



UTTAM

29th

Annual Report 2013 - 2014

UTTAM GALVA STEELS LIMITED





BOARD OF DIRECTORS	RAJINDER MIGLANI : CHAIRMAN O P GAHROTRA : INDEPENDENT DIRECTOR D L RAWAL : INDEPENDENT DIRECTOR S T PARIKH : INDEPENDENT DIRECTOR SWARNA PRABHA SUKUMAR : DIRECTOR (NOMINEE – LIC) ANUJ R MIGLANI : MANAGING DIRECTOR ANKIT MIGLANI : DY. MANAGING DIRECTOR GURSHARAN SINGH SAWHNEY : DIRECTOR (FINANCE) & GROUP CFO S G TUDEKAR : DIRECTOR (WORKS)
SR. VICE PRESIDENT & COMPANY SECRETARY	R AGRAWAL
WORKING CAPITAL BANKERS	STATE BANK OF INDIA CANARA BANK PUNJAB NATIONAL BANK UNION BANK OF INDIA IDBI BANK LIMITED BANK OF BARODA INDIAN OVERSEAS BANK ICICI BANK LIMITED PUNJAB & MAHARASHTRA CO-OPERATIVE BANK LIMITED
STATUTORY AUDITORS	M/S. PRAKKASH MUNI & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI
INTERNAL AUDITORS	M/S. K. S. AIYAR & CO. CHARTERED ACCOUNTANTS MUMBAI
CORPORATE IDENTITY NO. (CIN)	L27104MH1985PLC035806
REGISTERED OFFICE	UTTAM HOUSE, 69, P. D'MELLO ROAD, MUMBAI : 400 009 E-MAIL : shares@uttamgalva.com WEBSITE: www.uttamgalva.com
OTHER OFFICES / BRANCHES	<ul style="list-style-type: none">• KEONJHAR, ODISHA• PUNE• NEW DELHI• BANGALORE• CHENNAI• HYDERABAD• AHMEDABAD• INDORE
WORKS	KHOPOLI – PEN ROAD, DONVAT DIST : RAIGAD – MAHARASHTRA KHOPOLI – PALI ROAD, DAHIVALI DIST : RAIGAD – MAHARASHTRA TALOJA – 12, MIDC DIST : RAIGAD – MAHARASHTRA

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VISION, MISSION AND VALUES

VISION

Become the world's favoured
flat steel products brand

MISSION

To consistently provide quality steel
products ensuring customer delight

VALUES

Integrity : Honouring all commitments

Value for Time : Business at supersonic speed

Ethics : Ethical business practices with all stakeholders

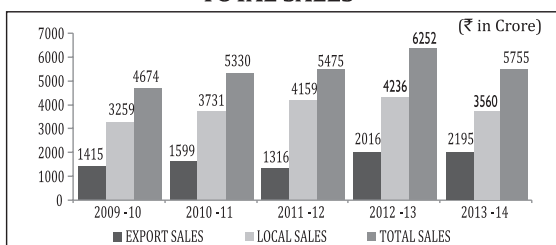


5 YEARS' FINANCIAL HIGHLIGHTS

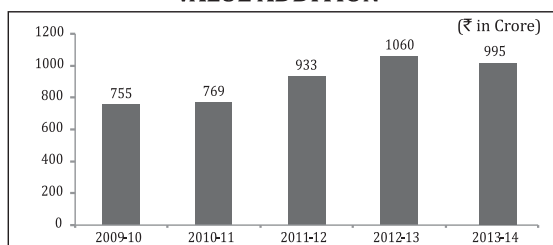
₹ in Crore

	2013-14	2012-13	2011-12	2010-11	2009-10
SALES & EARNINGS					
LOCAL SALES	3560	4236	4159	3731	3259
EXPORT SALES	2195	2016	1316	1599	1415
GROSS REVENUE FROM OPERATION	5755	6252	5475	5330	4674
Operating EBITDA	553	594	528	441	451
Finance Cost	289	305	267	212	186
PROFIT BEFORE DEPRECIATION & TAX (PBDT)	296	318	268	233	265
DEPRECIATION & AMORTISATION	215	183	127	119	113
PROFIT BEFORE TAX (PBT)	81	135	141	114	152
PROFIT AFTER TAX (PAT)	35	62	78	77	102
ASSETS & LIABILITIES					
Non - Current Assets	4855	3897	3401	2886	2513
Current Assets	3149	2935	2435	2516	1669
Total Assets	8005	6833	5836	5402	4182
REPRESENTED BY					
Shareholders' Fund	1282	1247	1025	947	898
Long Term Borrowings	2358	1775	1971	1762	1548
Other Non - Current Liabilities	779	506	481	98	567
Current Liabilities	3586	3306	2359	2595	1169
Total Funds	8005	6833	5836	5402	4182
RATIOS					
EARNING PER EQUITY SHARE ₹	2.48	5.03	6.38	6.28	8.48
BOOK VALUE PER EQUITY SHARE ₹	90.11	87.63	83.84	77.46	73.43
DEBT: EQUITY RATIO @	2.00:1	1.70:1	2.08:1	1.98:1	1.60:1

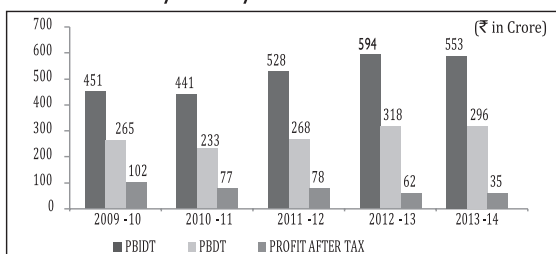
TOTAL SALES



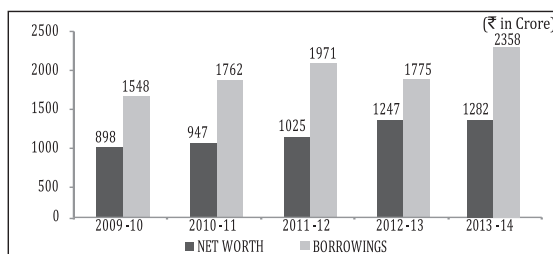
VALUE ADDITION



PBDT/PBDT/PROFIT AFTER TAX



NETWORTH AND BORROWINGS



NOTICE

NOTICE is hereby given that the 29th ANNUAL GENERAL MEETING of the Members of the Company will be held at 11.00 a.m. on Saturday, 23rd August, 2014 at M. C. Ghia Hall, 18/20, K. Dubhash Marg, Mumbai- 400 001 to transact the following business :

ORDINARY BUSINESS:

1. To consider and adopt the Statement of Profit & Loss Account for the Financial Year ended 31st March, 2014 and the Balance Sheet as at that date and Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri S G Tudekar (DIN 00138678), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint M/s. Prakkash Muni & Associates, Chartered Accountants, (Registration No. 111792W) as the Statutory Auditor of the Company for one year, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 30th Annual General Meeting and to authorize the Board of Directors to decide their remuneration.

SPECIAL BUSINESS:

4. To consider, and if thought fit, to pass with or without modification, the following resolution, as an **Ordinary Resolution:**

“RESOLVED THAT subject to the provisions of Sections 196, 197, 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the Articles of Association of the Company, approval of the Company be and is hereby accorded for the re- appointment of Shri Ankit Miglani (DIN 00444956) as a Dy. Managing Director of the Company for the period of three years effective from 29th July, 2014 to 28th July, 2017 on the following terms and conditions:-

- a) Remuneration
 - (i) ₹10,00,000/- per month by way of salary and other allowances.
- b) Perquisites
In addition to the above, he shall be entitled to the following perquisites:

PART A

- a. Leave Travel Assistance : Payable as per the rules of the Company.
- b. Medical Reimbursement : Payable as per the rules of the Company.
- c. Club Fee : Fees of clubs, subject to a maximum of two clubs.

PART B

- a. Provident Fund and Superannuation Fund : As per the rules of the Company.
- b. Gratuity : As per the rules of the Company but not exceeding half a month's salary for each completed year of service.
- c. Leave and Encashment : As per rules of the Company.

RESOLVED FURTHER THAT Shri Ankit Miglani be permitted use of the Company's car with driver for official purposes as per the policy of the Company, as may be amended from time to time.

RESOLVED FURTHER THAT Shri Ankit Miglani shall not be entitled to any sitting fees or other payments for attending the meetings of the Board, or where applicable, any committee thereof.

RESOLVED FURTHER THAT the Company shall pay to or reimburse to the Dy. Managing Director all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

RESOLVED FURTHER THAT in the event of the loss or inadequacy of profit in any financial year during his tenure as the Dy. Managing Director, the aforesaid remuneration will be treated as minimum Remuneration subject to approval of Central Government, if any, as may be required.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to vary, alter or modify the different components of the above-stated remuneration in accordance with provision of Schedule V of the Companies Act, 2013 as may be agreed to by the Board of Directors and Shri Ankit Miglani.”

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, 152 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Gursharan Singh Sawhney (DIN 02339467), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 30th May, 2014 pursuant to the provisions of Section 161(1) of the Companies Act, 2013, and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company”.

6. To consider, and if thought fit, to pass with or without modification, the following resolution, as an **Ordinary Resolution:**

“RESOLVED THAT subject to the provisions of the Sections 196, 197, 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of the Articles of Association of the Company, approval of the Company be and is hereby accorded for the appointment of Shri Gursharan Singh Sawhney (DIN 02339467) as Whole-time director designated as Director (Finance) & Group CFO for a period of three years effective from 30th May, 2014 to 29th May, 2017 on the following terms and conditions:-

(a) Remuneration:

- (i) ₹ 8,00,000/- per month by way of salary and other allowances.

b) Perquisites

In addition to the above, he shall be entitled to the following perquisites:

PART A

- a. Leave Travel Assistance : Payable as per the rules of the Company.
- b. Medical Reimbursement : Payable as per the rules of the Company.

- c. Club Fee : Fees of clubs, subject to a maximum of two clubs.

PART B

- a. Provident Fund and Superannuation Fund : As per the rules of the Company.
- b. Gratuity : As per the rules of the Company but not exceeding half a month's salary for each completed year of service.
- c. Leave and Encashment : As per rules of the Company.

RESOLVED FURTHER THAT Shri Gursharan Singh Sawhney be permitted use of the Company's car with driver for official purposes as per the Policy of the Company, as may be amended from time to time.

RESOLVED FURTHER THAT Shri Gursharan Singh Sawhney shall not be entitled to any sitting fees or other payments for attending the meetings of the Board, or where applicable, any committee thereof.

RESOLVED FURTHER THAT the Company shall pay to or reimburse the Director (Finance) & Group CFO all costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

RESOLVED FURTHER THAT in the event of the loss or inadequacy of profit in any financial year during his tenure as the Director (Finance) & Group CFO, the aforesaid remuneration will be treated as minimum remuneration subject to approval of Central Government, if any, as may be required.

RESOLVED FURTHER THAT the above appointment may be terminated at any time by giving 60 days' notice by either party.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to vary, alter or modify the different components of the above-stated remuneration in accordance with provision of Schedule V of the Companies Act, 1956 as may be agreed to by the Board of Directors and Shri Gursharan Singh Sawhney.”

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, 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 and Clause 49 of the Listing Agreement, Shri S T Parikh (DIN 00941756), 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 of the Company to hold office for five consecutive years for a term upto 31st March, 2019.”

8. 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, 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 and Clause 49 of the Listing Agreement, Shri O P Gahrotra (DIN 00936696), 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 of the Company to hold office for five consecutive years for a term upto 31st March, 2019.”

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 Sections 149, 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 and Clause 49 of the Listing Agreement, Shri D L Rawal (DIN 00955797), 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 of the Company to hold office for 5 (Five) consecutive years for a term upto 31st March, 2019.”

10. To consider, and if thought fit, to pass with or without modification, the following resolution, as **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and in supersession of the resolution passed at the 28th Annual General Meeting of the Company held on 17th August, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum(s) of monies, which together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves (i.e. such reserves which are available for distribution as dividend) provided the aggregate of the monies borrowed and to be borrowed and outstanding at any one time shall not exceed ₹ 10,000 crore (Rupees Ten Thousand Crore only).”

11. 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), M/s. Manisha & Associates, Cost Accountant, Firm Registration No. 000321 as Cost Auditor appointed by the Board of Directors of the Company, to conduct the cost audit for Steel and Power division of the Company for the financial year 2014-2015 and be paid the remuneration of ₹ 1,50,000/- (Rupees One Lakhs Fifty Thousand only) plus taxes and reimbursement of out-of-pocket expenses on actuals.

By Order of the Board
For **Uttam Galva Steels Limited**

R Agrawal

Sr. Vice President & Company Secretary

Registered Office:

Uttam House
69, P. D'Mello Road
Mumbai-400 009
CIN: L27104MH1985PLC035806

Date: 30th May, 2014



NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A PROXY FORM IS SENT HERewith. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.**
2. The Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out material facts and details relating to Special Business to be transacted at the meeting, is annexed hereto.
3. Register of Members and Share Transfer Books of the Company shall remain closed from 19th August, 2014 to 23rd August, 2014 (both days inclusive).
4. Members desirous of obtaining any information concerning the Accounts and Operations of the Company are requested to address their queries to the Company Secretary at the Registered Office of the Company, so as to reach him at least seven days before the date of Meeting.
5. Members/Proxies attending the Meeting are requested to bring their Attendance Slip, sent herewith, duly filled in and also their copies of the Annual Report.
6. The Company's Shares are listed on BSE Limited, Mumbai (BSE) and National Stock Exchange of India Limited, Mumbai (NSE) and all applicable Listing Fees have been paid upto date.
7. The transfer of Unclaimed Dividend to Investor Education & Protection Fund of the Central Government as required in terms of Section 205C of the Companies Act, 1956 (Section 125 of Companies Act, 2013 not notified) during the current Financial Year is not applicable.
8. The draft Appointment Letter setting out the terms and conditions of appointment of Independent Directors shall be open for inspection at the registered office of the Company by any member, without any fee, during normal business hours on working days up to the date of the Annual General Meeting.
9. Details of the Directors Appointed / Re-appointed during the Year is provided herewith as a part of the Corporate Governance Report as required by Clause 49 of the Listing Agreement.
10. As per the green initiative of Ministry of Corporate Affairs (MCA), members are requested to provide their E-mail addresses to the Registrar Share Transfer Agent of the Company namely **M/s Universal Capital Securities Private Limited**, in order to receive the various Notices and other Notifications from the Company, in electronic form.
11. E-mail address of the Company for communication is shares@uttamgalva.com.
12. All queries relating to Share Transfer and allied subjects should be addressed to:
Universal Capital Securities Private Limited
(Unit : UGSL)
21, Shakil Niwas, Mahakali Caves Road,
Andheri (East), Mumbai 400 093.
Tel No.: 28207203/05
E-mail: info@unisec.in

INSTRUCTIONS FOR ELECTRONIC VOTING (E-VOTING)

Pursuant to provisions of the Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to cast their votes electronically on all resolutions set forth in the notice conveying the 29th Annual General Meeting to be held on 23rd August, 2014 at M. C. Ghia Hall, 18/20, K. Dubhash Marg, Mumbai- 400 001.

The e-voting facility is available at the link www.evotingindia.com.

The e-voting facility will be available on and from 17th August, 2014 at 9.30 a.m. and ends on 19th August, 2014 at 6.00 p.m.

Shri Jigar Kumar Gandhi, Proprietor of JNG & Co., Company Secretaries, Mumbai, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

Steps for e-voting:

1. Log on to the e-voting website during the voting period.
2. Click on "Shareholders" tab.
3. Now, select the "UTTAM GALVA STEELS LIMITED" from the drop down menu and click on "SUBMIT"
4. Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
5. Next enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
7. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the Sequence number which is mentioned in address Label affixed on Annual Report, in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank details in order to login. If the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field.



8. After entering these details appropriately, click on “SUBMIT” tab.
9. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
10. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on the EVSN of “UTTAM GALVA STEELS LIMITED” on which you choose to vote.
12. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
13. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
14. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
15. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
17. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

- After receiving the login details they have to create a compliance user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
18. The voting period begins on Sunday, 17th August, 2014 at 09.30 a.m. and ends on Tuesday, 19th August, 2014 at 6.00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Friday, 11th July, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 19. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 4

The Board of Directors of the Company, at its meeting held on 30th May, 2014 has, subject to the approval of members, re-appointed Shri Ankit Miglani (DIN 00444956) as Dy. Managing Director, for a period of 3 (Three) years from 29th July, 2014, at the remuneration and other Terms and Conditions as set out in the Ordinary Resolution at Item No. 4

Shri Ankit Miglani, 35 years, is a Graduate in Economics with specialization in Finance from Wharton School, University of Pennsylvania, Philadelphia, U.S.A. He has joined the Board of Uttam Galva Steels Limited on 29th July, 2005. He is overseeing all the major commercial functions such as Marketing and Procurement of Critical Raw Materials and is actively involved in formulating strategic alliances and undertaking strategic business initiatives.

Shri Ankit Miglani is the Member of the Corporate Social Responsibility Committee and Share transfer Committee of the Board.

Shri Ankit Miglani is not disqualified from being appointed as a Director in terms of Section 164 of the Act. He may be deemed to be concerned or interested, financially or otherwise, to the extent of his shareholding. Shri Rajinder Miglani - Chairman and Shri Anuj R Miglani- Managing Director being Father and Brother, respectively, of Shri Ankit Miglani and their other relatives, to the extent of their shareholding interest in the Company, may be deemed to be concerned or interested in the appointment of Shri Ankit Miglani.

The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Ankit Miglani under Section 190 of the Companies Act, 2013.

The Board accordingly recommends the resolution set out in Item No. 4 for the approval of the Members of the Company.

Item No. 5 & 6

The Board of Directors of the Company, at its meeting held on 30th May, 2014 has appointed Shri Gursharan Singh Sawhney (DIN 02339467) as an Additional

Director. He is also appointed, subject to the approval of members, as Whole-time Director designated as Director (Finance) & Group CFO with effect from 30th May, 2014 for a period of 3 (Three) years, at the remuneration and other Terms and Conditions as set out in the Ordinary Resolution in Item No. 6.

Shri Gursharan Singh Sawhney, 61 years, is a Science Graduate, qualified Chartered Accountant from the Institute of Chartered Accountants of India and a qualified Company Secretary from the Institute of Company Secretaries of India. He also has a post graduate diploma in business management from XLRI. He has over 36 years of experience in finance and accounts with Companies like Batliboi and Company and Ispat Industries. He specializes in project financing.

The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature Shri Gursharan Singh Sawhney for the office of Director of the Company.

Shri Gursharan Singh Sawhney is not disqualified from being appointed as Director in Terms of Section 164 of the Act and has given his consent to act as Director. Shri Gursharan Singh Sawhney is interested in the resolutions set out respectively in Item Nos. 5 & 6 of the Notice with regard to his appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in these resolutions.

The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Gursharan Singh Sawhney under Section 190 of the Companies Act, 2013.

The Board commends the Ordinary Resolutions set out in Item Nos. 5 & 6 of the Notice for the approval of Members of the Company.

Item No. 7

Shri S T Parikh (DIN 00941756) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in September, 1987. Shri S T Parikh is the Chairman of the Audit Committee, Stakeholder Relationship Committee and Nomination and Remuneration Committee.

Shri S T Parikh, 75 years, is a graduate in Civil Engineering. He is an eminent professional having over 53 years of varied experiences in conceptualization, planning and managing



businesses and undertaking strategic initiatives. He had a long stints in senior management positions in organization like Gujarat Steel Tubes Limited and he possess impeccable business acumen and monitoring skills.

The Company has received declarations from Shri S T Parikh that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement as may be in force time to time.

Shri S T Parikh is not disqualified from being appointed as a Director in terms of Section 164 of the Act and hence he is proposed to be appointed as an Independent Director for 5 (Five) consecutive years for a term upto 31st March, 2019. The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature Shri S T Parikh for the office of Director of the Company.

In the opinion of the Board, Shri S T Parikh fulfills 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 Shri S T Parikh 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 Shri S T Parikh as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri S T Parikh as an Independent Director, for the approval of Members of the Company.

Except Shri S T Parikh, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out in Item No.7. This Explanatory statement also be regarded as a disclosure under Clause 49 of the Listing Agreement with Stock Exchange.

Item No. 8

Shri O P Gahrotra (DIN 00936696) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2012. He is

the Member of the Audit Committee and Corporate Social Responsibility Committee of the Company.

Shri O P Gahrotra, 67 years, is a Science Graduate and has done Masters in Financial Management from Jamnalal Bajaj Institute of management, Bombay and Masters in Social Science (Development Finance) from Birmingham University, United Kingdom. He is a Member of the Indian Administrative Service (IAS) belonging to the 1969 Batch of the Maharashtra Cadre of the service. He retired in September, 2006 as Additional Chief Secretary, Finance to the Government of Maharashtra.

He has held the coveted positions such as Managing Director of Maharashtra State Textile Corporation, Senior Executive Director of The Securities and Exchange Board of India (SEBI), Managing Director of The Maharashtra State Co-operative Cotton Growers' Marketing Federation Limited and Other various assignments during his illustrious career of more than 41 years.

The Company has received declarations from Shri O P Gahrotra that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement as may be in force time to time.

Shri O P Gahrotra is not disqualified from being appointed as a Director in terms of Section 164 of the Act and hence he is proposed to be appointed as an Independent Director for 5 (Five) consecutive years for a term upto 31st March, 2019. The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature Shri O P Gahrotra for the office of Director of the Company.

In the opinion of the Board, Shri O P Gahrotra fulfills 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 Shri O P Gahrotra 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 Shri O P Gahrotra as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment

of Shri O P Gahrotra as an Independent Director, for the approval of Members of the Company.

Except Shri O P Gahrotra, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out in Item No.8. This Explanatory statement also be regarded as a disclosure under Clause 49 of the Listing Agreement with Stock Exchange.

Item No. 9

Shri D L Rawal (DIN 00955797) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in May, 2013. He is the Member of the Audit Committee of the Company.

Shri D L Rawal, 63 years, is a Science Graduate (Hons.) and Certified Associate of Indian Institute of Banker (CAIIB). He has an experience of more than 40 years in Operational and Policy formulation in Corporate Banking. After serving in Punjab National Bank as General Manager and Canara Bank as an Executive Director, he retired as a Chairman & Managing Director of Dena Bank. He had also been on the Board and Executive Committee of Life Insurance Corporation of India, Agriculture Finance Corporation and many other such renowned Institutions.

The Company has received declarations from Shri D L Rawal that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement as may be in force time to time.

Shri D L Rawal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and hence he is proposed to be appointed as an Independent Director for 5 (Five) consecutive years for a term upto 31st March, 2019. The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature Shri D L Rawal for the office of Director of the Company.

In the opinion of the Board, Shri D L Rawal fulfills 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 Shri D L Rawal 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 Shri D L Rawal as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri D L Rawal as an Independent Director, for the approval of Members of the Company.

