



GONTERMANN-PEIPERS (INDIA) LIMITED

(CIN: L27106WB1966PLC101410)

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

Email: gpikol@gontermann-peipers.com, Website: gontermann-peipers.com

Phone: 033-2453-2455/2456, 2497-8183 Fax: 033-2497 8313/8547/8686

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FORTY FIFTH ANNUAL GENERAL MEETING OF **GONTERMANN-PEIPERS (INDIA)LIMITED** will be held at Registered Office: P.O. Pailan, Diamond Harbour Road, Kolkata - 700 104, West Bengal, on Wednesday, 10th September, 2014 at 11:00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2014 including audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Ms. Shristi Mittal (holding DIN 02451240), who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED that pursuant to the provisions of section 139(2) and 142(1) of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s. V. Malik & Associates, Chartered Accountants (Registration No 000155N) the retiring Statutory Auditors, be and are hereby reappointed as Statutory Auditors of the Company to hold office for a term of 3 (Three) years subject to ratification by members at every Annual General Meeting from the conclusion of this meeting until the conclusion of the Forty Eighth Annual General Meeting, at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Mahesh Trivedi (holding DIN 00050785), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director for a tenure of 5 (Five) consecutive years up to 31st March, 2019."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Prof. Manoj Kumar Mitra (holding DIN 00050929), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director for a tenure of 5 (Five) consecutive years up to 31st March, 2019."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. Shekhar Chaudhuri (holding DIN 00052904), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director for a tenure of 5 (Five) consecutive years up to 31st March, 2019."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Prof. Binay Bhushan Chakrabarti (holding DIN 00476582), Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director for a tenure of 5 (Five) consecutive years with effect from 29th May, 2014.”
8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) the consent of the Company be and is hereby accorded to the appointment of Mr. Susanta Ghosh (holding DIN 05177326), as the “Managing Director & CEO” of the Company for a period of 3 (Three) years effective from 13th November, 2013, on such terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting and as further set out in the Agreement dated 13th November 2013 entered into between the Company and Mr. Susanta Ghosh, which agreement is hereby specifically approved, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner as may be agreed to by the Board of Directors and Mr. Susanta Ghosh.”
9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.”
“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”
10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED that in supersession of all earlier resolutions passed by the Company in this regard and pursuant to Section 180(1)(c) of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board” which expression shall also include a Committee thereof) to borrow any sum or sums of money from time to time both in Indian Currency and in Foreign Exchange for the purpose of the business of the Company subject to obtaining necessary approvals from the Reserve Bank of India and/or any other statutory authority(ies) as may be necessary, notwithstanding that the moneys borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, so that the total amount up to which the moneys may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs.1000 Crores (Rupees One Thousand Crores Only) exclusive of interest and the Board of Directors may for the implementation of this resolution act through any member or committee of members thereof or any other person authorised by it in this behalf.”
11. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED that in supersession of all earlier resolutions passed by the Company in this regard and pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby granted to the Board of Directors (hereinafter referred to as the “Board” which expression shall also include a Committee thereof) to the creation of mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties of the Company, both present and future and/or on the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events in favour of the Lender(s)/Security Holder(s)/Agent(s)/Trustee(s) for securing the borrowings of the Company availed/to be availed by way of cash credit,

advances or deposits, loan(s) (in foreign currency and/or rupee currency), bill discounting and Securities (comprising fully/partly Convertible Debentures including Optionally Fully Convertible Debentures and/or Non Convertible Debentures with or without detachable or non-detachable Warrants and/or secured premium notes and/or floating rates notes/bonds or other secured debt instrument(s) including Foreign Currency Convertible Bonds, issued/to be issued by the Company, from time to time, subject to the limit of Rs.1,000 crores (Rupees One Thousand Crores only) together with interest thereon at the respective agreed rates, additional interest, compound interest, in case of default, accumulated interest, liquidated damages, commitment charges, premia on pre-payment, remuneration of the Agent(s)/Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/ fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s)/ Heads of Agreement(s)/Arrangements, Debenture Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s)/Security Holder(s)/Agent(s) and Trustee(s), in respect of the said loans/borrowings/debentures, etc. and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board or Committee thereof and the Lender(s)/Security Holder(s)/Agents)/Trustee(s).”

“RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board/Committee be and is hereby authorised to finalise, settle and execute such documents/deeds/ writings/papers/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid.”

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

Shabnum Zaman
Company Secretary

Dated : 29th May, 2014
Place : Kolkata

IMPORTANT NOTES:

1. The Register of Beneficial Owners, Register of Members and the Share Transfer Register of the Company will remain closed from Saturday, 6th September, 2014 to Wednesday, 10th September, 2014 (both days inclusive).
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
4. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies, partnership firms etc., must be supported by an appropriate resolution/authority, as applicable.
5. 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.

6. 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.

7. Under Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. Accordingly, the unpaid and unclaimed dividend for the year ended 31st March 2007 is due for transfer to the Investor Education and Protection Fund of the Central Government on 21st September 2014.

8. Members who have not encashed their dividend warrant(s) for the financial year ended 31st March, 2008 are requested to lodge their claims with MCS Limited, 77/2A, Hazra Road, Kolkata - 700 029.

The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years 2007 and 2008, as on the date of the 44th Annual General Meeting held on 27th September, 2013, on the website of the IEPF viz. www.iepf.gov.in .

9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Transfer Agent of the Company.
11. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
12. Members may also note that the Notice of the 45th Annual General Meeting and the Annual Report for the year 2013-14 will also be available on the Company's website www.gontermann-peipers.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.

13. **Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 45th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the RTA/Depository Participants(s)]:

- (i) Open email and open PDF file viz; "Gontermann-Peipers (India) Limited e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>

- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" of Gontermann-Peipers (India) Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to gpiscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the RTA/ Depository Participants(s)] :

- (i) Initial password is provided in the Attendance Slip for the AGM :

EVEN (E Voting Event Number)	USER ID	PASSWORD
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- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) mentioned in (A) above, to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
 - III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
 - IV. The e-voting period commences on 2nd September, 2014 (10:00 am) and ends on 4th September, 2014 (6:00 pm). The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 25th July, 2014.
 - VI. Mr. K.K. Sanganeria, Practicing Company Secretary (Membership No. 2643) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - VII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - VIII. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.gontermann-peipers.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company, such Results will also be forwarded to the Stock Exchanges where the Company's shares are listed.
- 14. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID for easy identification of attendance at the meeting.
 - 15. Members are requested to intimate to the Company, queries, if any, regarding the accounts/ notice, at least 10 days before the Annual General Meeting to enable the Company to keep the information ready at the Meeting.
 - 16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Mr. Mahesh Trivedi is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 29th November 1994. Mr. Trivedi is Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Board of Directors of the Company.

Mr. Trivedi (73) is a Commerce graduate and holds a Masters Degree in English. He started with Ispat Group and accomplished a brilliant career of almost four decades highlighted by truly outstanding achievements in both Brownfield and Greenfield project implementation, Joint Venture Project etc. He has rich experience in finance and varied knowledge in Marketing, Procurement and Audit.

Mr. Trivedi is a Director in Balasore Alloys Limited; Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of Balasore Alloys Limited.

Mr. Trivedi, does not hold by himself or for any other person on a beneficial basis, any shares in the Company .

Mr. Trivedi is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Trivedi being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a tenure of five consecutive years upto 31st March 2019. A notice has been received from a member proposing Mr. Trivedi as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Trivedi fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Trivedi as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Trivedi as an Independent Director. Accordingly, the Board recommends the resolution for your approval.

Except Mr. Trivedi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 5

Prof. Manoj Kumar Mitra is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 20th January, 2003. Prof. Mitra is a member of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Board of Directors of the Company.

Prof. Mitra (63) holds a Master's degree in the field of Engineering from IIT, Kharagpur. He is a former Dean, Faculty of Engineering and Technology, Jadavpur University, Calcutta.

His area of specialization includes engineering, quality assurance etc. He has very good Metallurgical knowledge of Cast Iron & Steel. Currently, he sits on the governing body of Bengal Institute of Pharmaceutical Sciences (BIPS), Kalyani, Nadia.

Prof. Mitra is neither a director nor a member in any other company registered in India. Prof. Mitra does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Prof. Mitra is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Prof. Mitra being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a tenure of five consecutive years upto 31st March 2019. A notice has been received from a member proposing Prof. Mitra as a candidate for the office of Director of the Company.

In the opinion of the Board, Prof. Mitra fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Prof. Mitra as an Independent Director setting out the terms and conditions would be available for

inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Prof. Mitra as an Independent Director. Accordingly, the Board recommends the resolution for your approval.

Except Prof. Mitra, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No.6

Dr. Shekhar Chaudhuri is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 17th May, 2004. Dr. Chaudhuri is a member of the Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

Dr. Chaudhuri (63) is an Indian academic and management professor. Dr. Chaudhuri holds B.Tech. (Hons) degree in Mechanical Engineering from IIT Kharagpur and Fellow of IIM Ahmedabad (Phd Equivalent). He is a former Director of Indian Institute of Management, Calcutta.

Dr. Chaudhuri is currently the Director of Shiv Nadar University. Dr Chaudhuri has earlier held faculty and administrative positions in others institutions as well, such as, College of Business and Administration, Southern Illinois University, ESCP – Paris School of Management and IIT Kharagpur. He has also been a consultant to the World Bank.

He sits on the governing councils of several organizations/institutions, including Xavier Institute of Management, Bhubaneswar; Indian Jute Industries Research Association, Kolkata and Assam Institute of Management.

Apart from his vast experience in the field of Business Policy and Strategic Management. Dr. Chaudhuri is a Director in Gujarat Industries Power Limited, West Bengal Electronics Industries Development Corporation Limited and Oil India Limited; Chairman of the Audit Committee of West Bengal Electronics Industries Development Corporation Limited and a Member of the Audit Committee of Gujarat Industries Power Limited.

Dr. Chaudhuri does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Dr. Chaudhuri is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Dr. Chaudhuri being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a tenure of five consecutive years upto 31st March 2019. A notice has been received from a member proposing Dr. Chaudhuri as a candidate for the office of Director of the Company.

In the opinion of the Board, Dr. Chaudhuri fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Dr. Chaudhuri as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr. Chaudhuri as an Independent Director. Accordingly, the Board recommends the resolution for your approval.

Except Dr. Shekhar Chaudhuri, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No.7

The Board of Directors based on the recommendation of the Nomination & Remuneration Committee, appointed **Prof. Binay Bhushan Chakrabarti** as a Non-Executive Independent Director of the Company with effect from 29th May 2014 for a tenure of 5 consecutive years subject to approval of Shareholders of the Company and such other approvals, if necessary.

Prof. Binay Bhushan Chakrabarti (64) is a Mechanical Engineer from Jadavpur University, Calcutta, MBA (specialization in Finance) from Indian Institute of Management, Calcutta, Cost Accountant from the Institute of Cost Accountants of India

and Ph. D in Economics from Jadavpur University, Calcutta.

He is a Professor of Finance at Indian Institute of Management, Calcutta and Director-in-charge of Indian Institute of Management, Ranchi. He is a member of the West Bengal Higher Education Advisory Committee set up by the Governor of West Bengal. He has worked as a member of a committee set up by Reserve Bank of India. He has been an Independent Director in the Boards of Garden Reach Shipbuilders & Engineers Ltd. and West Bengal Electronics Industry Development Corporation Limited. He is a member of the Governing Council of Globsyn Business School, Kolkata. He is a member of the Advisory Committee of Risk Management Institute of National University of Singapore.

His current areas of research include market microstructure studies of Indian commodity futures markets and role of anchor investors in Indian IPOs. His previous research work includes performance of Indian mutual funds regarding persistence in performance, value premium, market timing and stock selection ability and study of Indian financial system for Asian Development Bank, prediction of sickness of Indian public sector enterprises, capital structure of Indian SMEs, pension sector reforms in India, utility model of insurance for cyber risk, use of neural network techniques for the estimation of stock price volatility and prediction of financial health of an enterprise.

His current teaching interest includes corporate finance, financial derivatives, fixed income markets, financial risk management and corporate financial strategies. Apart from his regular teaching at Indian Institute of Management, Calcutta, he is also a visiting professor at Indian Institute of Management Ahmedabad, The French - Vietnamese Center for Management, Vietnam and ESCP Paris. He has been earlier a visiting professor at National University of Singapore, Asian Institute of Technology, Bangkok, Reims Business School, Bordeaux Business School and ESC Toulouse all in France.

He has undertaken consultancy and training assignments for a large number of multinational and Indian public and private sector enterprises, which include Deutsche Bank, Standard Chartered Bank, Fidelity Investments, HSBC India, Indian banks like Axis bank, United Bank of India, Kotak Mahindra Bank, ICICI Bank, public sector oil majors in India like Oil and Natural Gas Corporation, Gas Authority of India Ltd. and Indian Oil Corporation, large manufacturing sector enterprises like Larsen and Toubro Ltd., Asian PPG, Steel Authority of India, Damodar Valley Corporation and many others. He also ran a successful online Executive development programme on "Corporate Finance" in association with Macmillan India Ltd for 12 years.

He has earlier worked in industry for 24 years primarily in the manufacturing and financial services sector in GKW, Metal Box, Nagarjuna Group, Keventer and Nicco-Uco.

Prof. Chakrabarti is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Prof. Chakrabarti is neither a director nor a member in any other company registered in India. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act 2013, Prof. Chakrabarti being eligible is proposed to be appointed as an Independent Director for a tenure of five consecutive years. A notice has been received from a member proposing Prof. Chakrabarti as a candidate for the office of Director of the Company.

In the opinion of the Board, Prof. Chakrabarti fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Prof. Chakrabarti as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company to appoint Prof. Chakrabarti as an Independent Director. Accordingly, the Board recommends the resolution for your approval.

Except Prof. Chakrabarti, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No.8

Mr. Susanta Ghosh was appointed as Additional Director of the Company with effect from 11th February, 2013. Further he was appointed as Director of the Company at the Annual General Meeting of the Company held on 27th September, 2013.

