expenses	5,714,562	5,591,323
Printing & Stationery	1,844,080	5,003,533
Postage & Courier Expenses	758,420	1,056,484
Rates and Taxes	899,492	825,689
Sales Promotion Expenses	10,761,849	9,498,229
Telephone Expenses	2,047,855	2,642,085
Travelling and Conveyance	14,316,055	13,735,275
Loss on Sale of Assets	736,362	-
Miscellaneous Expenses	1,489,528	5,016,250
	90,444,961	91,252,095
	222,068,989	203,122,735
Note 25 :		
FINANCE COSTS		
Interest (net)	55,101,894	61,528,068
Foreign Exchange Fluctuation on Foreign Currency Loans	12,375,015	6,835,104
Bank Charges	7,114,350	6,138,129
	74,591,259	74,501,301

Note 1 - Significant Accounting Policies & Notes to the Accounts

ACCOUNTING CONVENTION

The financial statements are prepared under historical cost convention on the accrual basis of accounting in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956 read with the Companies (Accounting Standard) Rules, 2006 notified under section 211 (3c) of the Companies Act, 1956, except so far as they relate to insurance claims which are accounted on acceptance or certainty of recovery.

Presentation and disclosure of financial statements

The Company has prepared and presented financial statements in Revised Schedule VI. The adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation of the financial statements. However it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balance of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from the estimates.

Fixed Assets and depreciation

Fixed assets are stated at the cost of acquisition except certain items, which have been shown at revalued amount. Direct costs are capitalized until assets are ready to be put to use and are stated net of modvat/cenvat.

The cost of assets not ready for use as at the balance sheet date is disclosed under capital work-in-progress.

In compliance with Accounting Standard (AS) 28 - "Impairment of Assets", the Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

Assets are depreciated / amortised, as below, on straight line basis:

- a) Depreciation on leasehold land is provided upto 31.3.1994. No depreciation has been charged on leasehold land in subsequent years.
- b) Leasehold land, buildings and plant & machinery subject to revaluation, is calculated on the respective revalued amounts, over the balance useful life as determined by the valuation experts.
- c) Assets acquired upto 31-3-1987, at the rates specified in the Income Tax Rules prevalent in the respective years. Buildings, plant & machinery and other assets, acquired after 1.4.1987, at the rates specified in Schedule XIV to the Companies Act, 1956.
- d) Depreciation is charged on a proportionate basis for all assets purchased and sold during the period. Individual assets costing less than Rs.5,000 are depreciated in full in the period of purchase.

Leased Assets

- i. Assets taken on finance lease, including taken on hire purchase arrangements, wherein the Company has an option to acquire the asset, are accounted for as fixed assets in accordance with the Accounting Standard 19 on "Leases", (AS 19).
- ii. Assets taken on lease under which the lessor effectively retains all the risk and rewards of ownership are classified as operating lease. Lease payments under operating leases are recognized as expenses on accrual basis in accordance with the respective lease agreement.
- iii. The cost of improvements to lease properties are capitalized and disclosed appropriately.

Intangible assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

Investments

Long term investments are stated at cost less provision for diminution other than temporary, if any. Current investments are valued at lower of cost and market value.

Inventories

Inventories are valued at lower of cost and net realisable value, cost being ascertained on the following basis:

- Raw materials, stores, spares, consumable tools and components: on First in First out (FIFO) formula.
- Work-in-process, finished / trading goods include cost of conversion and other costs incurred in bringing the inventories to their present location and conditions.
- Cost includes taxes and duties and is net of credits under Cenvat / VAT.

Foreign Currency Transactions

Foreign currency transactions are recorded at the rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currency are translated at year end rates. Exchange differences arising on the settlement of transactions and translation of monetary items are recognized as income or expense.

Revenue recognition

- Revenue from sale of products is recognized on dispatch or appropriation of goods in accordance with the terms of sale and is net of sales tax/Vat and applicable discounts.
- Materials returned/rejected are accounted for in the year of return/rejection.
- Export entitlements and other Government grants, if any recognized in the accounts on receipt after the consideration of certainty of their receipt.
- Dividend income is recognised when the right to receive the dividend is established.