Except Shri D L Rawal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out in Item No.9. This Explanatory statement also be regarded as a disclosure under Clause 49 of the Listing Agreement with Stock Exchange.

Item No. 10

The Members of the Company at their 28th Annual General Meeting held on 17th August, 2013 have approved an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956, for borrowings over and above the aggregate of paid-up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of ₹ 10,000 Crore (Rupees ten thousands crore only).

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the Company's paid-up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a Special Resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 10 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid-up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto ₹10,000 Crore (Rupees ten thousands crore only).

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



Item no. 11

The Board, on the recommendation of the Audit Committee in their meeting held on 30th May, 2014, has approved the appointment of M/s. Manisha & Associates, Cost Accountant, as Cost Auditor to conduct the cost audit for Steel and Power division of the Company for the financial year 2014-2015 at the remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus taxes and reimbursement of out-of-pocket expenses on actuals.

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 in Item No. 11 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2015.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 11 of the Notice.

The Board commends the Ordinary Resolution set out in Item No. 11 of the Notice for approval of Members of the Company.

By Order of the Board
For **Uttam Galva Steels Limited**

R Agrawal
Sr. Vice President & Company Secretary

Registered Office:

Uttam House
69, P. D'Mello Road
Mumbai-400 009
CIN: L27104MH1985PLC035806

Date: 30th May, 2014

DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting the 29th Annual Report on the business and operations of the Company, along with the Audited Statement of Accounts for the Financial Year ended 31st March, 2014.

1. FINANCIAL RESULTS (Stand-alone Basis):

(₹ in Crore)

Particulars	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Gross Revenue from Operations	5754.56	6252.34
Earning before Interest, Tax, Depreciation and Amortization (EBITDA)	552.90	593.99
Finance Cost	289.09	304.64
Depreciation & Amortisation	214.82	182.58
Profit Before Tax (PBT)	81.26	135.33
Provision for Tax	45.94	73.78
Profit After Tax (PAT)	35.32	61.55

2. OPERATIONS:

Amid sluggish macroeconomic situation and weak business sentiments, combined by lower GDP growth rate of 4.6% and depreciating Indian rupee with high volatility, the year 2013-2014 proved to be a challenging year.

During this year your Company has achieved a turnover of ₹ 5754.56 Crore as against ₹ 6252.34 Crore in the previous year. Your Company posted Profit before Tax of ₹ 81.26 Crore as against ₹ 135.33 Crore in the previous year. Reduction in Gross Revenue on account of shrinkage in International trading business, higher raw material cost and lower demand growth of your Company's products from Auto, Industrial and Construction Segments, led to decline in the Profit before Tax.

Your Company continued its long term strategy to invest in modernization and qualitative growth. The SAP system which was implemented with effect from 1st January, 2013 is now stabilized and process owners & users are carrying out all key activities through the system. Your Company is also in the

process of implementing the Global Availability to Promise (GATP) module which is an advanced feature in the SAP system to improve the delivery performance to our customers.

Your Company has set up a Business Excellence Centre to drive operational excellence across all the functions which have yielded significant positive results. We have engaged M/s. Accenture to initiate the Marketing Transformation Program. This program will help your Company develop customer insight driven value proposition, optimize the sales & operations planning and improve our sales force productivity for better market visibility and net realization.

Your Company has always emphasized on achieving operational excellence and continues to focus on customer satisfaction and delight. Backed by strong fundamentals and robust plans, your Company is fully prepared to face current challenges and benefit from expected medium and long term growth in Indian economy.

In its pursuit to achieve its long term strategy of modernization, your Company has envisaged various projects and also looking for the expansion and the modernization of current projects, consequently in view of the Capex requirement for proposed expansion projects of your Company, the Board of Directors are of the opinion that Cash flow should be conserved and hence decided to plough back the entire profit earned by your Company and have not recommended any dividend.

3. EXPORT:

Your Company has registered Growth in exports volume by 15.2% with growth in sales of 25% in North America, 104% in Europe and 58% in Asia. Your Company has served 148 countries since its entry into the export business and is recognized as quality supplier in both developed and emerging markets. Your Company has continued to maintain its presence in the International Markets inspite of the Global slowdown and currency crisis in some of the countries.

The Global Economic situation is showing significant signs of revival. As per World Economic Outlook Report April, 2014 published by International Monetary Fund expected growth across mature



economies is 2.25% for 2014-2015, an increase of 1% compared to year 2013. The outlook for emerging and developing economies is also showing positive trends in line with our expectations and the projected growth is about 5% for the year 2014. This positive trend is expected to provide wider base to our international business.

Your Company has been the recipient of 19 EEP Awards from the Ministry of Commerce and Industry, Government of India for its outstanding exports performance.

4. DOMESTIC MARKET:

In the Original Equipment Manufacturer (OEM) market, your Company has been focusing on high growth, profitable and niche areas especially in the Home Appliances, Automotive, Construction and Electrical Equipment segments and has thus moved up the value chain in these markets.

Your Company has made commendable gains in establishing the product for Refrigerators and Washing Machines panels and components with majors like Whirlpool, Samsung, Videocon Group and Godrej. For Vizi coolers and freezers segment your Company's products are firmly established with renowned brands like Bluestar, Voltas, Frigoglass and Western Refrigeration. Your Company has also been approved by Samsung and Whirlpool for their global supplies.

In the Automotive segment, though the Industry growth has been negative especially due to sluggish demand and slower economic growth, your Company has been able to retain its market share in the two, three and four wheeler segments. Your Company continues to cater to the requirements of Bajaj Auto, Mahindra & Mahindra, Force Motors, Eicher and also vendors of TATA Motors, Bajaj Auto, General Motors, Piaggio, and others. Your Company's products are firmly established in Western India.

In the building and construction segment your Company's products are well established with major PEB manufacturers like Tata Bluescope, Pennar, Everest, Interarch and Zamil. In the General Engineering segment, your Company continues to be an established supplier to Godrej & Boyce, Hematic Motors and Siemens through their vendors.

Continuous effort has been made to establish the 'Uttam Suraksha' GC (Galvanised Corrugated Roofing

Sheets) brand firmly in the Construction segment and increase its penetration in rural and urban areas. It is recognised as one of the major Brands in its segment in Domestic Markets like Maharashtra, Madhya Pradesh, Gujarat, Andhra Pradesh, Karnataka and Chhattisgarh. In line with the surge in demand for Color Coated Roofing products. Your Company has recently launched Roofing Sheets under the brand name "TARANG" which will provide value and benefits to the rural consumer.

With High lending rates and slowdown in consumption, the Industrial growth in the near future is expected to register a marginal growth. However, the Company's special focus on niche areas and products will set the trend for higher growth.

5. MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to Clause 49 (IV) (B) & (F) of the Listing Agreement your Directors wish to report as follows:

a) Industry Structure & Development

India is the 4th largest Steel producer in the world for the 4th year in a row with an output of 81.2 Million Tonne (MT). The Indian Steel Industry structure is divided into primary and secondary sectors. The primary sector comprises of Integrated Steel Producers, producing Slabs, Billets, Blooms and Hot Rolled among other and secondary sector comprises of units focussed on value added products like cold rolled, galvanizing, angles, columns, other re-rollers and sponge iron units.

India's consumption pattern of flat products to long products ratio currently stands at approximately 55% to 45% respectively. As per World Steel Association, The Steel demand in India is expected to grow by 3.3% in the year 2014 compared to 1.8% in the year 2013 due to improved outlook in Construction and Manufacturing Sector.

Although slowdown is expected in demand for Capital Goods, Automotive & Construction and Durables are expected to show marginal growth. Positive signs are expected on back of modest recovery in economic growth. Likely Increase in Government spends in the Power sector & Infrastructure push will fuel segmental growth. Also with expected decline in inflation and interest rates, demand for consumer goods is expected to show some growth.

b) Opportunities & Threats

The per capita Steel consumption in India is still at 57.8 kgs as against the global average of 225.2 kgs for last year as per World Steel Association (WSA) publication, indicating huge potential demand in India. An expected recovery in Steel demand for the Financial Year 2015 and policy reforms from the New Government of India (GOI) brings in host of opportunities. Also your Company will continue to maintain & grow its presence in the Export Markets while retaining its focus on value added products in Domestic Market. Your Company is ready to cater to customers' stringent specifications and demands which will ultimately improve the Bottom-line. The overall presence in the Conventional, Construction & Infrastructure Segments will continue.

The cost of funding working capital remains high, given the lending rates and increased pressure on margins coupled with expectation of modest improvement in demand poses a challenge for the industry. The consistent slowdown in demand has resulted in oversupply and thereby leading to depressed Steel prices. The secondary Steel producers are price takers with prices being decided by variations in end user demand, thus limiting the ability to pass on the cost increases to end users. Your Company has high focus on efficient cost control to mitigate this external threat of price ceiling by end users.

c) Segment - wise Performance

Since your Company operates only in one Segment, segment-wise or product-wise analysis of performance is not applicable.

d) Outlook

The domestic flat Steel consumption in the relevant business segments is estimated to grow at 6% to 8%. The need, however, for value added and niche products are likely to surge and have been identified as major focus area for your Company.

Economies like USA and Japan are expected to do well which will help in maintaining a balance in supply and demand. The commodity segment, however, will be under pressure due to overcapacity from Chinese mills.

e) Risks and Concerns

Your Directors have put in place critical risk management framework across the Company for identification and evaluation of all the potential

risks. Your Company is continuously evolving and improving systems and measures to take care of all the risk exigencies involved in the business. All the inherent risks are identified, measured, monitored and regularly reported to management. The management decides measures required to overcome these risks and ensures implementation of proper risk mitigation plans. The risk report and mitigation plans are presented to the Board of Directors periodically.

f) Internal Control Systems and their adequacy

Your Company has an effective Internal Control System to prevent fraud and misuse of the Company's resources and protect shareholders' interest. Your Company has an independent Internal Audit Department to monitor and review and focus on the compliances of various business processes. The internal audit report alongwith audit findings and tracking of process improvements and compliances is presented for review to the Audit Committee of Board of Directors.

All the certificates under ISO: 9001-2008, ISO: 14001-2004, ISO/TS 16949:2009 and OHSAS 18001-2007 for Quality Management, Environment Management, Technical specifications and Occupational Health and Safety Management respectively, are being maintained by the Company after periodical surveillance audits.

g) Discussion on Financial Performance with respect to Operational Performance

The financial performance with respect to the operational performance during the year under review was satisfactory inspite of sluggish and bearish market conditions. Due to replacement of rupee debt with ECB of \$ 230 Million, the finance cost has marginally come down but due to higher Depreciation / Amortization, the overall profitability has been affected. The strong focus on credit control, inventory management has helped working capital and liquidity management thus helping in timely generation of internal cash flow to invest in strategic objectives of the company.

h) Material Development in Human Resources / Industrial Relations Front, including Number of People Employed

Implementation of healthy HRD practices for overall development of human resources and induction of professionally qualified and skilled manpower including internal and external training programmes



are constant features of your Company. Presently, your Company employs more than 1500 employees. Your Company is proud of its healthy Industrial Relations record.

Pursuant to the introduction of “The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013”, your Company has implemented the Policy.

i) Material Financial and Commercial Transactions with related parties

There are no materially significant financial and commercial transactions with the related parties conflicting with the interest of the Company during the Financial Year under review. The Promoters and the Directors are not dealing in the Equity Shares of the Company.

6. CORPORATE GOVERNANCE:

Your Company is committed to principles of good Corporate Governance. The Board of Directors ensures that your Company is in compliance with all the applicable provisions of the Clause 49 (as amended) of the Listing Agreement pertaining to Corporate Governance. A detailed report on Corporate Governance along with a certificate from the Auditors confirming the compliance is annexed hereto and forms part of the Directors’ Report as Annexure-III.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Pursuant to the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has constituted the Corporate Social Responsibility Committee to monitor the Corporate Social Responsibility Policy of the Company from time to time and to recommend the amount of expenditure to be incurred on the activities related to CSR.

Your Company is committed socially not only to compliances of all the statutory laws and regulations but also actively participates in the improvement of quality of life of society at large. Your Company has a strong sense of community responsibility.

Your Company follows the policy which is more and more beneficial to the society at large by promoting and encouraging economic, social and educational development and also giving active support to local initiatives around its area of operation thereby promoting upliftment of people in varied arenas of life.

Your Company has retained collective focus on the various areas of corporate sustainability that impact people, environment and the society at large. Founded on the philosophy that society is not just another stakeholder in its business, but the prime purpose of it, your Company, across its various operations is committed to making a positive contribution.

8. DIRECTORS:

Shri Rajinder Miglani - Executive Chairman of the Company has expressed his desire to be Non-executive Chairman and not to draw any Remuneration from the Company. In deference to his wishes, the Board recommends his appointment as Non-executive Chairman of the Company effective from 1st April, 2014.

Shri Ankit Miglani - Dy. Managing Director of the Company is proposed to be re-appointed for three years commencing from 29th July, 2014, on the same terms and conditions as existing. The Board of Directors recommend his re-appointment.

Shri P G Kakodkar has resigned from the Board with effect from 30th May, 2014 due to his ill health. Your Directors wishes to take this opportunity to express their gratitude and sincere appreciation to Shri P G Kakodkar for his immense and invaluable contribution to the Company during his tenure of 15 years as Director on the Board.

After carefully examining the criteria and credentials of the Independent Directors, the Board recommends appointment of Shri O P Gahrotra, Shri S T Parikh and Shri D L Rawal as Independent Directors not liable to retire by rotation for 5 (Five) consecutive years for a term upto 31st March, 2019.

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

Pursuant to the provisions of the Section 152 of the Companies Act, 2013 and as per the Articles of Association of the Company, Shri S G Tudekar retires by rotation and being eligible has offered himself for re-appointment. The Board of Directors recommend his re-appointment.

None of the Directors of your Company is disqualified under Section 162 (2) of the Companies Act, 2013. As required by law, this position is also reflected in the Auditors’ Report.

9. PARTICULARS OF EMPLOYEES U/S 217 (2A) OF THE COMPANIES ACT, 1956:

The Information required under Section 217(2A) of the Companies Act, 1956 and the Rules there under, in respect of the employees of the Company, is provided in the Annexure – II.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i) In the preparation of the annual accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures.
- ii) Appropriate Accounting Policies have been selected and applied consistently. Judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the Profit and Loss Account for the Financial Year 2013-2014 have been made.
- iii) Proper and sufficient care has been taken 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 preventing and detecting fraud and other irregularities.
- iv) The Annual Accounts have been prepared on a going concern basis.
- v) Proper systems are in place to ensure compliance of all laws applicable to the Company.

11. AUDITORS' REPORT:

Notes to the Accounts as referred in the Auditors' Report are self-explanatory and therefore, do not call for any further comments or explanations.

12. STATUTORY AUDITOR:

M/s. Prakkash Muni & Associates, Chartered Accountants are the retiring Statutory Auditor of the Company, holding office till the conclusion of ensuing Annual General Meeting and eligible for re-appointment.

The Company has received necessary consent letter and the Certificates from the Auditor pursuant to regarding their eligibility under section 139 and section 141 of the Companies act, 2013 for their appointment. Accordingly, the approval of the

Shareholders for the appointment of M/s. Prakkash Muni & Associates, Chartered Accountants as Statutory Auditors of the Company for the term of one year is being sought at the ensuing Annual General Meeting, as recommended by your Board.

13. COST AUDITOR:

Your Board of Directors has appointed M/s. Manisha & Associates, Cost Accountants as "Cost Auditors" to conduct Cost Audit for Steel and Power Division of the Company for the Financial Year 2014 – 2015.

14. FIXED DEPOSITS:

Your Company has not accepted Deposits from Public under Section 58A of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975.

15. INSURANCE:

Your Company has taken adequate insurance cover for all its assets. Your Company has also taken the Directors and officers liability Insurance (D & O Policy) for the Directors and officers of the Company as indemnification (reimbursement) for losses or advancement of defense costs in the event an insured suffers for any alleged wrongful acts in their capacity as directors and officers.

16. LISTING OF SECURITIES:

The Company's Equity Shares are Listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company's Secured, Redeemable, Non-Convertible Debentures are listed on the Wholesale Debt Market (WDM) segment of the BSE.

The Company has paid the applicable listing fees for the Financial Year 2014-2015 to BSE and NSE.

17. DEMAT OF SECURITIES:

Nearly 98.9% of total Equity Share Capital is held in dematerialized form with NSDL/CDSL. The Secured Redeemable Non-Convertible Debentures are entirely held in dematerialized form.

18. SUBSIDIARY & JOINT VENTURE COMPANY:

There are six wholly-owned Subsidiary Companies of the Company namely (I) Uttam Galva Holdings Limited in Dubai, (II) Atlantis International Services Limited in British Virgin Islands, (III) Uttam Galva Steels Netherlands B.V. in Netherland, (IV) Neelraj International Trade Limited in British Virgin Islands, (V) Uttam Galva Steels BVI Limited in British Virgin Islands and (VI) Uttam Galva Steels FZE in Ras Al



Khaimah. Ferro Zinc International FZE in Jebel Ali free zone in United Arab Emirates is no longer the subsidiary of Uttam Galva Holdings Limited, Dubai.

As per the terms of the General Circular no. 2/2011, a statement containing brief financial information for the financial year ended 31st March, 2014 of the aforesaid Subsidiaries are included in the Annual Report. Also the accounts of all the aforesaid Companies are kept for inspection by any shareholders at the registered office of your Company. Your Company further undertakes that the Annual Accounts of the Subsidiary Companies and the related detailed information shall be made available to shareholders of the Company on demand.

Apart from the aforesaid subsidiaries, your Company also has two Joint Venture Companies namely, Texturing Technology Private Limited and Moira Madhujore Coal Limited.

The Consolidated Audited Annual Accounts of your Company together with its subsidiaries and joint venture companies for the Financial Year 2013-2014 are being published pursuant to Clause 32 of the Listing Agreement.

19. WHISTLE BLOWER POLICY AND VIGIL MECHANISM:

Your Company recognizes the value of transparency and accountability in its administrative and management practices. The Company promotes the ethical behavior in all its business activities. The Company has adopted the Whistle blower Policy and

Vigil Mechanism in view to provide a mechanism for the directors and employees of the Company to approach Audit Committee of the Company to report existing/probable violations of laws, rules, regulations or unethical conduct.

20. DISCLOSURES:

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is annexed hereto as an Annexure – I and forms part of this report.

21. ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation to the Central, State & Local Governments, Authorities, Regulatory Bodies, Financial Institutions, Banks, Customers and the Shareholders of the Company for their continued support and co-operation.

Your Directors also place on record their sincere appreciation for the total commitment, dedication and hard work put in by every member of the Uttam Galva Family.

For and on behalf of the Board

Place : Mumbai
Date : 30th May, 2014

Rajinder Miglani
Chairman
(DIN 00286788)

ANNEXURE - I

INFORMATION PURSUANT TO SECTION 217(1)(E) OF THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013
A. Power & Fuel Consumption		
1A Electricity (CPP+Purchased)		
a. CGL Unit		
Unit(KWH)	3,79,26,940	3,73,47,951
Total amount(₹ in Crore)	28.86	27.03
Rate/Unit (₹)	7.61	7.24
b. CRM Unit		
Unit(KWH)	11,65,60,586	11,79,49,802
Total amount(₹ in Crore)	88.70	85.36
Rate/Unit (₹)	7.61	7.24
c. CCL Unit		
Unit(KWH)	1,02,44,244	67,49,822
Total amount(₹ in Crore)	7.80	4.88
Rate/Unit (₹)	7.61	7.24
d. PRC Unit		
Unit(KWH)	1,37,52,721	1,78,96,913
Total amount(₹ in Crore)	13.18	13.26
Rate/Unit (₹)	9.59	7.41
1B Electricity (D.G. Set)		
Unit(KWH)	41,012	56,285
Total amount(₹ in Crore)	0.10	0.11
Rate/Unit (₹)	23.20	19.80
2 Fuels		
a. RLNG / Others		
Qty (MT)	18,415.78	17,855.22
Total amount (₹ in Crore)	91.68	65.92
Avg. Rate (Per MT ₹)	49.79	36.92
B. Consumption per unit of Production		
Product:		
a. Galvanised Plain/Corrugated		
Sheets/Coils(MT)	5,97,601	5,61,009
Electricity(KWH)	86.48	98.47
RLNG(MT)	0.02	0.03
b. Cold Rolled		
Sheets/Coils(MT)	6,96,344	6,44,114
Electricity(KWH)	167.39	183.12
RLNG(MT)	0.01	0.03
c. Color coated		
Sheets/Coils(MT)	1,11,663	76,695
Electricity(KWH)	91.74	88.01
RLNG(MT)	0.03	0.23
C. Technology Absorption:		
The Company has fully absorbed the technology.		
D. Foreign Exchange Earnings & Outgo:	₹ in Crore	₹ in Crore
Earnings(FOB Value)		
Exports	1,923.99	1,949.39
Outgo(Cost & CIF Value)		
1. Raw Material Imported	1,877.69	2,029.93
2. Import of Plant & Machinery	32.53	41.22
3. Import of Stores & Spares	9.45	10.77
4. Interest Cost & Upfront Fees	92.60	23.95
5. Expenditure on travelling	0.58	0.39
6. Legal Professional & Consultancy Fees	3.80	0.93
7. Commission	1.10	1.44
8. International Freight on Exports	53.59	39.16
9. Others	0.12	0.17



ANNEXURE - II

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956 (AS AMEMDED) READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

Employed for Full Year

Name	Age (Years)	Designation / Nature of Duties	Remuneration (₹ in Crore)	Qualifiaction	Experience (Years)	Date of Commencement of Employment	Last Employment / Last Designation	Number of Shares Held (%)
Shri Rajinder Miglani	68	Executive Chairman	1.09	Science Graduate	48	30.12.1988	N.A	13,91,855 (0.98)
Shri Anuj R Miglani	40	Managing Director	1.16	Mechanical Engineer from Imperial College, London	19	01.02.1995	N.A	13,02,094 (0.92)
Shri Ankit Miglani	35	Dy. Managing Director	1.15	Graduate in Economics from Wharton School, U.S.A.	12	29.01.2003	N.A	13,00,000 (0.91)

Notes:

1. The above appointments are contractual.
2. Remuneration includes Salary, Bonus, Company's contribution to Provident Fund / Gratuity Fund / Superannuation Fund and value of perquisites on the basis of Income Tax Rules.
3. Shri Rajinder Miglani is the father of Shri Anuj R Miglani - Managing Director and Shri Ankit Miglani - Dy. Managing Director of the Company.
4. Shri Anuj R .Miglani is the son of Shri Rajinder Miglani and brother of Shri Ankit Miglani.
5. Shri Ankit Miglani is the son of Shri Rajinder Miglani and brother of Shri Anuj R Miglani.