The Board of Directors at their meeting held on 13th November, 2013, on the recommendation of the Remuneration Committee appointed Mr. Susanta Ghosh as the Managing Director & CEO of the Company for a period of three years with effect from the 13th November 2013, subject to approval of Shareholders of the Company and such other approvals, if any.

He is also a member of the Stakeholders Relationship Committee of the Board of Directors of the Company.

Mr. Ghosh (46) is a Bachelor of Engineering (Metallurgy) from Bengal Engineering College, Shibpur. He has over two decades of rich experience in the Engineering and Iron & Steel Industries both in India & abroad including South East Asia, South Africa and GCC Countries. He is also recipients of awards of excellence from the Indian Institute of Metals, Tata Steel, Mega Steel Sdn Bhd, the Malaysian Iron & Steel Institute, the Malaysian Structural Steel Association and many others.

The appointment of Mr. Ghosh is appropriate and in the best interest of the Company.

The approval of the members is being sought to the terms and conditions of appointment of Mr. Ghosh as the Managing Director & CEO and the remuneration payable to him. The terms and conditions fixed by the Board of Directors at their meeting held on 13th November, 2013 are in line with the remuneration package that is necessary to encourage good professional managers with a sound career record to position as that of the Managing Director.

The material terms of appointment and remuneration as contained in the Agreement dated 13th November 2013 are given below: -

1. **Fixed Salary:** Rs.2,10,000/- per month, within the scale of (Rs. 2,10,000/- to Rs. 4,00,000/-). The annual increments will be effective 1st April each year, which will be decided by the Board and will be merit-based.
2. **Commission:** Such amount as may be determined by the Board from time to time, subject to overall ceiling as prescribed in Section 198 and 309 of the Companies Act, 1956.
3. **Perquisites and Allowances:**
 - (i) In addition to the salary, Mr. Susanta Ghosh shall also be entitled to perquisites and allowances like House Rent Allowance, Servant Allowance, Education Allowance, Special Allowance, Washing Allowance, House Entertainment Allowance, City Compensatory Allowance, medical reimbursement; club fees and leave travel concession for himself and his family and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Mr. Susanta Ghosh; such perquisites and allowances will be subject to a maximum of 125% of his basic salary.
 - (ii) For the purpose of calculating the above ceiling, perquisites and allowance shall be evaluated as per the Income–Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost. Provision for use of company’s car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
 - (iii) Company’s contribution to Provident Fund to the extent not taxable under the Income-tax Act, Gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid. He will be entitled to Bonus/Ex-gratia to the extent of two months of his basic salary for every completed year of service or proportionate thereof. He will not be entitled to Superannuation or Annuity Fund.

4. **Minimum Remuneration:**

The Company shall also pay the above remuneration as minimum remuneration notwithstanding the fact that the Company has no profit or its profits are inadequate during any of the financial years during the currency of his tenure.

Statement of disclosure Pursuant to Schedule V of the Companies Act, 2013

GENERAL INFORMATION

- 1) Nature of Industry: Manufacturing
The Company manufactures Iron & Steel Rolls for Rolling Mills.
- 2) Expected date of commencement of Commercial Production: Not Applicable
- 3) In case of new companies expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus: Not Applicable.
- 4) Financial Performance based on given indicators :

Financial Year 2013-14	Amount in Rs. Lacs
Effective Capital	10216.87
Total Income	15,679.31
Total Expenditure	17,184.15
Profit / (Loss) after Tax	(1,538.38)

- 5) Foreign Investments or Collaborations, if any: Not Applicable

OTHER INFORMATION:

1. Reasons for Inadequacy of Profits

The following are the main reasons for inadequate profits :

Slowdown in Economy:

The company faces the challenges posed by the world economic crises leading to a loss of export business, an uncertain foreign exchange market and price volatility of some of the major inputs. The sluggish demand in the steel industry, both domestic and overseas, resulted in adverse pressure on sales price of rolls. Some of the major customers have been extending payments & demanding longer credit period, which has adversely impacted the company's performance.

Production Problems:

Abnormal increase in cost of major raw materials (ferro alloys, nickel, nickel magnesium, steel scrap etc.), power and fuel and other consumables.

Marketing Difficulties:

The Company mainly supplies rolls to rolling mills which have strong bargaining power resulting in inability to pass on the increase in cost of production to customers. The Company faces aggressive competition from other players both in domestic & overseas market.

Financial Problems:

The company has been under Corporate Debt Restructuring. Lack of pricing power in a declining market with large number of competing players has resulted in margins coming under pressure, resulting in lower EBIDTA margins.

2. Steps taken or proposed to be taken for improvement

Management has taken various steps primarily in following areas for a sustained Business Operation:

- i. Reduction in costs by implementing effective cost reduction measures and aligning resources with current levels of operations.
- ii. Develop new grades of Rolls to meet diverse requirements of domestic and international customers and to have balance product mix.
- iii. Focus more on exports and to increase its share in the overseas market.
- iv. Improve operational efficiencies at each stage of production and in the entire supply chain process.

v. Upgradation of technology and further improvement of the life of the rolls.

The Company expects that the above strategies would improve its operational performance.

3. Expected increase in productivity and profits

The management has adopted focussed and aggressive business strategies in all spheres of functions to improve the sales and profitability of the Company. Considering the present business scenario, the Company is expecting increase in revenue and profitability. The Management is confident of keeping a higher growth ratio in the period to come.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956), the Board recommends the Special Resolution set out at item no. 8 of the accompanying Notice for your approval.

Copy of the Agreement referred to in the Resolution would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, upto and including the date of the Annual General Meeting.

Mr. Ghosh does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

An Abstract of terms of appointment of Mr. Ghosh as Managing Director & CEO of the Company and Memorandum of Interest has been circulated to the Members in terms of Section 302 of the Companies Act 1956.

Except Mr. Ghosh, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

ITEM NO. 9

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Cost Auditors M/s. Datta Chakraborty & Associates to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 at a remuneration of Rs.40,000/- (Rupees Forty Thousand only) plus service tax and out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for your approval.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

ITEM NO. 10 AND 11

The members at the Extra Ordinary General Meeting of the Company held on 7th March, 2008, had accorded their consent to the Board of Directors for borrowings up to Rs.1000 Crores under section 293(1)(d) of the Companies Act, 1956. In order to secure the borrowings made by the Company by suitable mortgage/charge on all or any of the moveable and/or immovable properties of the Company, the Company in its Extra Ordinary General Meeting held on 7th March, 2008, has granted necessary authorisation to the Board of Directors under Section 293(1)(a) of the Companies Act 1956.

However, the corresponding provision of Section 180(1)(c) and Section 180(1)(a) which was notified on 12th September 2013 and based on the clarification issued by GOI, MCA vide General Circular no. 04/2014 dated 25th March 2014, the Resolution(s) passed under Section 293 of the Companies Act 1956 prior to 12.09.2013 with reference to borrowings and creation of security on assets of the Company will be regarded as sufficient compliance of the requirement of Section 180 of the new Act, for a period of one year from date of notification of Section 180. Further, the provision of the Companies Act 1956 required consent of the shareholders as an ordinary resolution for both borrowing and creation of security, however the provisions of the Companies Act 2013 stipulate consent of members to be obtained by way of a Special Resolution.

The Board recommends the Special Resolutions set out at Item No. 10 & 11 of the Notice for your approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolutions set out at Item No. 10 and 11.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE:

Re-appointment of Ms. Shristi Mittal (Item No. 2)

In terms of Section 149 and 152 and any other applicable provisions of the Companies Act, 2013, effective from 1st April, 2014, for the purpose of determining the directors liable to retire by rotation, the Independent Directors shall not be included in the total number of directors of the Company. Ms. Mittal shall accordingly retire at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment.

Ms. Mittal (26) joined the Board of Directors of the Company on 30th May, 2011. She is a Graduate from Columbia University, USA. Her area of specialization includes coal mining, steel production process, marketing and finance.

Ms. Mittal does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

Except Ms. Mittal and Mr. Pramod Kumar Mittal none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in agenda Item No. 2.

Appointment of other Directors (Item Nos. 5 to 8)

For the details of M/s. Mahesh Trivedi, Dr. Shekhar Chaudhuri, Prof. Manoj Kumar Mitra, Prof. Binay Bhushan Chakrabarti and Susanta Ghosh, please refer to the above Explanatory Statement in respect of the Special Business set out at Item Nos. 5 to 8 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

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

Shabnum Zaman
Company Secretary

Date : 29th May, 2014

Place : Kolkata



GONTERMANN-PEIPERS (INDIA) LIMITED

(CIN : L27106WB1966PLC101410)

Regd. Office : P.O. Pailan, Diamond Harbour Road, Kolkata 700 104, Phone : +91 33 2453-2455/2456, 2497-8183/8294/8462
Fax : +91 33 2497-8313/8547/8686, E-mail : gpikol@gontermann-peipers.com, Website : gontermann-peipers.com

ATTENDANCE SLIP

45TH ANNUAL GENERAL MEETING ON 10TH SEPTEMBER, 2014

Registered Folio/ DP ID & Client ID No.	
Name and address of the member(s)	

I/We hereby record my/our presence at the 45th Annual General Meeting of the Company to be held on Wednesday, the 10th September, 2014 at 11.00 A.M. at P.O. Pailan, Diamond Harbour Road, Kolkata 700 104.

Member's Folio/ DP ID/ Client ID No. _____ Member's / Proxy's name in Block Letters _____ Member's / Proxy's Signature _____
 Note : Please complete the Folio/ DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the Meeting Hall.

ELECTRONIC VOTING PARTICULARS

Electronic Voting Event Number (EVEN)	User ID	Password

Note : Please read the instructions printed under the Note No. 13 to the Notice of 45th Annual General Meeting dated September 10, 2014. The e-Voting period starts from 10.00 a.m. on Tuesday, the 2nd September, 2014 and ends at 6.00 p.m. on Thursday, the 4th September, 2014. At the end of the e-Voting period, the portal where the votes are cast shall forthwith be blocked by NSDL.

----- Please cut here and bring the above attendance slip to the Meeting Hall -----



GONTERMANN-PEIPERS (INDIA) LIMITED

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Fax : +91 33 2497-8313/8547/8686, E-mail : gpikol@gontermann-peipers.com, Website : gontermann-peipers.com

PROXY FORM

45TH ANNUAL GENERAL MEETING ON 10TH SEPTEMBER, 2014

I/We, being the member(s) of.....shares of the above named company, hereby appoint

- Name : _____ Address : _____ E-mail ID : _____ Signature: _____, or failing him;
- Name : _____ Address : _____ E-mail ID : _____ Signature: _____, or failing him;
- Name : _____ Address : _____ E-mail ID : _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45th Annual General Meeting of the Company, to be held on Wednesday, 10th September, 2014 at 11.00 a.m. at P.O. Pailan, Diamond Harbour Road, Kolkata 700 104 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional *	
		For	Against
Ordinary Business			
1.	Adoption of Financial Statements for the year ended 31 st March, 2014.		
2.	Re-appointment of Ms. Shristi Mittal, who retires by rotation.		
3.	Re-appointment of Auditors and fixation of their remuneration.		
Special Business			
4.	Appointment of Mr. Mahesh Trivedi as an Independent Director.		
5.	Appointment of Prof. Manoj Kumar Mitra as an Independent Director		
6.	Appointment of Dr. Shekhar Chaudhuri as an Independent Director		
7.	Appointment of Prof. Binay Bhushan Chakrabarti as an Independent Director.		
8.	Special resolution for approval of the terms of appointment and remuneration payable to Mr. Susanta Ghosh as the Managing Director & CEO of the Company for a period of three years with effect from 13 th November 2013.		
9.	Ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 st March, 2015.		
10.	Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing upto an amount not exceeding Rs.1000 Crores		
11.	Special Resolution under Section 180(1)(a) of the Companies Act, 2013 to create mortgage/charges/hypothecation in favour of Lenders upto an amount not exceeding Rs.1000 Crores.		

Signed this.....day of....., 2014

Folio/ DP ID/ Client ID..... Signature of member.....

Signature of Proxy holder(s).....

Affix Revenue Stamp

- Note : 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
 2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 45th Annual General Meeting.
 3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
 4. Please complete all details including details of member(s) in above box before submission.

CORPORATE INFORMATION

Chairman Emeritus

M L Mittal

Board of Directors

(as on 29th May, 2014)

Chairman

Pramod Kumar Mittal

Executive Director

Susanta Ghosh, *Managing Director & CEO*

Secretaries

Shabnum Zaman, *Company Secretary*

R K Banthia, *Asst. Co. Secretary*

Management Council

G Janarthanam, *Director (Operations) - Non Board*

Sandip Gupta, *Chief Financial Officer*

Internal Auditors

Das & Prasad, *Chartered Accountants*

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

Prof. Binay Bhushan Chakrabarti

Shristi Mittal

Anil Sureka

Bankers

Allahabad Bank

Uco Bank

State Bank Of India

Statutory Auditors

V Malik & Associates

Chartered Accountants

Cost Auditors

Datta Chakraborty & Associates

Cost Accountants

Share Registrars

M/s MCS Limited

77/2A, Hazra Road,

Kolkata - 700 029, India

Phone : +91 33 4072 4051 / 52 / 53

Fax : +91 33 4072 4050

E-mail : mcskol@rediffmail.com

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Annual General Meeting will be held on Wednesday, 10th September, 2014 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. Members are requested to kindly bring their copies to the meeting.

In compliance with the provisions of Companies Act, 2013 and the rules made thereunder, the Notice, Explanatory Statement along with Attendance Slip and Proxy Form for the 45th AGM is being despatched / sent through Electronic Mode / Registered Post / Speed Post to the members of the Company.