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.

Employee benefits

- Short term employee benefit obligations are estimated and provided for.
- Post employment benefits and other long term employee benefits
 Defined contribution plans:
 Company's contribution to Provident fund, employee state insurance and other funds are determined under the relevant schemes and / or statute and charged to revenue.

 Defined Benefit plans:
 Company's liability towards gratuity and other retirement benefits are actuarially determined at each balance sheet date and provided with Life Insurance Corporation of India.

Taxes, Duties, etc.

Excise duty has been accounted for in respect of goods cleared and provision has also been made for goods lying in stock at the year-end. This accounting treatment has no impact on the profit for the year.

Taxation

Provision for taxation is made on the basis of estimated taxable income for current accounting year in accordance with Income Tax Act, 1961. Deferred Tax is recognized on timing differences; being the difference between taxable income and accounting income that originate in one period and are capable of reversing in one or more subsequent periods.

Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The number of shares and potentially dilutive equity shares are adjusted for stock splits.

Derivative Transactions – Equity & Commodities Futures and options

Gains are recognized only on settlement / expiry of derivative instruments.

All open positions are marked to market and unrealized losses are provided for. Unrealized gains, if any, on marked to market are not recognized.

Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Notes to Accounts for the year ended 31st March 2012

26. Contingent liabilities and commitments

- Guarantees outstanding as at 31st March 2013:Rs.6,374,521 (31st March 2012:Rs.5,590,216)
- Foreign LC outstanding as at 31st March 2013:Rs.15,822,673 (31st March 2012:Rs.9,373,763)
- Disputed Demands against the Company as at 31st March 2013 (paid under protest and thereby reflecting under Loans and Advances) : Custom Duty:Rs.1,500,000 (31st March 2012:Rs.1,500,000)

27. Secured Loan

- a. Term Loans from Banks are secured by mortgage/hypothecation of related immovable/movable assets of the Company, both present and future. The term loans are repayable in installments spread over 4.5 years and carries interest at 16% to 13.4% p.a. Final repayments are due on August 2016. Amount of term loan repayable within a period of one year is Rs.512.34 lacs (excluding interest).
- b. Working Capital Loans from Banks are secured by hypothecation of stocks and book debts ranking pari-passu between them as also mortgage/hypothecation of specified immovable and movable fixed assets of the Company ranking pari passu by way of second charge. The facilities carry interest ranging from 15.75% to 10.60% in the last fiscal.
- c. Vehicle Loans are secured by hypothecation of related vehicles. The vehicle loans are repayable in installments spread over 3 to 5 years and carries interest ranging from 9.3% to 12.44%. Final repayments are due till November 2014. Amount of term loan repayable within a period of one year is Rs.41.73 lacs (excluding interest)
- d. A bank has carved out Foreign Currency Term Loan (FCTL) facility within the overall term loan facility sanctioned by the bank in 2011-12. The Company has repaid the FCTL as and when it became due on maturity in 2012-13, thereby recrediting the Rupee term loan account. Further, the Company has entered into fresh FCTL in 2012-13. Since the FCTLs are repayable after a year, the bank recredits the Rupee Term Loan account accordingly. Hence, there is no repayment schedule for the FCTL. The carved-out portion of Loan is secured by mortgage / hypothecation of related immovable / movable assets of the Company, both present and future and carries interest ranging from 6.5% to 8.8%.

28. No amount was due for credit to Investor Education & Protection Fund as at 31st March 2013.

29. The amounts due to SSI units as at 31st March 2013 are not outstanding for more than 30 days. The SSI units have been identified by the Company and relied upon by the auditors.

The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been furnished.

30. In the opinion of the management, the current assets, loans & advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the accounts.