ANNEXURE – III REPORT ON CORPORATE GOVERNANCE

1. THE COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

We, Uttam Galva Steels Limited, feel that the Corporate Governance is a process which enables the Company to operate in a systemic manner to meet its ethical, legal and business expectations and at the same time fulfill its social responsibilities. The core value of Corporate Governance lies in integrity, transparency, accountability, high degree of disclosures, emphasis on product quality and adopting best business practices.

Given below is the report of Directors on the practices prevalent on Corporate Governance in the Company.

2. BOARD OF DIRECTORS:

The Company believes that a Vibrant and Independent Board should be at the helm of affairs to ensure the highest levels of Corporate Governance. Accordingly, your Company has always had adequate competent and Independent Directors. For effective discharge of its functions and proper deliberations, Board has constituted various committees.

i. Composition of the Board and details of Directorship(s) in other Companies:

Your Company maintains optimum combination of Executive and Non-executive directors. As on 31st March, 2014 the Board consisted of 9 Directors with considerable experience in their respective fields. Of these 5 are Non- Executive Independent Directors including one Nominee Director representing LIC of India. The details of the Directors with regard to their other directorship (excluding Private Limited Companies and Section 25 Companies under the Companies Act, 1956) and Committee Positions are as follows :-

Sr. No.	Name of Director(s)	Executive/ Non-Executive/ Independent/ Nominee/Promoter	No. of Other Directorship	Chairman of the Board	Board Committee of which he/she is a Member	Chairman of the Committee
1.	Shri Rajinder Miglani	Executive Chairman (Promoter)	8	2	2	2
2.	Shri P G Kakodkar	Independent	2	-	1	-
3.	Shri O P Gahrotra	Independent	4	-	2	-
4.	Shri D L Rawal	Independent	1	-	1	1
5.	Shri S T Parikh	Independent	1	-	2	2
6.	Smt. Swarna Prabha Sukumar	Independent (Nominee of LIC)	-	-	-	-
7.	Shri Anuj R Miglani	Managing Director (Promoter)	10	-	1	-
8.	Shri Ankit Miglani	Dy. Managing Director (Promoter)	8	-	1	-
9.	Shri S G Tudekar	Director (Works)	-	-	-	-

ii. Attendance of each Director at the Board Meeting during the Financial Year 2013-2014 and the last Annual General Meeting (AGM) :

Sr. No.	Name of the Director(s)	Attendance at Board Meeting(s)	Attendance at Last AGM
1.	Shri Rajinder Miglani	5	Yes
2.	Shri P G Kakodkar	4	No
3.	Shri O P Gahrotra	4	Yes
4.	Shri D L Rawal	4	Yes



Sr. No.	Name of the Director(s)	Attendance at Board Meeting(s)	Attendance at Last AGM
5.	Shri S.T. Parikh	5	Yes
6.	Smt. Swarna Prabha Sukumar	3	No
7.	Shri Anuj R Miglani	4	Yes
8.	Shri Ankit Miglani	5	No
9.	Shri S. G.Tudekar	5	Yes

iii. The Board of Directors of the Company met five times during the Financial Year 2013-2014 on following dates:

1) 24.05.2013 2) 03.08.2013 3) 21.10.2013 4) 30.10.2013 5) 31.01.2014.

iii. Disclosure of relationships between Directors:

Shri Rajinder Miglani - Executive Chairman of the Company is the Father of Shri Anuj R Miglani - Managing Director and Shri Ankit Miglani - Dy. Managing Director of the Company. Except for the above-mentioned Directors, none of the other Directors are related to each other in any way.

3. AUDIT COMMITTEE:

i. Brief Description of Terms of Reference:-

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 177 of the Companies Act, 2013 (earlier Section 292A of the Companies Act, 1956).

The terms of reference, role and powers of the Audit Committee are as mentioned in Clause 49 II (A) to (E) of the Listing Agreement entered into with the Stock Exchanges read with Section 177 of the Companies Act, 2013 (earlier Section 292A of the Companies Act, 1956) and includes overseeing of the Company's financial reporting process, reviewing with the management of the financial statements and the adequacy of the internal audit function, internal control and to discuss significant internal audit findings, statutory compliance and issues related to risk management and compliances.

ii. Composition, Name of Members & Chairperson:-

Audit Committee comprises of Three Independent Directors who are financially literate and possess sound knowledge of accounts, audit, finance etc.

Composition of the Audit Committee and details of meetings attended by the Directors during the year under review.

Sr. No.	Name of Director(s)	No. of Meeting(s) attended
1.	Shri S T Parikh - Chairman	5
2.	Shri P G Kakodkar - Member	4
3.	Shri O P Gahrotra - Member	4

The Director & CEO, Director (Finance) & Group CFO, the Internal Auditor and Statutory Auditors are Permanent invitees to the meetings of the Audit Committee.

The Operations Heads are invited to the Meetings, as and when required.

The Cost Auditors appointed by the Company under Section 148 of the Companies Act, 2013 (earlier Section 233B of the Companies Act, 1956) attends the Audit Committee Meeting whenever Cost Audit Report is discussed.

Shri R Agrawal, Sr. Vice President & Company Secretary acts as the Secretary to the Audit Committee.

iii. Meetings:

During the Financial Year 2013- 2014, the Audit Committee met five times on following dates:-

- 1) 24.05.2013 2) 03.08.2013 3) 21.10.2013 4) 30.10.2013 5) 31.01.2014

4. REMUNERATION COMMITTEE

(Now known as NOMINATION & REMUNERATION COMMITTEE) :

i. Brief Description of Terms of Reference:-

Pursuant to the Clause 49 of the Listing Agreement and Schedule XIII to the Companies Act, 1956, the terms of reference of the Remuneration Committee is to determine Company’s policy on remuneration to Whole-time Directors including pension and any compensation payments and also to approve payment of remuneration to Managing Director or Whole-time Directors.

ii. Composition, Name of Members & Chairperson:-

All the members of the Remuneration Committee are Non-Executive Independent Directors, Composition of the said Committee and details of meetings attended by the Directors during the year under review

Sr. No.	Name of Director(s)	Chairman/ Member
1.	Shri S T Parikh	Chairman
2.	Shri P G Kakodkar	Member
3.	Smt. Swarna Prabha Sukumar	Member

iii. Meeting :-

During the Financial Year 2013-2014, there was no appointment/reappointment of any Whole-Time Director or Managing Director. Hence no approval was required for payment of remuneration. No Meeting of Remuneration Committee was held during the Financial Year 2013-2014.

iv. Remuneration Policy:

The remuneration to the Executive and Non-Executive Directors of the Company is approved by the Remuneration Committee as per the Remuneration Policy of the Company. Details of the Remuneration paid to the all directors are mentioned here below:

a. Non-Executive Directors:

The Non-Executive/Independent Directors of the Company play a crucial role for ensuring the quality of Corporate Governance in a Company. They constitute a necessary component of a balanced Board structure where the in-depth knowledge of the Executive Directors is blended with the wider experience, unbiased opinions and knowledge of the Independent Directors. The contribution of the Non-Executive Directors is rewarded by sitting fees as remuneration for attending the Meetings of Board of Directors, Audit Committee, Committee of Directors and Shareholders/Investors Grievance Committee. Save and except the following, there are no pecuniary relationship or transactions of the Non- Executive Directors viz-a-viz the Company

Sr. No.	Name of Director(s)	Sitting Fees (₹)	Equity Shares held in the Company
1.	Shri D L Rawal	80,000	-
2.	Shri P G Kakodkar	1,20,000	-
3.	Shri S T Parikh	1,51,000	53,300
4.	Shri O P Gahrotra	1,15,000	-
5.	Smt. Swarna Prabha Sukumar	60,000	-



b. Whole-time/ Executive Directors:

Sr. No.	Name of Director(s)	Position	All elements of remuneration i.e salary, benefits, allowances, bonus, contributions and perquisites. (₹ in Crore)
1.	Shri Rajinder Miglani	Executive Chairman	1.09
2.	Shri Anuj R Miglani	Managing Director	1.16
3.	Shri Ankit Miglani	Dy. Managing Director	1.15
4.	Shri S G Tudekar	Director (Works)	0.36

v. Disclosures regarding Directors appointment & re-appointment:

During the year Shri D L Rawal was appointed as an Additional Director with effect from 24th May, 2013. He was appointed as an Independent Director by the members of the Company in last Annual General Meeting held on 17th August, 2013 and Shri A K Mahendru has resigned from the Board with effect from 24th May, 2013.

In accordance with the requirements of the Companies Act, 1956 (Now Companies Act, 2013) and the Articles of Association of the Company, Shri S G Tudekar retire by rotation and being eligible have offered himself for re-appointment.

Brief profile of the Directors being appointed/ re-appointed are as follows:

Name of Director(s)	Brief Resume	Nature of expertise in specific areas	The details of the Directorships / Committee Memberships in other Companies (excluding Private Companies and Section 25 Companies)	Equity Shares held in the Company
Shri S G Tudekar	He is a Graduate Engineer in "Metallurgy" from Pune University. He joined the Company in 1998 as President (Works-Donvat & PRC) and was elevated to as Executive Director w.e.f. 01-04-2000. He got experience of 54 years in Steel Industry. He joined the Board on 28 th October, 2005.	Technical	-	-
Shri S T Parikh	He is a graduate in Civil engineering. He is an eminent professional having over 53 years of varied experiences in conceptualization, planning and managing businesses and undertaking strategic initiatives. He had a long stints in senior management positions in organization like Gujarat Steel Tubes Limited and he possess impeccable business acumen and monitoring skills.	Techno Commercial	1. Uttam Galva Metallics Limited Name of the Company Committee / Positions 1. Uttam Galva Metallics Limited Audit (Chairman)	53,300

Name of Director(s)	Brief Resume	Nature of expertise in specific areas	The details of the Directorships / Committee Memberships in other Companies (excluding Private Companies and Section 25 Companies)	Equity Shares held in the Company
Shri O P Gahrotra	He is a Science Graduate and has done Masters in Financial Management from Jamnalal Bajaj Institute of management, Bombay and Masters in Social Science (Development Finance) from Birmingham University, United Kingdom. He is a Member of the Indian Administrative Service (IAS) belonging to the 1969 Batch of the Maharashtra Cadre of the service. He retired in September, 2006 as Additional Chief Secretary, Finance to the Government of Maharashtra.	Finance	1. Kalpataru Limited 2. Trimax IT Infrastructure & Services Limited 3. THDC India Limited 4. INTARVO Technologies Limited Name of the Company Committee / Positions 1. Trimax IT Infrastructure & Services Limited Audit (Chairman) 2. THDC India Limited Audit (Member)	-
Shri D L Rawal	He is a Science Graduate (Hons.) and Certified Associate of Indian Institute of Banker (CAIIB). He has an experience of more than 40 years in operational and policy formulation in Corporate Banking. After serving in Punjab National Bank as General Manager and Canara Bank as an Executive Director, he retired as a Chairman & Managing Director of Dena Bank. He had also been on the Boards and Executive Committee of Life Insurance Corporation of India, Agriculture Finance Corporation and many other such renowned Institutions.	Banking and Finance	1. Lanco Vidharbha Thermal Power Ltd. Name of the Company Committee / Positions 1. Lanco Vidharbha Thermal Power Ltd. Audit (Chairman)	-
Shri Ankit Miglani	He is a Graduate in Economics with specialization in Finance from Wharton School, University of Pennsylvania, Philadelphia, U.S.A. He has joined the Board of Uttam Galva Steels Limited on 29 th July, 2005. He is overseeing all the major commercial functions such as Marketing and procurement of Critical Raw Materials and is actively involved in formulating strategic alliances and undertaking strategic business initiatives.	Commercial	1. Uttam Value Steels Limited 2. Uttam Galva Metallics Limited 3. Uttam Distribution Network Limited 4. Sindhurg Iron and Steels Limited 5. Moira Madhujore Coal Limited 6. Kredence Multi Trading Limited	13,00,000



Name of Director(s)	Brief Resume	Nature of expertise in specific areas	The details of the Directorships / Committee Memberships in other Companies (excluding Private Companies and Section 25 Companies)	Equity Shares held in the Company
			7. Metallurgical Engineering and Equipments Ltd 8. Uttam Utkal Steels Limited Name of the Company Committee / Positions 1. Uttam Value Steels Limited Stakeholder Investor Grievance Committee (Member)	
Shri Gursharan Singh Sawhney	He is a Science Graduate, qualified Chartered Accountant from the Institute of Chartered Accountants of India and a qualified Company Secretary from the Institute of Company Secretaries of India. He also has done post graduate diploma in business management from XLRI. He has over 36 years of experience in finance and accounts with Companies like Batliboi and Company and Ispat Industries. He specializes in project financing.	Banking and Finance	1. Uttam Galva Ferrous Limited	14,234

5. MANAGEMENT DISCUSSION AND ANALYSIS:

This Directors' report has a detailed section on Management Discussion and Analysis.

6. STAKEHOLDERS'/INVESTOR GRIEVANCE COMMITTEE (Now known as STAKEHOLDERS RELATIONSHIP COMMITTEE)

Pursuant to the provisions of the Companies Act, 2013 and as per the provisions of the Clause 49 of the Listing Agreement (as amended), the Shareholders'/Investors Grievance Committee has been renamed as Stakeholders Relationship Committee with the same nomenclature of the Shareholders'/Investor Grievance Committee.

i. Composition & Name of Non-Executive Director Heading the Committee:

Composition of the Shareholders'/Investor Grievance Committee and details of meetings attended by the Directors during the year under review.

Sr. No.	Name of Director(s)	No. of Meetings attended
1.	Shri S T Parikh - Chairman	2
2.	Shri Rajinder Miglani - Member	2
3.	Shri Anuj R Miglani - Member	2

The Committee specifically look into the redressal of grievances of Shareholders, Debenture holders and other

Security holders. The committee considers and resolves the grievances of the Security holders of the Company including complaints related to Transfer of shares, Non-receipt of Balance Sheet, Non-receipt of declared Dividends etc.

During the Financial Year 2013-2014, the Committee had two Meetings i.e. on 30th October, 2013 and 31st January, 2014.

Shri R Agrawal - Sr. Vice President & Company Secretary acts as the Compliance Officer.

ii. Status of the Complaints:

Number of Shareholders complaints received during the Financial Year 2013-2014	2
Number of complaints not solved to the satisfaction of the Shareholders	-
Number of pending complaints	-

7. SUBSIDIARY COMPANIES:

Your Company does not have any Indian Subsidiary Company. However, the Company has Six Foreign Subsidiary Companies incorporated abroad.

8. EQUITY SHARES IN THE SUSPENSE ACCOUNT:

In terms of Clause 5A(I) of the Listing Agreement, the Company reports that there are no Equity Shares lying in the Suspense Account.

9. GENERAL BODY MEETINGS:

i. Location and time when the Last three Annual General Meeting(s) held:

The details of the Annual General Meeting held in last three years are as under:

Year	Day, Date and Time	Location
2010-2011	26 th AGM held on Saturday, the 20 th August, 2011 at 11:00 a.m.	M C Ghia Hall, 18/20, K Dubhash Marg, Mumbai 400 001.
2011-2012	27 th AGM held on Saturday, the 21 st July, 2012 at 11:00 a.m.	M C Ghia Hall, 18/20, K Dubhash Marg, Mumbai 400 001.
2012-2013	28 th AGM held on Saturday, the 17 th August, 2013 at 11:00 a.m.	M C Ghia Hall, 18/20, K Dubhash Marg, Mumbai 400 001.

ii. Special Resolution passed in previous three Annual General Meetings:

Year	Special Resolution	Particulars
2010-2011	-	-
2011-2012	Re-appointment of Shri S G Tudekar, Director (Works).	For a period of 3 years starting from 28 th October, 2011.
2012-2013	Alteration of Articles of Association of the Company.	Alteration of Article 3 in respect of Increase in Authorized Share Capital of the Company.

iii. During the last year the Company has not passed any Special/ Ordinary Resolution through Postal Ballot.

The Board of Directors of the Company has proposed to pass the Special Resolution through postal ballot under section 180(1)(c) of the Companies Act, 2013 to authorize the Board of Directors to create the charge/ mortgage/ disposed of/ sale the property (ies) of the Company.

NOTE: All the Resolutions set out in the respective Notices for the above Meetings were duly passed by the Shareholders with the requisite majority in each case.



10. DISCLOSURES

i. Disclosure of Accounting Treatment

In the preparation of Financial Statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accounts of India (ICAI).

ii. Disclosure on Risk Management

The Company has laid down procedures to inform the Board of Directors about the Risk Assessment and Minimization Procedure. These procedures are periodically reviewed by the Board to ensure that Executive Management controls risk through means of a properly defined framework.

iii. Disclosure on Related Party Transactions

There were no materially significant related party transactions during the year having potential conflict with the interest of the Company at large. Critical risk management frameworks have been put in place across the Company. The Company is continuously evolving and improving systems and measures to take care of all the risk exigencies involved in the business.

iv. Disclosure on Requirements of the Listing Agreement

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any other statutory authority on matters relating to capital markets during last three years.

v. It is confirmed that no personnel has been denied access to the Audit Committee.

11. MEANS OF COMMUNICATION

i. Quarterly Results:

The Quarterly, Half-yearly and Yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board.

ii. News papers wherein results normally published:

Un-audited and Audited Financial Results are published in Free Press Journal (English) having all India coverage and Navshakti (Marathi) local newspaper.

iii. Website:

Name of the Company's Website where the Financial Results (Audited or Un-audited) are displayed on www.uttamgalva.com.

iv. Official News Releases:

The Company displays official news releases as and when the situation arises.

v. Presentations:

The Company makes presentation to Institutional Investors or the Analysts as and when appropriate.

vi. Email id: shares@uttamgalva.com

12. GENERAL SHAREHOLDERS' INFORMATION

- | | | |
|-------------------------------|---|--|
| i. Annual General Meeting | : | |
| Date, Time and Venue | : | 23 rd August, 2014, at 11.00 a.m. at M C Ghia Hall, 18/20, K Dubhash Marg, Mumbai- 400 001. |
| ii. Financial Year | : | 1 st April, 2013 to 31 st March, 2014 |
| iii. Date of Book Closure | : | From 19 th August, 2014 to 23 rd August, 2014 (both days inclusive) |
| iv. Dividend Payment Date | : | Not Applicable |
| v. Listing on Stock Exchanges | : | Equity Shares BSE Ltd. (BSE) & National Stock Exchange of India Ltd (NSE)
Debentures BSE Ltd. (BSE) |

vi. Stock Code:

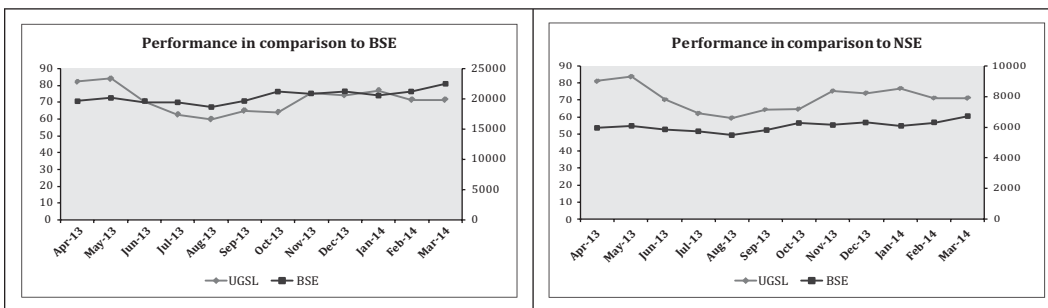
Name of the Stock Exchange (<i>Equity Shares</i>)	Stock Code
BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	513216
National Stock Exchange of India Ltd Exchange Plaza, 5 th floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051.	UTTAMSTL
Name of the Stock Exchange (<i>Debentures</i>)	Stock Code
BSE Ltd., WDM segment, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	946633

- vii. Debenture Trustees** : **Axis Trustee Services Limited**,
2nd floor, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg,
Worli, Mumbai - 400 025.

Market Price Data: High, Low of each month during the financial year 2013-2014:

Month	Quotation at BSE Ltd.		Quotation at National Stock Exchange of India Ltd.	
	HIGH	LOW	HIGH	LOW
April 2013	82.20	65.20	81.45	64.60
May 2013	83.90	68.05	83.80	68.30
June 2013	70.45	57.00	70.60	55.40
July 2013	62.50	44.50	62.45	44.15
August 2013	59.80	39.30	59.65	39.30
September 2013	64.75	52.50	64.60	52.00
October 2013	64.00	52.50	64.80	52.15
November 2013	75.20	58.25	75.30	58.55
December 2013	73.95	63.95	74.10	63.30
January 2014	76.80	61.20	76.80	61.10
February 2014	71.35	60.75	71.35	60.70
March 2014	71.30	62.10	71.25	62.50

vii. Performance in comparison to BSE and NSE indices.





viii. Registrar and Share Transfer Agent:

Universal Capital Securities Private Limited

21, Shakil Niwas, Mahakali Caves Road,
Andheri (East), Mumbai - 400 093.

Tel No.: 28207203/05

E-mail: info@unisec.in

ix. Share Transfer System:

Shares sent for transfer in physical form are registered and returned by our Registrars and Share Transfer Agent within the period of 15 days of receipt of the documents, provided documents received are found in order. Shares under objections are returned to the persons who have lodged it. The Share Transfer Committee meets generally on fortnightly basis to consider the transfer proposals.

x. Distribution of Shareholding:

The Shareholding distribution of Equity Shares as on 31st March, 2014 is given here below:

Sr. No.	Nominal value of shares	No. of Shareholders	No. of Shares	Percentage of Shareholding (%)
1	UPTO - 5,000	24,315	35,80,852	2.517
2	5,001 – 10,000	1,637	13,53,099	0.951
3	10,001 – 20,000	699	10,99,451	0.773
4	20,001 – 30,000	197	5,10,934	0.359
5	30,001 – 40,000	93	3,34,415	0.235
6	40,001 – 50,000	70	3,30,071	0.232
7	50,001 – 1,00,000	131	9,72,707	0.684
8	1,00,001 ABOVE	126	13,40,78,574	94.249
	TOTAL	27,268	14,22,60,103	100.000

xi. Dematerialization of Shares and Liquidity:

Nearly 98.93% of Total Equity Share Capital is held in dematerialized form with National Securities Depository Limited(NSDL)/Central Depository Services (India) Limited(CDSL).

xii. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:

Nil

xiii. Plant Locations:

Khopoli - Pen Road,
Donvat, Dist. - Raigad,
Maharashtra.

Khopoli - Pali Road,
Dahivali, Dist. - Raigad,
Maharashtra.

Taloja - 12, MIDC
Dist - Raigad, Maharashtra

xiv. Address for correspondence:

Registered office : Uttam House, 69, P.D'Mello Road, Mumbai-400 009.

Email : shares@uttamgalva.com

Website : www.uttamgalva.com

xv. Code of Conduct

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company which is posted on the website of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis. A declaration to this effect signed by the Managing Director of the Company is given below:

Certificate on Compliance with Code of Conduct

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Business Conduct & Ethics for directors / Management Personnel in respect of the financial year 2013-2014.