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Forty Fifth Annual Report of your Company together with the Audited Statement of Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS

The summarized financial results for the year ended 31st March, 2014 are as under:

Particulars	(Rs in Lacs)	
	Year ended 31.03.2014	Year ended 31.03.2013
Sales/Income from Operations	16,964.44	13,579.89
Less: Excise Duty	1,525.09	1,174.38
	15,439.35	12,405.51
Other Income	239.96	112.63
Total Income	15,679.31	12,518.14
Total Expenditure	17,184.15	15,970.68
Profit/(Loss) before Exceptional and Extraordinary Items & Tax	(1,504.84)	(3,452.54)
Add: Exceptional Items	16.21	(57.54)
Add: Extraordinary items	—	25.63
Profit/(Loss) before Tax	(1,521.05)	(3,420.63)
Provision for Taxation		
– Tax related to earlier years	—	0.41
– Deferred Tax	17.33	(1,112.21)
Net Profit/(Loss) after Taxation	(1,538.38)	(2,308.83)

During the year under review, the net revenue from Sales was Rs. 15,439.35 Lacs as against Rs. 12,405.51 Lacs in the previous year representing a substantial increase in revenue. Operating profit before interest and depreciation was Rs. 1,172.64 Lacs, as against Loss of Rs 740.60 Lacs during the previous year. Net loss after providing for interest, depreciation and tax reduced to Rs. 1,538.38 Lacs as against net loss of Rs. 2,308.83 Lacs during the previous 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, 2014.

PERFORMANCE

CAST ROLL DIVISION

Production during the year under review increased to 9824 MT as against 7296 MT during 2012-13. Sales increased to 10030 MT as against 8264 MT in the year 2012-13. Consequently, the total revenue from the Cast Roll division increased to Rs. 13,156.87 Lacs as compared to Rs. 10061.04 Lacs in the previous year.

GONTERMANN-PEIPERS (INDIA) LIMITED
ANNUAL REPORT 2013-2014

FORGED ROLL DIVISION

Production during the year under review decreased to 855 MT as against 945 MT during the previous year. Forged Roll sales decreased to 850 MT against 1005 MT in the year 2012-13. Consequently, the total revenue from the Forged roll division was Rs. 1,785.03 Lacs compared to Rs. 2,095.20 Lacs in the previous year which reflects a marginal fall.

EXPORTS

During the year under review the Company exported 2279 MT of Cast Rolls as compared to 2247 MT during the previous year. Your Company is exploring new markets for Cast Rolls in South American Countries, Canada, Iran and Vietnam while strengthening its presence in the existing markets. The initial foray into the untapped European & African markets of Spain, Russia and Kenya respectively has been fruitful.

The Company exported 175 MT of Forged Rolls as against 151 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

Your Company continues to be under the CDR Scheme as reported in the previous year and is making repayments as laid down in the Scheme. Your Company allotted 83,20,000 equity shares of Rs.10 each at a price of Rs.14.75 each inclusive of premium of Rs. 4.75 each aggregating to Rs.1227.20 lacs to the promoters on preferential basis in terms of CDR Scheme.

SCHEME OF AMALGAMATION

Your Directors at their meeting held on 29th May, 2014, have considered and approved a Scheme of Amalgamation of Geetapuram Port Services Limited (GPSL or the Transferee Company) and its wholly owned subsidiary North East Natural Resources Private Limited (NENRPL or the Transferee Company) with your Company under Sections 391-394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 as amended and the corresponding provisions of the Companies Act, 2013 upon their notification (including any statutory modifications(s) or re-enactment(s) thereof) (the Scheme). The Board has approved the share swap ratio of 1:40, meaning thereby that every shareholder of GPSL holding 1 (One) fully paid Equity Shares of Rs.10/- each shall be entitled to receive 40 (Forty) fully paid-up Equity Shares of Rs.10/- each in your Company. Such swap ratio is based upon the report by an independent valuer and the fairness of the same has been confirmed by an independent merchant banker. The Appointed Date for the amalgamation shall be 1st April, 2013. Equity shares issued by the Company to the shareholders of GPSL pursuant to the Scheme would be listed on BSE Limited and The Calcutta Stock Exchange Limited.

Your Directors noted that merger of GPSL and NENPRL with your Company will result into:

- Restructuring, expansion and diversification into new business activities which would enable the amalgamated entity to have access to better financial resources as well as to enable them to manage their business more efficiently, which would result in maximizing overall stakeholders' value.
- Improved organizational capability and leadership, arising from the pooling of human resources who have the diverse skills, talent and vast experience to conduct business.
- Greater efficiency in cash management of the amalgamated entity.
- Strengthening the financials of your Company facilitating effective implementation of the CDR Scheme. The cascading effect shall ensure faster revival of your company .

The Scheme has been approved by the Board subject to the requisite approval of the members of the Company as may be directed by the Hon'ble High Court Calcutta and High Court of Judicature at Bombay and subject to all such requisite approvals from the relevant regulatory authorities and sanction of the High Courts.

DIRECTORS

During the year under review, Mr. Biswanath Bhattacharjee, resigned as Director (Operations) of the Company with effect from 20th December, 2013.

The nomination of Mr. B. K. Roy was withdrawn by IFCI Limited with effect from 25th July, 2013 and the nomination of Mr. S.S. Saswat was withdrawn by EXIM Bank with effect from 10th January, 2014.

Mr. Rajendra Kumar Parakh and Mr. Vinod Kumar Kothari resigned as Director of the Company with effect from 20th March, 2014 and 21st April, 2014 respectively.

The Board of Directors placed on record their deep appreciation for the valuable contribution made by them during their tenure as Directors of the Company.

Mr. Susanta Ghosh was appointed as Managing Director & CEO for a period of three years with effect from 13th November, 2013, subject to the approval of the Members and other authorities, as may be required.

In terms of Section 149 and other applicable provisions of Companies Act, 2013 and on the recommendation of the Remuneration Committee Prof. Binay Bhushan Chakrabarti, being eligible was appointed as an Independent Director for tenure of five consecutive years with effect from 29th May, 2014, subject to the approval of the members. The Company has received requisite notice in writing from a member proposing Prof. Binay Bhushan Chakrabarti for appointment as Independent Director.

Mr. Mahesh Trivedi, Prof. Manoj Kumar Mitra and Dr. Shekhar Chaudhuri, Independent Directors, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956, being eligible offer themselves for appointment in terms of Section 149 and other applicable provisions of the Companies Act 2013, for a tenure of five consecutive years. The Company has received requisite notices in writing from members proposing Mr. Mahesh Trivedi, Prof. Manoj Kumar Mitra and Dr. Shekhar Chaudhuri for appointment as Independent Directors.

Ms. Shristi Mittal, Director of the Company retire by rotation at the ensuing Annual General Meeting and, being eligible, offer herself for re-appointment. The Board has recommended her re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

The details concerning the appointment / re-appointment of Directors are included in 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, 2014, 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, 2014 on a going concern basis.

COST AUDITORS

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, 2013. The Cost Audit Report was filed by the Cost Auditor on 7th September, 2013 within the due date of 27th September, 2013.

GONTERMANN-PEIPERS (INDIA) LIMITED
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In respect of the financial year ended 31st March, 2014, your Company, with the approval of the Central Government, has appointed M/s. Datta Chakraborty & Associates, as Cost Auditors, for audit of cost records maintained by the Company. The due date for filing the Cost Audit Report is 27th September, 2014.

SECRETARIAL AUDITOR

In terms of Section 204 of the Companies Act 2013, the Board of Directors at their meeting held on 29th May, 2014, have appointed M/s. MKB & Associates, Practicing Company Secretaries, as Secretarial Auditor, for conducting Secretarial Audit of the Company for the Financial Year 2014-15.

AUDITORS

The Board, on the recommendation of the Audit Committee, has proposed that M/s. V. Malik & Associates, Chartered Accountants, having Registration No. 000155N, be re-appointed as the Statutory Auditors of the Company for a period of three years in accordance with Section 139 of the Companies Act 2013. Appropriate resolution seeking your approval to the said re-appointment is appearing in the Notice convening the 45th AGM of the Company.

The Company has received letter from M/s. V. Malik & Associates Chartered Accountants, to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for 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 advances for capital goods includes long outstanding advances to the tune of Rs.297.00 Lacs and advances to suppliers includes Rs.446.61 lacs in respect of which no confirmation / schedule of delivery was available, the consequential revenue impact, if any is not ascertainable. Accordingly, it was felt that the creation of no provision in respect of doubtful /advances is contrary to the requirements of AS 4.
- b) Note No. (11) Regarding recognition of Net Deferred Tax Asset (DTA) of Rs.1445.82 lacs (including Rs (17.33) Lacs for the period) recognized up to 31st March, 2014 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.2984.20 lacs (after adjusting deferred tax assets of Rs.1463.15 lacs recognized upto 31st March, 2013) as against the reported loss of Rs.1538.38 lacs and balance in Reserve and Surplus would have been Rs.1586.66 Lacs as against the reported Reserve and Surplus of Rs.3032.48 lacs.

The Board of Directors inform that:-

- a) As regard advances for capital goods includes long outstanding advances to the tune of Rs.297.00 Lacs and advances to suppliers includes Rs.446.61 lacs the management is confident that the same will be adjusted against supply of materials or realisation of advances.
- 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. It should be noted that during the Financial Year, the Company has reversed Deferred Tax Assets to the extent of Rs.17.33 Lacs.

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 693 employees as on 31st March, 2014. 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.

Your Company has adopted the 'Policy against Sexual Harassment' for the employees of the Company with effect from 1st March, 2014. No incidence of Sexual Harassment was reported during the period 1st March, 2014 to 31st March, 2014.

POTENTIALLY SICK INDUSTRIAL COMPANY

The accumulated losses of your Company have resulted in erosion of 50% of the peak net worth during the immediately preceding four financial years. Thus your Company has become a "Potentially Sick Company" as laid down in Section 23 of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). A separate report of the Directors on the erosion of the net worth is annexed hereto as Annexure "C".

APPRECIATION

Your Directors would like to express their appreciation for the assistance and co-operation received from the banks, government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staffs and workers.

For and on behalf of the Board

Kolkata
29th May, 2014

Prof. Manoj Kumar Mitra
Director

Susanta Ghosh
Managing Director & CEO

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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 ENDED 31ST MARCH, 2014.

(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. HSD consumption for Ladle heating system has been reduced.
4. Electrical consumption reduced by installation of LED light fittings.
5. Variable machine drive consumption reduced by using AC & DC drives.
6. All reciprocating compressors changed to screw compressor, thus reducing power consumption and cost.
7. LPG based Rapid Heating Furnace commissioned, thus reducing fuel consumption.
8. Crane with AC drive system introduced in machine shop, reducing the power consumption.
9. Small transformer installed at one of the Induction Furnace for holding & lining purpose which reduces power consumption.
10. Vertical CCM, Digital DC Drive installed & commissioned, thus reducing power consumption.
11. Arresting compressed air leakages, thus reducing power consumption.
12. Improvement of Power Factor thus resulting in power saving.
13. Three numbers of Heat Treatment furnaces are gas fired resulting in overall reduction of energy consumption.
14. Energy Audit carried out periodically.

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

1. Installation of new mould drying oven to improve fuel efficiency.
2. To change all tube lights and shed lighting to LED completely.
3. Installation of LPG fired, recuperator fitted, VFD operated Heat Treatment Furnaces.
4. To install an Energy Management System (EMS) with automatic recording of power consumption.
5. LT Energy & Multifunctional Meters to be installed to further improve power factor.

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

	2013-2014	2012-2013
1. Electricity		
a) Purchased		
Unit (Kwh)	2,06,44,900	1,64,78,500
Total Amount (Rs.)	16,75,66,810	15,64,17,071
Rate/Unit (Rs.)	8.12	9.49
b) Own generation		
i) Through diesel generator		
Unit (Kwh)	83,140	79,620
Units per ltr. of HSD/Furnace Oil	1.83	1.71
Cost/Unit (Rs.)	30.67	28.07
c) Diesel/ Light Diesel Oil/Furnace Oil		
Quantity (K.ltr)	595	529
Total Amount (Rs.)	2,90,21,575	2,54,61,744
Average Rate (Rs./k.ltr)	48,776	48,132

	2013-2014	2012-2013
d) LPG Gas		
Quantity (Kgs)	12,60,285	9,65,412
Total Amount (Rs.)	9,86,74,884	7,14,84,269
Rate/Unit (Rs.)	78	74
B. Consumption per M.T. of production		
	2013-2014	2012-2013
Electricity (Kwh/M.T)	1941	2009
Furnace Oil (Ltr/M.T.)	56	64
Coal (Kgs)	NIL	NIL
LPG(Kgs/M.T.)	118	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:

- Improvement of microstructural consistency of ICDP & EC-ICDP Rolls through Thermal Analysis.
- Optimizing charge Mix and Si content thus improving stability of cooling curves resulting in desired graphite content, type and uniformity of distribution.
- Reduction in rehardening of Forged Rolls by modification of Heat Treatment cycles.
- Through structure-property correlation normalizing cycle was established resulting in improvement in consistency in hardness of the Forged Rolls.
- Development of special grade of Forged Rolls having improved depth of hardening.
- Modified preheating practice was developed for enhancing the hardened depth of Forged Rolls.
- Benchmarking of GPI ICDP & HiCr Iron Rolls for enhancing Performance levels.
- Microstructural characterization of the best performing Rolls at various Customers' Mills were carried out for Product Benchmarking.
- Measurement of Residual Stress of Cast and Forged Rolls carried out jointly in collaboration with National Metallurgical Laboratory (NML), Jamshedpur.
- Measurement of Residual Stress at different processing stages using MBE technique was done and accordingly processing parameters were modified.

2. MEANS & OBJECTIVES :

- a) The in-house R&D Centre of the company is recognised by the Government of India, Ministry of Science & Technology, Department of Scientific & Industrial Research. The R&D Centre is equipped with the MAGMA simulation software for casting, LEICA image analysis system, Computerised INSTRON Universal testing machine, Programmable Laboratory Scale Muffle Furnace (1450 0C), ARL Optical Emission spectrometer, Krautkramer Ultrasonic tester and other very sophisticated state of the art equipments for testing and R&D.
- b) The entire product range of GPI is covered under ISO 9001:2008 certification & subject to stringent quality assurance checks & testing. The R&D Centre of the company continuously carries 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 Forged Rolls.
- Through the various improvement initiatives the company has been able to consolidate its quality by way of consistency in microstructure and mechanical properties of ICDP, EC-ICDP & Hi Cr Iron Rolls.
- Joint collaborative project undertaken with NML, Jamshedpur, on Residual Stress measurement of Cast and Forged rolls at various processing stages has helped your Company's competitiveness in delivering improved quality rolls to the customers.

