



**UTTAM**

**32<sup>nd</sup>**

# **Annual Report**

## **2016 - 2017**

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**UTTAM GALVA STEELS LIMITED**

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The Best that Steel can be

<b>BOARD OF DIRECTORS</b>	RAJINDER MIGLANI : CHAIRMAN O P GAHROTRA : DIRECTOR SWARNA PRABHA SUKUMAR : DIRECTOR R K DUBEY : DIRECTOR B L KHURANA : DIRECTOR RAJIV MUNJAL : ADDITIONAL DIRECTOR ANUJ R MIGLANI : MANAGING DIRECTOR GURSHARAN SINGH SAWHNEY : DIRECTOR (FINANCE) & GROUP CFO
<b>PRESIDENT &amp; COMPANY SECRETARY</b>	R AGRAWAL
<b>WORKING CAPITAL BANKERS</b>	STATE BANK OF INDIA PUNJAB NATIONAL BANK IDBI BANK INDIAN OVERSEAS BANK PUNJAB & MAHARASHTRA CO-OP BANK CANARA BANK UNION BANK OF INDIA BANK OF BARODA ICICI BANK
<b>STATUTORY AUDITORS</b>	M/s. TODARWAL & TODARWAL CHARTERED ACCOUNTANTS, MUMBAI
<b>INTERNAL AUDITORS</b>	M/s. K S AIYAR & CO. CHARTERED ACCOUNTANTS, MUMBAI
<b>CORPORATE IDENTITY NO. (CIN)</b>	L27104MH1985LPC035806
<b>REGISTERED OFFICE</b>	UTTAM HOUSE, 69, P. D'MELLO ROAD, MUMBAI: 400 009 E-MAIL: <a href="mailto:shares@uttamgalva.com">shares@uttamgalva.com</a> WEBSITE: <a href="http://www.uttamgalva.com">www.uttamgalva.com</a>
<b>OTHER OFFICES</b>	▪ NAGPUR ▪ PUNE ▪ NEW DELHI ▪ BANGALORE ▪ CHENNAI ▪ HYDERABAD ▪ AHMEDABAD ▪ INDORE
<b>WORKS</b>	KHOPOLI - PEN ROAD, DONVAT DIST: RAIGAD - MAHARASHTRA KHOPOLI - PALI ROAD, DAHIVALI DIST: RAIGAD - MAHARASHTRA
<b>SERVICE CENTRE</b>	A/5, TALOJA MIDC DIST: RAIGAD MAHARASHTRA M-134, WALUJ MIDC DIST: AURANGABAD MAHARASHTRA 195-B SECTOR-4 PHASE-II BAWAL DIST: REWARI, HARYANA

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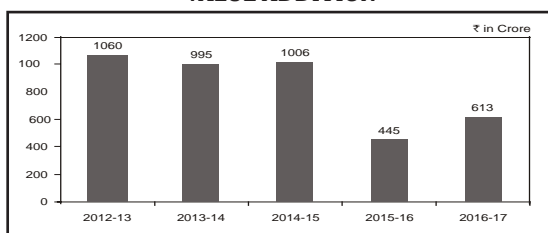