I further declare that the said Code of Conduct have been posted on the website of the Company in accordance with the Clause 49 of the Listing Agreement.

Anuj R Miglani

Managing Director

(DIN No 00287097)

xvi. Auditors' Certificate on Corporate Governance:

The Auditors' Certificate on Compliance of Clause 49 of the Listing Agreement relating to Corporate Governance is published as an Annexure to this Report.

xvii. CEO & CFO Certification:

Shri Anuj R Miglani, Managing Director and Shri Gursharan Singh Sawhney, Director (Finance) & Group CFO of the Company have given Annual Certification on Financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The Managing Director and the Chief Financial Officer also give quarterly Certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

xviii. Adoption of Mandatory / Non- Mandatory Requirements of Clause 49:-

During the Financial Year ended 31st March, 2014, the Company has duly complied with all the mandatory requirements and has adopted certain non-mandatory requirements of Clause 49 of the Listing Agreement as mentioned below:

- (i) The Company has constituted Nomination & Remuneration Committee (as mentioned herein point no. 4) to determine the Company's policy of remuneration to its Executive Directors.
- (ii) The Company has adopted the Whistle blower & Vigil Mechanism in view to provide a mechanism for the directors and employees of the Company to approach Authorized person of the Company to report existing/probable violations of laws, rules, regulations or unethical conduct.

xix. Shareholding Pattern:

Pattern of Equity Shares as on 31st March, 2014 is given here below:

Sr. No.	Category	No. of Shares Held	% of holding
A.	Promoters' Holding		
1.	Promoters		
	- Indian Promoters	4,52,66,220	31.82
	- Foreign Promoters	4,13,27,931	29.05
2.	Persons acting in concert	0	0
	Sub-Total (A)	8,65,94,151	60.87



Sr. No.	Category	No. of Shares Held	% of holding
B.	Non-Promoters' Holding		
1.	Institutional Investors		
	a. Mutual Funds and UTI	38,883	0.03
	b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non Govt. Inst.)	21,672	0.02
	c. FIIs	3,88,58,662	27.32
	Sub-Total (B) (1)	3,89,19,217	27.38
2.	Others		
	a. Bodies Corporate	26,56,260	1.87
	b. Indian Public	1,04,46,010	7.34
	c. NRIs/OCBs	32,73,772	2.30
	d. Others	3,70,693	0.26
	Sub-Total (B) (2)	1,67,46,735	11.77
C.	Shares held by Custodians and against which Depository Receipts have been issued	0	0
	GRAND TOTAL	14,22,60,103	100.00

CERTIFICATE

To,
The Members of
Uttam Galva Steels Limited,
Mumbai.

We have examined the Compliance of the conditions of Corporate Governance by UTTAM GALVA STEELS LIMITED for the Financial Year ended 31st March, 2014, as stipulated in Clause 49(as amended) of the Listing Agreement of the said Company, with the Stock Exchanges.

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review of the procedures and implementations thereof, adopted by the Company for ensuring Compliance with the conditions of 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, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For M/s Prakash Muni & Associates
Chartered Accountants
Firm Registration No. 111792W

Prakash R. Muni

Partner
Membership No. 30544

Place: Mumbai
Date : 30th May, 2014

INDEPENDENT AUDITORS' REPORT

TO,

**THE SHAREHOLDERS OF
UTTAM GALVA STEELS LIMITED.
Report on the Financial Statements**

We have audited the accompanying financial statements of **UTTAM GALVA STEELS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March, 2014**, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 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.

Auditors' 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 the 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at **31st March, 2014**;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under 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.
- (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **Prakkash Muni & Associates**
Chartered Accountants
Firm Registration No. : **111792W**

Prakkash R. Muni
Partner

Place: Mumbai
Date: 30th May 2014.

Membership No. : 30544

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under the head "Report on Other Legal and Regulatory Requirements" of our report of even date.)

1. In respect of its Fixed Assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets; site wise/plant wise. With consideration to significant additions from time to time such records are being updated periodically.
- b) According to the information and explanations given to us, the Company is formulating/upgrading a programme of verification by which all the assets of the Company shall be verified in a phased manner; which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanation given to us no material discrepancies were noticed on such verification. The company is yet to formulate a verification programme on assets such as furniture, computers etc.
- c) During the year the Company has not disposed of any part of the plant and machinery, disposal

of fixed assets does not constitute a substantial part of the company's fixed assets.

2. In respect of its inventories:

- a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification and inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper record of inventory. The discrepancies noticed on verification between physical stocks and book records were not material and the difference found between physical and book records are adjusted appropriately.

3. In respect of the loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956:

- (a) The Company has given loans (incl. interest free loans) to a wholly owned subsidiary of the Company. In respect of the said loans, the maximum amount outstanding at any time during the year is ₹ 60.14 crore and the year-end balance is ₹ 58.27 crore.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest, where applicable and other terms and conditions, are not prima facie prejudicial to the interest of the Company.
- (c) The principal amounts are repayable on demand and there is no repayment schedule. The interest, where applicable, is payable on demand.
- (d) In respect of the said loans, the same are repayable on demand and therefore the question of overdue amounts does not arise. In respect of interest, where applicable, there are no overdue amounts.
- (e) The Company has not taken any loan during

the year from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of Clauses (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable.

4. In our opinion and according to the information and explanations given to us, the Company's internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventories and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
 - a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the Register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of Contracts / arrangements entered in Register maintained under section 301 Companies Act, 1956 and exceeding the ₹ 5,00,000 in respect of each party during the year have been made at prices which appear reasonable having regard to the prevailing market price at the relevant time as per information available with the Company.
6. The Company has not accepted any deposits from the public to which the provisions of 58A, 58AA or any other relevant provision of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 apply. Therefore, the provisions of clause (vi) of the paragraph 4 of the order are not applicable to the Company.
7. In our opinion and according to information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
8. To the best of our knowledge and according to the information and explanations given to us, the Company has received the report of a cost auditor

as prescribed for maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.

9. In respect of statutory dues:
 - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date of becoming payable.
 - b) The disputed statutory dues aggregating to ₹ 16.35 crore, that have not been deposited on account of disputed matters pending before appropriate authorities are referred below:

Sr. No.	Nature of Duty	Amount (₹)	Period	Forum where dispute is pending
1	Service Tax	35,29,749	July 05 to July 07	Central Excise and Service Tax Appellate Tribunal
2	Service Tax	1,61,751	April 06 to October 06	Central Excise and Service Tax Appellate Tribunal
3	Excise Duty	64,84,307	Dec 07 to June 08	Central Excise and Service Tax Appellate Tribunal
4	Excise Duty	30,82,563	Dec 07 to June 08	Central Excise and Service Tax Appellate Tribunal
5	Excise Duty	3,34,33,367	July 10 to Feb 11	Commissioner Appeals
6	Customs Duty	11,67,80,968	F.Y. 2008-09	Commissioner of Customs

10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and the preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, the Company has not defaulted in the repayment of its dues to Financial Institutions, Banks and Debenture Holders.
12. According to the information and explanations given



to us, No loans and advances have been granted by the Company on the basis of security by way of shares, debentures and other securities.

13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
14. According to the information and explanations given to us, the Company is not dealing in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Order are not applicable to the Company.
15. (a) The Company has given a corporate guarantee to Commissioner of Customs of ₹87.54 crore for Export obligation of its Associate Company.
(b) The Company has given a corporate guarantee of ₹4.30 crore on behalf of its Joint Venture Company.
16. The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.
17. According to the information and explanations given

to us and on an overall examination of the Balance Sheet of the Company, We are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.

18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company has created securities / charges in respect of secured debentures issued.
20. During the period covered by our audit report, the Company has not raised any money by public issues.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For **Prakash Muni & Associates**
Chartered Accountants
Firm Registration No. : **111792W**

Prakash R. Muni
Partner

Place: Mumbai
Date: 30th May 2014.

Membership No. : 30544

BALANCE SHEET AS AT 31ST MARCH, 2014.

₹ in Crore

Particulars		Note No.	As at 31 st March, 2014	As at 31 st March, 2013
A	EQUITY AND LIABILITIES			
1.	Shareholders' Funds			
	(a) Share Capital	1	142.26	142.26
	(b) Reserves and Surplus	2	1,139.62	1,104.30
			1,281.88	1,246.56
2.	Non Current Liabilities			
	(a) Long Term Borrowings	3	2,358.26	1,774.51
	(b) Deferred Tax Liabilities (Net)	4	195.88	168.25
	(c) Other Long Term Liabilities	5	571.00	325.75
	(d) Long Term Provisions	6	11.52	11.53
			3,136.66	2,280.04
3.	Current Liabilities			
	(a) Short Term Borrowings	7	294.50	265.80
	(b) Trade Payables	8	2,344.72	1,817.52
	(c) Other Current Liabilities	9	946.54	1,211.09
	(d) Short Term Provisions	10	0.30	11.72
			3,586.06	3,306.13
			8,004.60	6,832.73
B	ASSETS			
1.	Non Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	11	3,984.20	3,217.51
	(ii) Intangible Assets		22.98	-
	(iii) Capital Work-in-Progress		694.11	546.80
			4,701.29	3,764.31
	(b) Non Current Investments	12	23.94	23.46
	(c) Long Term Loans and Advances	13	129.58	106.46
	(d) Other Non Current Assets	14	0.65	3.25
			4,855.46	3,897.48
2.	Current Assets			
	(a) Inventories	15	794.75	1,037.24
	(b) Trade Receivables	16	983.75	684.49
	(c) Cash and Bank Balances	17	46.34	169.64
	(d) Short Term Loans and Advances	18	1,324.30	1,043.88
			3,149.14	2,935.25
			8,004.60	6,832.73
Significant Accounting Policies & Notes on Financial Statements		1 to 41		

As per our Report of even date

For and on behalf of the Board

For **Prakkash Muni & Associates**

Chartered Accountants

Firm Registration No. 111792 W

Rajinder Miglani

Chairman

Anuj R Miglani

Managing Director

Prakkash R. Muni

Partner

Membership No. 30544

Gursharan Singh Sawhney

Director (Finance) & Group CFO

R Agrawal

Sr. Vice President & Company Secretary

Place : Mumbai

Date : 30th May, 2014



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

₹ in Crore

Particulars	Note No.	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
CONTINUING OPERATIONS			
Incomes:			
Gross Revenue from Operations	19	5,754.56	6,252.34
Less: Excise Duty		318.19	341.27
Net Revenue from Operations		5,436.37	5,911.07
Other Income - Operational	24	30.90	5.40
Total Revenue		5,467.27	5,916.47
Expenses:			
(a) Cost of Materials Consumed	20 A	2,878.32	3,252.16
(b) Purchase of Stock-in-Trade	20 B	1,147.92	1,609.46
(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	20 C	205.77	(186.20)
(d) Employee Benefit Expenses	21	88.29	76.33
(e) Other Expenses	22	594.07	570.73
Total		4,914.37	5,322.48
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)		552.90	593.99
Finance Costs	23	289.09	304.64
Depreciation and Amortisation Expense	11	214.82	182.58
Other Income	24	29.53	8.56
Profit Before Extraordinary item		78.52	115.33
Extraordinary Income	25A	-	20.00
Profit Before Prior Period Items		78.52	135.33
Prior Period Income	25B	2.74	-
Profit Before Tax (PBT)		81.26	135.33
Tax Expenses:			
Current Tax		17.03	27.17
Wealth Tax		0.06	0.06
Net Current Tax		17.09	27.23
Prior Period Tax		1.22	-
Deferred Tax		27.63	46.55
Total		45.94	73.78
Profit for the Year		35.32	61.55
Earnings Per Share (EPS)			
Basic & Diluted including Extraordinary Item & Prior Period Items		2.48	5.03
Basic & Diluted excluding Extraordinary Item & Prior Period Items		2.33	3.72
Significant Accounting Policies & Notes on Financial Statements	1 to 41		

As per our Report of even date

For and on behalf of the Board

For **Prakkash Muni & Associates**
Chartered Accountants
Firm Registration No. 111792 W

Rajinder Miglani
Chairman

Anuj R Miglani
Managing Director

Prakkash R. Muni
Partner
Membership No. 30544

Gursharan Singh Sawhney
Director (Finance) & Group CFO

R Agrawal
Sr. Vice President & Company Secretary

Place : Mumbai
Date : 30th May, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014.

		₹ in Crore	
	PARTICULARS	2013-2014	2012-2013
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit/(Loss) Before Tax and Extraordinary Items	81.26	135.33
	Provision for Doubtful Debts	-	1.55
	Adjustments for Depreciation	214.82	182.58
	(Profit) / Loss on Sale of Assets	0.12	-
	Effects of Exchange Rate Change	(1.39)	-
	Share Issue Expenses W/off	0.42	0.27
	Interest Income & Extraordinary Income	(23.61)	(31.60)
	Interest & Financial Charges	288.68	304.64
	Operating Profit Before Working Capital Changes	560.31	592.77
	Adjustments for :		
	(Increase)/Decrease in Trade and other Receivables	(598.00)	(505.90)
	(Increase)/Decrease in Inventories	242.49	47.90
	Increase/(Decrease) in Trade Payables and Other Liabilities	680.55	742.17
	Cash Generated from Operations	885.35	876.94
	Direct Taxes Paid (Net of Refunds)	(30.32)	(32.68)
	Net Cash Generated from Operating Activities	855.03	844.26
B	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of Fixed Assets	(992.29)	(513.57)
	Sale of Fixed Assets	0.06	0.04
	Purchase of Investments / Investments in Subsidiaries	(0.15)	(11.43)
	Sale of Investments	1.05	-
	Extraordinary Income Received	-	20.00
	Interest/Dividend Received	23.61	11.60
	Net Cash Used in Investing Activities	(967.72)	(493.36)
C	CASH FLOW FROM FINANCING ACTIVITIES :		
	Proceeds from Issue of Equity Share Capital	-	20.00
	Securities Premium received	-	140.00
	Proceeds from Long Term Borrowings	1,893.85	150.00
	Repayments of Long Term Borrowings	(1,473.35)	(160.26)
	Interest & Financial Charges Paid	(439.67)	(456.89)
	Gain / (Loss) on Forward Contracts	(9.10)	(3.66)
	Share Issue Expense Paid	(1.26)	(1.34)
	Proceeds/(Repayments) of Deferred Sales Tax Loan/ICD/Unsecured Loans	18.92	(0.37)
	Net Cash Used in Financing Activities	(10.61)	(312.52)
	Net (Decrease)/Increase in Cash & Cash Equivalents (A+B+C)	(123.30)	38.38
	Cash & Cash Equivalents (Opening)	169.64	131.26
	Cash & Cash Equivalents (Closing)	46.34	169.64

Notes :

1. Cash Flow Statement has been prepared following the indirect method except in case of interest paid / received, dividend paid / received, purchase and sale of investments which have been considered on the basis of actual movements of cash with necessary adjustments in the corresponding assets and liabilities.
2. Purchase of Fixed Assets includes movement of Capital Work in Progress between the beginning and the end of the year and net of Creditors for Capital Expenditure.
3. Cash and Cash Equivalents represent Cash & Bank balances and bank deposits only.

As per our Report of even date

For and on behalf of the Board

For **Prakash Muni & Associates**

Chartered Accountants

Firm Registration No. 111792 W

Rajinder Miglani

Chairman

Anuj R Miglani

Managing Director

Prakash R. Muni

Partner

Membership No. 30544

Gursharan Singh Sawhney

Director (Finance) & Group CFO

R Agrawal

Sr. Vice President & Company Secretary

Place : Mumbai

Date : 30th May, 2014



SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS:

CORPORATE INFORMATION

The Company is promoted by Miglani family initially in the year 1985 and ArcelorMittal has joined as a Co-Promoter in the year 2009-2010.

The Company is in the business of manufacturing of intermediate steel products i.e Cold Rolled Steel (CR) and Galvanised Products comprising of Galvanised Plain (GP), Galvanised Corrugated (GC) and Colour Coated Products (CCP) Coils and Sheets; situated at Khopoli, Mumbai, Western part of India. The Company is in the business of procuring Hot Rolled Steel (HR) and processing it in to CR and further in to GP and PPGI. Its current facilities are mainly in thicker and thinner gauge material. The CR not used for galvanizing is converted to value added grades in Cold Rolled Closed Annealed (CRCA) coils, Cut to Length (CTL) Sheets and also sold as Full Hard CR in Domestic and Overseas market. The market segment for value added grades include Appliance, General Engineering, Automotive, Construction, Packaging, Sandwich Panels and Others.

The Registered Office of the Company is situated at Uttam House, 69 P D'Mello Road, Carnac Bunder, Mumbai.

A. SIGNIFICANT ACCOUNTING POLICIES

1.01 (a) Basis of Accounting:

The financial statements are prepared under the historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles, on going concern basis, and in line with Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable, and the provisions of the Companies Act, 1956.

(b) Use of Estimates:

The preparation of financial statements in conformity with GAAP requires that the Management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the assumptions relating to contingent liabilities as on the date of the financial statements. Examples of such estimates include the useful life of tangible and intangible fixed assets, provision for doubtful debts/advances, future obligation in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

(c) Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. The Company recognizes revenue on the sale of products when the products are dispatched to the customer or when delivered to the ocean carrier for export sales, which is when risks and rewards of ownership are passed to the customer.

1.02 Foreign Currency Loans / Transactions:

(a) Import Transactions:

- (i) Material imports are accounted at the custom exchange rates prevailing at the time of receipts. In case foreign exchange is covered, the exchange rate contracted is recognized as a part of purchase cost. Exchange Fluctuations, if any, at the time of retirement, are appropriately accounted as a part of material (purchase) cost. Similarly Bills Payable (balances) at year end are accounted at exchange rate prevailing at year end (As per Revised AS - 11).
- (ii) Import contracts covered by 'foreign exchange cover' with banks are booked at contracted rates. Income / Expenditure incurred in cancellation of forward cover contracts, mainly due to variation in the bank involved / date of execution are treated as part of purchase cost.

(b) Export Transactions:

- (i) Export transactions are accounted at the custom exchange rates prevailing at the time of shipments. Exchange fluctuations, if any, at the time of realisation are appropriately accounted.
- (ii) Exports, contracts covered by foreign exchange cover with banks, are booked at contracted rates. Income / expenditure incurred in case of cancellation of forward cover contracts, mainly due to variation in bank involved / date of execution are treated as export realisation.
- (iii) In case receipt of Export Advances, exchange rates prevailing on date of receipts of advances is treated as relevant exchange rate for exports.

- (c) (i) Foreign Currency Term Loan Contracts, covered by Foreign Exchange Swaps are booked at contracted rates.
- (ii) Other Foreign Currency Term Loan balances are accounted at Exchange Rate prevailing at the year end, and such gain / loss, where these relate to the acquisition of depreciable fixed assets, are adjusted to the carrying cost of such assets and in other cases are amortized over the period of such long term monetary item.
- (iii) The company does not enter into derivative contracts for trading or speculative purposes.
- (d) Such gain / loss in transactions referred in para (c) above, and other foreign currency contracts and / or derivative contracts and relevant exchange gain / loss thereto, are considered as finance cost.

1.03 Borrowing cost, Premium on Redemption of Debentures / Debts:

- (a) Borrowing costs attributable to the acquisition or construction of qualifying assets as defined in Accounting Standard 16 "Borrowing Costs" are capitalized as part of the cost of such asset upto the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.
- (b) Pursuant to the Reschedule / Realignment Scheme, interest payable during 2000-2009 financial years is lower than the average interest rate during 2000-2014 financial years. The company is treating interest payable (yearly rate) as interest accrued.
- (c) On rescheduling and realignment of term debts, financial cost incurred is treated as accrued on date of realignment of realigned term debts and provided in the relevant financial year.

1.04 Commodity Hedging Transactions:

In respect of commodity hedging transactions, the gain / loss on settlement and provisions for gain / losses at the year end are appropriately accounted along with material cost in Profit and Loss Account.

1.05 The Treatment of Expenditure during Construction Period:

- (a) Expenditure directly related to particular fixed assets is capitalized to those fixed assets. All indirect expenses are apportioned to various fixed assets on a reasonable basis. This is done once the construction and erection work is completed, pending which the accumulated amount is disclosed as Capital Work-in-progress pending capitalization under fixed asset.
- (b) Interest on Loans are capitalised upto the date on which the asset is 'Put to Use'. Interest includes exchange fluctuation on Foreign Currency Term Loans. It is in line with Accounting Standards on Borrowing Cost and Long Term Foreign Currency Debts and Accounting Standards on Fluctuation on Foreign Exchange currency.
- (c) The Income and Expenditure during trial runs is included in the Profit & Loss Account. Excess of expenditure over income is capitalised.
- (d) Temporary surplus in short term i.e. liabilities over assets are used for Capital Work-In-Progress. Interest and consequential cost is appropriately accounted.

1.06 Fixed Assets and Depreciation:

- (a) Fixed assets are carried at cost less accumulated depreciation.
- (b) Cost excludes Cenvat credit, sales tax and service tax credit and such other levies / taxes. Depreciation on such assets is claimed on 'reduced' cost.
- (c) Depreciation on fixed assets has been provided on straight line method at the rates specified, in the Schedule XIV of the Companies Act, 1956, in line with Notification No. GSR/756(E) dated, 16th December 1993.
- (d) Depreciation on assets acquired during the year has been provided on pro-rata basis; from the date on which it is 'Put to Use'.
- (e) Computer Software is depreciated over an estimated useful life of 5 Years.

1.06A Impairment of Assets:

Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net discounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset.



1.07 Investment:

The company does not provide for temporary diminution in value of long term investments, if any. Exchange Gain / (Loss) on Investments in Foreign Currency has been provided at the year end.

1.08 Inventories:

(a) Inventories are valued as under after providing for obsolescence:

- (i) Raw Materials - At Cost (Moving Weighted Average Method)
- (ii) Work-in-Progress - At Material Cost *plus* labour and other appropriate portion of production and administrative overheads and depreciation.
- (iii) Finished Goods - At lower of cost *or* realisable value. Cost is inclusive of any taxes and duties incurred.
- (iv) Stores Spares etc. - At Cost
- (v) Arisings - At realisable value

- (b)
- (i) Raw-materials include stock-in-transit and goods lying in Bonded Warehouses.
 - (ii) Finished goods include stock-in-transit at Docks awaiting Shipment and stocks with consignees.
 - (iii) Inventory includes goods lying with third party / job workers / consignees.

1.09 Provision for Taxation:

Income tax expense is the aggregate amount of Current tax, Wealth Tax & Deferred Tax. Current year taxes are determined in accordance with the provisions of Income Tax Act, 1961 and Wealth Tax Act, 1957.

Deferred tax charged or credited reflects the tax effect of timing differences between accounting income and taxable income for the period. The deferred tax charged or credited and the corresponding deferred tax liability or asset are recognized using the tax rates that have been enacted or substantively enacted on the Balance Sheet date.