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4. FUTURE PLAN OF ACTION

New Product Development:

- Development of High End EC-ICDP Rolls with higher microalloying for improving performance & Roll life.
- Development of Graphitic Steel Rolls for Finishing stands as required.

Process Improvement:

- Development of modified Heat Treatment Cycle for increasing neck hardness of Forged Work Rolls.
- Development of Heat Treatment Cycle for improving performance of EC-ICDP Rolls.

Collaborative Research Projects with National Metallurgical Laboratory, Jamshedpur:

- Development of Forged Backup Roll through Thermo-mechanical simulation.
- Measurement of Fracture Toughness of Cast & Forged Rolls for improvement in Roll life.

5. EXPENDITURE ON R & D

(Rs. in Lacs)

a) Capital:	15.47
b) Recurring:	47.40
c) Total:	<u>62.87</u>
d) Total R&D expenditure as a percentage of total turnover	0.37%

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 has continued to maintain focus to avail of export opportunities. The Company exported 2279 MT of Cast and Forged Rolls 175 MT valued at Rs 4,015.32 Lacs during the financial year ended 31st March, 2014.

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 South American Countries, Canada, Russia, Ukraine, Egypt, Africa, Ethiopia, Iran, Vietnam & 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	3923.74
2)	Foreign Exchange Outgo:	
	CIF Value of Imports of raw materials, components & spare parts	805.67
	Capital Goods	8.61
	Others	62.40

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, 2014.

Employed for part of the Financial Year under review and were in receipt of remuneration aggregating not less than Rs. 60,00,000/- per annum or Rs. 5,00,000/- per month

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
Mr. Susanta Ghosh*	46	Managing Director & CEO	23,67,871	19,54,675	Bachelor of Engineering (Metallurgy)	24	13.11.2013	Balasure Alloys Ltd. Director - Technical Services & Business Development

* Appointed with effect from 13th November, 2013.

- a. Remuneration received includes gross salary, allowances, taxable value of perquisites and Company's contribution to provident fund.
- b. The nature of employment of Mr. Susanta Ghosh is contractual.
- c. The employee is not related to any of the Directors of the Company.
- d. 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.

Annexure-C

Directors' Report on Erosion of more than 50% of Peak Net Worth.

The Directors hereby report that your Company has booked a Net Loss (after tax) of Rs. 1,538.38 lacs for the year ended 31st March, 2014. The accumulated losses of your Company have resulted in erosion of fifty per cent of its peak net worth during the immediately preceding four financial years. Hence your Company has become a "Potentially Sick Industrial Company" as per the provisions of Section 23 of Sick Industrial Companies (Special Provisions) Act, 1985.

Causes of Erosion of network

Slowdown in Economy:

The company faces the challenges posed by the world economic crises leading to a loss of export business, an uncertain foreign exchange market and price volatility of some of the major inputs. The sluggish demand in the steel industry, both domestic and overseas, resulted in adverse pressure on sales price of rolls. Some of the major customers have been extending payments & demanding longer credit period, which has adversely impacted the company's performance.

Production Problems:

Abnormal increase in cost of major raw materials (ferro alloys, nickel, nickel magnesium, steel scrap etc.), power and fuel and other consumables.

Marketing Difficulties:

The Company mainly supplies rolls to rolling mills which have strong bargaining power resulting in inability to pass on the increase in cost of production to customers. The Company faces aggressive competition from other players both in domestic & overseas market.

Financial Problems:

The company has been under Corporate Debt Restructuring. Lack of pricing power in a declining market with large number of competing players has resulted in margins coming under pressure, resulting in lower EBIDTA margins.

Steps to improve performance

Your Company has restructured its debts through CDR Mechanism. Pursuant thereto, various measures aimed at restructuring and rationalizing the operations of your Company have been implemented. Consequent to all this, your Company's operating profit witnessed a significant increase in the year under review. Your Directors have approved a Scheme of Amalgamation of Geetapuram Port Services Limited and its wholly owned subsidiary North East Natural Resources Private Limited with your Company. Your Directors are of the view that the proposed merger will strengthen the financials of your Company. Based on the above, your Directors are confident that, going forward, your Company will improve its performance and reduce the accumulated losses.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERVIEW

After witnessing double-dip recession (2008 - 2013), world economy is gradually moving towards an improved scenario. Emerging economies are spearheading the growth. Accordingly to the International Monetary Fund (IMF), while the global growth expanded by 3 percent in 2013, rate of growth was slow compared to 3.2 percent in 2012. The growth was more robust in the second half of 2013. Global GDP is projected to strengthen to 3.6 percent in 2014 and then to increase further to 3.9 percent in 2015. While in advanced economies, growth is expected to increase to about 2¼ percent in 2014-15, an improvement of about 1 percentage point compared with 2013. Growth will be strongest in the United States at about 2¼ percent owing to healthy housing sales, construction, spending and declining unemployment rate. Stronger growth in advanced economies opens up greater export opportunities for manufacturers from emerging economies.

Similarly, the GDP growth in India at 4.7% in Financial Year 2013-14, marks a second straight year of sub five per cent growth the worst slowdown in more than a quarter of a century. This is largely attributed to fiscal tightening, credit squeeze, sluggish growth in investments and tight monetary policy by the Reserve Bank of India leading to demand contraction.

World crude steel production rose by 3.50% to 1,606 million tonnes in the year 2013. Asian giants China, Japan and India registered positive growth in crude steel production. However, in North America and Europe crude steel production in 2013 is at par with 2012.

Steel is a cornerstone and key driver for the world's economy. The steel industry directly employs more than two million people worldwide, plus two million contractors and four million people in supporting industries, including industries such as, industrial engineering, construction, transport and energy. Rolls for Rolling Mills are the basic tool which shapes Finished Steel Products. The buoyancy in Steel Industry is likely to witness increased demand of rolls in the coming years.

India ranked as the fourth largest producer of crude steel in the world in 2013 after China, Japan, and the USA with crude steel production of 81.20 million tonnes. The major consumption sectors of growth are infrastructure, construction, transportation, industrial applications etc.

OPPORTUNITIES & THREATS

The growth in India's steel industry is a result of domestic steel consumption, which has been driven primarily by infrastructure related investments and consumer durables. The 12th five year plan projects an investment of US\$ 1 trillion in infrastructure alone, which will accelerate steel consumption. As an estimate, this increase in infrastructure spends may itself lead to additional demand of steel by approximately 40 million tonnes per annum during 2012-13 to 2016-17. 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, the total crude steel production for India is going to be 200 million tonnes.

Your company is likely to play pivotal role in Indian Steel Industry. The company has five decades of operational experience in producing Plate Mill Work Rolls, Backup Rolls, Hi Cr Iron Rolls and ICDP Rolls for Hot Strip Mills, CSP Mills, Plate Mills, Rail & Structural Mills and Forged Rolls (Works Rolls, Intermediate Rolls and Backup Rolls) for Cold Rolling Mills.

In FY 2013-14, the company made significant inroads and secured high volume orders from its domestic customers. It has marketed its products in new geographies such as Egypt, Africa and Gulf countries.

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 with improved performance of Rolls through in-house R&D efforts. 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 realizations in export sales.

OPERATIONAL PERFORMANCE

CAST ROLL DIVISION

Production during the year under review increased to 9824 MT as against 7296 MT during 2012-13. Sales increased to 10030 MT as against 8264 MT in the year 2012-13. Consequently, the total revenue from the Cast Roll division increased to Rs. 13,156.87 Lacs as compared to Rs. 10061.04 Lacs in the previous year.

FORGED ROLL DIVISION

Production during the year under review decreased to 855 MT as against 945 MT during the previous year. Forged Roll sales decreased to 850 MT against 1005 MT in the year 2012-13. Consequently, the total revenue from the Forged roll division was Rs. 1,785.03 Lacs compared to Rs. 2,095.20 Lacs in the previous year which reflects a marginal fall.

FUTURE OUTLOOK

As per the World Steel Association, the global apparent steel use is likely to grow by 3.1% in 2014 to 1,527 million tonnes and by 3.3% to 1,576 million tonnes in 2015 as against 3.6% growth in 2013. Europe is expected to record a demand growth of 3.1% while Advanced Markets as a whole are expected to record a demand growth of 2.5%. In India, steel demand is expected to grow by 3.3% to 76.2 million tonnes in 2014 and by 4.5% to 79.6 million tonnes in 2015, following a marginal 1.8% growth in 2013.

The world's population is increasingly turning urban. In 2010, around half of the world population lived in towns or cities. By 2050, it will be around 70%. To handle this migration, cities are expanding rapidly to become mega-cities. Building these mega-cities is going to take a lot of materials, not least of which is steel. Housing and construction already consume 50% of all steel produced. As urban population densities increase, so too does the need for steel to build skyscrapers and public-transport infrastructure.

As per World Steel Association, global capacity utilization is presently 85%. The demand for steel is likely to ramp up capacity expansion of steel makers which in turn will create domino effect on Roll industry. New age rolls for super efficient steel mills will be the underlying determinant of steel industry. Roll makers around the world that can produce volume with cost effectiveness and deliver continuous array of new age rolls for efficient new steel mills are likely to rule the steel market in the coming decade.

Long and Flat steel products pricing in India is facing divergent trends - the long product market is on fire and the prices of rebar (TMT) have surged in different locations. On the other hand, situation for flat steel products is quite different. Indian Auto Sector, which is a prime indicator for demand of flat steel, continues to languish.

Your company has strengthened its overseas agents base in Europe, South East Asia, Middle East and North America. The company has enhanced its marketing presence in export markets and generated lot of business opportunity in South East Asia, Middle East, Egypt, Turkey, Bangladesh, USA & Australia. It has also participated in 'Steel Success Strategies XXVIII - International Seminar and Exhibition' held in New York conducted by Metal Bulletin in 2013.

Your company has introduced IF ICDP rolls for CSP Mills. It has also introduced innovative product/ service offerings to international steel makers.

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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, 2014 are as under:

	(Rs in Lacs)	
	Year ended 31st March, 2014	Year ended 31st March, 2013
Sales/Income from Operations	16,964.44	13,579.89
Less: Excise Duty	1,525.09	1,174.38
	15,439.35	12,405.51
Other Income	239.96	112.63
Total Income	15,679.31	12,518.14
Total Expenditure	17,184.15	15,970.68
Profit/(Loss) before Exceptional and Extraordinary Items & Tax	(1,504.84)	(3,452.54)
Add: Exceptional Items	16.21	(57.54)
Add: Extraordinary items	—	25.63
Profit/(Loss) before Tax	(1,521.05)	(3,420.63)
Provision for Taxation		
– Tax related to earlier years	—	0.41
– Deferred Tax	17.33	(1,112.21)
Net Profit/(Loss) after Taxation	(1,538.38)	(2,308.83)

During the year under review, the net revenue from Sales was Rs. 15,679.31 Lacs as against Rs. 12,518.14 Lacs in the previous year representing a substantial increase in revenue. Operating profit before interest and depreciation was Rs. 1,172.64 Lacs, as against Loss of Rs 740.60 Lacs during the previous year. Net loss after providing for interest, depreciation and tax decreased to Rs. 1,538.38 Lacs as against Rs. 2,308.83 Lacs during the previous year.

The Management is hopeful of 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 Company has also constituted a Risk Management Committee of Board of Directors.

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 the 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 (ferro alloys, nickel, nickel magnesium, melted flux etc). The company also faces challenges posed by increase in 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 a 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 audit 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, energy management, greenery development etc. 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 Emergency Mock drill on safety, Fire fighting etc. 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.

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Your company has organized motivational Programs like safety slogan & poster on the occasion of World Environment Day and 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, drama 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 Capital 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 Engagement & Orientation Programs 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 (members).

In this competitive landscape your Company is focusing on Institutional Capability Building to put an effective and resilient work force to achieve the organization goals through various accreditation programs for individual development & Institution/organizational excellence.

Your Company has a culture of Learning & Development thereby giving its work force opportunity to grow with knowledge & Skill. In-house training and world class quality initiative such as TPM, Safety, Fire Fighting, Induction Training etc. are regularly conducted for employees and trainees throughout the year.

Your Company has earned appreciations, accolades & honours through innovative management for maintaining high quality output for its customers. Your Company participated at the National Convention of Quality Circles (NCQC)-2013 held in December, 2013 and one team from Machine Shop "Akanksha" was honoured with the "Excellence 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.

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 one-half of the total number of Directors. The number of Non-Executive Directors (NEDs) at 88% 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 / she is a Director. The Directors have made necessary disclosures regarding Committee positions in other public companies as at 31st March, 2014.

The following is the composition of the Board of Directors as on 31st March, 2014.

Category	No. of Directors	Percentage of total number of Directors
Promoter		
– Executive Director	Nil	—
– Non-Executive Directors	2	
Executive Directors	1	
Non-Executive/Independent Directors	5	62.50
Nominee Directors – representing lending institutions	—	—
Total	8	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 Directors	No. of Board Meetings Attended	Attended Last AGM held on 27.09.2013	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	1	1	—	—
Ms. Shristi Mittal	—	No	—	—	—	—
Mr. Mahesh Trivedi	4	Yes	—	1	2	—
Prof. Manoj Kumar Mitra	4	Yes	—	—	—	—

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Name of Directors	No. of Board Meetings Attended	Attended Last AGM held on 27.09.2013	No. of Directorships in other Companies #		No. of Membership in Committee of Directors in other Companies \$	
			Chairman	Director	Chairman	Member
Dr. Shekhar Chaudhuri	2	No	—	3	1	1
Mr. Vinod Kothari	3	No	—	3	1	1
Mr. B K Roy ^(a) (IFCI Nominee)	—	No	—	2	—	1
Mr. S. S. Saswat ^(b) (Exim Bank Nominee)	3	No	—	—	—	—
Mr. Anil Sureka	2	No	—	1	—	—
Mr. R. K. Parakh ^(c)	2	Yes	—	1	—	1
Mr. Susanta Ghosh ^(d)	4	Yes	—	4	—	—
Mr. B N Bhattacharjee ^(e)	3	Yes	—	—	—	—

(a) Ceased to be Director w.e.f. 25th July, 2013

(b) Ceased to be Director w.e.f. 10th January, 2014

(c) Ceased to be Director w.e.f. 20th March, 2014

(d) Appointed as Managing Director w.e.f. 13th November, 2013

(e) Ceased to be Director w.e.f. 20th December, 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, 2014. The dates on which the Board meetings were held are 29.05.2013, 12.08.2013, 13.11.2013 and 12.02.2014.