5 YEARS' FINANCIAL HIGHLIGHTS

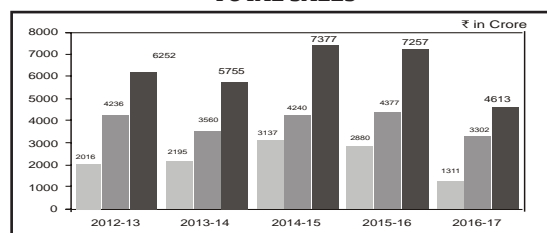
₹ in Crore

	2016-17	2015-16	2014-15	2013-14	2012-13
<b>SALES &amp; EARNINGS</b>					
LOCAL SALES	3,302	4,377	4,240	3,560	4,236
EXPORT SALES	1,311	2,880	3,137	2,195	2,016
<b>GROSS REVENUE FROM OPERATION</b>	<b>4,613</b>	<b>7,257</b>	<b>7,377</b>	<b>5,755</b>	<b>6,252</b>
EARNING BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION ( EBITDA )	266	53	531	553	594
FINANCE COST	609	505	262	289	305
<b>PROFIT BEFORE DEPRECIATION &amp; TAX (PBDT)</b>	<b>(343)</b>	<b>(452)</b>	<b>279</b>	<b>296</b>	<b>318</b>
DEPRECIATION & AMORTISATION	285	282	224	215	183
EXCEPTIONAL ITEMS	0	718			
<b>PROFIT BEFORE TAX (PBT)</b>	<b>(629)</b>	<b>(1,452)</b>	<b>55</b>	<b>81</b>	<b>135</b>
CURRENT / DEFERRED /PRIOR PERIOD TAX EXPENSES	0	(41)	(25)	(46)	(74)
DEFERRED TAX INCOME	183	446	224		
OTHER COMPREHENSIVE INCOME	20	489	(457)		
<b>TOTAL COMPREHENSIVE INCOME /(LOSS) / PROFIT AFTER TAX</b>	<b>(426)</b>	<b>(558)</b>	<b>(202)</b>	<b>35</b>	<b>62</b>
<b>ASSETS &amp; LIABILITIES</b>					
NON-CURRENT ASSETS	7,841	7,888	5,673	4,855	3,897
CURRENT ASSETS	2,267	2,538	2,828	3,149	2,935
<b>TOTAL ASSETS</b>	<b>10,108</b>	<b>10,427</b>	<b>8,501</b>	<b>8,005</b>	<b>6,833</b>
<b>REPRESENTED BY</b>					
SHAREHOLDER'S FUND	732	1,158	1,716	1,282	1,247
NON-CURRENT LIABILITIES	2799	2849	2730	3137	2281
CURRENT LIABILITIES	6,577	6,420	4,055	3,586	3,306
<b>TOTAL FUNDS</b>	<b>10,108</b>	<b>10,427</b>	<b>8,501</b>	<b>8,005</b>	<b>6,833</b>
<b>RATIOS</b>					
EARNING PER EQUITY SHARE (BEFORE OCI) ₹...	(31.30)	(73.61)	17.94	2.48	5.03
BOOK VALUE PER EQUITY SHARE ₹S	51.48	81.40	120.61	90.11	87.63
DEBT: EQUITY RATIO @	24.80:1	5.12:1	2.46:1	2.00:1	1.70:1

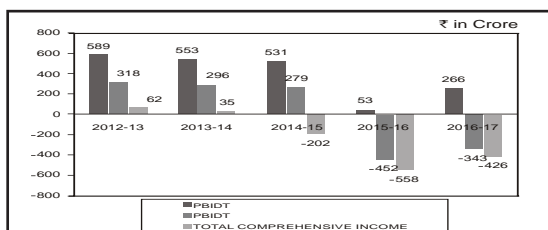
VALUE ADDITION



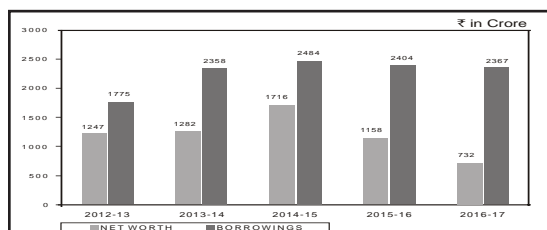
TOTAL SALES



PBDT/PBDT/PROFIT BEFORE TAX



NETWORTH AND BORROWINGS





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## NOTICE

**NOTICE** is hereby given that the **32<sup>nd</sup> ANNUAL GENERAL MEETING (AGM)** of the Members of the Company will be held on Saturday, the 19<sup>th</sup> August, 2017, at 11.00 A.M. at M.C. Ghia Hall, 18/20, K. Dubash Marg Mumbai- 400001 to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Stand-alone financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2017 and the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2017 and the Report of the Auditors thereon.
3. To appoint a Director in place of Shri Rajinder Miglani (DIN 00286788), who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Statutory Auditors:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. Tadarwal & Tadarwal, Chartered Accountants, (Firm Registration No. 111009W) be and are hereby appointed as the Statutory Auditors of the Company for a term of three years commencing from the Company's financial year 2017-18 to hold office from the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company till the conclusion of the 35<sup>th</sup> Annual General Meeting (subject to ratification of their appointment by the Members at every intervening Annual General Meeting held after this Annual General Meeting) on such remuneration plus service tax, out-of-pocket expenses etc. as may be mutually agreed upon by the Board of Directors and the Auditors.

