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**असली
सुरक्षा का वादा
ताकत
सबसे ज्यादा**

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GANGOTRI
G R O U P

GANGOTRI IRON & STEEL CO. LTD.

307 Ashiana Towers, Exhibition Road, Patna - 800 001

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E: info@giscotmt.com, **W:** www.giscotmt.com

CORPORATE INFORMATION

BOARD OF DIRECTORS

1. Mr. Sanjiv Kumar Choudhary	<i>Chairman cum Managing Director</i>
2. Mr. Ankit Choudhary	<i>Director</i>
3. Mr. Ashok Agarwal	<i>Director</i>
4. Mr. Aditya Dalmiya	<i>Director</i>
5. Mr. Narendra Kumar Jaiswal	<i>Director</i>
6. Mr. Debabrata Banerjee	<i>Director</i>
7. Mr. Amar Agarwal	<i>Director</i>
8. Mr. Badri Pd Agarwal	<i>Director</i>

COMPANY SECRETARY

Ms. Puja Gupta

AUDITORS

M/s. ARSK & Associates,
22, R. N. Mukherjee Road 3rd
Floor, Kolkata - 700 001

BANKERS

State Bank of India, Commercial Branch, Patliputra, Patna
The Federal Bank Ltd., Kolkata
Standard Chartered Bank, Patna
HSBC Ltd., Patna
HDFC Bank, Exhibition Road, Patna

FACTORY

Phulwari Shariff, Nayatola
Patna - 801 505

Vill: Mahadevpur Phulari,
Near- Reliance Petrol Pump,
Bihta, Patna - 801 103

REGISTERED OFFICE

307, Ashiana Towers
Exhibition Road
Patna - 800 001

REGISTRAR & SHARE TRANSFER AGENT

S. K. Infosolutions Pvt. Ltd.
34/1A, Sudhir Chatterjee Street
Kolkata - 700 006

WEBSITE

www.giscotmt.com

E-MAIL ID FOR INVESTORS

cs@giscotmt.com

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NOTICE

TO MEMBERS

NOTICE is hereby given that the **20th Annual General Meeting** of the Members of **GANGOTRI IRON & STEEL COMPANY LIMITED** will be held on Monday, the **30th September 2013 at 3.00P.M. at 307, Ashiana Towers, Exhibition Road, Patna-800 001**, the Registered Office of the Company to transact the following business:

ORDINARY BUSINESS

1. To receive consider and adopt the Audited Balance Sheet made as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date together with the schedules and notes along with the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Narendra jaiswal and Mr. Debabrata Benerje, retiring by rotation and, being eligible, offer themselves for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

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 Mr. Amar Agarwal who was appointed by the Board of Directors as an Additional Director of the Company with effect from 07.11.2012 and who holds office only up to the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director of the Company, be and is hereby appointed a Director of the Company and shall be liable to retire by rotation.”

5. To consider and, if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution:-

“RESOLVED THAT Mr. Badri Pd. Agarwal who was appointed by the Board of Directors as an Additional Director of the Company with effect from 07.11.2012 and who holds office only up to the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director of the Company, be and is hereby appointed a Director of the Company and shall be liable to retire by rotation.”

By order of the Board
For **GANGOTRI IRON & STEEL COMPANY LIMITED**

Place: Patna
Date: 4th September, 2013

Ms. Puja Gupta
Company Secretary

NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. The proxies, to be effective should be deposited at the registered office of the Company not later than 48 hours before the commencement of the meeting.
2. The Register of Member and Share Transfer Register of the Company will remain closed from 25th September 2013 to 30th September, 2013 (both days inclusive).
3. Members are requested to notify the company immediately of any change in their address.
4. Members seeking any information with regard to the Accounts are requested to write to the company at an early date so as to enable the management to keep the information ready.

5. The instrument of the share transfers, complete in all respects should reach the Company prior to closure of the Register of Members as stated above.
6. Members/Proxies are requested to bring with them the printed Annual Report being sent to them, along with notice, to avoid inconvenience.
7. An Explanatory Statement, pursuant to **Section 173(2)** of the Companies Act, 1956 in respect of Item No. 4 and 5 of the notice is given hereto.

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

Item No. 4

APPOINTMENT OF MR. AMAR AGARWAL AS A DIRECTOR OF THE COMPANY

Mr. Amar Agarwal was appointed as an Additional Director by the Board of Director w.e.f. November 07, 2012 in accordance with the provisions of Section 260 of the Companies Act, 1956.

Pursuant to Section 260 of the Companies Act, 1956 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956.

Mr. Amar Agarwal, aged 43 years, Bachelor in Commerce, is having experience in the field of Steel Industry for more than 20 years. The Board feels that the significant rewards from his experience in the manufacturing as well as trading businesses of Steel goods would be beneficial to the company and hence recommends resolution in item No.4 for adoption.

None of the Director of the Companyt except Mr. Amar Agarwal is interested in the resolution.

The Board recommends resolutions under Item No. 4 to be passed as an ordinary resolution.