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 exchanges 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 five Non-Executive Professional Directors, out of which four 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, Head - Finance & Treasury 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, 2014, four meetings of the Audit Committee were held on 29.05.2013, 12.08.2013, 13.11.2013 and 12.02.2014. 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, 2014
Mr. Mahesh Trivedi, Chairman	4
Prof. Manoj Kumar Mitra	4
Dr. Shekhar Chaudhuri	2
Mr. B K Roy ^(a) (IFCI Nominee)	—
Mr. Vinod Kothari	3
Mr. S S Saswat ^(b) (Exim Bank Nominee)	3
Mr. Anil Sureka	2
Mr. R K Parakh ^(c)	2

(a) Ceased to be Member w.e.f. 25th July, 2013

(b) Ceased to be Member w.e.f. 10th January, 2014

(c) Ceased to be Member w.e.f. 20th March, 2014

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 12th February, 2014 during the year ended 31st March, 2014.

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

Name of Directors	No. of meetings	Meetings attended
Mr. Mahesh Trivedi, Chairman	1	1
Prof. Manoj Kumar Mitra	1	1
Mr. Vinod Kothari	1	—
Mr. Biswanath Bhattacharjee*	1	—
Mr. Susanta Ghosh**	1	1

* Ceased to be Member w.e.f. 20th December, 2013

** Appointed as Member w.e.f. 12th February, 2014

Name & Designation of Compliance Officers:

1) Ms. Shabnum Zaman, 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, 5 (five) complaints were received from investors, all complaints were replied/resolved to the satisfaction of the investors. There are no pending complaints as on 31.03.2014.

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. One meeting was held on 13th November, 2013 during the period ended 31st March, 2014.

The Composition of the Remuneration Committee is as below :

Name of Members	Category	Number of Meeting attended
Mr. M. Trivedi, Chairman	Independent, Non-executive	1
Prof. Manoj Kumar Mitra	Independent, Non-executive	1
Dr. Shekhar Chaudhuri	Independent, Non-executive	1
Mr. B K Roy*, (IFCI Nominee)	Independent, Non-executive	-
Mr. Vinod Kothari	Independent, Non-executive	1
Mr. S S Saswat**, (Exim Bank Nominee)	Independent, Non-executive	1

* Ceased to be Member w.e.f. 25th July, 2013

** Ceased to be Member w.e.f. 10th January, 2014

The details of the payments made to the Whole-time Directors during the year ended 31st March, 2014 is given below :

Name of the Directors and Designation	Salary & Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)	Service Contract (Years)	Period of Service Contract
Mr. Susanta Ghosh* Managing Director	23,67,871	Nil	23,67,871	3	13.11.2013 To 12.11.2016
Mr. B N Bhattacharjee** Director (Operations)	34,97,975	Nil	34,97,975	5	11.11.2011 To 10.11.2016

* Appointed as Managing Director w.e.f. 13th November, 2013

** Ceased to be Director w.e.f. 20th December, 2013



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- 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).
- 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 2013-14 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 2014 (In Rs.)
Mr. Mahesh Trivedi	None	None	1,35,000/-
Prof. Manoj Kumar Mitra	None	None	1,40,000/-
Dr. Shekhar Chaudhuri	None	None	65,000/-
Mr. Vinod Kothari	None	None	95,000/-
Mr. S S Saswat	None	Nominee of EXIM Bank, a lender to the company	95,000/-
Mr. Anil Sureka	None	None	60,000/-
Mr. R K Parakh	None	None	70,000/-
Mr. Susanta Ghosh	None	None	35,000/-

OTHER COMMITTEES

In addition to the Committees mentioned hereinabove, the Board of Directors have three more committees viz., Finance Committee, Project Management Committee and Risk Management Committee. Two meetings of Finance Committee were held on 20.04.2013 and 25.02.2014 during the financial year ended 31st March, 2014. No meetings of Project Management Committee and Risk Management Committee were held during the financial year ended 31st March, 2014.

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 2013-14. A separate declaration to this effect is annexed to the Corporate Governance Report.

GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under

Year Ended	Venue	Date	Time	Special Resolutions Passed
31.03.2013	P. O. Pailan Diamond Harbour Road, Kolkata-700 104, West Bengal	27.09.2013	11.00 A.M.	None
31.03.2012		28.09.2012	11.00 A.M.	<ul style="list-style-type: none"> • Appointment of Mr. Yadendra 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

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

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Postal Ballot:

During the year, as per the Notice to the shareholders dated 12th August, 2013, the consent of the shareholders of the Company was obtained through postal ballot by way of special resolution for passing of the following resolutions:

1. To approve, ratify and confirm the Corporate Debt Restructuring Scheme in relation to the Company's Debts.
2. Issue of Equity Shares on Preferential Basis to the Promoters.

Mr. K K Sanganeria, Practicing Company Secretary was appointed as the Scrutinizer for overseeing the postal ballot process. The Special Resolutions were passed with requisite majority with the percentage of votes cast in favour of the resolution being 99.98%.

The procedures prescribed under Section 192A of the Act, read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 were duly followed for conducting the postal ballot process during the year for approving the resolutions mentioned above.

Procedure for Postal Ballot:

After receiving the approval of the Board of Directors, Notice of the Postal Ballot, text of the Resolution and Explanatory Statement, relevant documents, Postal Ballot Form and self-addressed postage envelopes are sent to the shareholders to enable them to consider and vote for and against the proposal within a period of 30 days from the date of dispatch. The calendar of events containing the activity chart is filed with the Registrar of Companies within 7 days of the passing of the Resolution by the Board of Directors. After the last day for receipt of ballots, the Scrutinizer, after due verification, submits the results to the Chairman. Thereafter, the Chairman declares the result of the Postal Ballot. The same is published in the Newspapers, displayed on the Company Website and Notice Board and communicated to the Stock Exchanges.

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 Exchanges 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 Managing Director and Chief Financial Officer with regard to the Annual Audited Accounts for the financial year ended 31st March, 2014 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 Khabar 365 Din/ Ekdin/ Newz Bangla (in Bengali). The quarterly and annual results as well as the quarter end shareholding pattern are posted at the end of every quarter on the Company's corporate website www.gontermann-peipers.com
- Official news releases are given to the press and to the BSE Limited and The Calcutta Stock Exchange Limited.
- Management Discussion and Analysis Report is being presented as a part of the Annual Report.



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GENERAL SHAREHOLDERS INFORMATION

1) Annual General Meeting	
Day, date and time Venue	Wednesday, the 10th day of September, 2014, at 11.00 A.M. Registered Office at P.O. Pailan, Diamond Harbour Road, Kolkata - 700 104, West Bengal
2) Book Closure Date	6th September, 2014 to 10th September, 2014 (both days inclusive)
3) Dividend Payment Date	NA
4) Financial Calendar	1st April, 2014 to 31st March, 2015
– Annual General Meeting	September, 2014
– 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 Limited 7, Lyons Range, Kolkata – 700 001	10017005
ii) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	504701

Note : Annual Listing Fees for the year 2014-2015 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

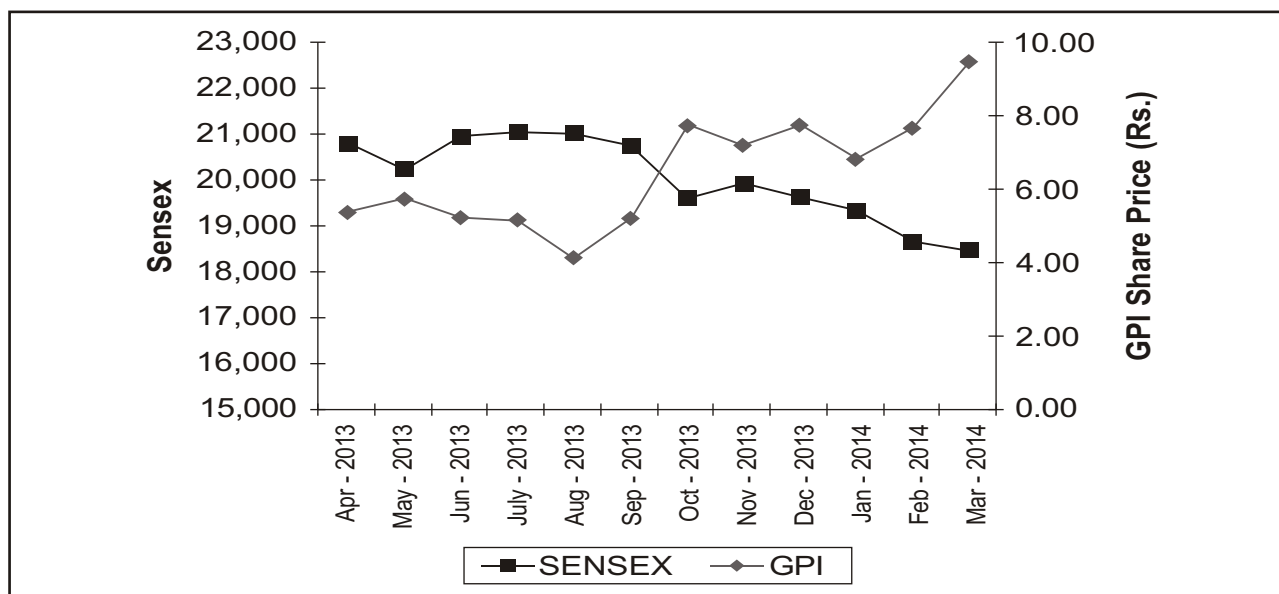
(i) Market Price

Months	Share Price Data on BSE		BSE Sensex	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
2013 April	9.95	5.83	19,622.68	18,144.22
May	8.58	6.66	20,443.62	19,451.26
June	7.84	6.50	19,860.19	18,467.16
July	7.54	7.20	20,351.06	19,126.82
August	8.34	7.17	19,569.20	17,448.71
September	7.99	6.47	20,739.69	18,166.17
October	6.87	5.71	21,205.44	19,264.72
November	6.40	5.67	21,321.53	20,137.67
December	6.50	5.39	21,483.74	20,568.70
2014 January	6.29	5.14	21,409.66	20,343.78
February	5.90	4.83	21,140.51	19,963.12
March	5.57	4.55	22,467.21	20,920.98

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

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(ii) Stock Performance



7) Registrars & Share Transfer Agents

MCS Limited
 77/2A, Hazra Road, Kolkata – 700 029.
 Phone Nos. : (033) 4072 4051 / 52 / 53; Fax No. 91-33-4072 4050
 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 248.

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, 2014

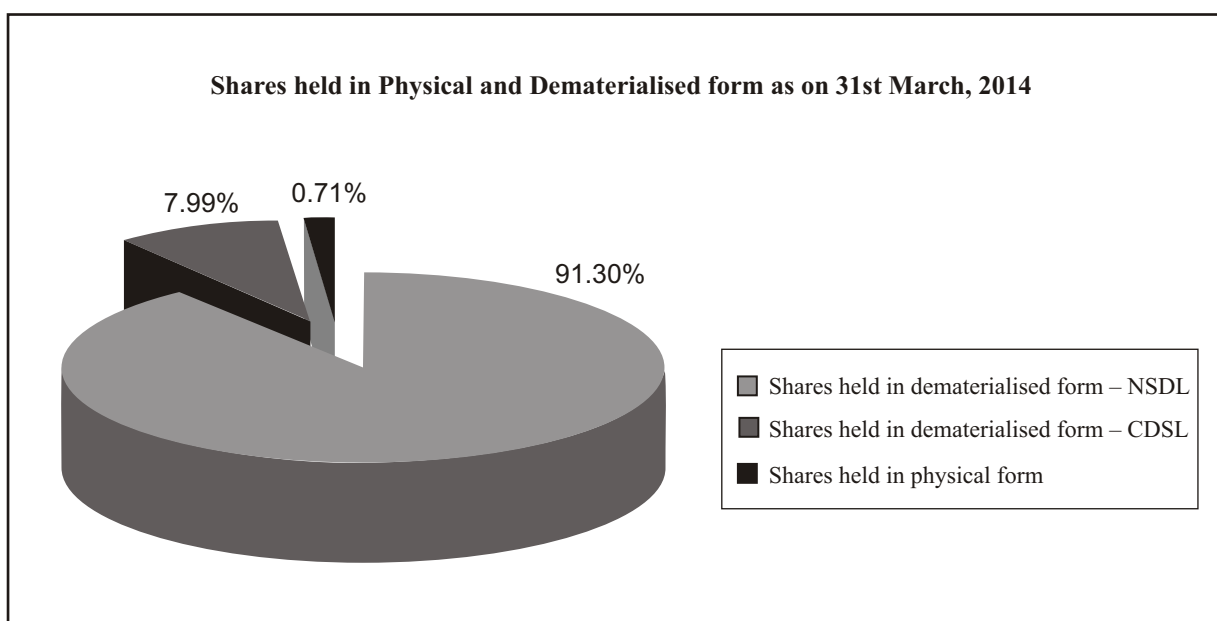
Number of Shares held	No. of Shares	No. of Shareholders	Percentage of Shareholding
1 to 500	547332	5308	3.93
501 to 10000	1796717	900	12.91
10001 to 50000	1014534	46	7.29
50001 to 100000	494951	8	3.56
100001 and above	10061466	16	72.31
Total	13915000	6278	100.00

12) Categories of Shareholders as on 31st March, 2014

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	2811868	20.21
Public & Others	3263032	23.45
Total	1,39,15,000	100

13) Dematerialisation of Shares and Liquidity

Approximately 99.29% of the Equity Shares have been dematerialised upto 31.03.2014. 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.