### **SPECIAL BUSINESS**

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

**"RESOLVED THAT** Shri Rajiv Munjal (DIN 05195651) who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 9<sup>th</sup> February, 2017 and who holds office upto the date of the ensuing Annual General Meeting under Section 149, 152 & 161 and other applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Articles of Association of the Company, who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member

under Section 160 of the Companies Act, 2013, along with the prescribed deposit from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company in capacity of Non-Executive and Non Independent Director."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** subject to the provisions of Section 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 (the "Act") and subject to the approval of the Central Government or such other authorities as may be necessary, and provisions of the Articles of Association of the Company, the reappointment 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 30<sup>th</sup> May, 2017 to 29<sup>th</sup> May, 2020, be and is hereby approved on following terms and condition:

### **Remuneration:**

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

### **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 to 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 and any Director and/or Company Secretary of the Company be and is hereby authorized to submit application before Central Government and sign, execute any papers, documents, forms, advertisement, notice as may be require under Section 197(10) and other applicable provisions of the Companies Act, 2013

**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, 2013 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 Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment thereof, for the time being in force, the aggregate remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and out of pocket expenses payable to M/s. Manisha & Associates, Cost Accountant (Firm Registration No. 000321), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of Steel and Power division of the Company for the financial year 2017-18, be and is hereby ratified.”

## NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out material facts and details relating to Special Business at the Meeting, is annexed hereto.
2. Register of Members and Share Transfer Books of the Company shall remain closed from 14<sup>th</sup> August, 2017 to 19<sup>th</sup> August, 2017 (both days inclusive).
3. Additional Information, pursuant to regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Director seeking appointment/ reappointment at the AGM provided herewith as a part of the Corporate Governance Report. The Directors have furnished consent/ declaration for the appointment/ reappointment as required under the Companies Act, 2013 and rules made thereunder.
4. A MEMBER ENTITLED TO ATTEND AND VOTE AT ANNUAL GENERAL 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 50 (fifty) 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.
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. All documents referred to in the accompanying Notice and statement under Section 102 of the Companies Act, 2013, shall be open for inspection at the Registered Office of the Company (Monday to Friday) from 11.00 a.m. to 1.00 p.m., up to the date of the Annual General Meeting of the Company.
7. 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.
8. The transfer of Unclaimed Dividend to Investor Education & Protection Fund of the Central Government as required in terms of Section 125 of Companies Act, 2013, during the current Financial Year is not applicable.
9. 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, at least seven days before the date of Meeting.
10. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are therefore requested to submit their PAN to the depository participants with whom they maintain their demat accounts. Members holding shares in the physical form should submit their PAN to the Registrar and Share Transfer Agent/Company.



11. The Company has implemented a Green initiative to enable electronic delivery of Notices/ documents. Members are requested to provide their E-mail addresses to the Registrar and Share Transfer Agent of the Company in order to receive the various Notices and other Notifications from the Company, in electronic form.

12. E-mail address of the Company is [shares@uttamgalva.com](mailto:shares@uttamgalva.com).

13. All queries relating to Share Transfer and allied matters shall be addressed to:

**Universal Capital Securities Private Limited (Registrar and Share Transfer Agent)**

21, Shakil Niwas, Mahakali Caves Road, Andheri (e), Mumbai 400 093 Tele No.: 28207203/05, E-mail: [info@unisec.in](mailto:info@unisec.in)

**14. Information for Voting:**

14.1 Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company is pleased to provide its Members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at 32<sup>nd</sup> AGM. The Business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

14.2 The Company will also provide voting facility through ballot paper at the Meeting. Members who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting.