1.10 Earning per Share:

The Company reports basic and diluted earning per share in accordance with AS-20 'Earning per Share' issued by the Institute of Chartered Accountants of India (ICAI). Basic earning per share is computed by dividing the net profit after tax by the weighted average number of shares outstanding for the year.

1.11 Accounting for Provisions, Contingent Liabilities and Contingent Assets:

(a) In conformity with AS-29, 'Provisions, Contingent Liabilities and Contingent Assets', issued by the ICAI, the Company recognizes provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

(b) No provision is recognised for:

- (i) Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; *or*
- (ii) Any present obligation that arises from past events but is not recognised because:
 - (1) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; *or*
 - (2) A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities. These are assessed at regular intervals and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

(c) Contingent Assets are not recognised in the financial statements as this may result in the recognition of income that may never be realised.

1.12 Advances received from customers against exports, which is spilled over/ executable/ adjustable/ repayable beyond period of 12 months as on the date of Balance Sheet is treated as Non-Current Liabilities, under the sub head Other Long Term Liabilities.

1.13 Export entitlements / obligations:

- (a) Duty free import of raw materials under Advance Authorisation (DEEC) for imports as per import and export policy are matched with exports made / produced. Benefit / Obligation are accounted by making suitable adjustments in raw material consumption.
- (b) The benefits accrued under the Duty Drawback Scheme, Focus Market Scheme, Focus Product Scheme and Duty Free Import Authorisation (DFIA) as per the relevant import and export policies during the year are included under the head:
 - (i) Sales: Export incentives
 - (ii) Raw material consumed
 - (iii) Stores & Spares consumed
- (c) Export incentives receivable on export performance are recognised in pursuance to 'Accounting Standard 9 on Revenue Recognition', (AS-9) with reference to certainty of collectability of such export incentives.

1.14 (a) Sales are recognised at the time of dispatch to customers / endorsement of documents and includes Central Excise Duty; as may be applicable.

- (b) Finished goods captively consumed as packing materials are excluded from sales. Transfer Price, as taken in Central Excise Duty records, is treated as the packing material cost.

1.15 Deferred sales tax incentive available to the Company under Maharashtra Value Added Tax (MVAT) is recognised as sales in case Net Present Value (NPV) is duly paid to the designated authority before the approval of annual accounts.

1.16 Customs Duty:

The Company has been accounting for custom duty liability, as may be applicable, in respect of imported raw material lying in bonded warehouse as and when they are ex-bonded.

1.17 Central Excise Duty and Service Tax:

- (a) The Company is accounting liability for excise duty on finished goods as and when goods are cleared as per consistent practice, in pursuance to the accepted practice of the Excise authorities.
 - (i) Inventory valuation
 - (1) Finished goods in the plant at the close of the year are valued inclusive of excise duty.
 - (2) Raw materials and work in process are valued exclusive of Cenvat claimed.
 - (ii) Profit / Loss for the year remain unaffected by inclusion / exclusion of Excise Duty in inventory valuation referred in clauses (1) and (2) above.
- (b) The Company is accounting liability for Service Tax under Reverse Charge Mechanism for various services availed by the company, at the time of booking an expenditure. The credit for Input Services Tax is claimed as per appropriate laws, rules and regulations.

1.18 Employee Benefits:

(a) Short Term Employee Benefits

All employee benefits payable / available within 12 months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, bonus etc, are recognized in the P&L account in the period in which the employee renders the related services.

(b) Long Term Employee Benefits

Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss Account for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using Actuarial Valuation Techniques. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to Profit and Loss Account.

1.19 Inter Unit transactions are eliminated to the extent possible.



B. NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 1 Share Capital

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
(a) Authorised Share Capital 50,00,00,000 (17,50,00,000) Equity Shares of ₹10 each	500.00	175.00
(b) Issued, Subscribed and Paid up Share Capital 14,22,60,103 (14,22,60,103) Equity Shares of ₹ 10 each (Out of this 58,74,760 Equity Shares have been issued for consideration other than Cash and 2,18,57,924 Equity Shares have been issued on Conversion of Global Depository Receipts)	142.26	142.26
Total - Issued, Subscribed and Paid up Equity Share Capital	142.26	142.26

Reconciliation of No. of Shares outstanding is set out below.	As at 31 st March, 2014	As at 31 st March, 2013
Equity Shares at the beginning of the year	14,22,60,103	12,22,60,103
Add: Shares Issued during the year (on QIP)	-	2,00,00,000
Equity Shares at the end of the year	14,22,60,103	14,22,60,103

Details of Shareholder holding more than 5% Equity Shares:

Name of Shareholder	As at 31 st March, 2014		As at 31 st March, 2013	
	Number of shares held	% holding	Number of shares held	% holding
Equity Shares with Voting Rights				
Kredence Multi Trading Limited	1,49,21,063	10.49	1,49,21,063	10.49
Uttam Exports Private Limited	73,24,379	5.15	73,24,379	5.15
ArcelorMittal Netherlands B.V.	4,13,27,931	29.05	4,13,27,931	29.05
Cresta Fund Limited	1,41,01,426	9.91	1,41,01,426	9.91
Albula Investment Fund Limited	1,28,56,750	9.04	1,08,06,750	7.60
Asia Investment Corporation (Mauritius) Limited	84,42,125	5.93	84,42,125	5.93
Evergreen Tradeplace Private Limited	78,85,600	5.54	78,85,600	5.54

Note 2 Reserves and Surplus

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
(a) Capital Reserve As per Last Balance Sheet	0.12	0.12
(b) Capital Redemption Reserve As per Last Balance Sheet	5.37	5.37
(c) Securities Premium Account As per Last Balance Sheet	309.16	169.16
Add : During the Year	-	140.00
Closing Balance	309.16	309.16

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
(d) Debenture Redemption Reserve		
As per Last Balance Sheet	50.00	37.50
Less :Transferred to Profit & Loss Reserve Account	(25.00)	-
Add: Transferred from Profit & Loss Account	-	12.50
Closing Balance	25.00	50.00
(e) Capital Incentive From Government of Maharashtra		
As per Last Balance Sheet	0.20	0.20
(f) Profit and Loss Account		
As per Last Balance Sheet	739.45	690.40
Add: Transferred from Debenture Redemption Reserve Account	25.00	-
Add: Profit for the year	35.32	61.55
Less: Appropriations	-	-
Less: Transferred to Debenture Redemption Reserve	-	12.50
Closing Balance	799.77	739.45
Total - Reserves and Surplus	1,139.62	1,104.30

Note 3 Long Term Borrowings
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Secured		
11.25 % Redeemable Non-Convertible Debentures	-	100.00
Term Loan from Banks and Financial Institutions	2,338.04	1,673.21
	2,338.04	1,773.21
Unsecured		
Other loans (SICOM & Others)	20.22	1.30
Total - Long Term Borrowings	2,358.26	1,774.51

(i) Details of Secured Debentures issued by the Company:

Particulars	Terms and conditions*	As at 31 st March, 2014	As at 31 st March, 2013
11.25 % Redeemable Non -Convertible Debentures		-	100.00
Total - Debentures		-	100.00

(ii) Details of terms of repayment for the Secured Long-Term Borrowings and security provided in respect thereof:

Particulars	Terms of repayment	As at 31 st March, 2014	As at 31 st March, 2013
Term loans from banks:			
Punjab National Bank, State Bank of India, Bank of Baroda & Exim Bank	Repayable in 36 quarterly installments ending on March, 2020	307.31	1,190.00
ICICI Bank Limited -I		-	25.00
ICICI Bank Limited -II		-	184.82
ICICI Bank Limited (OFCL) 0%		-	9.55

Particulars	Terms of repayment	As at 31 st March, 2014	As at 31 st March, 2013
State Bank of India		-	68.75
Vijaya Bank	Repayable in 28 quarterly installments ending on September, 2019	112.50	137.50
Syndicate Bank	Repayable in 20 quarterly installments ending on March, 2020	175.00	-
Oriental Bank of Commerce	Repayable in 24 quarterly installments ending on March, 2022	100.00	-
ECA : NORDEA Bank (USD 0.417 Million, Previous Year USD 0.83 Million)	Repayable in 16 half yearly installments ending on November, 2015	2.51	4.54
FCTL: Exim Bank (USD 14.625 Million, Previous Year USD Nil)	Repayable in 12 half yearly installments ending on July, 2020	87.90	-
ECB Loan : State Bank of India, Indian Overseas Bank, Bank of Baroda, Punjab National Bank, Union Bank of India, Indian Bank, Canara Bank, State Bank of Mauritius Limited, Afr Asia Bank Limited, Bank of India & ICICI Bank Limited. (USD 258.375 Million, Previous Year USD Nil)	Repayable in 12 half yearly installments ending on July, 2020	1,552.82	-
Total - Secured Long Term Loan From Banks		2,338.04	1,620.16
Secured term loans from Financial Institutions			
IFCI, LIC, GIC, UII		-	3.87
IDFC		-	49.18
Total - Term loans from Financial Institutions		-	53.05
Total - Secured Long Term Loan From Banks and Financial Institutions		2,338.04	1,673.20

- 1) 11.25 % Non Convertible Debentures are secured by mortgage and the lenders have first pari passu charge on all immovable property and hypothecation of all movable properties including movable machineries, machinery spares, tools and accessories both present and future except Packing machine supplied by PESMEL, Finland.
- 2) Term Loans, ECB & FCTL from Banks and Financial Institutions are secured by mortgage and the lenders have first pari passu charge on all the present and future movable and immovable assets of the Company but not limited to plant and machinery, machinery spares, tools and accessories in possession or not, stored, or to be brought in the Company's premises or lying at any other place of the Company's representative affiliates and all the intangible assets of the Company, except for Packing machine supplied by PESMEL, Finland.
- 3) ECA from Nordea Bank is secured by exclusive charge on Packing machine, supplied by PESMEL, Finland
- 4) 25,02,500 Equity Shares (Previous Year 25,02,500 Equity Shares) held by Promoters are pledged against term loan of ₹ 9.55 Crore availed from ICICI Bank.

Note 4 Deferred Tax Liability (Net)
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Deferred Tax Liability (Net):		
Deferred Tax Liabilities related to Fixed Assets	195.88	168.25
Total- Deferred Tax Liability (Net)	195.88	168.25

Note 5 Other Long Term Liabilities
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Others:		
Advances from Customers		
- from Subsidiaries	437.81	325.75
- from Others	133.19	-
Total- Other Long Term Liabilities	571.00	325.75

Note 6 Long Term Provisions
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Provision for Employee Benefits:		
(i) Provision for Gratuity	6.89	6.34
(ii) Provision for Leave Encashment	4.63	5.19
Total - Long Term Provisions	11.52	11.53

Note 7 Short Term Borrowings
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Secured		
Working Capital Loan from Banks	160.50	265.80
Unsecured		
Working Capital Loan from Bank	134.00	-
Total - Short Term Borrowings	294.50	265.80

Loans from Banks on Cash Credit & Packing Credit Accounts are secured by Hypothecation of all Tangible, Movable assets such as Raw Material, WIP, Finished Goods, Stock-in-Transit and Book Debts etc. and the second charge on fixed assets of the Company except Packing Machine supplied by PESMEL, Finland.

Note 8 Trade Payables
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Trade Payables:		
Micro, Small and Medium Enterprises	2.10	0.74
Acceptances	793.52	930.88
Other than Acceptances	1,548.15	826.11
Subsidiary Companies	0.95	59.79
Total - Trade Payables	2,344.72	1,817.51



The details of amounts outstanding to Micro, Small & Medium Enterprises based on information available with the Company is as under:

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Principal amount due and remaining unpaid	2.10	0.74
Interest due on above and the unpaid interest	0.14	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

Note 9 Other Current Liabilities

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
(a) Current maturities of Long Term Debt (Refer Note No. 3)	104.22	248.54
(b) Current maturities of NCD (Refer Note No. 3)	100.00	100.00
(c) Interest Accrued but not due on borrowings	26.31	5.04
(d) Other payables		
(i) Statutory Remittances (Contributions to PF and ESIC, Withholding Taxes, TDS, Excise Duty, VAT, Service Tax, etc.)	51.38	44.64
(ii) Advances from Customers		
- from Subsidiaries	227.66	45.35
- from Others	386.54	727.38
(iii) Provision for Freight & Other Expenses	50.43	40.14
Total - Other Current Liabilities	946.54	1,211.09

Note 10 Short Term Provisions

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
(a) Provision for Employee Benefits		
(i) Provision for Bonus	1.24	1.17
(ii) Provision for Gratuity	-	-
(iii) Provision for other Employee Benefits	0.10	0.51
	1.34	1.68
(b) Provision - Others:		
(i) Provision for Tax -Net of Advance Tax ₹ 18.13 Crore (As at 31 st March, 2013 ₹ 17.19 Crore)	(1.04)	10.04
Total - Short Term Provisions	0.30	11.72

Note 11 Fixed Asset for the year ended 31st March, 2014
₹ in Crore

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	NET BLOCK
	COST 1-Apr-13	ADDITIONS/ ADJUSTMENTS	DEDUCTIONS/ ADJUSTMENTS	COST 31-Mar-14	UP TO 1-Apr-13	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	TOTAL	AS AT 31-Mar-14	AS AT 31-Mar-13
(A) TANGIBLE ASSETS										
Land	42.01	4.60	-	46.61	-	-	-	-	46.61	42.01
Building & Site Dev.	684.09	119.17	-	803.26	119.56	22.91	-	142.47	660.79	564.54
Flats/Office Premises	2.96	1.97	-	4.93	0.33	0.05	-	0.38	4.55	2.63
Plant & Machinery	3,418.27	837.66	-	4,255.92	875.32	181.03	-	1056.35	3,199.57	2,542.94
Furniture & Fixtures	32.10	3.10	-	35.20	9.21	1.84	-	11.05	24.15	22.90
Office Equipments	7.40	0.12	-	7.52	4.89	0.64	-	5.54	1.98	2.52
Computer	12.81	2.66	-	15.47	8.92	1.38	-	10.30	5.17	3.89
Vehicles	10.14	1.18	0.38	10.94	3.87	0.91	0.21	4.57	6.37	6.25
Housing Complex	32.08	5.71	-	37.79	2.25	0.54	-	2.79	35.00	29.82
TOTAL (A)	4,241.86	976.17	0.38	5,217.64	1,024.35	209.30	0.21	1233.44	3,984.20	3,217.50
(B) INTANGIBLE ASSETS										
Computer Software	-	23.07	-	23.07	-	0.10	-	0.10	22.97	-
TOTAL (B)	-	23.07	-	23.07	-	0.10	-	0.10	22.97	-
TOTAL (A+B)	4,241.86	999.23	0.38	5,240.71	1,024.35	209.40	0.21	1233.54	4007.17	3,217.50
PREVIOUS YEAR	3,740.55	501.35	0.04	4,241.86	841.81	182.58	0.03	1024.35	3,217.50	

Note 12 Non Current Investments
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Investments (At cost):		
Others Investment		
In Equity Shares of Subsidiary Companies Unquoted, Fully Paid Up		
a) 5,000 Equity Shares of USD 10 each of Atlantis International Services Company Limited	0.30	0.27
b) 10,00,000 Equity Shares of UAE Dirham 1 each of Uttam Galva Holdings Limited	1.63	1.48
c) 18,000 Equity Shares of Euro 1 each of Uttam Galva Steels Netherlands B.V	0.15	0.13
d) 50,000 Equity Shares of USD 40 each of Uttam Galva Steels BVI Ltd	12.02	10.88
e) 1 Equity Share of AED 1,00,000 each of Uttam Galva Steels FZE	0.16	0.15
f) 1 Equity Share of USD 50,000 each of Neelraj International Trade Limited	0.30	0.27
In Equity Shares of Associate Companies Unquoted, Fully Paid Up		
9,994 Equity Shares of ₹ 10 each of Uttam Utkal Steels Limited	0.01	0.01
In Equity Shares of Joint Venture Companies Unquoted, Fully Paid Up		
a) 30,20,000 Equity Shares of ₹ 10 each of Texturing Technology Private Limited	3.02	3.02
b) 1,99,465 Equity Shares of ₹ 10 each of Moira Madhujore Coal Limited (Out of this, 1,35,284 Equity Shares are purchased at a premium of ₹.90 per share & 35,527 Equity Shares @ ₹ 10 each at a Premium of ₹ 75 per share)	1.69	1.68
	19.28	17.89
Investment in Debentures of others entities, Un-quoted Fully Paid Up		
3,00,000 Unsecured Optionally Fully Convertible Debentures of ₹ 100 each in Shree Bhavani Power Projects Private Limited.	3.00	3.00
	3.00	3.00



Other Non-Current Investments		
i) 20,000 Equity Shares of ₹ 25 each of Punjab & Maharashtra Co-operative Bank Limited	0.05	0.05
ii) 515,000, Equity Shares of ₹10 each in Ansal Hi-Tech Township Ltd.	0.52	0.52
iii) Share Application Money in Shree Bhavani Infracon Private Limited	0.94	2.00
iv) Investment of Mutual Funds		
- 50,000 Units of Union KBC Capital Protection Oriented Fund of ₹10 each	0.05	-
- 99,900 Units of Union KBC Trigger Fund of ₹ 10 each	0.10	-
	1.66	2.57
Total - Non Current Investments	23.94	23.46

Note 13 Long Term Loans and Advances

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured, Considered Good		
Security Deposits:		
- To Related Parties	16.05	16.05
- To Others	2.57	2.49
Loans and advances to related parties	56.62	34.51
Advance Income Tax for Prior Years (Net of Provision As at 31 st March, 2013)	13.01	12.08
MAT credit entitlement	41.33	41.33
Total - Long Term Loans Advances	129.58	106.46

Note 14 Other Non-Current Assets

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Accruals		
Interest Accrued on Deposits	0.65	3.25
Total - Other Non-Current Assets	0.65	3.25

Note 15 Inventories

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Raw Materials	238.03	293.43
Goods-in-Transit	90.14	70.25
Work-in-Progress	129.01	302.93
Finished Goods	212.21	274.61
Stock-in-Trade	67.91	38.32
Stores and Spares	48.56	49.89
Arising	8.89	7.81
Total - Inventories	794.75	1037.24

Details of inventory of Work-in-Progress

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Product CRC + Slab	65.25	206.23
Product GP/GC	44.41	86.69
Product PPGI	19.35	10.01
Total - Work-in-Progress	129.01	302.93

Note 16 Trade Receivables

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured, Considered Good		
Outstanding for a period exceeding six months	53.31	31.06
Other Receivables	858.08	656.74
Receivable from Subsidiaries	75.67	0.00
Less: Provision for Bad and Doubtful Debts	3.31	3.31
Total - Trade Receivables	983.75	684.49

Note 17 Cash and Bank Balances

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Cash and Cash Equivalents :		
Cash in hand	0.72	0.27
Bank Balances		
- In Current Accounts	45.31	169.08
- In EEFC Accounts	-	-
Other Bank Balances		
Balances held as Margin money or security against Borrowings, Guarantees and other Commitments	0.31	0.29
Total - Cash and Bank Balances	46.34	169.64

Note 18 Short-Term Loans and Advances

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured, considered good		
Loans and advances to Related Parties	1.80	11.67
Loans and advances to Employees	3.35	2.36
Prepaid Expenses	42.01	39.69
Balances with Government Authorities		0.00
(i) CENVAT Credit Receivable	244.18	214.31
(ii) VAT Refund Receivable	93.79	133.54
(iii) Service Tax Credit Receivable	8.01	18.28
Advances to Suppliers	834.89	526.92
Advances recoverable in cash or in kind or for value to be received	89.07	94.75
Deposits	7.20	2.36
Total - Short Term Loans and Advances	1,324.30	1,043.88



Note 19 Revenue from Operations

₹ in Crore

Particulars	2013-2014	2012-2013
Sale of Products #	4,319.45	4,116.45
Traded Goods	1,215.27	1,743.08
Other Operating Revenues	219.84	392.81
Gross Revenue from Operations	5,754.56	6,252.34
Less: Excise Duty	318.19	341.27
Total - Revenue from Operations (Net)	5,436.37	5,911.07
Particulars	2013-2014	2012-2013
Sale of Products Comprises		
Manufactured Goods **		
GP/GC*	2,478.64	2,385.31
PPGI	677.94	466.39
CRCA + HRPO + APC +Tube	1,162.87	1,264.75
Total - Sale of Manufactured Goods	4,319.45	4,116.45
Traded Goods		
Sales Domestic Service Centre	324.85	477.73
Sales Domestic Trading ***	202.98	515.23
Sales-Deemed Exports	162.30	0.00
Sales Merchandice Exports	525.14	750.12
Total - Sale of Traded Goods	1,215.27	1,743.08
Total - Sale of Products	5,534.72	5,859.53
Other Operating Revenues		
Sale of Scrap/ Arising	175.29	292.90
Duty Drawback and Other Export Incentives(FMS and SHIS)	26.92	29.63
Sale of Surplus Genrated Power	17.63	70.28
Total - Other Operating Revenues	219.84	392.81

Sales includes ₹ 529.92 Crore (Previous Year ₹ 834.10 Crore) towards sales from trial run/stabilisation of production, of 4 Hi Skin Pass Mill

* GP Sales includes ₹ 1147.63 Crore (Previous Year ₹ 1008.88 Crore) towards sales during stabilisation of Super Galvanising Line (SGL)

** Manufactured Sales includes Export Sales ₹ 1480.84 Crore (Previous Year ₹ 1236.41 Crore)

***Excludes ₹ 139.74 Crore, related to FY 2012-13, is disclosed seperately under the head 'Prior Period Item', as per AS-5.

Note 20A Cost of Materials Consumed

₹ in Crore

Particulars	2013-2014	2012-2013
Opening Stock	336.39	591.45
Add: Purchases	2,855.48	2,997.10
	3,191.87	3,588.55
Less: Closing Stock	313.55	336.39
Cost of Material Consumed	2,878.32	3,252.16
Cost of Materials Consumed		
Hot Rolled Coil	2,315.92	2422.35
Cold Rolled Full Hard	147.65	473.79
Zinc & Metal	356.99	322.23
Paint	57.76	33.79
Total - Cost of Material Consumed	2,878.32	3,252.16

Note 20B Purchase of Stock-in-Trade

₹ in Crore

Particulars	2013-2014	2012-2013
Purchase of Stock-in-Trade		
Trading Purchases Hot Rolled Coil - Domestic	42.16	154.25
Trading Purchases Others - Domestic	67.69	50.25
Trading Purchases - Imports*	1,038.07	1,404.96
Total -Purchase of Stock-in-Trade	1,147.92	1,609.46

* Excludes ₹ 137 Crore related to FY 2012-13, which has been disclosed seperately under the head "Prior Period Item", as per AS-5.