31. The Company has received a show cause notice dated 12th May 2010 demanding Rs.4.02 Cr. of CENVAT credit on certain imported material, imported in the year 2008-09. Under the instructions from excise authorities the Company has already reversed under protest CENVAT credit of Rs. 3.09 Cr in the earlier year. Pending disposal of the case a sum of Rs. 2.1 Cr. reversed under protest is shown under "Claims against the excise authorities" under the head loans and advances. The Company has replied to the show cause notice and based on the legal opinion, is hopeful of favorable order, as the matter is one of interpretation of law.

32. Details of audit fees paid during the year

Particulars	F.Y.2012-13	F.Y.2011-12
Audit Fees	Rs. 172,246	Rs. 175,000
Tax Audit Fees	-	Rs. 30,000
Certification & other Fees	-	Rs. 91,205
Total	Rs. 172,246	Rs. 2,96,205

33. Unhedged Foreign Exchange Exposure

Details of Foreign Currency balances not hedged

Particulars	Foreign Currency Denomination	2012-13		2011-12	
		Foreign Currency Amount	Indian Rupee (equivalent in lacs)	Foreign Currency Amount	Indian Rupee (equivalent in lacs)
Assets (Sundry Debtors)	USD	588,612.31	319.53	724,956.82	368.83
Assets (Advance to Sundry Creditors)	EUR	743.74	0.52	-	-
	USD	12,149.00	6.60	118,693.65	60.05
Assets (Bank Balance)	USD	43.70	0.02	103.57	0.05
	AED	13550.15	2.01	58,576.82	8.11
Assets (Cash Balance)	AED	43,602.39	6.46	-	-
Liabilities (Sundry Creditors)	USD	80,540.00	43.72	672	0.34
	EUR	125,097.90	86.94	-	-
Liabilities (Buyers Credit)	EUR	-	-	56,186.80	38.13
	USD	207,874.42	112.84	877,709.92	446.65
Liabilities (Advance from Sundry Debtors)	USD	361.40	0.20	-	-

34. The Company has followed the Accounting Standard on 'Employee Benefits' (AS 15) as amended and the details are as under:

The Company has funded the gratuity liability through LIC of India. The following actuarial assumptions are followed by LIC.

Actuarial Assumptions:

Mortality Rate	As per 1994-96 LIC mortality tables (Std.)
Withdrawal Rate	Actual during last three years
Salary Escalation Rate	4% for each year
Discounting Rate	Present discounting rate at LIC 8%
Gratuity Benefits	As per Company rules

Gratuity Valuation as per AS-15

Particulars	(₹)
a) Change in Benefit Obligations	
Projected benefit obligations at beginning of the period	2,368,851
Current Service Cost	247,500
Contribution by Plan participants	-
Interest Cost	189,508
Benefits Paid	(335,708)
Actuarial (Gain) / loss	(47,709)
Projected benefit obligations at the end of the period	2,422,442
b) Change in Plan Assets	
Plan assets at the beginning of the period at fair value	2,764,588
Contributions	128,175
Expected return of plan assets	239,029
Actuarial Gain / (loss)	-
Benefits Paid	(335,708)
Plan assets at end of the period at fair value	27,796,084

35. Earnings per Share

Basic & Diluted earnings per share	2012-13	2011-12
Profit after taxation as per statement of Profit and Loss	46,396,471	71,438,053
Weighted average number of equity shares outstanding	23,625,878	23,625,878
Basic earnings per share (Face Value of Rs. 2 each)	1.96	3.02

36. Composition of net deferred tax liability

Deferred tax liabilities	As at 1st April, 2012	For the year 2012-13	As at 31st March, 2013
Difference between written down value of block of assets as per Income tax laws and written down value of the fixed assets as per books of accounts	28,823,515	8,475,705	37,281,220

37. Segment Information

The Company is engaged in the business of manufacturing Welding electrodes, Copper coated wires, Flux Cored wires and Welding fluxes and is organisationally managed in two units. Accordingly, the Company has only one business reporting segment. However it has customers in India as well as outside India and thus segment reporting based in the geographical location of its customers is as given below:

Particulars	India		Outside India		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Sales	1,626,962,306	1,563,982,321	236,022,063	167,607,391	1,862,984,369	1,731,589,712
Carrying Amount of Segment Assets						
Sundry Debtors	243,050,570	228,537,710	31,952,819	36,885,803	275,003,390	265,423,513
Cash & Bank Balance	712,096	17,832,690	849,087	816,558	1,561,183	18,649,248
Security Deposits	9,629,424	7,678,632	290,157	290,157	9,919,581	7,968,789
Advance Received from Customers	34,641,072	12,804,508	19,622	-	34,660,693	12,804,508

38. Related Party Disclosures

Related Party disclosures, as required by AS-18 "Related Party Disclosures" are given below:-

Relationship

(i) Key management personnel (Whole Time Directors)

Mr. S. L. Agarwal - Managing Director

Mr. S. M. Agarwal - Executive Director

Mr. G. K. Saraf - Executive Director

Mr. M. P. Dhanuka - Executive Director (Marketing)

(ii) Key Management Personnel (Relatives of Directors)

Mr. O.P. Agarwal - Vice President (Marketing)

Mr. Umesh Agarwal - Vice President (Technical)

Mrs. Payal Agarwal - Vice President (Finance)

Mrs. Nirmala Agarwal - Public Relation Officer

Mrs. Sneha Agarwal - Administrative Manager

(iii) Companies where Significant Influence exists (with whom transactions have taken place)

Anant Business Pvt. Ltd

R Shankarlal Sales Pvt. Ltd

Vitro Commodities Pvt. Ltd.

Bakshi Chempharma Pvt. Ltd.

The following transactions were carried out with related parties in the ordinary course of business:

Particulars	2012-13		2011-12	
	Key management personnel	Companies where significant influence exists	Key management personnel	Companies where significant influence exists
Salaries & Allowances	11,245,799	-	10,974,766	-
Purchase	-	120,979	-	31,325
Sales	-	44,880,713	-	40,988,196

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

39. a) Information regarding managerial remuneration

Statement of Profit & Loss includes managerial remuneration as under

Particulars	2012-13 (₹)	2011-12 (₹)
Salary & Bonus	8,236,932	8,106,932
Perquisites / Allowances	325,000	441,842
Contribution towards Superannuation / Provident Funds	505,200	456,000
Sitting fees paid to Directors	40,000	20,000
Total	9,107,132	9,024,774

Note: The computation of managerial remuneration u/s 198/349 of the Companies Act, 1956 has not been provided as no commission is paid to the Directors.

b) Information regarding payment to relatives of directors

Statement of Profit & Loss includes payment to relatives of directors as under:

Particulars	2012-13 (₹)	2011-12 (₹)
Salary & Bonus	1,922,192	1,759,192
Perquisites / Allowances	99,355	80,000
Contribution towards Superannuation / Provident Funds	117,120	100,800
Total	2,138,667	1,939,992

40. (i) Details of Goods Manufactured/Sales/Stock

Category	Unit Of Measure	Annual Installed Capacity	Annual Production/ Purchase	Opening Stock		Sales		Closing Stock		
				Qty	Value (Rs)	Qty	Value (Rs)	Qty	Value (Rs)	
1	Manufacturing Items		Qty	Qty	Qty	Value (Rs)	Qty	Value (Rs)	Qty	Value (Rs)
1	Welding Electrodes / Flux	Tonnes	30,000	14,749	468	82,605,009	14,497	1,461,671,400	720	89,724,605
2	Continues Consumable	Tonnes	6,300	6,542	109	10,924,426	6,514	566,196,450	137	16,621,139
3	Silicate	Tonnes	2,400	424	-	-	424	14,405,527	-	-
4	Welding Equipments	No.	1,000	1,240	192	1,893,670	912	22,646,063	520	10,307,177
5	Spool (Packing Material)	No.	-	2,659	-	-	-	-	2659	146,395

Notes:

- The Company's products are exempt from licensing requirements under New Industrial Policy in terms of Notification No.477(E) dated 25th July, 1991 & F.No.10/43/91-LP dated 2nd August 1991.
- Opening Stock, Turnover, Closing Stock in respect of goods for resale are included in respective product categories.
- Installed Capacity data is given for a single standard size production plan.