14.3 Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

14.4 The Company has appointed Shri Jigarkumar Gandhi, Proprietor of M/s. JNG & Co., Company Secretaries, Mumbai, as the scrutinizer for conducting for remote e-voting and the voting process at the AGM in a fair and transparent manner.

**15. Instructions for Remote E-Voting:**

15.1 The voting period begins on Tuesday, 15<sup>th</sup> August, 2017 at 9.30 a.m. (IST) and ends on Friday 18<sup>th</sup> August, 2017 at 5.00 p.m. (IST). During these period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Saturday, i.e. 12<sup>th</sup> August, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

15.2 Members holding shares in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Saturday, 12<sup>th</sup> August, 2017, shall only be eligible for e-voting.

15.3 The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

15.4 Click on Shareholders/ Members.

15.5 Now Enter your User ID:

- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.

15.6 If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

15.7 If you are a first time user follow the steps given below:

Particulars	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"><li>• Members who have not updated their PAN with the Company/ Depository Participants are requested to use the first two letters of their name and the 8 digits of the sequence number which is mentioned in address label as Sr. no. affixed on Annual Report, in the PAN field.</li><li>• 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. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>



Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth in (dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (16.4)
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- 15.8 After entering these details appropriately, click on "SUBMIT" tab.
- 15.9 Members holding shares in physical form will then directly reach 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.
- 15.10 For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 15.11 Click on the EVSN of "UTTAM GALVA STEELS LIMITED" on which you choose to vote.
- 15.12 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.
- 15.13 Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 15.14 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.
- 15.15 Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- 15.16 You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- 15.17 If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 15.18 Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- 15.19 Note for Non Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
16. 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.com](http://www.evotingindia.com), under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
17. The voting rights of the Members shall be in proportion to their shares of the Paid-up share capital of the Company as on Saturday 12<sup>th</sup> August, 2017.
18. The Scrutinizer shall after scrutinizing the votes cast at the AGM (Poll) and through remote e-voting not later than 48 hours from the conclusion of the AGM, make and submit a consolidated Scrutinizer's Report and submit it to the Chairman. The results declared alongwith the consolidated Scrutinizer's report shall be placed on the website of the Company and of CDSL. The results shall simultaneously be communicated to the Stock Exchanges where the Company's shares are listed.
19. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.uttamgalva.com](http://www.uttamgalva.com) and on the website of CDSL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.
20. Subject to the receipt of the requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM i.e. 19<sup>th</sup> August, 2017.





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**ANNEXURE TO NOTICE**  
**(Statement pursuant to Section 102(1) of the Companies Act, 2013)**

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

**Item No. 5**

Shri Rajiv Munjal (DIN 05195651) was appointed as an Additional Director by the Board of Directors of the Company with effect from 9<sup>th</sup> February, 2017, in compliance of Section 161 of the Companies Act, 2013, read with article 16 of Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Shri Rajiv Munjal will hold office upto the date of the ensuing Annual General Meeting. The Company has received a Notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a Member alongwith a Deposit of ₹ 1,00,000/- proposing the candidature of Shri Rajiv Munjal for the Office of the Director in capacity of Non- Executive and Non independent, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

Shri Rajiv Munjal, aged 57 years, is a graduate engineer having completed his B.E. in Electronics and Telecommunication and has over approx. 29 years of vast experience. He is a Whole Time Director in Uttam Value Steels Limited.

Shri Rajiv Munjal 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.

The details as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Shri Rajiv Munjal proposed to be appointed as Director, is given in the Corporate Governance Report which is part of this Annual Report.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for appointment of Shri Rajiv Munjal as Director of the Company in the category of Non- Executive and Non- Independent Director.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Shri Rajiv Munjal is concerned or interested, financially or otherwise, in the resolution set out in Item No. 5 of the Notice.

**Item No. 6**

At the 29<sup>th</sup> Annual General Meeting of the Company, the Members of the Company had appointed Shri Gursharan Singh Sawhney (DIN 02339467) as Whole Time Director of the Company designated as Director (Finance) & Group CFO for a period of 3 (three) years effective from 30<sup>th</sup> May, 2014 to 29<sup>th</sup> May, 2017.

On recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, at its Meeting held on 28<sup>th</sup> April, 2017 has, subject to the approval of Members, re-appointed Shri Gursharan Singh Sawhney as Whole Time Director designated as Director (Finance) & Group CFO, for a period of 3 (Three) years from the expiry of his present term, i.e. 30<sup>th</sup> May, 2017 on such terms and conditions as stated in the statement of information pursuant to Section II of Part II of Schedule V to the Companies Act, 2013, which is mentioned hereinafter.

**The Statement of Additional information as required in schedule V of the Companies Act, 2013:**

**I. General Information**

i) Nature of Industry:

The Company is engaged in the Business of manufacturing downstream value added steel products like Cold Rolled (CR) coils and sheets, galvanized products comprising of Galvanized Plain (GP) and Galvanized Corrugated (GC) coils & sheets and Color Coated products.

ii) Date or expected date of commencement of commercial production:

The Company carries on the steel business since its incorporation.

iii) Financial performance based on given indicators:

₹ in Crore

Particulars	Stand-alone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Total Comprehensive Income / (Loss)	(425.71)	(557.73)	(417.85)	(562.04)
Net Worth (including balance in Profit & loss Account)	732.32	1158.04	813.53	1228.94
Earnings per Share	(31.30)	(73.61)	(30.75)	(73.91)
Turnover	4613.08	7257.19	5535.24	8670.03



iv) Foreign investments or collaborations, if any:

For details of investment made by the Company, please refer to the respective schedule of the Stand-alone Balance Sheet forming part of this Annual Report being sent along with this Notice.

Details of Foreign Investments in the Company, Shareholding of Foreign Institutional Investors, Foreign Nationals and Foreign Companies as on 31<sup>st</sup> March, 2017, are as under:

Particulars	No. of Shares	%
Foreign Institutional Investors	3,86,62,201	27.18
Foreign Nationals: Non Resident Indians (Repat)	4,58,611	0.32
Non Resident Indians (Non Repat)	27,875	0.002
Non Resident Indians (Physical)	1,37,140	0.1
Foreign Companies	4,13,27,931	29.05
<b>Total</b>	<b>8,06,13,758</b>	<b>56.67</b>

The Company has not entered into any material foreign collaboration.

### II. Information about Shri Gursharan Singh Sawhney

Shri Gursharan Singh Sawhney, aged 64 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 40 years of experience in finance and accounts with Companies like Batliboi & Company and Ispat Industries. He specializes in project financing.

i) Past remuneration:

The remuneration paid to Shri Gursharan Singh Sawhney for the financial years 2016-17 & 2015-16 are as follows:

2016-17: ₹ 94,31,335/-	2015-16 : ₹ 94,20,200/-
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ii) Job profile and his suitability:

Shri Gursharan Singh Sawhney has over 40 years of experience in finance and accounts having worked with reputed companies like Tata Motors Limited, Brooke Bond India Limited, Shalimar Paints, Bush Boake Allen, Batliboi & Company and Ispat Industries. He specializes in project financing and is a key strategist. He has been with the Company since the year 2001.

iii) Remuneration: ₹ 8,00,000/- per month by way of salary and other allowances.

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

Part A

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

Part B

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

iv) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person in case of expatriates the relevant details would be with respect to the country of his origin:

The remuneration proposed to be paid to Shri Gursharan Singh Sawhney (looking at the profile of the position and person) is equal to or lower than the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.

v) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Shri Gursharan Singh Sawhney does not have any pecuniary relationship with the Company except the remuneration paid to him as a WholeTime Director and as a shareholder to the extent of his respective shareholding directly and/or indirectly in the Company.

### III. Other Information

i) Reason of Loss

Due to slowdown in the Industry, global over-capacity, dumping of steel products by other Countries & increase in interest cost, the profitability of the Company has been impacted.

ii) Steps taken or proposed to be taken for improvement:



..... The Best that Steel can be

The announcement of 'National Steel Policy 2017' by the steel ministry, will boost the struggling steel industry. Moreover the plan for smart cities, improved road and rail connectivity by building highways, bridges and dedicated freight and superfast rail corridors have huge potential to spur domestic steel demand.

iii) Expected increase in productivity and profits in measurable terms:

The Company has strategically planned to address the issue of productivity and increase in profit and has also put in place measures to reduce cost and improve the bottom-line.