Note 20C Changes in Inventories of Finished Goods, Work-in-Progress , Stock-in-Trade

₹ in Crore

Particulars	2013-2014	2012-2013
<u>Inventories at the end of the year:</u>		
Finished Goods at Plant	175.70	179.40
Finished Goods at Port	36.40	95.21
Arisings	8.89	7.81
Work-in-Progress	129.01	302.93
Stock-in-Trade	67.91	38.32
	417.91	623.67
<u>Inventories at the beginning of the year:</u>		
Finished Goods at Plant	179.40	136.28
Finished Goods at Port	95.21	91.43
Arisings	7.81	8.65
Work-in-Progress	302.93	138.18
Stock-in-Trade	38.32	62.93
	623.67	437.47
Net Decrease/(Increase) in Inventories	205.77	(186.20)

Note 21 Employee Benefit Expenses

₹ in Crore

Particulars	2013-2014	2012-2013
Salaries and Wages	75.52	66.01
Contributions to Provident and other Funds	4.25	3.03
Staff Welfare Expenses	8.52	7.29
Total - Employee Benefit Expenses	88.29	76.33

Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard 15 (Revised) the details of which are as follows:

₹ in Crore

Amount to be recognised in Balance Sheet As at 31 st March 2014	As at 31-03-2014	As at 31-03-2013
Gratuity		
Present Value of Funded Obligations	16.37	14.01
Present Value of Unfunded Obligations	6.89	6.35
Fair Value of Plan Assets (managed by insurer)	9.48	7.66
Net Liability	6.89	7.66
Amounts in Balance Sheet		
Liability	16.37	14.01
Assets	9.48	6.35
Net Liability	6.89	7.66



₹ in Crore

Amount to be recognised in Balance Sheet As at 31 st March 2014	As at 31-03-2014	As at 31-03-2013
Expenses to be recognised in the Statement of P&L		
Current Service Cost	1.98	1.72
Interest on Defined Benefit Obligation	1.12	0.97
Expected Return on Plan Assets	(0.67)	(0.62)
Net Actuarial Losses/(Gains) recognised during the Year	0.25	(0.28)
Total, included in "Employee Benefit Expense"	2.68	1.79
Actual Return on Plan Assets	0.67	0.62
Reconciliation of Benefit Obligations & Plan Assets For the Period		
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	14.01	12.08
Current Service Cost	1.98	1.72
Interest Cost	1.12	0.97
Actuarial Losses/ (Gains)	0.25	(0.28)
Benefits Paid/ Accrued but not paid	(0.99)	(0.48)
Closing Defined Benefit Obligation	16.37	14.01
Change in Fair Value of Assets		
Opening in Fair Value of Plan Assets	7.66	5.32
Expected Return on Plan Assets	0.67	0.62
Actuarial Gains / (Losses)	(0.25)	0.00
Contributions by Employer	2.25	1.81
Benefits Paid/ Accrued but not paid	(0.85)	(0.09)
Closing Fair Value of Plan Assets	9.48	7.66
Principal Actuarial Assumptions (Expressed as Weighted Averages)		
Discount Rate (p.a.)	8.00%	8.00%
Expected Rate of Return on Assets (p.a.)	6.94%	8.51%
Salary Escalation Rate (p.a.)	7.00%	7.00%

Amount to be recognised in Balance Sheet As at 31 st March 2014	As at 31-03-2014	As at 31-03-2013
Leave Encashment		
Present Value of Funded Obligations	-	-
Present Value of Unfunded Obligations	4.64	5.19
Fair Value of Plan Assets (managed by insurer)	-	-
Net Liability	4.64	5.19
Amounts in Balance Sheet		
Liability	4.64	5.19
Assets	-	-
Net Liability	4.64	5.19
Expenses to be recognised in the Statement of P&L		
Current Service Cost	1.19	1.20
Interest on Defined Benefit Obligation	0.42	0.48
Expected Return on Plan Assets	-	-
Net Actuarial Losses/(Gains) recognised during the Year	(1.41)	(1.75)
Total, included in "Employee Benefit Expense"	0.20	(0.07)

₹ in Crore		
Amount to be recognised in Balance Sheet As at 31 st March 2014	As at 31-03-2014	As at 31-03-2013
Actual Return on Plan Assets	-	-
Principal Actuarial Assumptions (Expressed as Weighted Averages)		
Discount Rate (p.a.)	8.00%	8.00%
Expected Rate of Return on Assets (p.a.)	-	-
Salary Escalation Rate (p.a.)	7.00%	7.00%

Note 22 Other Expenses

₹ in Crore

Particulars	2013-2014	2012-2013
Manufacturing Expenses		
Power Consumption	138.54	130.53
Coal Consumed	83.34	145.30
Power Captively Consumed	(112.36)	(118.16)
Power Captively Consumed - Steam	(7.27)	(9.06)
Consumption of Steam	7.27	9.06
Fuel Consumption	91.78	66.03
Water Charges	2.30	2.59
Stores & Spares Consumed	58.75	49.79
Repairs & Maintenance to Plant	31.41	25.70
Other Manufacturing Expenses	27.32	42.82
Total - Manufacturing Expenses	321.08	344.60
Selling and Distribution Expenses		
International Freight	81.55	66.78
F.O.B. Expenses	25.44	19.11
Local Freight	30.28	26.56
Brokerage & Commission	2.49	2.70
Other Expenses	9.35	8.06
Packing Material Consumed	60.19	52.60
Total - Selling and Distribution Expenses	209.30	175.81
Administrative Expenses		
Insurance	9.97	7.01
Travelling & Conveyance	6.13	4.82
Rent, Rates & Taxes	5.13	4.02
Legal, Professional & Consultancy Charges	13.82	8.94
Repairs & Maintenance to Building	6.91	7.17
Repairs & Maintenance to others	2.58	1.92
Security charges	2.84	2.42
Other Expenses	12.67	11.35
Remuneration to CMD/DMD	3.12	3.12
Sundry Balance Written Off/(Written back)	0.02	(0.90)
Payment to Auditors		
- Audit Fees	0.30	0.30
- Tax Audit & Certifications	0.05	0.10



Particulars	2013-2014	2012-2013
- Expenses Reimbursed	0.03	0.05
Loss on Sale of Fixed Assets	0.12	0.00
Total - Administrative Expenses	63.69	50.32
Total - Other Expenses	594.07	570.73

Note 23 Finance Costs

₹ in Crore

Particulars	2013-2014	2012-2013
Interest Expense on:		
(i) Borrowings - Long Term	185.29	256.99
(i) Borrowings - Short Term	192.77	159.45
Other Borrowing Costs (Upfront Fees)	61.61	40.45
Net Loss on Foreign Currency Transactions and Translation	9.10	3.66
Gross Interest and Financial Charges	448.77	460.55
Less :- Interest & Financial Charges Charged to Capital Work-in-Progress	159.68	155.91
Total - Finance Cost	289.09	304.64

Note 24 Other Income

₹ in Crore

Particulars	2013-2014	2012-2013
Interest Income		
- Operational	30.90	5.40
- Non-Operational	9.23	6.20
Net Gain on Foreign Currency Transactions and Translation (other than considered as Finance Cost)	5.93	1.49
Other Non-Operating Income	14.38	0.87
Total - Other Income	60.44	13.96
Interest Income		
i) Income from Mutual Fund	-	0.83
ii) Interest Recieved on Fixed Deposits	0.01	5.37
iii) Interest Recieved Others	9.23	-
iv) Interest on Receivables	30.89	5.40
Total- Interest Income	40.13	11.60

Note 25A Extraordinary Income

₹ in Crore

Particulars	2013-2014	2012-2013
Compensation on cancellation on Fixed Assets Contract	-	20.00
Total - Extraordinary Income	-	20.00

Note 25B Prior Period Income

₹ in Crore

Particulars	2013-2014	2012-2013
Trading Domestic Sales	139.74	-
Less: Trading Purchases	(137.00)	-
Total - Prior Period Income	2.74	-

26. Contingent Liabilities not provided for in respect of:

₹ in Crore

Sr. No.	Particulars	31 st March, 2014	31 st March, 2013
(a)	Letters of Credit outstanding	988.64	754.88
(b)	Bank Guarantees	124.42	129.12
(c)	Estimated amount of contracts remaining to be executed on capital account and not provided for	83.21	86.31
(d)	Disputed Statutory Liabilities	16.35	16.37

The Company had given a corporate guarantee of ₹87.54 Crore (Previous Year ₹ 87.54 Crore) to Commissioner of Customs against export obligation of Uttam Galva Metallics Limited.

The Company had given a corporate guarantee of ₹ 4.30 Crore (Previous Year ₹ 4.30 Crore) to Punjab National Bank Ltd, against Loan obtained by Moira Madhujore Coal Limited.

27. (a) The Company is being re-assessed, u/s 153A r/w section 132 of the Income Tax Act, 1961, for Assessment Years 2006-2007 to 2012-2013 relevant to Financial Years 2005-2006 to 2011-2012.

(b) The Sales Tax Assessments are completed up to 31st March, 2012.

(c) The Company does not expect any liability on remaining assessments / appeals.

28. Pursuant to revision of Accounting Standard 11 (AS 11), exchange fluctuation Loss of ₹ 76.69 Crore (Previous Year ₹ 8.82 Crore) on Foreign Currency Loans is adjusted against cost of fixed assets.

29. Taxation.

(a) The Company does not have any taxable income as per the provisions of the Income Tax Act, 1961. However, it is liable to MAT (Minimum Alternate Tax).

(b) During the year, the Company decided to prepay Value Added Tax (VAT) payable under Deferral Sales Tax scheme, against the Deferral Sales Tax liability of ₹ 122.97 Crore (Previous year ₹ 132.23 Crore) for period upto 31st March, 2014. The Company has prepaid ₹ 34.44 Crore (Previous year ₹ 37.03 Crore) at net present value as prescribed, and consequential balance of ₹ 88.54 Crore (Previous year ₹ 93.83 Crore) is treated as sales and ₹ Nil (Previous Year ₹ 1.37 Crore) is credited to Fuel Account. This credit has accrued and arisen during the financial year 2013-2014.

30. During the year under review, the Company carried out modification / revamping of Super Galvanizing Line (SGL). Total expenditure includes Cost of Sales of ₹ 1419.44 Crore (Previous Year ₹ 1162.10 Crore) related to goods produced during trial run. Excess of expenditure over Sales realization is capitalized.

31. During the year under review, the Company carried out modification / revamping of 4HI WW Skin Pass Mill. Total expenditure includes cost of sales of ₹ 630.76 Crore (Previous Year ₹ 952.42 Crore) related to goods produced during trial run. Excess of expenditure over sales realization is capitalized.

32. Earnings Per Share (EPS)

Earnings Per Share (EPS) Basic and Diluted	2013-2014	2012-2013
a) Including Extraordinary Income & Prior Period Income		
Profit for the Year	35.32	61.55
Weighted Average No. of Ordinary Shares of ₹ 10 each for Basic EPS	14,22,60,103	12,24,79,281
Earnings Per Share (EPS) Basic & Diluted (Rupees)	2.48	5.03
b) Excluding Extraordinary Income & Prior Period Income		



Earnings Per Share (EPS) Basic and Diluted	2013-2014	2012-2013
Profit for the Year	33.13	45.55
Weighted Average No. of Ordinary Shares of ₹10 each for Basic EPS	14,22,60,103	12,24,79,281
Earnings Per Share (EPS) Basic & Diluted (₹)	2.33	3.72

33. Capital Work-in-progress:

Expenses incurred towards On-going Projects under various heads of capital assets including advances paid to suppliers are as under:

₹ in Crore

Particulars	31st March, 2014	31st March, 2013
Land, Building and Site Development Expenses	341.16	276.94
Plant and Machinery	233.17	278.94
Consultant Fees	10.04	8.93
Other Fixed Assets	0.30	14.87
Pre-Operative Expenses	49.75	18.06
Advance to Suppliers	105.48	19.52
Sundry Creditors	(45.79)	(70.46)
Total	694.11	546.80

34. (a) List of Related Parties As per Accounting Standard 18 (AS-18) with whom the Company has entered into transactions during the year in the ordinary course of business:

(i) Key Managerial Personnel:

Mr. Rajinder Miglani
Mr. Anuj R Miglani
Mr. Ankit Miglani
Mr. Gursharan Singh Sahwney

(ii) Other Related Parties

(Associates of the Company/Enterprises over which key management personnel and/or their relatives exercise significant influence)

Wholly Owned Subsidiary:

Uttam Galva Holdings Limited
Atlantis International Services Company Limited
Uttam Galva Steels, Netherlands, B.V.
Neelraj International Trade Limited
Uttam Galva Steels (BVI) Limited
Uttam Galva Steels FZE

Co-Promoter

ArcelorMittal Netherlands, B.V.

Ability to Control / Exercise Significant Influence

ArcelorMittal Finanzaria, SRL
ArcelorMittal Cons Reunion
ArcelorMittal SSC, Italia
ArcelorMittal International FZE
ArcelorMittal International Luxembourg
ArcelorMittal Distribution Solution
ArcelorMittal Singapore Pvt Limited

Associates / Joint Ventures :

Grow Well Mercantile Limited
 Evergreen Tradeplace Private Limited
 Shree Uttam Steel and Power Limited
 Uttam Galva Metallica Limited
 Uttam Distribution Network Limited
 Uttam Utkal Steels Limited
 Sainath Trading Company Private Limited
 Texturing Technology Private Limited
 Moira Madhujore Coal Limited
 Uttam Value Steels Limited (Formerly known as Lloyds Steel Industries Limited)
 Kredence Multi Trading Limited
 Archisha Steels Private Limited (Formerly known as Archisha Investment Private Limited)
 Uttam Galva Ferrous Limited

(b) Details of transactions with related parties referred to in (a)(ii) above:

₹ in Crore

Particulars	2013-2014			2012-2013		
	Subsidiaries	Associates/ Joint Venture	Ability to Control/ Exercise significant influence	Subsidiaries	Associates/ Joint Venture	Ability to Control/ Exercise significant influence
Sale of Goods / Services	361.70	8.10	389.22	276.47	512.45	391.58
Purchase of Goods/ Services	-	683.80	52.78	406.77	148.76	27.88
Loan Given*	20.53	-	-	0.03	-	-
Export Advance Received (net)	434.89	-	-	189.71	-	-
Investment in Equity	-	-	-	11.16	-	-
Rent Income	-	0.21	-	-	-	-
Rent Payment	-	1.90	-	-	1.86	-
Interest Paid	9.04	-	-	5.36	-	-
Interest Received	-	14.80	-	-	-	-

*The Company has entered into transactions of fund transfers during the course of business on temporary/current account transaction basis. Such transactions do not form part of loans.

35. (a) Value of Imported & Indigenous raw materials and Spare Parts consumed

Particulars	For the Year 2013-2014		For the Year 2012-2013	
	Value ₹ in Crore	% to total Consumption	Value ₹ in Crore	% to total Consumption
Raw Materials				
Imported	1,863.17	46.62%	3,313.77	67.82%
Indigenous	2,133.48	53.38%	1,572.45	32.18%
	3,996.65	100.00%	4,886.22	100.00%



Spare Parts and Components				
Imported	9.45	16.09%	6.34	12.74%
Indigenous	49.30	83.91%	43.45	87.26%
	58.75	100.00%	49.79	100.00%

(b) Value of imports on CIF basis

₹ in Crore

Particulars	2013-2014	2012-2013
Raw materials	1877.69	2029.93
Spare Parts & Components	9.45	10.77
Capital Goods	32.53	41.22

36. Information pursuant to Clause 32 of listing agreement with stock exchanges.

Loans and advances in the nature of loans to wholly owned subsidiary companies are as under:

₹ in Crore

Particulars	Balance as at 31st March, 2014	Balance as at 31st March, 2013	Maximum Balance during the year	
			2013-2014	2012-2013
Interest free loans without specified repayment schedule				
Uttam Galva Holdings Limited	0.23	0.21	0.24	0.21
Atlantis International Services Company Limited	19.95	15.61	20.74	15.61
Uttam Galva Steels Netherlands B.V.	24.49	10.18	25.04	11.74
Neelraj International Trade Limited	11.85	8.51	12.37	8.51
Uttam Galva Steels (BVI) Limited	1.72	-	1.72	-
Uttam Galva Steels FZE	0.03	0.03	0.03	0.03

37. Derivative Contracts entered into by the Company and outstanding as on 31st March, 2014.

(i) For Hedging Currency and Interest Rate Related Risks:

The Company uses forward exchange contracts to hedge its exposure in foreign currency related to firm commitments and highly probable forecasted transactions. The nominal amount of derivative contract entered into by the Company and outstanding as on 31st March, 2014 is as follows:

Amount in Millions

Sr. No	Currency	Cross Currency	As at 31st March, 2014		As at 31st March, 2013	
			Buy	Sell	Buy	Sell
1	US Dollar	INR	81.64	56.21	-	-
2	EURO	INR	-	0.54	-	-
3	EURO	US Dollar	-	0.76	-	-

38. Segment Reporting

The Company is manufacturing Steel Products and also has a Captive Power Plant, hence it is reporting its results in single segment as required by AS-17.

39. Sundry Debit Balances and Credit balances are subject to confirmations.

40. (a) Expenditure in Foreign Currency

₹ in Crore

Sr.No.	Particulars	2013-2014	2012-2013
(i)	Interest & Upfront Fees	92.60	23.95
(ii)	Legal, Professional & Consultation fee	3.80	0.93
(iii)	Commission	1.10	1.44
(iv)	International Freight	53.59	39.16
(v)	Travelling Expenses	0.58	0.39
(vi)	Others	0.12	0.17

(b) Earnings in Foreign Currency:

₹ in Crore

Particulars	2013-2014	2012-2013
F.O.B. Value of Exports	1,923.99	1,919.76

41. Previous Year's figures are regrouped and rearranged wherever necessary.

As per our Report of even date

For and on behalf of the Board

For **Prakash Muni & Associates**

Chartered Accountants

Firm Registration No. 111792 W

Rajinder Miglani

Chairman

Anuj R Miglani

Managing Director

Prakash R. Muni

Partner

Membership No. 30544

Gursharan Singh Sawhney

Director (Finance) & Group CFO

R Agrawal

Sr. Vice President & Company Secretary

Place : Mumbai

Date : 30th May, 2014



**SUMMARY OF FINANCIAL INFORMATION PERTAINING TO THE
SUBSIDIARY COMPANIES AS ON 31ST MARCH, 2014**

The Ministry of Corporate Affairs vide General Circular No. 2/2011 dated 8th February, 2011 has granted a General exemption to all the companies from the provision of sec 212(8) of the Companies Act, 1956 subject to fulfilment of certain conditions. Accordingly the Financial Information in terms of aforesaid circular is provided herein below in respect of all the Subsidiary Companies.

Particulars	Name of Subsidiary Companies					
	Uttam Galva Holdings Limited	Atlantis International Services Company Limited	Uttam Galva Steels Netherlands B.V.	Neelraj International Trade Limited	Uttam Galva Steels (BVI) Limited	Uttam Galva Steels FZE
Capital	1,63,75,994	30,04,990	14,36,746	30,04,990	12,01,99,600	16,30,928
Reserves	6,06,11,550	(7,34,660)	(11,94,50,095)	(8,43,79,218)	(4,75,01,440)	(5,15,656)
Total Assets	8,01,03,118	2,00,05,66,082	2,22,91,63,244	1,01,33,94,594	2,19,35,92,817	16,27,683
Total Liabilities	31,15,574	1,99,82,95,752	2,34,71,76,594	1,09,47,68,822	2,12,08,94,657	5,12,411
Details of Investment (Except in case of investment in the Subsidiaries)	-	-	-	-	-	-
Turnover	-	-	1,03,83,56,193	-	2,39,07,48,362	-
Profit Before Taxation	6,03,84,753	(82,34,922)	(1,49,86,579)	(2,65,36,936)	(4,52,44,758)	(2,05,737)
Provision For taxation	-	-	-	-	-	-
Profit after taxation	6,03,84,753	(82,34,922)	(1,49,86,579)	(2,65,36,936)	(4,52,44,758)	(2,05,737)
Proposed Dividend	-	-	-	-	-	-
Country	Dubai	British Virgin Islands	Netherlands	British Virgin Islands	British Virgin Islands	Ras Al Khaimah

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Uttam Galva Steels Limited

We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of Uttam Galva Steels Limited ("the Company") and its subsidiaries and its joint venture companies; hereinafter referred to as the "Group" (refer Note 1 to the attached Consolidated financial statements) which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with Accounting Standards notified under the Companies Act, 1956 (the Act) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatements of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated 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 Company'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 consolidated financial statements.