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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 Investors' Correspondence

Ms. Shabnum Zaman
Company Secretary

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

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

M/s. MCS Limited
77/2A, Hazra Road,
Kolkata – 700 029.
Phone Nos. : (033) 4072 4051 / 52 / 53
Fax No. 91-33-4072 4050
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 2013-2014.

Date : 29th May, 2014

Susanta Ghosh
Managing Director & CEO

Auditor's Certificate regarding Compliance of Conditions of Corporate Governance

To
The Members of
Gontermann-Peipers (India) Limited

We have examined the compliances of conditions of Corporate Governance by Gontermann-Peipers (India) Limited, for the period from 1st April, 2013 to 31st March, 2014, 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 are 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 : 29th May, 2014

CEO / CFO CERTIFICATION

We, Susanta Ghosh, Managing Director & CEO 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, 2014 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, 2014 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, 2014;
 - (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
29th May, 2014

Susanta Ghosh
Managing Director & CEO

Sandip Gupta
Chief Financial Officer

INDEPENDENT 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, 2014, 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

The 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 notified under the Companies Act, 1956 ('the act') read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (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.

Emphasis of Matter

We draw attention to the following notes to the financial statements:

Note No. 30 to the financial statements, relating to remuneration paid in earlier years to the Ex -Managing Director of the Company, in excess of the limits prescribed under section 198 read with Schedule XIII to the Act.

Note No. 31 to the financial statements, wherein as explained, Corporate Debt Restructuring (CDR) Scheme is effective from 1st January, 2012. The outstanding liabilities of the company have been substantially restructured under the aegis of CDR Scheme, which extends till 2021.

Note No. 34 to the financial statements, relating to the Scheme of Amalgamation approved by the board, the accounting treatment laid out in the Scheme and consequential adjustments that would arise will be dealt with by the Company in the financial statements, upon effectiveness of the Scheme.

Our opinion is not qualified in respect of these matters.

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 advances for capital goods includes long outstanding advances to the tune of Rs.297.00 Lacs and advances to suppliers includes Rs.446.61 Lacs in respect of which no confirmation / schedule of delivery was available, the consequential revenue impact, if any is not ascertainable. Accordingly, it was felt that the creation of no provision in respect of doubtful /advances is contrary to the requirements of AS 4.*
- b) *Note No. (11) Regarding recognition of Net Deferred Tax Asset (DTA) of Rs.1445.82 lacs (including Rs (17.33) Lacs for the period) recognized up to 31st March, 2014 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.2984.20 lacs (after adjusting deferred tax assets of Rs.1463.15 lacs recognized upto 31st March, 2013) as against the reported loss of Rs. 1538.38 lacs and balance in Reserve and Surplus would have been Rs. 1586.66 Lacs as against the reported Reserve and Surplus of Rs.3032.48 lacs.

2. As required by section 227(3) of the Act, we report that except for the effect of the observation in para 1 above :
 - 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 notified under the Companies Act, 1956 ('the act') read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and;
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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 : 29th May, 2014

GONTERMANN-PEIPERS (INDIA) LIMITED
ANNUAL REPORT 2013-2014

ANNEXURE TO THE AUDITOR'S REPORT TO THE MEMBERS OF GONTERMANN-PEIPERS (INDIA) LIMITED FOR THE YEAR ENDED 31ST MARCH, 2014.

(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 2014.
- (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 procedures 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) (a) 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.
- (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (iv)(a) above and exceeding the value of Rs. 5 lakh with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (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 2014 for a period of more than six months from the date they became payable except for Service Tax Rs.1.05 lacs, Central Sales Tax Rs.8.77 lacs and *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 High Court Kolkata
	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



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Nature of the dues	Amount (Rs. in Lacs)	Period to which amount relates	Forum where dispute is pending
	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
	84.82	2009-2010	Additional Commissioner
	0.82	2010-2011	Senior Joint Commissioner of Sales Tax
	20.56	2010-2011	Senior Joint Commissioner of Sales Tax
	239.27	1994-1995	Hon'ble High Court Kolkata
	93.36	2001-2002	Hon'ble High Court Kolkata
Custom Duty	1.50	1997-1998	Hon'ble High Court Kolkata
Income Tax	177.00	A.Y. 1998-1999	Hon'ble High Court
	1539.00	A.Y. 2000-2001	Hon'ble High Court
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 accumulated losses of the Company at the end of the financial year are less than fifty per cent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xiii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has defaulted in repayment of term loan dues to banks during the year as given below :

Period of Default	Principal (Rs. In lacs)	Interest (Rs. In lacs)
Less than 30 days	83.54	84.56
31 days to 60 days	0.00	15.57
Total	83.54	100.12

Working capital loan from banks include Rs.854.42 lacs continuing default towards repayment of working capital facilities, (including interest default of Rs.58.04 lacs, period of default 34 days).

The Company did not have any outstanding debentures or dues to the financial institutions during the year.

- (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. 5.73 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 : 29th May, 2014

GONTERMANN-PEIPERS (INDIA) LIMITED
ANNUAL REPORT 2013-2014

BALANCE SHEET as at 31st March, 2014

	Note no.	As at 31st March, 2014 (Rs. in Lacs)	As at 31st March, 2013 (Rs. in Lacs)
(I) EQUITY AND LIABILITIES			
1. Shareholders' Funds			
a. Share Capital	1	1,483.37	1,523.37
b. Reserves and surplus	2	3,032.48	4,732.89
		4,515.85	6,256.26
2. Share Application Money Pending Allotment	2A	1,227.34	1,424.59
		1,227.34	1,424.59
3. Non-Current Liabilities			
a. Long- term borrowings	3	9,100.89	9,098.82
b. Other Long Term Liabilities	4A	119.98	188.53
c. Long -term provisions	4B	226.42	237.72
		9,447.29	9,525.07
4. Current Liabilities			
a. Short- term borrowings	5	5,525.55	3,613.87
b. Trade payables	6	4,179.13	3,499.21
c. Other current liabilities	7	1,849.51	1,260.60
d. Short- term provisions	8	224.36	240.87
		11,778.55	8,614.55
TOTAL EQUITY AND LIABILITIES		26,969.03	25,820.47
(II) ASSETS			
1. Non-Current Assets			
a. Fixed Assets	9		
i. Tangible assets		10,908.97	11,817.25
ii. Intangible assets		42.99	109.82
iii. Capital Work-in- progress		2,068.15	2,055.94
		13,020.11	13,983.01
b. Non current Investments	10	127.96	66.66
c. Deferred Tax Assets/ (Liabilities) (net)	11	1,445.82	1,463.15
d. Long -term loans and advances	12	1,171.00	1,351.00
		15,764.89	16,863.82
2. Current Assets			
a. Inventories	13	5,589.23	3,778.52
b. Trade Receivables	14	3,850.22	3,237.26
c. Cash and cash equivalents	15	254.29	597.46
d. Short-term loans and advances	16	1,214.61	1,095.60
e. Other current assets	17	295.79	247.81
		11,204.14	8,956.65
TOTAL ASSETS		26,969.03	25,820.47

Significant Accounting policies - Annexure I
Notes on Financial Statement

1-42

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

Prof. Manoj Kumar Mitra
Director

Camp : Kolkata
Date : 29th May, 2014

Shabnum Zaman
Company Secretary

Sandip Gupta
Chief Financial Officer

Susanta Ghosh
Managing Director & CEO



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STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2014

	Note no.	Year Ended 31st March, 2014 (Rs. in Lacs)	Year Ended 31st March, 2013 (Rs. in Lacs)
I. Revenue from operation	18	16,964.44	13,579.89
Less : Excise Duty		1,525.09	1,174.38
Revenue from operation		15,439.35	12,405.51
II. Other income	19	239.96	112.63
III. Total Revenue (I+II)		15,679.31	12,518.14
IV. Expenses			
a. Cost of material consumed	20	6,553.07	5,018.57
b. Change in inventory of finished goods, work-in-progress	21	(465.47)	337.37
c. Employee benefits expenses	22	2,541.20	2,371.93
d. Finance costs	23	1,766.32	1,684.07
e. Depreciation and amortisation expenses	24	911.16	1,027.87
f. Other Expenses	25	5,877.87	5,530.87
		17,184.15	15,970.68
V. Profit/(Loss) before Exceptional and Extraordinary items & Tax (III-IV)		(1,504.84)	(3,452.54)
VI. Exceptional Items	26	16.21	(57.54)
VII. Profit/(Loss) before Extraordinary Items & Tax (V-VI)		(1,521.05)	(3,395.00)
VIII. Extraordinary items	27	-	25.63
IX. Profit/(Loss) before Tax (VII- VIII)		(1,521.05)	(3,420.63)
X. Tax Expenses			
1) Current Tax			
i) Current Tax		-	-
ii) Tax related to earlier years		-	0.41
2) Deferred Tax		17.33	(1,112.21)
XI. Profit/(Loss) for the year		(1,538.38)	(2,308.83)
XII. Earning per share			
- Basic - in Rs.		(11.07)	(16.66)
- Diluted - in Rs.		(10.37)	(15.16)

Significant Accounting policies - Annexure I
Notes on Financial Statement

1-42

In terms of our attached report of even date

For V. Malik & Associates
Chartered Accountants
Vipin Malik
Proprietor

Camp : Kolkata
Date : 29th May, 2014

Shabnum Zaman
Company Secretary

Sandip Gupta
Chief Financial Officer

For and on behalf of the Board

Prof. Manoj Kumar Mitra
Director

Susanta Ghosh
Managing Director & CEO

CASH FLOW STATEMENT for the year ended 31st March, 2014

	Year ended 31.03.2014 (Rs. in Lacs)	Year ended 31.03.2013 (Rs. in Lacs)
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	(1,521.05)	(3,420.63)
Adjustments for :		
Depreciation	911.16	1,027.87
Interest & Finance Expenses	1,532.58	1,469.56
Irrecoverable Debts, Claims and Advances Written off	786.77	103.57
Provision for doubtful Debts & Advances	(735.02)	757.25
Loss/ (Profit) on Fixed Assets sold/discarded	16.34	1.58
Loss/ (Profit) on Sale of Investment	-	25.63
Interest Income	(19.11)	(44.37)
Operating Profit before working capital changes	971.67	(79.54)
Increase / (Decrease) in trade payables	389.45	(1,253.66)
Decrease / (Increase) in trade & other receivables	(719.38)	181.55
Decrease / (Increase) in inventories	(1,810.71)	467.06
Cash Generated from operations :	(1,168.97)	(684.59)
Direct taxes (paid) / Received	(9.79)	(11.61)
Net Cash flow from operating activities	(1,178.76)	(696.20)
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Fixed Assets	0.33	4.86
Sale of Investment	-	18.79
Interest received	35.28	44.89
Purchase of Fixed assets	(126.95)	(18.84)
Net cash used in Investing activities	(91.34)	49.70
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Share application money received	53.50	1,424.59
Share Application Money transferred to long term borrowings	(250.75)	-
Redemption of Preference share	(40.00)	-
Proceeds from long term borrowings includes transfer from Share Application Money	800.62	5,397.00
Proceeds from Bank borrowings (for working capital)	1,911.68	(4,551.62)
Repayment of loans	-	-
Interest charges converted into FITL	-	-
Interest & Finance Expenses paid	(1,548.12)	(1,446.48)
Net Cash flow from financing activities	926.93	823.48
(D) NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	(343.17)	176.98
(E) CASH & CASH EQUIVALENTS OPENING BALANCE	597.46	420.48
(F) CASH & CASH EQUIVALENTS CLOSING BALANCE	254.29	597.46

In terms of our attached report of even date

For V. Malik & Associates
Chartered Accountants
Vipin Malik
Proprietor

Camp : Kolkata
Date : 29th May, 2014

Shabnum Zaman
Company Secretary

Sandip Gupta
Chief Financial Officer

For and on behalf of the Board

Prof. Manoj Kumar Mitra
Director

Susanta Ghosh
Managing Director & CEO

Notes to the Financial Statements for the year ended 31st March, 2014

	As at 31.03.2014 (Rs. in Lacs)	As at 31.03.2013 (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
9,18,700 (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)	91.87	131.87
	1,483.37	1,523.37

Reconciliation of Number of shares

	As on 31st March, 2014		As on 31st March, 2013	
	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	-	-	-	-
Less : Redeemed during the year	4,00,000	40.00	-	-
At the end of the year	9,18,700	91.87	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 instalments commencing from 2013. Out of this 4,00,000 Preference Shares has been redeemed during the year and the balance will be redeemed in the financial year 2014-15.

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, 2014		As on 31st March, 2013	
	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 Holding 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 31.03.2014 (Rs. in Lacs)	As at 31.03.2013 (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	3,433.94	3,598.73
Less : Transfer to Profit & Loss Account towards additional Depreciation on revalued assets.	162.03	164.79
Less : Adjustment on account of Assets discarded /sold during the period	-	-
At the end of the year	3,271.91	3,433.94
Capital Redemption Reserve		
At the beginning of the year	-	-
Add : Transfer from Accumulated Profit	40.00	-
At the end of the year	40.00	-
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	343.56	2,652.39
Less : Transfer to Capital Redemption Reserve Account	40.00	-
Profit /(Loss) for the period	(1,538.38)	(2,308.83)
At the end of the year	(1,234.82)	343.56
	3,032.48	4,732.89

* 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 has been valued on present market value and Building, Plant and Machinery has been 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. 162.02 lacs (Rs. 164.79 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

1,227.34	1,424.59
1,227.34	1,424.59

As per terms of the CDR Scheme the Promoters have infused a sum of Rs.1227.34 Lacs (net) 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 of Rs. 4.75 each in the Financial Year 2014-15. The Company has sufficient authorized equity share capital to cover the share capital on allotment of equity shares pending allotment as of March 31, 2014.