SUPPLEMENTARY INFORMATION FORMING AN INTEGRAL PART OF THE PROFIT & LOSS ACCOUNT(Contd.)

Particulars	2012-13		2011-12	
	Quantity	Value (₹)	Quantity	Value (₹)
(II) Raw Materials Consumed	Kg		Kg	
Wire	18,214,188	934,771,490	17,659,605	941,315,746
Chemicals	5,864,210	405,006,459	5,994,644	306,786,878
Others		24,227,568		14,966,098
		1,364,005,518		1,263,068,722
(III) Consumption of Imported & Indigenous Raw Material, Stores & Spares				
Imported		166,316,504		135,503,295
Indigenous		1,197,689,014		1,127,691,768
		1,364,005,518		1,263,068,722
(IV) Percentage of Consumption of Raw Materials & Stores		12.19		10.75
a) Imported		87.80		89.25
b) Indigenous		100.00		100.00
(V) Value of Imports on CIF bases		166,316,504		135,376,953
Raw material		166,316,504		135,376,953
(VI) Expenditure in Foreign Currency				
a) Travelling & Sales Promotion		1,274,432		1,332,435
b) Branch Expenses		6,533,100		5,604,727
		7,807,532		6,937,162
(VII) Earnings in Foreign Currency				
FOB value of exports		202,535,523		161,122,676
		202,535,523		161,122,676

41. Previous year's figures have been regrouped / rearranged wherever considered necessary, to conform to the current period's presentation.

As per our report of even date annexed

For and on behalf of the Board

For **FORD, RHODES, PARKS & Co.**
Chartered Accountants
Firm Registration No. 102860W

S. L. AGARWAL
Managing Director

A. D. SHENOY
Partner
Membership No. FCA 11549

S. M. AGARWAL
Executive Director

Place : Thane
Date : May 30, 2013



GEE LIMITED

Regd. Head Office:

Plot No. E-1, Road No. 7, Wagle Industrial Estate, Thane - 400 604

Tel: (022) 2582 2620 / 1277 / 8023 / 0679 | Fax: (0091-22) 2582 8938

Email: geeho@geelimited.com

Date: 16.09.2013

To
The Listing Department
Bombay Stock Exchange Limited
P.J. Towers, Dalal Street,
Mumbai - 400 001

Dear Sir,

Sub : Submission of Annual Report for the Financial year 2012-13

Ref : 1) Clause 31 of the Listing Agreement
2) BSE Scrip Code : 504028

With regard to the captioned subject matter and reference quoted above and pursuant to Clause 31(a) of the Listing Agreement, we are submitting Six copies of Annual Report of the Company for the financial year 2012-13 along with Form A mentioned below:

Sr. No.	Particulars	
1	Name of the company	GEE Limited
2	Annual financial statements for the year ended	31 st March 2013
3	Type of Audit observation	Unqualified / Matter of Emphasis
4	Frequency of observation	Whether appeared first time / repetitive / since how long period : Not applicable

This is for your information and records.

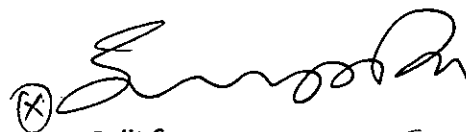
For GEE Limited



Manojkumar
Managing Director

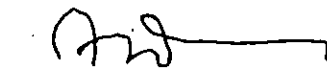


S. N. Aggarwal
Chief Finance Officer



Sujit Sen
Chairman of Audit Committee

For Ford, Rhodes, Parks & Co.
Chartered Accountants
Firm Registration No. 102860W



A. D. Shenoy
Partner
Membership No. 11549