We did not audit the financial statements of subsidiaries and joint ventures included in the consolidated financial statements, which constitute total assets (net) of ₹ 32.85 crore as at 31st March, 2014. Total revenue of ₹ 4.08 crore, net loss of ₹ 5.65 crore and net cash outflows amounting to ₹ 46.26 crore for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group as referred to in paragraph above, and to the best of our information and according to the explanations given to us, in our opinion, the accompanying consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
- (b) In the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For Prakash Muni & Associates

Chartered Accountants

Firm Registration No: **111792W**

Prakash R. Muni

Partner

Membership No: 30544

Place: Mumbai

Date: 30th May, 2014



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

₹ in Crore

PARTICULARS	Note No.	As at 31 st March, 2014	As at 31 st March, 2013
A EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	1	142.26	142.26
(b) Reserves and Surplus	2	1,121.90	1,097.17
		1,264.16	1,239.43
2. Non Current Liabilities			
(a) Long Term Borrowings	3	2,358.26	1,775.66
(b) Deferred Tax Liabilities	4	196.36	168.76
(c) Other Long Term Liabilities	5	133.19	-
(d) Long Term Provisions	6	11.52	11.53
		2,699.33	1,955.95
3. Current Liabilities			
(a) Short Term Borrowings	7	1,009.41	920.19
(b) Trade Payables	8	2,342.99	1,758.61
(c) Other Current Liabilities	9	721.02	1,114.93
(d) Short Term Provisions	10	0.54	11.73
		4,073.95	3,805.46
TOTAL		8,037.45	7,000.84
B ASSETS			
1. Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	3,989.73	3,223.94
(ii) Intangible Assets		22.98	
(iii) Capital Work-in-Progress		694.11	546.80
(iv) Intangible Assets Under Development		0.91	0.85
		4,707.73	3,771.59
(b) Non Current Investments	12	4.67	5.58
(c) Long Term Loans and Advances	13	72.97	72.12
(d) Other Non Current Assets	14	0.66	3.94
		4,786.03	3,853.23
2. Goodwill on Consolidation		1.48	1.48
3. Current Assets			
(a) Inventories	15	795.12	1,037.75
(b) Trade Receivables	16	976.82	767.20
(c) Cash and Bank Balances	17	130.66	300.23
(d) Short Term Loans and Advances	18	1,347.34	1,040.95
		3,249.94	3,146.13
TOTAL		8,037.45	7,000.84
Significant Accounting Policies & Notes on Financial Statements	1 to 34		

As per our Report of even date

For and on behalf of the Board

For **Prakkash Muni & Associates**

Chartered Accountants

Firm Registration No. 111792 W

Rajinder Miglani

Chairman

Anuj R Miglani

Managing Director

Prakkash R. Muni

Partner

Membership No. 30544

Gursharan Singh Sawhney

Director (Finance) & Group CFO

R Agrawal

Sr. Vice President & Company Secretary

Place : Mumbai

Date : 30th May, 2014

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE
YEAR ENDED 31ST MARCH, 2014**

₹ in Crore

PARTICULARS	Note No.	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
CONTINUING OPERATIONS			
Incomes:			
Revenue from Operations (Gross)	19	5,758.64	6,612.13
Less: Excise Duty		318.19	341.27
Net Revenue from Operations		5,440.45	6,270.86
Other Operating Income	24	30.90	5.40
Total Revenue		5,471.35	6,276.26
Expenses:			
(a) Cost of Materials Consumed	20 A	2,878.32	3,252.16
(b) Purchase of Stock-in-Trade	20 B	1,148.25	1,960.47
(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	20 C	205.77	(186.20)
(d) Employee Benefits Expense	21	88.06	76.34
(e) Other Expenses	22	592.97	567.80
Total		4,913.37	5,670.57
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)		557.98	605.69
Finance Costs	23	304.02	330.72
Depreciation and Amortisation Expense	11	215.70	183.62
Other Income	24	31.79	17.83
Profit Before Exceptional and Extraordinary Items		70.05	109.18
Exceptional Income		3.25	-
Profit Before Extraordinary Items		73.30	109.18
Extraordinary Income	25A	-	20.00
Profit Before Prior Period Items		73.30	129.18
Prior Period Income	25B	2.74	-
Profit Before Tax (PBT)		76.04	129.18
Tax Expenses:			
Current Tax		17.50	27.83
Wealth Tax		0.06	0.06
Net Current Tax		17.56	27.89
Prior Period Tax		1.22	-
Deferred Tax		27.59	46.49
Total		46.37	74.37
Profit for the Year		29.67	54.81
Earnings Per Share (EPS)			
Basic & Diluted including Exceptional Item, Extraordinary Item & Prior Period Items		2.09	4.48
Basic & Diluted excluding Exceptional Item, Extraordinary Item & Prior Period Items		1.70	3.17
Significant Accounting Policies & Notes on Financial Statements	1 to 34		

As per our Report of even date

For and on behalf of the Board

For **Prakkash Muni & Associates**

Chartered Accountants
Firm Registration No. 111792 W

Rajinder Miglani
Chairman

Anuj R Miglani
Managing Director

Prakkash R. Muni

Partner
Membership No. 30544

Gursharan Singh Sawhney
Director (Finance) & Group CFO

R Agrawal
Sr. Vice President & Company Secretary

Place : Mumbai

Date : 30th May, 2014



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014.

		₹ In Crore	
PARTICULARS		2013-2014	2012-2013
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit/(Loss) Before Tax and Extraordinary Items	76.04	129.18
	Provision for Doubtful Debts	-	1.55
	Adjustments for Depreciation	215.70	183.62
	(Profit) / Loss on Sale of Assets	0.12	-
	Effects of Exchange Rate Changes	(1.39)	-
	Share Issue Expenses W/off	0.41	0.27
	Interest Income, Exceptional Income & Extraordinary Income	(29.12)	(43.23)
	Interest & Financial Charges	303.61	330.72
	Operating Profit Before Working Capital Changes	565.37	602.11
	Adjustments for :		
	(Increase)/Decrease in Trade and other Receivables	(513.90)	(490.27)
	(Increase)/Decrease in Inventories	242.63	47.41
	Increase/(Decrease) in Trade Payables and Other Liabilities	556.34	1046.46
	Cash Generated from Operations	850.44	1205.71
	Direct Taxes Paid (Net of Refunds)	(31.27)	(33.22)
	Net Cash Generated from Operating Activities	819.17	1172.49
B	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of Fixed Assets	(992.35)	(513.85)
	Sale of Fixed Assets	0.06	0.04
	Purchase of Investments	(0.15)	0.01
	Sale of Investments	1.05	-
	Extraordinary/Exceptional Income Received	3.25	20.00
	Interest/Dividend Received	25.87	23.23
	Net Cash Used in Investing Activities	(962.27)	(470.57)
C	CASH FLOW FROM FINANCING ACTIVITIES :		
	Proceeds from Issue of Equity Shares	-	20.00
	Securities Premium received	-	140.34
	Proceeds from Long Term Borrowings	1893.87	150.00
	Repayments of Long Term Borrowings	(1,474.30)	(161.37)
	Interest & Financial Charges Paid	(454.60)	(482.97)
	Gain / (Loss) on Forward Contracts	(9.10)	(3.66)
	Share Issue Expense Paid	(1.26)	(1.34)
	Proceeds/(Repayments) of Deferred Sales Tax Loan/ICD/Unsecured Loans	18.92	(256.15)
	Net Cash Used in Financing Activities	(26.47)	(595.15)
	Net (Decrease)/Increase in Cash & Cash Equivalents (A+B+C)	(169.57)	106.77
	Cash & Cash Equivalents (Opening)	300.23	193.46
	Cash & Cash Equivalents (Closing)	130.66	300.23

Notes :

1. Cash Flow Statement has been prepared following the indirect method except in case of interest paid / received, dividend paid / received, purchase and sale of investments which have been considered on the basis of actual movements of cash with necessary adjustments in the corresponding assets and liabilities.
2. Purchase of Fixed Assets includes movement of Capital Work-in-Progress between the beginning and the end of the Year and Net of Creditors for Capital Expenditure.
3. Cash and Cash Equivalents represent Cash & Bank balances and bank deposits only.

As per our Report of even date

For and on behalf of the Board

For Prakkash Muni & Associates
Chartered Accountants
Firm Registration No. 111792 W

Rajinder Miglani
Chairman

Anuj R Miglani
Managing Director

Prakkash R. Muni
Partner
Membership No. 30544
Place : Mumbai
Date : 30th May, 2014

Gursharan Singh Sawhney
Director (Finance) & Group CFO

R Agrawal
Sr. Vice President & Company Secretary

SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2013-2014

1.0 Accounting Policies:

Most of the accounting policies of the Holding Company and that of the subsidiaries are similar.

2.0 Principal for Consolidation:

The consolidated financial statements relate to UTTAM GALVA STEELS LIMITED ("The Company"), its subsidiary companies and joint ventures. The consolidated financial statements have been prepared on the following basis:

- (a) The financial statement of the company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transaction resulting in unrealized profit and losses as per Accounting Standard -21 "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- (b) In case of foreign subsidiaries, being non-integral operation, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the foreign currency translation reserve.
- (c) The difference between the cost of investments in the subsidiaries and joint ventures, and the Company's share of net assets at the time of acquisition of shares in subsidiaries and joint ventures is recognised in financial statements as Goodwill or Capital Reserve as the case may be.
- (d) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.
- (e) Interest in joint venture have been accounted by using the proportionate consolidation method as per Accounting Standard -27 "Financial Reporting of Interest In Joint Venture" Notified by Companies(Accounting Standards) Rules 2006.
- (f) The financial statements of the subsidiaries and joint ventures are drawn up to the same reporting date as that of the Company i.e. 31st March, 2014 for the purpose of consolidation.
- (g) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

3.0 The audited financial statements of foreign subsidiaries have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation or International Financial Reporting Standards.

4.0 The list of Subsidiaries & Joint Ventures, which form part of consolidation and The Company's holdings therein are as under:

Sr. No.	Name of the Company	Country of Incorporation	% of Holding
A.	Subsidiaries		
1.	Uttam Galva Holdings Limited	Dubai	100.00%
2.	Atlantis International Services Company Limited	BVI	100.00%
3	Uttam Galva Steels, Netherlands B.V.	Netherlands	100.00%
4	Neelraj International Trade Limited	BVI	100.00%
5	Uttam Galva Steels (BVI) Limited	BVI	100.00%
6	Uttam Galva Steel FZE	Ras Al Khaimah	100.00%
B.	Joint Venture.		
1.	Texturing Technology Private Limited (TTPL)	India	50.00%
2	Moira Madhujore Coal Limited	India	30.70%



NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014.

Note 1 Share Capital

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
(a) Authorised Share Capital 50,00,00,000 (17,50,00,000) Equity Shares of ₹10 each	500.00	175.00
(b) Issued, Subscribed and Paid up Share Capital 14,22,60,103 (14,22,60,103) Equity Shares of Rs 10 each (Out of this 58,74,760 Equity Shares have been issued for consideration other than Cash and 2,18,57,924 Equity Shares have been issued on Conversion of Global Depository Receipts)	142.26	142.26
Total - Issued, Subscribed and Paid up Equity Share Capital	142.26	142.26

Reconciliation of No. of Shares outstanding is set out below	As at 31 st March, 2014	As at 31 st March, 2013
Equity Shares at the beginning of the year	14,22,60,103	12,22,60,103
Add: Shares Issued during the year (on QIP)	-	20,000,000
Equity Shares at the end of the year	14,22,60,103	14,22,60,103

Details of Shareholders holding more than 5% Equity Shares:				
Name of Shareholders	As at 31 st March, 2014		As at 31 st March, 2013	
	Number of shares held	% holding	Number of shares held	% holding
Equity Shares with Voting Rights				
Kredence Multi Trading Limited	1,49,21,063	10.49	1,49,21,063	10.49
Uttam Exports Private Limited	73,24,379	5.15	73,24,379	5.15
ArcelorMittal Netherlands B.V.	4,13,27,931	29.05	4,13,27,931	29.05
Cresta Fund Limited	1,41,01,426	9.91	1,41,01,426	9.91
Albula Investment Fund Limited	1,28,56,750	9.04	1,08,06,750	7.60
Asia Investment Corporation (Mauritius) Limited	84,42,125	5.93	84,42,125	5.93
Evergreen Tradeplace Private Limited (Formerly Investment Division of Shree Uttam Steel & Power Limited)	78,85,600	5.54	78,85,600	5.54

Note 2 Reserves and Surplus
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
(a) Capital Reserve		
As per Last Balance Sheet	0.12	0.12
(b) Capital Redemption Reserve		
As per Last Balance Sheet	5.37	5.37
(c) Securities Premium Account		
As per Last Balance Sheet	310.09	169.75
Add : During the Year		140.34
Closing Balance	310.09	310.09
(d) Debenture Redemption Reserve		
As per Last Balance Sheet	50.00	37.50
Less :Transferred to Profit & Loss Reserve Account	(25.00)	
Add: Transferred from Profit & Loss Account		12.50
Closing Balance	25.00	50.00
(e) Capital Incentive From Government of Maharashtra		
As per Last Balance Sheet	0.20	0.20
(f) Profit and Loss Account		
As per Last Balance Sheet	731.90	689.59
Add: Transferred from Debenture Redemption Reserve Account	25.00	
Add: Profit for the year	29.65	54.81
Less: Appropriations		
Less: Transferred to Debenture Redemption Reserve	-	12.50
Closing Balance	786.55	731.90
(g) Foreign Currency Translation Reserve		
As per Last Balance Sheet	(0.51)	
Add : During the Year	(4.92)	(0.51)
Closing Balance	(5.43)	(0.51)
Total - Reserves and Surplus	1,121.90	1,097.17

Note 3 Long Term Borrowings
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Secured		
11.25 % Redeemable Non-convertible Debentures	-	100.00
Term Loan from Banks and Financial Institutions	2,338.04	1,674.36
	2,338.04	1,774.36
Unsecured		
Other loans (SICOM & Others)	20.22	1.30
Total - Long Term Borrowings	2,358.26	1,775.66



(i) Details of Secured Debentures issued by the Company:			
Particulars	Terms and conditions*	As at 31 st March, 2014	As at 31 st March, 2013
11.25 % Redeemable Non-Convertible Debentures	Redeemable in 4 half-yearly installments ending on March, 2015	-	100.00
Total - Debentures		-	100.00
(ii) Details of terms of repayment for the Secured Long-Term Borrowings and security provided in respect thereof:			
Particulars	Terms of repayment	As at 31 st March, 2014	As at 31 st March, 2013
Term loans from banks:			
Punjab National Bank, State Bank of India, Bank of Baroda & Exim Bank	Repayable in 36 quarterly installments ending on March, 2020	307.31	1,190.00
ICICI Bank Limited -I		-	25.00
ICICI Bank Limited -II		-	184.82
ICICI Bank Limited (OFCL) 0%		-	9.55
State Bank of India		-	68.75
Vijaya Bank	Repayable in 28 quarterly installments ending on September, 2019	112.50	137.50
Syndicate Bank	Repayable in 20 quarterly installments ending on March, 2020	175.00	-
Oriental Bank of Commerce	Repayable in 24 quarterly installments ending on March, 2022	100.00	-
ECA : NORDEA Bank (USD 0.417 Million , Previous Year USD 0.83 Million)	Repayable in 16 half yearly installments ending on November, 2015	2.51	4.54
FCTL: Exim Bank (USD 14.625 Million, Previous Year USD Nil)	Repayable in 12 half yearly installments ending on July, 2020	87.90	-
ECB Loan : State Bank of India, Indian Overseas Bank, Bank of Baroda, Punjab National Bank, Union Bank of India, Indian Bank, Canara Bank, State Bank of Mauritius Limited, Afr Asia Bank Limited, Bank of India & ICICI Bank Limited. (USD 258.375 Million, Previous Year USD Nil)	Repayable in 12 half yearly installments ending on July, 2020	1,552.82	-
Total - Secured Long Term Loan From Banks		2,338.04	1,620.16

Secured term loans from Financial Institutions			
IFCI, LIC, GIC, UII		-	3.88
IDFC		-	49.18
Export Development Canada (Secured by Hypothecation of Waldrich Electro Discharge Texturing Machine - Profitex 60)			1.14
Total - Term loans from Financial Institutions		-	54.20
Total - Secured Long Term Loan From Banks and Financial Institutions		2,338.04	1,674.36

- 1) 11.25 % Non Convertible Debentures are secured by mortgage and the lenders have first pari passu charge on all immovable property and hypothecation of all movable properties including movable machineries, machinery spares, tools and accessories both present and future except Packing machine supplied by PESMEL, Finland.
- 2) Term Loans, ECBs & FCTL from Banks and Financial Institutions are secured by mortgage and the lenders have first pari passu charge on all the present and future movable and immovable assets of the Company but not limited to plant and machinery, machinery spares, tools and accessories in possession or not, stored, or to be brought in Company's premises or lying at any other place of the Company's representative affiliates and all the intangible assets of the Company, except for Packing machine supplied by PESMEL, Finland.
- 3) ECA from Nordea Bank is secured by exclusive charge on Packing machine, supplied by PESMEL, Finland
- 4) 25,02,500 Equity Shares (Previous Year 25,02,500 equity shares) held by Promoters are pledged against term loan of ₹9.55 Crore availed from ICICI Bank.

Note 4 Deferred Tax Liability (Net)
₹ in Crore

Particulars	As at 31st March, 2014	As at 31st March, 2013
Deferred Tax Liability (Net):		
Deferred Tax Liabilities related to Fixed Assets	196.36	168.76
Total- Deferred Tax Liability (Net)	196.36	168.76

Note 5 Other Long Term Liabilities
₹ in Crore

Particulars	As at 31st March, 2014	As at 31st March, 2013
Others:		
Advances		
- from Customers	-	-
- from Others	133.19	-
Total- Other Long Term Liabilities	133.19	-

Note 6 Long Term Provisions
₹ in Crore

Particulars	As at 31st March, 2014	As at 31st March, 2013
Provision for Employee Benefits:		
(i) Provision for Gratuity	6.89	6.34
(ii) Provision for Leave Encashment	4.63	5.19
Total - Long Term Provisions	11.52	11.53

**Note 7 Short Term Borrowings**

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
UnSecured		
Short Term Loan- Banks	848.91	654.39
Secured		
Working Capital Loan from Banks	160.50	265.80
Total - Short Term Borrowings	1,009.41	920.19

Loans from Banks on Cash Credit & Packing Credit Accounts are Secured by Hypothecation of all Tangible, Movable assets such as Raw Material, WIP, Finished Goods, Stock in Transit and Book Debts etc. and the second charge on fixed assets of the Company except Packing machine supplied by PESMEL, Finland.

Note 8 Trade Payables

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Trade Payables:		
Micro, Small and Medium Enterprises	2.10	0.74
Acceptances	793.52	930.88
Other than Acceptances	1,547.37	826.99
Total - Trade Payables	2,342.99	1,758.61

The details of amounts outstanding to Micro, Small & Medium Enterprises based on information available with the Company is as under:

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Principal amount due and remaining unpaid	2.10	0.74
Interest due on above and the unpaid interest	0.14	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

Note 9 Other Current Liabilities

₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
(a) Current maturities of Long Term Debt (Refer Note No. 3)	105.60	249.70
(b) Current maturities of NCD (Refer Note No. 3)	100.00	100.00
(c) Interest Accrued but not due on borrowings	26.31	5.04
(d) Other payables		
(i) Statutory Remittances (Contributions to PF and ESIC, Withholding Taxes, TDS, Excise Duty, VAT, Service Tax, etc.)	51.38	44.64
(ii) Advances from Customers	386.54	675.41
(iii) Provision for Freight & Other Expenses	51.19	40.14
Total - Other Current Liabilities	721.02	1,114.93

Note 10 Short Term Provisions
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
(a) Provision for Employee Benefits		
(i) Provision for Bonus	1.24	1.17
(ii) Provision for Gratuity	-	-
(iii) Provision for other Employee Benefits	0.10	0.51
	1.34	1.68
(b) Provision - Others:		
(i) Provision for Tax -Net of Advance Tax ₹ 18.13 Crore (As at 31 st March, 2013 ₹ 17.19 Crore)	(0.58)	10.04
(ii) Provision - Others	(0.22)	0.01
Total - Short Term Provisions	0.54	11.73

Note 11 Fixed Assets for the year ended 31st March 2014
₹ in Crore

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	NET BLOCK
	COST 1-Apr-13	ADDITIONS/ ADJUSTMENTS	DEDUCTIONS/ ADJUSTMENTS	COST 31-Mar-14	UPTO 1-Apr-13	FOR THE YEAR ENDED 31-Mar-14	DEDUCTIONS	TOTAL	AS AT 31-Mar-14	AS AT 31-Mar-13
(A) TANGIBLE ASSETS										
Land	42.01	4.60	-	46.61	-	-	-	-	46.61	42.01
Bldg & Site Dev.	684.09	119.17	-	803.26	119.56	22.92	-	142.48	660.78	564.53
Flats/Off.Prem.	2.96	1.97	-	4.93	0.33	0.05	-	0.37	4.56	2.63
Plant & Mach	3,428.28	837.66	-	4,265.94	878.91	181.93	-	1,060.84	3,205.10	2,549.37
Fur.&Fix.	32.13	3.10	-	35.23	9.22	1.84	-	11.06	24.17	22.91
Off. Equip.	7.41	0.12	-	7.53	4.90	0.64	-	5.55	1.99	2.52
Computer	12.81	2.66	-	15.48	8.92	1.38	-	10.30	5.17	3.89
Vehicles	10.12	1.17	0.38	10.91	3.87	0.91	0.21	4.57	6.34	6.25
Hsg.Complex	32.09	5.72	-	37.80	2.27	0.52	-	2.79	35.01	29.83
TOTAL (A)	4,251.90	976.17	0.38	5,227.69	1,027.98	210.19	0.21	1,237.96	3,989.73	3,223.94
(B) INTANGIBLE ASSETS										
Computer Software	-	23.07	-	23.07	-	0.09	-	0.09	22.98	-
TOTAL (B)	-	23.07	-	23.07	-	0.09	-	0.09	22.98	-
TOTAL (A+B)	4,251.90	999.24	0.38	5,250.76	1,027.98	210.28	0.21	1,238.05	4,012.71	3,223.94
PREVIOUS YEAR	3,740.52	501.41	0.04	4,251.90	844.39	183.62	0.03	1,027.96	3,223.94	

Note 12 Non Current Investments
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Investments (At cost):		
In Equity Shares of Associate Companies Unquoted, Fully Paid up 9,994 Equity Shares of ₹ 10 each of Uttam Utkal Steels Limited	0.01	0.01
	0.01	0.01
Investment in Debentures of others entities, Un-quoted Fully Paid up 3,00,000 Unsecured Optionally Fully Convertible Debentures of ₹ 100 each in Shree Bhavani Power Projects Private Limited	3.00	3.00
	3.00	3.00
Other Non-Current Investments		
i) 20,000 Equity Shares of ₹ 25 each of Punjab & Maharashtra Co-op Bank Limited	0.05	0.05
ii) 5,15,000, Equity Shares of ₹10 each in Ansal Hi-Tech Township Ltd.	0.52	0.52
iii) Share Application Money in Shree Bhavani Infracon Private Limited	0.94	2.00
iv) Investment in Mutual Funds		
- 50,000 Units of Union KBC Capital Protection Oriented Fund of ₹10 each	0.05	-
- 99,900 Units of Union KBC Trigger Fund of ₹ 10 each	0.10	-
	1.66	2.57
Total - Non Current Investments	4.67	5.58


Note 13 Long Term Loans and Advances
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured, Considered Good		
Security Deposits :		
- To Related Parties	16.05	16.05
- To Others	2.58	2.66
Advance Income Tax for Prior Years (Net of Provision as at 31 st March, 2013)	13.01	12.08
MAT credit entitlement	41.33	41.33
Total - Long Term Loans Advances	72.97	72.12

Note 14 Other Non-Current Assets
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Accruals		
Interest Accrued on Deposits	0.66	3.25
Others		
Other Receivables	0.00	0.69
Total - Other Non Current Assets	0.66	3.94

Note 15 Inventories
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Raw Materials	238.03	293.43
Goods-in-Transit	90.14	70.25
Work-in-Progress	129.01	302.93
Finished Goods	212.21	274.61
Stock-in-Trade	67.91	38.32
Stores and Spares	48.93	50.40
Arising	8.89	7.81
Total - Inventories	795.12	1,037.75

Note: Details of inventory of Work-in-Progress

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Product CRC + Slab	65.25	206.23
Product GP/GC	44.41	86.69
Product PPGI	19.35	10.01
Total - Work in Progress	129.01	302.93

Note 16 Trade Receivables
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured, Considered Good		
Outstanding for a period exceeding six months	53.31	31.06
Other Receivables	926.82	739.45
Less: Provision for Bad and Doubtful Debts	3.31	3.31
Total - Trade Receivables	976.82	767.20

Note 17 Cash and Bank Balances
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Cash and Cash Equivalents		
Cash in hand	0.72	0.27
Bank Balances		
- In Current Accounts	129.63	299.67
- In EEFC Accounts	-	-
Other Bank Balances		
Balances held as Margin money or security against Borrowings, Guarantees and other Commitments	0.31	0.29
Total - Cash and Bank Balances	130.66	300.23

Note 18 Short-term Loans and Advances
₹ in Crore

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured, considered good		
Loans and advances to Related Parties	0.08	0.23
Loans and advances to Employees	3.35	2.36
Prepaid Expenses	42.01	39.69
Balances with Government Authorities		
(i) CENVAT Credit Receivable	244.18	214.31
(ii) VAT Refund Receivable	93.79	133.54
(iii) Service Tax Credit Receivable	8.01	18.28
Advances to Suppliers	859.64	535.43
Advances recoverable in cash or in kind or for value to be received	89.07	94.75
Deposits	7.21	2.36
Total - Short Term Loans and Advances	1,347.34	1,040.95

Note 19 Revenue from operations
₹ in Crore

Particulars	2013-2014	2012-2013
Sale of Products #	4,319.45	4,116.45
Traded Goods	1,219.35	2,102.87
Other Operating Revenues	219.84	392.81
Gross Revenue from Operations	5,758.64	6,612.13
Less: Excise Duty	318.19	341.27
Total - Revenue from Operations (Net)	5,440.45	6,270.86

Particulars	2013-2014	2012-2013
Sale of Products Comprises		
Manufactured Goods**		
GP/GC*	2,478.64	2,385.31
PPGI	677.94	466.39
CRCA + HRPO + APC +Tube	1,162.87	1,264.75
Total - Sale of Manufactured Goods	4,319.45	4,116.45



Traded Goods		
Sales Domestic Service Centre	324.84	477.73
Sales Domestic Trading ***	202.98	875.02
Sales-Deemed Exports	162.30	-
Sales Merchandice Exports	529.23	750.12
Total - Sale of Traded Goods	1,219.35	2,102.87
Total - Sale of Products	5,538.80	6,219.32
Other Operating Revenues		
Sale of Scrap/ Arising	175.29	292.90
Duty Drawback and Other Export Incentives(FMS and SHIS)	26.92	29.63
Sale of Surplus Genrated Power	17.63	70.28
Total - Other Operating Revenues	219.84	392.81
# Sales includes ₹ 529.92 Crore (Previous Year ₹ 834.10 Crore)towards sales from trial run/stabilisation of production, of 4 Hi Skin Pass Mill.		
* GP Sales includes ₹ 1,147.63 Crores (Previous Year ₹ 1,008.88 Crore) towards sales during stabilisation of Super Galvanising Line (SGL).		
** Manufactured Sales includes Export Sales ₹ 1,480.84 Crore (Previous Year ₹ 1,236.41 Crore).		
*** Excludes ₹ 139.74 Crore, related to FY 2012-13, is disclosed seperately under the head 'Prior Period Item', as per AS-5.		