Rolling Solutions

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

Unsecured

From Related Parties

	As at 31.03.2014 (Rs. in Lacs)	As at 31.03.2013 (Rs. in Lacs)
	3,732.95	4,212.83
	3,468.99	3,815.14
	1,543.79	1,057.39
	7.91	13.46
	347.25	–
	9,100.89	9,098.82

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

Nature of securities	Terms of repayment
Term loan amounting to Rs 4162.86 lacs (Rs. 4298.81 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 instalments commencing from 1st January, 2012. Last instalment 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 10.20% p.a.)
Working Capital Term loan I amounting to Rs 2878.84 lacs (Rs. 2900 lacs) in terms of CDR Scheme pending creation of pari-passu Second charge on the Company's immovable properties and is secured by a pari-passu first charge hypothecated on 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 instalments commencing from 1st January, 2013. Last instalment 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 10.20%)
Working Capital Term loan II amounting to Rs 983 lacs (Rs. 993 lacs) in terms of CDR Scheme pending creation of pari-passu Second charge on the Company's immovable properties and is secured by a pari-passu first charge hypothecated on 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 instalments commencing from 1st January, 2013. Last instalment 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 10.20%)
Funded Interest Term loan on WCTL I & II amounting to Rs 819.83 lacs (Rs. 507.74 lacs) in terms of CDR Scheme pending creation of pari-passu Second charge on the Company's immovable properties and is secured by a pari-passu first charge hypothecated on 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 instalments commencing from 1st January, 2014. Last instalment 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 10.20%)
Funded Interest Term loan on Term Loan amounting to Rs 894.26 lacs (Rs. 576.75 lacs) in terms of CDR Scheme pending creation of pari-passu first charge on the Company's immovable properties and is secured by a pari-passu Second charge hypothecated on 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 instalments commencing from 1st January, 2014. Last instalment 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 10.20%)
Rupee Loan amounting to Rs 7.91 lacs (Rs 13.46 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%)

Instalments falling due in respect of above Loans upto 31.03.2015 have been grouped under "Current maturity of long-term debts" (Refer note 7)

Status of continuing default as on the Balance Sheet date

TERM LOAN

less than 30 days

30 days to 60 days

Unsecured Long Term Borrowings from promoters as per CDR package (Refer Note No. 31 & 37)

	Principal	Interest
	83.54	84.56
	0.00	15.57
	83.54	100.12

Notes to the Financial Statements (contd.)

	As at 31.03.2014 (Rs. in Lacs)	As at 31.03.2013 (Rs. in Lacs)
Note 4A. OTHER LONG TERM LIABILITIES		
Others Long Term Liabilities	119.98	188.53
	119.98	188.53
Note 4B. LONG TERM PROVISIONS		
Provision for Employee benefits -		
For Gratuity	140.18	161.15
For Leave encashment	86.24	76.57
	226.42	237.72
Note 5. SHORT TERM BORROWINGS		
Secured		
Working Capital loans from banks	5,006.85	3,410.22
Unsecured		
From Others	-	-
Buyers Credit Arrangements	518.70	203.65
	5,525.55	3,613.87

Working capital loans from banks include Rs. 854.42 lacs continuing default towards repayment of working capital facilities (includes interest default of Rs 58.04 lacs) (period of defaults 34 days).

	As at 31.03.2014 (Rs. in Lacs)	As at 31.03.2013 (Rs. in Lacs)
Note 6. TRADE PAYABLE		
Micro Small and medium Enterprises	5.45	4.87
Others	4,173.68	3,494.34
	4,179.13	3,499.21
Note 7. OTHER CURRENT LIABILITIES		
Current maturities of long term debts	989.50	190.95
Interest Accrued but not due on Loans	12.94	28.48
Interest Accrued and due on Loans	-	-
Unclaimed Dividend	0.84	0.85
Advance from Customers	24.60	106.16
Creditors for capital goods	405.26	480.77
Other payable		
Statutory Dues	74.27	59.05
Other Liabilities (including employee contractual obligations)	342.10	394.34
	1,849.51	1,260.60
Note 8. SHORT TERM PROVISIONS		
Provision for Employee benefits -		
For Gratuity	19.80	21.95
For Leave encashment	6.56	16.92
Others		
Provision for Warranty Charges	198.00	198.00
Provision for Taxation (net)	-	4.00
	224.36	240.87

Notes to the Financial Statements (contd.)

Note 9. FIXED ASSETS

(Rs. in Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT 01.04.2013	ADDITION	DEDUCTION	AS AT 31.03.2014	FOR THE PERIOD	DEDUCTION	UPTO 31.03.2014	AS AT 31.03.2013
<i>Tangible Assets</i>								
LAND	2,318.70	-	-	2,318.70 (a)	-	-	-	2,318.70
BUILDING	3,810.66	-	-	3,810.66	119.96	-	1,377.20	2,553.42
PLANT & MACHINERY	17,675.31	66.37	99.01	17,642.67 (b)	831.81	81.19	11,691.28	6,734.65
FURNITURE & FIXTURE, COMPUTER & OFFICE EQUIPMENT	460.98	42.86	4.78	499.06	34.80	4.50	361.18	130.10
VEHICLE	142.09	-	-	142.09 (c)	12.84	-	74.55	80.38
TOTAL	24,407.74	109.23	103.79	24,413.18	999.41	85.69	13,504.21	11,817.25
CAPITAL WORK-IN-PROGRESS	2,055.94	13.92	1.71	2,068.15	-	-	-	2,055.94
TOTAL	26,463.68	123.15	105.50	26,481.33	999.41	85.69	13,504.21	13,873.19
PREVIOUS YEAR TOTAL	26,530.95	13.55	80.80	26,463.69	1,056.33	4.14	12,590.49	13,873.21
<i>Intangible Assets</i>								
COMPUTER SOFTWARE	638.45	6.95	-	645.40	71.06	-	602.41	107.10
TECHNICAL KNOWHOW	52.04	-	-	52.04	2.72	-	52.04	2.72
TOTAL	690.49	6.95	-	697.44	73.78	-	654.45	109.82
PREVIOUS YEAR TOTAL	675.20	15.29	-	690.49	136.32	-	580.67	109.82

(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.

Notes to the Financial Statements (contd.)

	As at 31.03.2014 (Rs. in Lacs)	As at 31.03.2013 (Rs. in Lacs)
Note 10. NON-CURRENT INVESTMENTS		
Equity - Non Trade (Quoted)		
9,255 (6,66,400) Equity Shares of Rs.10 each in JSW Steel Limited	66.64	66.64
23,47,555 (Nil) Equity Shares of Malaysian Ringett 1 each in Lion Corporation Berhad *	61.30	-
Investment in Government Securities (Unquoted Trade)		
7 years National Savings Certificates	0.02	0.02
* Refer Note No. 33	127.96	66.66
Aggregate Book Value of Quoted Investments.	127.94	66.64
Aggregate Market Value of Quoted Investments.	130.32	55.18
Aggregate Book Value of un quoted Investments.	0.02	0.02
Note 11. DEFERRED TAX ASSETS / (LIABILITIES) (NET)		
Deferred Tax Liability on account of -		
Depreciation	808.62	900.83
Less - Deferred Tax Assets on account of -		
Timing Difference of Taxes, Duties, Cess etc.	408.35	161.17
Provision for doubtful debts	69.87	338.86
Provision for Warranty	61.18	64.25
Carry forward losses as per Income Tax Act	1,715.04	1,799.70
	2,254.44	2,363.98
	1,445.82	1,463.15
Note 12. LONG TERM LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Capital advances	1,162.37	1,348.48
Security Deposits	2.52	2.52
Advance Tax (net of provisions)	6.11	-
	1,171.00	1,351.00

Notes to the Financial Statements (contd.)

Note 13. INVENTORIES

- a. Raw Materials
- Raw Material in Transit
- b. Work in progress
- c. Finished Stock
- d. Stores & spare parts
- e. Chillers & moulds
- f. Rotation scrap

	As at 31.03.2014 (Rs. in Lacs)	As at 31.03.2013 (Rs. in Lacs)
	1,453.97	212.37
	7.97	7.97
	1,624.27	1,007.70
	266.21	530.82
	496.89	399.63
	935.86	979.45
	804.06	640.58
	5,589.23	3,778.52
Details of Raw Material		
Scrap	1,001.98	73.88
Nickel/Ferro Nickel/Nickel bearing scrap.	87.64	34.23
Nickel Magnesium	27.04	8.32
Ferro Alloys	81.94	30.97
Fluxes and other Materials	21.25	14.05
Forged Blanks	234.12	58.89
	1,453.97	220.34
Details of Work-in-progress		
Cast Rolls	1,535.82	794.79
Forged Rolls	85.51	209.97
Special General Castings	2.94	2.94
Others	-	-
	1,624.27	1,007.70
Details of Finished Stock		
Cast Rolls	158.82	418.50
Forged Rolls	101.56	106.49
Special General Castings	5.83	5.83
	266.21	530.82
For mode of valuation, please refer Annexure I.		
Note 14. TRADE RECEIVABLES		
Trade Receivables o/s for a period exceeding six months from the date they are due for payment		
Unsecured Considered Good	606.71	1,390.53
Unsecured considered doubtful	225.69	983.87
Less : Provision for doubtful debts	(225.69)	(983.87)
Trade Receivables o/s for a period less than six months from the date they are due for payment		
Secured Considered Good	100.71	69.03
Unsecured Considered Good	3,142.80	1,777.70
Unsecured considered doubtful	-	-
	3,850.22	3,237.26

Notes to the Financial Statements (contd.)

	As at 31.03.2014 (Rs. in Lacs)	As at 31.03.2013 (Rs. in Lacs)
Note 15. CASH AND CASH EQUIVALENTS		
i) Cash and Cash Equivalents		
a) Balance with banks	26.17	29.28
b) Cash in Hand	2.52	3.22
ii) Other Bank Balances		
Unpaid Dividend Account	0.84	0.85
Balances with banks to the extent held as margin money	224.76	564.11
	254.29	597.46
Note 16. SHORT TERM LOANS AND ADVANCES		
Other Loan & advances		
– Unsecured considered good		
Loans and advances to related parties (refer note no 37)	441.45	349.40
Other Loan and advances	773.16	746.20
– Unsecured considered doubtful	0.43	60.39
Provision for doubtful debts	(0.43)	(60.39)
	1,214.61	1,095.60
Note 17. OTHER CURRENT ASSETS		
Interest Receivable on Loans, Deposits etc.	6.60	22.24
Export Benefits Receivable	113.18	107.31
Balance with Central Excise Authorities	103.51	58.86
Prepaid Expenses	72.50	59.40
	295.79	247.81

Notes to the Financial Statements (contd.)

	Year Ended 31.03.2014 (Rs. in Lacs)	Year Ended 31.03.2013 (Rs. in Lacs)
Note 18. REVENUE FROM OPERATION		
Sale of Products	16,373.25	13,133.08
Sale of Services - Processing Charges	218.36	247.94
Other Operating Revenue		
– Export Incentive	87.12	65.15
– Process Waste Sale	285.71	133.72
	16,964.44	13,579.89
Details of sale of Products :		
Cast Rolls	14,389.15	10,928.44
Forged Rolls	2,090.91	2,450.12
Special Castings	–	30.88
Less - Compensation for quality	(106.81)	(276.36)
	16,373.25	13,133.08
Note 19. OTHER INCOME		
Interest Income	19.11	44.37
Liabilities Written Back	100.16	8.44
Provision no longer required written back	–	–
Exchange rate difference (Net)	118.95	57.58
Insurance Claims	–	0.03
Other non operating income	1.74	2.21
	239.96	112.63
Note 20. COST OF MATERIAL CONSUMED		
Raw material		
Opening Stock	220.34	328.52
Add: purchases	7,869.41	4,920.98
	8,089.75	5,249.50
Less : Sales	74.74	10.59
Closing Stock	1,461.94	220.34
	6,553.07	5,018.57
Details of Raw material consumed		
Scrap (Excluding Rotation Scrap)	3,398.71	2,242.71
Nickel/Ferro Nickel/Nickel bearing scrap.	774.09	606.65
Nickel Magnesium	381.28	235.54
Ferro Alloys	1,148.43	710.26
Fluxes and other Materials	87.04	108.88
Forged Blanks	763.52	1,114.53
	6,553.07	5,018.57
Imported and Indigenous Raw materials consumed.		
Imported	9.50	4.19
Indigenous	90.50	95.81
	6,553.07	5,018.57

Notes to the Financial Statements (contd.)

	Year Ended 31.03.2014 (Rs. in Lacs)	Year Ended 31.03.2013 (Rs. in Lacs)
Note 21. CHANGE IN INVENTORY		
Opening Stocks		
– Finished Goods	530.82	992.74
– Process Stock	1,007.70	819.29
– Chiller and Moulds	979.45	1,040.91
– Rotation Scrap	640.58	642.98
	3,158.55	3,495.92
Add : Purchases of Chillers & Moulds	6.37	–
	3,164.92	3,495.92
Less :Closing Stocks		
– Finished Goods	266.21	530.82
– Process Stock	1,624.26	1,007.70
– Chiller and Moulds	935.86	979.45
– Rotation Scrap	804.06	640.58
	3,630.39	3,158.55
	(465.47)	337.37
Note 22. EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	2,053.10	1,812.79
Contribution to Provident and other Funds	256.60	303.76
Staff Welfare Expenses	231.50	255.38
	2,541.20	2,371.93
Note 23. FINANCE COST		
Interest on Other Loans	1,532.58	1,469.56
Other Borrowing costs	151.94	151.79
Net loss on Currency Fluctuation and transaction	81.80	62.72
	1,766.32	1,684.07
Less: Interest Capitalised	–	–
	1,766.32	1,684.07
Note 24. DEPRECIATION		
Depreciation and amortization expenses	1,073.19	1,192.66
Less : Transfer from Revaluation Reserve	162.03	164.79
	911.16	1,027.87



Rolling Solutions

Notes to the Financial Statements (contd.)