#### **IV. Disclosures**

Shri Gursharan Singh Sawhney satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Sub-section (3) of Section 196 the Companies Act, 2013 read with the Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014 for being eligible for his reappointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

While considering the payment of remuneration of Shri Gursharan Singh Sawhney as Director (Finance) & Group CFO of the Company, the Board of Directors considered his contribution in the Company as a Key strategist. The Board also considered that during the current slowdown in the Company, there has been a considerable increase in the duties and responsibilities performed by the Director (Finance) & Group CFO and after considering the prevailing managerial remuneration in industry, the Board of Directors at their Meeting and on the recommendations made by the Nomination and Remuneration Committee, has approved the Remuneration of ₹ 8,00,000/- per month to be paid to Shri Gursharan Singh Sawhney.

The aforesaid proposed remuneration is in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act. The necessary approval/ consent shall be obtained from the concerned authorities/ Central Government as may be required.

Shri Gursharan Singh Sawhney is the Member of the Corporate Social Responsibility Committee and Stakeholder Relationship Committee of the Company.

Shri Gursharan Singh Sawhney may be deemed to be concerned or interested, financially or otherwise, to the extent of his remuneration and shareholding in the Company. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives is in any way, concerned or interested, in this resolution

The details as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Shri Gursharan Singh Sawhney proposed to be appointed as Director, is given in the Corporate Governance Report which is part of this Annual Report.

As per requirement of Schedule V of the Act, Members approval by way of Special Resolution is required for payment to remuneration to Whole-time Directors in excess of limits prescribed under the Companies Act, 2013 in case of absence of profits in any financial year. Hence, consent of the Members is sought for passing a Special Resolution as set out in Item No. 6 of the Notice for payment of remuneration to Shri Gursharan Singh Sawhney.

#### **Item no. 7**

The Board, on the recommendation of the Audit Committee in their Meeting held on 28<sup>th</sup> April, 2017, has considered and approved the appointment of M/s. Manisha & Associates, Cost Accountants, as Cost Auditor to conduct the cost audit for Steel and Power division of the Company for the financial year 2017-18 at the remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus taxes and reimbursement of out of pocket expenses on actuals.

Pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration, as approved by the Board of Directors of the Company on the recommendation of the Audit Committee, is required to be subsequently ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2018.

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 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 7 of the Notice for approval of Members of the Company.

#### **Registered Office:**

Uttam House, 69, P. D'Mello Road  
Mumbai-400 009  
CIN: L27104MH1985PLC035806  
Date : 28<sup>th</sup> April, 2017  
Place: Mumbai

By Order of the Board  
For **UTTAM GALVA STEELS LIMITED**  
Sd/-  
**R Agrawal**  
President & Company Secretary



## DIRECTORS' REPORT

To,

The Members

Your Directors have pleasure in presenting the 32<sup>nd</sup> Annual Report on the Business and Operations of the Company, along with the Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2017.

### FINANCIAL RESULTS

₹ in Crore

PARTICULARS	STAND-ALONE		CONSOLIDATED	
	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Turnover	4613.08	7257.19	5535.24	8670.03
Profit / (Loss) before Interest, Tax, Depreciation and Amortization	265.6	53.46	288.63	62.68
Interest	608.99	505.33	621.31	516.93
Profit/(Loss) before Tax, Depreciation and Amortization	(343.39)	(451.87)	(332.68)	(454.25)
Depreciation/ Amortization	285.31	281.84	286.40	282.81
Other Income (+/-)	64.25	104.49	63.92	101.86
Exceptional Items (+/-)	-	(717.81)	-	(717.81)
Profit/(Loss) before Tax	(628.70)	(1451.56)	(619.08)	(1454.87)

### FINANCIAL PERFORMANCE

During this year your Company has achieved a turnover of ₹ 4613.08 Crore as against ₹ 7257.19 Crore in the previous year. Your Company posted a Loss of ₹ 628.7 Crore as against Loss (before Tax) of ₹ 1451.56 Crore in the previous year.