Item No. 5

APPOINTMENT OF MR. BADRI PRASAD AGARWAL AS A DIRECTOR OF THE COMPANY

Mr. Badri Prasad Agarwal was appointed as an Additional Director by the Board of Director w.e.f. November 07, 2012 in accordance with the provisions of Section 260 of the Companies Act, 1956.

Pursuant to Section 260 of the Companies Act, 1956 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956.

Mr. Badri Prasad Agarwal aged 56 years, Bachelor in History, is having experience in the field of Steel Industry for more than 35 years. The Board feels that the significant rewards from his experience in the manufacturing as well as trading businesses of Steel goods would be beneficial to the company and hence recommends resolution in item No.5 for adoption.

None of the Director of the Company except Mr. Badri Prasad is interested in the resolution.

The Board recommends resolutions under Item No. 5 to be passed as an ordinary resolution.

By order of the Board
For **GANGOTRI IRON & STEEL COMPANY LIMITED**

Place: Patna
Date: 4th September, 2013

Ms. Puja Gupta
Company Secretary

GANGOTRI IRON & STEEL CO. LTD.

NOTICE (contd.)

Information as required under clause 49 IV (G)(i) of the Listing Agreement in respect of Directors retiring by rotation and being proposed to be reappointed.

1) Name of the Director: : Mr. Debabrata Benerjee

Date of Birth: : 26.09.1955

Date of appointment: : 20.08.2005

Qualification : LL.B.

Expertise in specific functional areas : Mr. Debabrata Benerjee is a Bachelor in Law from Calcutta University. He is a practicing advocate for the last 32 years having specialization in Income Tax and property matters. He is actively associated with the Company for last eight years in legal matters.

List of other Directorship held : NIL

Number of shares held : NIL

Relationship with other Directors : Not related to any other Director

2) Name of the Director : Mr. Narendra Jaiswal

Date of Birth : 08.01.1957

Date of Appointment : 20.08.2005

Qualification : B. E

Expertise in specific functional areas : Mr. Narendra Jaiswal, aged 56 years, Bachelor in Engineering from Calcutta university having experience in the field of construction for more than 34 years. He worked as site engineer in M/s M. L Dalmiya & Co. Ltd., from 1978-1980, as senior site engineer in M/S Gannon Dunnkerely & Co. Ltd., from 1980- 1984, as resident engineer in M/s M. L Dalmiya & Co. Ltd. from 1984-1987 & as senior partner of M/s Kopila Engineering Co. & M/s The Millenium Construction Company since 1987 till date. He is actively associated with the Company for the last Eight years in site construction, development and other works.

List of other Directorship held : NIL

Number of shares held : NIL

Relationship with other Directors : Not related to any other Director

DIRECTORS' REPORT

To The Members

The Directors have pleasure in presenting the 20th Annual Report of the Company, together with the Audited Accounts, for the year ended 31st March, 2013.

1. Financial Results

(Rs. in Crores)

	2012-2013	2011-2012
Sales & Other Income (net)	89.02	96.56
Profit/ (Loss) before Interest & Depreciation	05.00	9.48
Less: Interest & Other Financial Charges	3.69	9.56
Less: Depreciation	2.83	3.15
Profit/ (Loss) before tax and exceptional items	(1.52)	(3.23)
Add / (Less): Exceptional items	-	-
Profit/ (Loss) before tax and after exceptional items	(1.52)	(3.23)
Less: Provision for Taxation	-	-
Less/ (Add): Deferred Tax	(0.64)	1.07
Net Profit / (Loss) after Tax	(0.88)	(2.17)
Balance as per last year	4.25	6.42
Balance Carried Forward	3.37	4.25

2. Operations

In spite of global slowdown, the company has with its constant endeavor; successfully manage to reduce its costs as compare to previous year.

The Company implemented various latest technologies in the manufacturing process to control the Cost of Production and also planned to reduce the cost through increased automation and elimination of intermediary process by implementation of the latest technology of "Online Charging of Billets".

With commencement of above initiatives company making itself more competitive and strong in the market and thereby steadily towards earning profits in upcoming years.

3. Future Prospects

The Company has set a clear two pronged goal for its future business: Cost Reduction & Diversification. Work towards each of these goals has been initiated at full-swing and initial measures to this effect are already in place.

Now, that the rehabilitation cum enhancement proposal of the Company has been passed by the Bank, and the Company's steel division has restarted production with much pomp and splendor, the focus has been shifted to reduction of cost vide optimum utilization of technology and infrastructure of the Company. Accordingly, the system of 'Online Charging of Billet' has been isolated for immediate implementation by the Company. The projected date for commencement of this technology, which will result in added margins of 2-2.5% to the

GANGOTRI IRON & STEEL CO. LTD.

Company's bottom-line, is, 30th September, 2013. The Company plans on further reducing costs via increased production through planned strategic tie-ups and brand building of the product.

Furthermore, the Gangotri group of Companies has embarked on its diversification intentions through its latest venture Gangotri Infocom Pvt. Ltd. Gangotri Infocom has planned and already proceeded with tying up with various Governmental departments for providing software based solutions for their existing challenges. The first project of the Company is already in process and is expected to be launched in 3rd quarter of FY 13-14.