	Year Ended 31.03.2014 (Rs. in Lacs)	Year Ended 31.03.2013 (Rs. in Lacs)
Note 25. OTHER EXPENSES		
Manufacturing Expenses		
Stores & Spare Parts Consumed *	1,405.98	1,091.94
Power and Fuel	2,954.36	2,533.63
Repairs & Maintenance:-		
Plant and Machinery	94.48	68.90
Buildings	15.55	8.66
Others	63.21	62.53
Processing Charges	317.81	127.46
	4,851.39	3,893.12
Selling & Distribution Expenses		
Commission on Sales	11.63	3.57
Packing, Forwarding & Transport Charges	441.77	330.43
	453.40	334.00
Establishment Expenses		
Payment to Statutory Auditors:-		
For Audit Fees	6.00	5.00
For Company Law & Other Matters	1.60	1.78
For Tax Audit	1.00	1.00
For Reimbursement of expenses	0.97	0.72
Cost Audit Fees	0.40	0.24
Rent & Hire Charges	14.47	3.28
Traveling & conveyance	148.07	112.23
Diminution in the value of investments	-	-
Irrecoverable Debts, Claims and Advances Written off	786.77	103.57
Provision for doubtful Debts & Advances	(735.02)	757.25
Insurance	36.26	38.38
Rates & Taxes	17.28	3.53
Sales Tax	-	7.31
Donation	-	0.30
Directors' Fees	6.95	7.30
Communication Expenses	24.59	16.70
Advertisement	1.81	1.41
Loss on Fixed Assets sold/discarded (Net)	16.34	1.58
Miscellaneous Expenses	245.59	242.17
	573.08	1,303.75
	5,877.87	5,530.87
Imported and Indigenous Stores & spare parts consumed	%	%
Imported	6.38	4.37
Indigenous	93.62	95.63
	1,405.98	1,091.94
Note 26. EXCEPTIONAL ITEMS		
Prior period Items (Net)	16.21	2.96
Interest Reversal CDR	-	(60.50)
	16.21	(57.54)
Note 27. EXTRA ORDINARY ITEMS		
Loss on Sale of Investment	-	25.63
	-	25.63

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Note 28. Contingent Liabilities

(Rs in Lacs)

		2013-2014	2012-2013
1.	Estimated amount of contracts remaining to be executed on Capital account and not provided for (Net of Advances)	908.51	835.99
2.	Contingent Liabilities not provided for in respect of: -		
	(i) Outstanding Bank Guarantees	646.17	906.62
	(ii) Bills discounted with banks	221.59	146.27
	(iii) Disputed Income Tax cases with the different authorities of Income Tax.	1716.00	1716.00
	(iv) Central Excise claims against show cause notices being disputed by the company	247.08	247.08
	(v) Service Tax claims against show cause notices being disputed by the company	102.12	102.12
	(vi) Sales Tax demands for earlier years being disputed by the Company	472.91	472.91
	(vii) 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
	(viii) Other Suits filed by the vendors & others against the company, for which a case is pending with Hon'ble Calcutta High Court.	0.98	0.98
	(ix) Customs Duty demand against import of a machine, being contested by the Company	1.50	1.50
	(x) Capital goods imported under E.P.C.G. Scheme without payment of customs duty against future export obligations.	607.00	535.39
3.	Estimated amount of contracts remaining to be executed on revenue account and not provided for	1458.05	1786.80

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.42.58 Lacs (Rs. 43.44 Lacs) 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 steps to seek waiver of recovery of excess remuneration pursuant to provision of section 309(5B) read with schedule XIII and other applicable provisions of Companies Act, 1956.

31. Pursuant to the approval of final restructuring package by CDR-Empowered Group on December 28, 2012, all CDR lenders have sanctioned the restructuring proposal in line with CDR LOA. Thereafter, Master Restructuring Agreement has also been signed with the lenders participating in the CDR package on April 26, 2013. The scheme was applicable with effect from January 1, 2012. The impact of the restructuring package has been implemented by all CDR lenders and also accounted by the company in the books.

- Promoters have infused an amount of Rs.15.74 crore partly as Share Application pending allotment of Rs 12.27 crore and balance as unsecured loan in terms of the LOA.

- Entire shareholding of the Promoters/ Promoters Group pledged in favour of the Security Trustees to secure the credit facilities sanctioned to the company.
- Trust and Retention Account (TRA) has been opened with UCO Bank as per the requirement of the LOA.
- Steps where initiated on the project as envisaged in CDR package.
- Joint charge has been created on the movable assets of the company in favour of Lenders covered under CDR package.
- Creation of parri passu charge on the immovable assets of the company is pending for which NOC for ceding first/second charge on the fixed assets of the company has obtained from existing charge holders so as to execute necessary legal documents.

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	2013-14	2012-13
a) Opening warranty provision	198.00	198.00
b) Provision made during the year	106.81	276.37
c) Less: Amount of warranty claims settled during the year	106.81	276.37
d) Closing warranty provision	198.00	198.00

33. During the year investment in equity of a company registered overseas of Rs.61.17 lacs against 23,47,555 Equity Share of Lion Corporation, Berhad of Malaysian Ringgits (RM) 1 each has been accounted in the books of account. This is against conversion of export proceeding from overseas customer by way of Scheme of Arrangement as approved by Hon'ble Malaysian High Court binding on all unsecured creditors. The company has already sought approval from Reserve Bank of India.

The management considers all Investments as long term Investments and in the perception of management there is no permanent diminution in the value of such investment.

34. The Board of Directors of the Company in its meeting held on 29th May, 2014 has approved to amalgamate Geetapuram Port Services Limited (GPSL) and its wholly owned subsidiary, North East Natural Resources Private Limited with the Company as per the provision of Section 391 to 394 of the Companies Act, 1956. The appointed date of the amalgamation is 1st April, 2013 and the scheme is subject to necessary approval of shareholders, creditors, statutory authorities and the Hon'ble High Courts of Calcutta and Bombay. Upon effectiveness of the Scheme, necessary accounting treatment will be dealt with by the company in the financial statements and as per Scheme every shareholder of GPSL holding 1 (one) fully paid-up equity shares of Rs. 10/- each shall be entitled to receive 40 (forty) fully paid-up equity shares of Rs. 10/- each in the Company.

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

Sl. No.	Particulars	2013-2014	2012-2013
A	Profit/ (Loss) after Taxation (Rs.In Lacs)	(1538.38)	(2308.83)
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)	9.18	13.19
D	Total (Present & Potential) weighted average number of equity shares (Rs.10 each)	148.33	152.35
E	Basic Earnings per Share (Rs.)	(11.07)	(16.66)
F	Diluted earning per share (Rs.)	(10.37)	(15.16)

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36. Segment Information

The Company's segment information as at and for the period ended 31st March 2014 are as below:

(Rs in Lacs)

Sl. No.	Particulars	2013-2014	2012-2013
1	Segment Revenue		
	a) Cast Roll Division	14685.90	10875.71
	b) Forged Roll Division	2278.54	2704.18
	Sales / Income from Operations	16964.44	13579.89
2	Segment Results		
	<i>Profit/(Loss) before Tax and Interest & Finance charges from each segment</i>		
	a) Cast Roll Division	354.95	(1978.77)
	b) Forged Roll Division	(109.68)	242.21
	Less : Interest & Finance charges	1766.32	1684.07
	Profit / (Loss) before Tax	(1521.05)	(3420.63)
	Less : Provision for Taxation	-	0.41
	Less : Provision for Deferred Tax	17.33	(1112.21)
	Profit / (Loss) After Tax	(1538.38)	(2308.83)
3	Capital Employed		
	a) Cast Roll Division	16780.41	19862.65
	b) Forged Roll Division	4578.72	721.82
	Total	21359.13	20584.47

37. 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 (upto 20.12.2013) Mr. Susanta Ghosh (From 13.11.2013)
Enterprises over which Key Management Personnel / Shareholders / Relatives have Significant influence *	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. Jaltarang Vanijya Pvt.Ltd. Mita Holdings 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.



Rolling Solutions

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
Purchases of raw materials:			
Balasure Alloys Limited		140.80 (82.25)	140.80 (82.25)
Global Steel Philippines Plc		60.79 (Nil)	60.79 (Nil)
Salary / Managerial Remuneration:			
Mr. B. N. Bhattacharjee	34.98 (33.43)		34.98 (33.43)
Mr. Susanta Ghosh	23.68 (Nil)		23.68 (Nil)
Balance outstanding as at the year end – Debit			
Global Steel Philippines Plc		288.61 (349.40)	288.61 (349.40)
Balasure Alloys Limited		152.84 (0.00)	152.84 (0.00)
Balance outstanding as at the year end – Credit			
Balasure Alloys Limited		0.00 (16.06)	0.00 (16.06)
Share Application Money Pending Allotment			
Goldline Tracom Pvt. Ltd.		250.00 (250.00)	250.00 (250.00)
Navdisha Real Estate Pvt. Ltd.		200.00 (200.00)	200.00 (200.00)
Jaltarang Vanijya Pvt. Ltd.		353.50 (300.00)	353.50 (300.00)
Mita Holdings Pvt. Ltd.		423.84 (674.59)	423.84 (674.59)
Un-Secured Loan			
Jaltarang Vanijya Pvt.Ltd.		96.50 (0.00)	96.50 (0.00)
Mita Holdings Pvt.Ltd.		250.75 (0.00)	250.75 (0.00)

GONTERMANN-PEIPERS (INDIA) LIMITED
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	2013-2014 (Rs in Lacs)	2012-2013 (Rs in Lacs)
38. Value of Imports on C.I.F. Basis		
Particulars		
Raw Material	694.73	204.95
Components & Spares	110.94	46.14
Capital Goods	8.61	15.29
39. Expenditure in Foreign Currency		
Travelling	21.50	6.52
Commission	11.63	3.57
Interest	2.43	21.27
Others	26.84	17.68
40. Earnings in Foreign Currency		
Export of goods on F.O.B basis		
(Including through third parties)	3923.74	3359.83

41. Significant accounting policies and practices adopted by the company are disclosed in the statement annexed to these financial statements as Annexure I.

42. Previous period's figures, which are given in brackets, have been re-grouped/re-arranged wherever necessary.

Signatories to all Notes 1 to 42

In terms of our attached report of even date

For V. Malik & Associates

Chartered Accountants

Vipin Malik

Proprietor

Camp : Kolkata

Date : 29th May, 2014

Shabnum Zaman
Company Secretary

Sandip Gupta
Chief Financial Officer

For and on behalf of the Board

Prof. Manoj Kumar Mitra
Director

Susanta Ghosh
Managing Director & CEO

Annexure I

Summary of Significant Accounting Policies

(Annexed to and forming part of financial statements for the year ended 31st March, 2014)

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 Revaluation 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.

GONTERMANN-PEIPERS (INDIA) LIMITED
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- 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

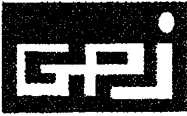
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

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.



Gontermann-Peipers (India) Limited

CIN : L27106WB1966PLC101410

Regd. Office & Works P.O. Pailan, Diamond Harbour Road, 24 Parganas(S), West Bengal, Pin Code-700104, India
Phone : +91 33 2453-2455/2456, 2497-8183/8294/8462, Fax : +91 33 2497-8313/8547/8686
E-mail : gpikol@gontermann-peipers.com Website : www.gontermann-peipers.com

Dated: 05.08.2014

The General Manager,
Listing Operation
BSE Limited
P.J.Towers, Dalal Street
Mumbai - 400 001.

Ref: Stock Code-504701

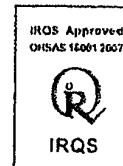
Dear Sir,

FORM B

1.	Name of the company	Gontermann-Peipers (India) Limited
2.	Annual financial statements for the year ended	31 st March, 2014
3.	Type of Audit qualification	<p>Subject to</p> <p>a) The outstanding advance for capital goods includes long outstanding advances to the tune of Rs.297.00 Lacs and advances to suppliers includes Rs.446.61 lacs in respect of which no confirmation / schedule of delivery was available, the consequential revenue impact, if any is not ascertainable. Accordingly, it was felt that the creation of no provision in respect of doubtful /advances is contrary to the requirements of AS 4.</p> <p>b) Note No. (11) Regarding recognition of net deferred tax asset (DTA) of Rs.1445.82 lacs (including Rs (17.33) Lacs for the period) recognized up to 31st March, 2014 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.</p>

For Gontermann Peipers (India) Limited

Shabbir Zaman
Company Secretary

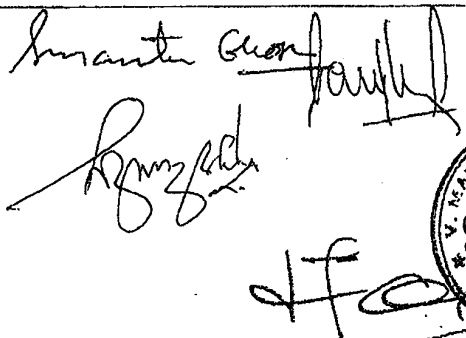
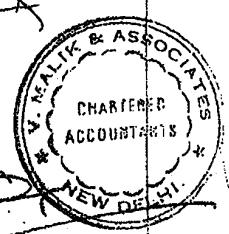




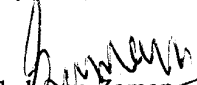
Gontermann-Peipers (India) Limited

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 Works E-mail : gpikol@gontermann-peipers.com Website : www.gontermann-peipers.com

		Had the impact of item stated above been considered, the loss for the year would have been Rs.2984.20 lacs (after adjusting deferred tax assets of Rs.1463.15 lacs recognized upto 31 st March, 2013) as against the reported loss of Rs.1538.38 lacs and balance in Reserve and Surplus would have been Rs.1586.66 Lacs as against the reported Reserve and Surplus of Rs.3032.48 lacs.
4.	Frequency of qualification	Second time
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>a) As regard advance for capital goods includes long outstanding advances to the tune of Rs.297.00 Lacs and advances to suppliers includes Rs.446.61 lacs the management is confident that the same will be adjusted against supply of materials or realisation of advances.</p> <p>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. It should be noted that during the financial year, the Company has reversed Deferred Tax Assets to the extent of Rs.17.33 Lacs.</p>
	Additional comments from the board/audit committee chair:	None
5.	To be signed by- <ul style="list-style-type: none"> • Managing Director & CEO • CFO • Auditor of the company • Audit Committee Chairman 	 

CERTIFIED TO BE TRUE AND CORRECT
 For Gontermann Peipers (India) Limited


 Shabbir Zaman
 Company Secretary