Note 20A Cost of Materials Consumed

₹ in Crore

Particulars	2013-2014	2012-2013
Opening Stock	336.39	591.45
Add: Purchases	2,855.48	2,997.10
	3,191.87	3,588.54
Less: Closing Stock	313.55	336.39
Cost of Material Consumed	2,878.32	3,252.16
Cost of Materials Consumed		
Hot Rolled Coil	2,315.91	2,422.35
Cold Rolled Full Hard	147.65	473.79
Zinc & Metal	356.99	322.23
Paint	57.76	33.79
Total - Cost of Material Consumed	2,878.32	3,252.16

Note 20B Purchase of Stock-in-Trade

₹ in Crore

Particulars	2013-2014	2012-2013
Purchase of Stock-in-Trade		
Trading Purchases Hot Rolled Coil - Domestic	2.16	154.25
Trading Purchases Others - Domestic	67.69	401.26
Trading Purchases - Imports*	1,038.40	1,404.96
Total - Purchase of Stock-in-Trade	1,148.25	1,960.47

* Excludes ₹ 137 Crores related to FY 2012-13, which has been disclosed seperately under the head "Prior Period Item", as per AS-5.

Note 20C Changes in Inventories of Finished Goods, Work-in-Progress , Stock-in-Trade
₹ in Crore

Particulars	2013-2014	2012-2013
Inventories at the end of the year:		
Finished Goods at Plant	175.70	179.40
Finished Goods at Port	36.39	95.21
Arisings	8.89	7.81
Work-in-Progress	129.01	302.93
Stock-in-Trade	67.91	38.32
	417.90	623.67
Inventories at the beginning of the year:		
Finished Goods at Plant	179.40	136.28
Finished Goods at Port	95.21	91.43
Arisings	7.81	8.65
Work-in-Progress	302.93	138.18
Stock-in-Trade	38.32	62.93
	623.67	437.47
Net Decrease/(Increase) in Inventories	205.77	(186.20)

Note 21 Employee Benefit Expenses
₹ in Crore

Particulars	2013-2014	2012-2013
Salaries and Wages	75.29	66.02
Contributions to Provident and other Funds	4.25	3.03
Staff Welfare Expenses	8.52	7.29
Total - Employee Benefit Expenses	88.06	76.34

Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard 15 (Revised) the details of which are as follows:

₹ in Crore

Amount to be recognised in Balance Sheet As at 31 st March, 2014	31-03-2014	31-03-2013
Gratuity		
Present Value of Funded Obligations	16.37	14.01
Present Value of Unfunded Obligations	6.89	6.35
Fair Value of Plan Assets (managed by insurer)	9.48	7.66
Net Liability	6.89	7.66
Amounts in Balance Sheet		
Liability	16.37	14.01
Assets	9.48	6.35
Net Liability	6.89	7.66
Expenses to be recognised in the Statement of Profit & Loss		
Current Service Cost	1.98	1.72
Interest on Defined Benefit Obligation	1.12	0.97
Expected Return on Plan Assets	(0.67)	(0.62)
Net Actuarial Losses/(Gains) recognised during the Year	0.25	(0.28)
Total, included in "Employee Benefit Expense"	2.68	1.79
Actual Return on Plan Assets	0.67	0.62



Reconciliation of Benefit Obligations & Plan Assets For the Period		
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	14.01	12.08
Current Service Cost	1.98	1.72
Interest Cost	1.12	0.97
Actuarial Losses/ (Gains)	0.25	(0.28)
Benefits Paid/ Accrued but not paid	(0.99)	(0.48)
Closing Defined Benefit Obligation	16.37	14.01
Change in Fair Value of Assets		
Opening in Fair Value of Plan Assets	7.66	5.32
Expected Return on Plan Assets	0.67	0.62
Actuarial Gains / (Losses)	(0.25)	-
Contributions by Employer	2.25	1.81
Benefits Paid/ Accrued but not paid	(0.85)	(0.09)
Closing Fair Value of Plan Assets	9.48	7.66
Principal Actuarial Assumptions (Expressed as Weighted Averages)		
Discount Rate (p.a.)	8.00%	8.00%
Expected Rate of Return on Assets (p.a.)	6.94%	8.51%
Salary Escalation Rate (p.a.)	7.00%	7.00%

₹ in Crore

Amount to be recognised in Balance Sheet As at 31st March, 2014	31-03-2014	31-03-2013
Leave Encashment		
Present Value of Funded Obligations	-	-
Present Value of Unfunded Obligations	4.64	5.19
Fair Value of Plan Assets (managed by insurer)	-	-
Net Liability	4.64	5.19
Amounts in Balance Sheet		
Liability	4.64	5.19
Assets	-	-
Net Liability	4.64	5.19
Expenses to be recognised in the Statement of Profit & Loss		
Current Service Cost	1.19	1.20
Interest on Defined Benefit Obligation	0.42	0.48
Expected Return on Plan Assets	-	-
Net Actuarial Losses/(Gains) recognised during the Year	(1.41)	(1.75)
Total, included in "Employee Benefit Expense"	0.20	(0.07)
Actual Return on Plan Assets	-	-
Principal Actuarial Assumptions (Expressed as Weighted Averages)		
Discount Rate (p.a.)	8.00%	8.00%
Expected Rate of Return on Assets (p.a.)	-	-
Salary Escalation Rate (p.a.)	7.00%	7.00%

Note 22 Other Expenses
₹ in Crore

Particulars	2013-2014	2012-2013
Manufacturing Expenses		
Power Consumption	138.54	130.53
Coal Consumed	83.34	145.30
Power Captively Consumed	(112.36)	(118.16)
Power Captively Consumed - Steam	(7.27)	(9.06)
Consumption of Steam	7.27	9.06
Fuel Consumption	91.78	66.03
Water Charges	2.30	2.59
Stores & Spares Consumed	58.75	46.44
Repairs & Maintenance to Plant	31.42	25.74
Other Manufacturing Expenses	23.69	42.81
Total - Manufacturing Expenses	317.46	341.28
Selling and Distribution Expenses		
International Freight	81.55	66.78
F.O.B. Expenses	25.44	19.11
Local Freight	30.28	26.56
Brokerage & Commission	2.49	2.70
Other Expenses	9.35	8.06
Packing Material Consumed	60.19	52.60
Total - Selling and Distribution Expenses	209.30	175.81
Administrative Expenses		
Insurance	9.98	7.02
Travelling & Conveyance	6.28	4.93
Rent, Rates & Taxes	5.13	4.02
Legal , Professional & Consultancy Charges	13.91	9.20
Repairs & Maintenance to Building	6.91	7.17
Repairs & Maintenance to others	2.63	1.92
Security charges	2.84	2.42
Other Expenses	14.88	11.35
Remuneration to CMD/DMD	3.12	3.12
Sundry Balance Written Off/(Written back)	0.02	-0.90
Payment to Auditors - Audit Fees	0.31	0.31
- Tax Audit & Certifications	0.05	0.10
- Expenses Reimbursed	0.03	0.05
Loss on Sale of Fixed Assets	0.12	0.00
Total - Administrative Expenses	66.21	50.71
Total - Other Expenses	592.97	567.80

Note 23 Finance Costs
₹ in Crore

Particulars	2013-2014	2012-2013
Interest Expense on:		
(i) Borrowings - Long Term	185.29	256.99
(i) Borrowings - Short Term	207.70	185.53



Other Borrowing Costs (Upfront Fees)	61.61	40.45
Net Loss on Foreign Currency Transactions and Translation	9.10	3.66
Gross Interest and Financial Charges	463.70	486.63
Interest & Financial Charges Charged to Capital Work In Progress	159.68	155.91
Total - Finance Cost	304.02	330.72

Note 24 Other Income

₹ in Crore

Particulars	2013-2014	2012-2013
Interest Income		
- Operational	30.90	5.40
- Non-Operational	9.23	6.20
Net Gain on Foreign Currency Transactions and Translation (other than considered as Finance Cost)	5.92	1.49
Other Non-Operating Income	16.64	10.14
Total - Other Income	62.69	23.23
Interest income		
i) Income from Mutual Fund	-	0.83
ii) Interest Received on Fixed Deposits	0.01	5.37
iii) Interest Received Others	9.23	-
iv) Interest on Receivables	30.89	5.40
Total- Interest Income	40.13	11.60

Note 25A Extraordinary Incomes/ Exceptional Incomes

₹ in Crore

Particulars	2013-2014	2012-2013
Sale of Investment in Step- down Subsidiary	3.25	-
Compensation on cancellation on Fixed Assets Contract	-	20.00
Total - Extraordinary Income	3.25	20.00

Note 25B Prior Period Incomes

₹ in Crore

Particulars	2013-2014	2012-2013
Trading Domestic Sales	139.74	-
Less: Trading Purchases	(137.00)	-
Total - Prior Period Income	2.74	-

Note 26. Contingent Liabilities not provided for in respect of:

₹ in Crore

Sr. No.	Particulars	31 st March, 2014	31 st March, 2013
(a)	Letters of Credit outstanding	988.64	754.88
(b)	Bank Guarantees	124.42	129.12
(c)	Estimated amount of contracts remaining to be executed on capital account and not provided for	83.21	86.31
(d)	Disputed Statutory Liabilities	16.35	16.37

The Company has given a Corporate Guarantee aggregating to ₹91.84 Crore (Previous Year ₹ 472.58 Crore) to Banks & Government Authorities on behalf of others.

27. Pursuant to revision of Accounting Standard 11 (AS -11), Exchange Fluctuation Loss of ₹ 76.69 Crore (Previous Year Loss ₹ 8.82 Crore on Foreign Currency Loans is adjusted against cost of relevant fixed assets.

28. Taxation.

- (a) The Company does not have taxable income as per the provisions of the Income Tax Act, 1961. However, it is liable to MAT (Minimum Alternate Tax).
- (b) The Company has provided for deferred tax liability to the tune of ₹ 27.60 Crore (Previous Year ₹ 46.49 Crore) arising on account of timing difference between the book and tax profit of the period. The same is net of tax incentive available at a future date and deferred tax payable at future date.

29. Earnings Per Share (EPS)

Earnings Per Share (EPS) Basic and Diluted	2013-2014	2012-2013
a) Including Extraordinary Income, Exceptional Income & Prior Period Income		
Profit for the Year	29.67	54.81
Weighted Average No. of Ordinary Shares of ₹10 each for Basic EPS	14,22,60,103	12,24,79,281
Earnings Per Share (EPS) Basic & Diluted (Rupees)	2.09	4.48
b) Excluding Extraordinary Income, Exceptional Income & Prior Period Income		
Profit for the Year	24.23	38.81
Weighted Average No. of Ordinary Shares of ₹10 each for Basic EPS	14,22,60,103	12,24,79,281
Earnings Per Share (EPS) Basic & Diluted (Rupees)	1.70	3.17

- 30. In all the companies under consolidation, depreciation is charged on Straight Line Method (SLM), where as in case of TTPL depreciation of ` 0.90 Crore is charged on Written Down Value Method (WDV), which is 0.42 % of total depreciation.
- 31. In respect of Jointly Controlled Entities, the Company’s share of assets, liabilities, incomes and expenditures of Joint Venture Company is as follows:

₹ in Crore

Particulars	Moira Madhujore Coal Limited		Texturing Technology Private Limited	
	As on 31st March, 2014	As on 31st March, 2013	As on 31st March, 2014	As on 31st March, 2013
1. Assets				
a) Fixed Assets (Incl. CWIP)	0.91	8.52	5.54	6.43
b) Non - Current Assets	0.10	7.77	0.27	0.09
c) Current Assets	0.83	2.08	2.22	1.79
2. Liabilities				
a) Secured / Unsecured Loans	-	-	-	1.16
b) Non - Current Liabilities	-	-	0.48	0.51
c) Current Liabilities	0.06	0.10	1.67	1.37
3. Income	0.06	0.06	3.52	3.60
4. Expenditure	0.01	0.02	2.49	1.88



32. (a) List of Related Parties as per Accounting Standard 18 (AS-18) with whom the Company have entered into transactions during the year in the ordinary course of business:

(i) Key Managerial Personnel:

Mr. Rajinder Miglani

Mr. Anuj R. Miglani

Mr. Ankit Miglani

Mr. Gursharan Singh Sahwney

(ii) Other Related Parties

(Associates of the Company/Enterprises over which key management personnel and/or their relatives exercise significant influence)

Co-Promoter

ArcelorMittal Netherland, B.V.

Ability to Control / Exercise Significant Influence

ArcelorMittal Finanzaria, SRL

ArcelorMittal Cons Reunion

ArcelorMittal SSC, Italia

ArcelorMittal International FZE

ArcelorMittal International Luxembourg

ArcelorMittal Distribution Solution

ArcelorMittal Singapore Pvt Limited

Associates

Grow Well Mercantile Limited

Evergreen Tradeplace Private Limited

Shree Uttam Steel and Power Limited

Uttam Galva Metallics Limited

Uttam Distribution Network Limited

Uttam Utkal Steels Limited.

Sainath Trading Company Private Limited

Uttam Galva Ferrous Limited

Kredence Multi Trading Limited

Archisha Steels Private Limited (Formerly known as Archisha Investment Private Limited)

Uttam Value Steels Limited (Formerly known as Lloyds Steel Industries Limited)

(b) Details of transactions with related parties referred to in (a)(ii) above:

₹ in Crore

Particulars	Ability to Control/Exercise significant influence		Associates	
	2013-2014	2012-2013	2013-2014	2012-2013
Sale of goods / services	389.22	8.10	496.33	522.15
Purchase of goods / services	52.78	676.78	320.15	139.06
Rent Payment	-	1.90	-	1.86
Interest Received	-	14.80	-	-

Uttam Galva Steels Limited

33. Ferro Zinc International (FZE) has ceased to be a step-down Subsidiary of the Company during the year ended 31st March, 2014. Therefore the financial statement of Ferro Zinc International (FZE) will not form part of consolidated financial statements of the Company with effect from 1st April, 2013.
34. Previous Year's figures are regrouped and rearranged wherever necessary.

As per our Report of even date

For and on behalf of the Board

For **Prakkash Muni & Associates**

Chartered Accountants

Firm Registration No. 111792 W

Rajinder Miglani

Chairman

Anuj R Miglani

Managing Director

Prakkash R. Muni

Partner

Membership No. 30544

Place : Mumbai

Date : 30th May, 2014

Gursharan Singh Sawhney

Director (Finance) & Group CFO

R Agrawal

Sr. Vice President & Company Secretary

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs undertook a “**Green Initiative in the Corporate Governance**” by allowing paperless compliance by the companies and has issued circular Nos. 17/2011 dated 21-4-2011 and 18/2011 dated 29-4-2011 stating that service of notice / documents including Annual Report can be sent by electronic mode to its members. To support this Green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses and changes therein from time to time along with their name, address and Folio No./Client Id Nos., in respect of their shareholding with:

- 1) The Registrar and Share Transfer Agents viz. Universal Capital Securities Pvt. Ltd. for shares held in physical form and;
- 2) The concerned Depository Participants in respect of shares held in electronic / demat mode

Upon registration of e-mail address(es), the Company would send Notices / Circulars / Documents including Annual Report and other communications via electronic mode.

In case any Member opts / insists for physical copies of above documents, the same would be send to him by post free of cost at the address registered with the Company.

Note : You can register your e-mail address at the Company's E-mail address: shares@uttamgalva.com

REGISTRATION FORM FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

M/s. Universal Capital Securities Private Limited

(Unit: UGSL)

21, Shakil Niwas, Mahakali Caves Road,
Andheri (East), Mumbai – 400 093.

I/We, am/are member/s of M/s. **UTTAM GALVA STEELS LIMITED** and hereby exercise my/our option to receive the documents such as Notices / Circulars / Documents including Annual Reports and other communications in electronic mode pursuant to the circular Nos. 17/2011 date 21-4-2011 and 18/2011 dated 29-4-2011 by the Ministry of Corporate Affairs. Please register my following e-mail id in your records for sending communication through electronic mode.

Name of First Member _____

Joint Holder – 1 _____

Joint Holder – 2 _____

E-mail id for registration _____

Date: _____ Signature (1st holder) _____

Regd. Folio /Client Id No. _____



UTTAM GALVA STEELS LIMITED

Registered Office: Uttam House, 69, P.D' Mello Road, Mumbai – 400 009

PROXY FORM

[Pursuant to this Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L27104MH1985PLC035806

Name of the Company : Uttam Galva Steels Limited

Registered office : Uttam House, 69, P. D'mello Road, Mumbai : 400 009.

Tel. No. 022 66563500, Fax No.: 022 23485025, E-Mail : shares@uttamgalva.com, Website: www.uttamgalva.com

Name of the Member (s):			
Registered Address:			
Email-Id:			
Folio No./Client ID:		DP ID:	

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: _____, or failing him

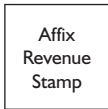
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of Uttam Galva Steels Limited to be held on the 23rd day of August, 2014 at 11.00 a.m. on Saturday at "M C Ghia Hall, 18/20, K. Dubhash Marg, Mumbai – 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1	Adoption of Audited Financial Statements for the year ended 31 st March, 2014.
2	Re-appointment of Shri S G Tudekar, (DIN 00138678) who retires by rotation and being eligible, offers himself for re-appointment
3	Re-appointment of M/s. Prakkash Muni & Associates, Chartered Accountants as Statutory Auditor and fixing their remuneration.
Special Business	
4	Re-appointment of Shri Ankit Midlani (DIN 00444956) as a Dy. Managing Director of the Company.
5	Appointment of Shri Gursharan Singh Sawhney (DIN 02339467) as a Director of the Company.
6	Appointment of Shri Gursharan Singh Sawhney (DIN 02339467) as a Whole-time Director of the Company.
7	Appointment of Shri S T Parikh (DIN 00941756) as an Independent Director of the Company.
8	Appointment of Shri O P Gahrotra (DIN 00936696) as an Independent Director of the Company.
9	Appointment of Shri D L Rawal (DIN 00955797) as an Independent Director of the Company.
10	Approval of borrowing limits of Rs. 10,000 Crore of the Company.
11	Approval of the remuneration of the cost auditor for the financial year 2014-2015.

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

Signature of shareholder

Signature of Proxy holder(s)



Notes:

- 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.
- Please complete all details including details of member(s) before submission.



UTTAM GALVA STEELS LIMITED

Registered Office: Uttam House, 69, P.D' Mello Road, Mumbai – 400 009

ATTENDANCE SLIP

CIN : L27104MH1985PLC035806
Name of the Company : Uttam Galva Steels Limited
Registered office : Uttam House, 69, P. D'mello Road, Mumbai : 400 009.
Tel. No. 022 66563500, Fax No.: 022 23485025,
E-Mail : shares@uttamgalva.com, Website: www.uttamgalva.com

Name and Address of Shareholder or Proxy	
Folio No.	
DP ID - Client ID	
No. of Shares	

I / We, hereby record my / our attendance at the **29th Annual General Meeting** at 11.00 a.m. on **Saturday, 23rd August, 2014** at M C Ghia Hall, 18/20 K Dubhash Marg, Mumbai: 400 001.

Signature of Shareholder or Proxy _____

E-mail address _____

Note:

1. Please fill up this attendance slip and hand it over at the entrance of the meeting hall.
2. Members are requested to bring their copies of the Annual Report at the meeting.
3. Please strike of whichever is not applicable.

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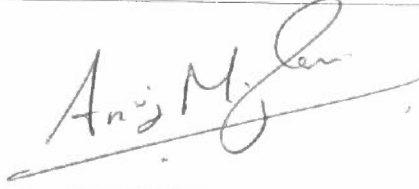


(UNIT: UGSL)

21, SHAKIL NIWAS,
MAHAKALI CAVES ROAD,
ANDHERI (EAST),
MUMBAI - 400 093.

Tel. No.: 022 28207203 / 05

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	Uttam Galva Steels Limited
2.	Annual Financial Statements for the year ended.	31 st March, 2014
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	Shri Anuj R Miglani Managing Director	
	Shri Gursharan Singh Sawhney Director (Finance) & Group CFO	
	Shri Prakkash R Muni Partner, Membership No. 30544 Prakkash Muni & Associates Chartered Accountants, Mumbai Firm Regn No. 111792W	
	Shri S. T. Parikh Chairman of the Audit Committee	