The Company also plans on expanding its existing Iron & Steel manufacturing business by setting up additional furnace(s) and the recent technology of Ladle Refining.

4. Management Discussion and Analysis

Business Segment-wise Performance

The company's operation comprises of M.S. Bar and M.S. Billet that falls under one segment. Hence, Segment wise operational performance is not applicable.

Outlook

The world as well as national economy is passing through recession. However, average GDP growth rate of Bihar has been magnificent i.e. 10 percent as above approx which is providing positive hope for the Company. The Company is taking all necessary steps to reap the benefits of the fast growth of the State.

Risks and Concerns

Due to global slowdown and fierce competition in the steel industry there is pressure on maintain once of the profitability of the Company. Bihar is one of the fastest growing state in the area of Infrastructural development which is bound to increase the demand of steel in the state. Taking in view the various infrastructural projects taken up by Government of Bihar, the Company is prepared to fulfil all the necessities of the growing demand of steel. Thus, increasing market share and participating in the industrial development of the state.

Internal Control Systems and their Adequacy

There exists an internal audit system during the year under review, which needs to be strengthened for being commensurate with the size and nature of business.

Human Resource Development / Industrial Relations

The Company has been taking various initiatives for HR development, a process that will continue in the coming years. Your Company organizes Architects and Masons meets on a regular basis in various areas where it markets its products. These meets are very well attended and have resulted in better demand for its products apart from popularizing its brand image.

The Company has also made arrangement with Shri Ravi Kishan, a very popular movie and TV personality to act as its brand ambassador.

5. Dividend

As the Company incurred loss during the year hence no dividend payment was considered.

6. Finance

During the year, the Company continued to avail credit facilities by way of overdrafts, cash credits, issuance of guarantees, including deferred payment guarantees and indemnities, negotiation and discounting of demand and/or usance bills and cheques and such other facilities from State Bank of India, Commercial Branch, Patliputra, Patna and other private bodies for the existing and Bihta unit.

7. Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Debabrata Benerjee and Mr. Narendra Jaiswal are retiring by rotation and being eligible offers themselves for re-appointment.

8. Directors' Responsibility Statement

In compliance with section 217(2AA) of the Companies Act 1956, the Directors confirm that

- a) in preparation of the Annual Accounts, for the year ended 31st March 2013, all the applicable accounting standards prescribed by the ICAI have been followed.
- b) the Directors have adopted such accounting policies and have applied them consistently and have made judgments and estimates in a reasonable and prudent manner so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit/loss of the Company for the year.
- c) the Directors have 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.
- d) the Directors have prepared the annual accounts on a going concern basis.

9. Auditors

M/s. ARSK & Associates, Chartered Accountants, Auditors of the Company are retiring at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate to the effect that their re-appointment if made will be within the prescribed limit u/s.224 (1-B) of the Companies Act, 1956.

10. Depository System

As the members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the depositories, i.e. National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). Members are requested to avail the facility of dematerialisation of the Company's shares on either of the Depositories as aforesaid, if not already done.

11. Public Deposit

The company has not invited /accepted any deposits from the public and as such there are no outstanding deposits, in terms of the Companies (Acceptance of Deposits) Rules, 1975.

12. Personnel

There is no employee in respect of whom particulars pursuant to Section 217(2A) of the Companies Act, 1956 are required to be given.

13. Conservation of Energy

The information relating to conservation of energy as required U/s. 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure-A to this Report. The Company has no figure to disclose in respect of technology absorption and /or foreign exchange earnings and outgo.

14. Social Welfare Activities

The Company organises mason's meet from time to time at various centres.

15. Corporate Governance

Separate Report on Corporate Governance is annexed and marked "Annexure – B". The Auditors' Certificate on compliance with the conditions of Corporate Governance is annexed and marked "Annexure – C".

16. Acknowledgement

Your Directors wish to place their sincere appreciation to the co-operation extended by the Bank, State Government, Electricity Board, Customers, Suppliers and Shareholders and solicit their continued support. The Directors also wish to place on record the dedicated service rendered by the Management, Staffs and Workers.

For and on behalf of the Board

Sanjiv Kumar Choudhary
Chairman cum Managing Director

Ankit Choudhary
Director

Place: Patna

Date: 4th September, 2013

GANGOTRI IRON & STEEL CO. LTD.**"Annexure-A" to the Directors' Report**

Information in accordance with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988

A) Power & Fuel Consumption	2012-13	2011-12
1. Electricity		
a) Purchased Unit (KWH)	01, 09, 02,260	38, 62,000
b) Total Amount (Rs.)	06, 26, 42,413	6, 58, 91,822
c) Rate/Unit (Rs.)	05.75	17.06
2. Coal		
a) Qty (Kg.)	85,560	4, 28,170
b) Total Amount (Rs.)	7, 05,553	21, 22,649
c) Average Rate (Rs.)	8.25	4.96
B) Consumption per unit of Production Product		
a) Units (M.T.) – M.S. Bars	9,977.89	6941.68
M.S. Billet	9019.31	2066.10
b) Electricity (KWH)	04.51	61.68