Consolidated turnover of ₹ 5535.24 Crore has decreased as against ₹ 8670.03 Crore in the previous year. Your Company posted Consolidated Loss of ₹ 619.08 Crore as against Loss (before Tax) of ₹ 1454.87 Crore in the previous year.

Your Company has faced strong challenges due to various micro and macro factors and has tried to mitigate those using its core strengths in robust manufacturing practices and presence in niche market segments:

i. Stand-alone Profit before Interest, Tax, Depreciation, Amortization and Exceptional items has increased due to focus on high margin products and exports.

ii. Interest cost have shot up by 20% due to stretched working cycle and because of sub-optimal trends prevailing in the industry and constrains faced by company from the supplier and customers.

iii. The global and domestic steel market has been experiencing tepid demand at the present price points due to over-capacity and dumping of steel products by steel surplus nations.

### OPERATIONS

#### (i) Export Market:

Your Company has serviced 148 countries since its entry into the export business and is recognized as quality supplier in both developed and emerging markets. Your Company has able to maintain its presence in the International Market in spite of change in regulations in some of the countries.

In US markets, the Anti-dumping duty proceedings were completed last year. An administrative review will follow every 18 months. Your Company has managed one of the lowest duties among peers due to our diligent pricing control. Internally, the teams continue to exercise strong pricing controls.

The global economy expanded during the year 2016-17 at 3.1%. Legacies from the global financial crisis continue to weigh on growth. Economic activity in both advanced economies and EMDEs is forecast to accelerate in 2017-18, with global growth projected to be 3.4% and 3.6%, respectively

Your Company has a commitment to maintain its presence in the US market and co-exist along with their domestic manufacturers. To serve that commitment, your company has developed a Go-To-Market strategy for US market and identified new customers and segments to serve and new products to develop. Among the new segments served in the period under review, steel roofing and doors segment has been the most successful. New products developed include Acrylic coated Galvanised Iron and Paint Line Quality material.

#### (ii) Domestic Market:

The growth rate of Indian Domestic steel consumption has reduced to 3.4% in 2016-17 from 4.2% in 2015-16, the decrease in growth has been on account of demonetisation drive initiated on 8<sup>th</sup> November, 2016.

Steel industry has been through one of the difficult phases in the past several years due to weak consumer demand



following liquidity crises arising out of demonetisation of high value currency notes. While the government had in February announced INR 6,500 Crores investment on infrastructure development. However, lack of government financing and disappearing private investment have forced a slowdown in steel demand over the last two years.

**(iii) Original Equipment Manufacturer (OEM) market:**

In the Original Equipment Manufacturer (OEM) market, the Company has continued its focus on high growth, profitable and niche areas including appliances segment compared to our other segments like Automotive, Construction and Electrical Equipment segments. OEM market overall, has been one of the highly profitable segments for your Company during the period under review.

Your Company has made commendable gains in Refrigerators and Washing Machines components with majors like Samsung, Whirlpool and Godrej. Your Company is also working towards development of new products such as VCM refrigerator doors and other doors for our key strategic appliance customers. Your Company is working closely with the global arms of Samsung and Whirlpool for their global supplies and is also working on initiating exports through our strategic customers to other emerging and developed countries.

In the Automotive segment, your Company has witnessed a strong competition. Your Company continues to cater to the requirements of TATA Motors, Bajaj Auto, General Motors and similar others.

In the building and construction segment your Company continues to maintain strong contact with major component manufacturers like Shakti Hormann, NCL Altek and Integrated Cleanroom in this segment.

In the General Engineering segment the Company continues to be an established supplier to Godrej & Boyce, Rittal and other vendors to Siemens.

**(iv) Retail Transformation Program:**

Your Company's continuous effort on 'Retail transformation program' has paid its fruits by establishing the 'Uttam Suraksha' GC (Galvanised Corrugated Roofing Sheets) brand as the leader in Maharashtra with more than 50% market share and increasing its penetration in rural and urban areas. It is also recognized as one of the major Brands in its segment in other domestic Markets like Kerala, Madhya Pradesh, Gujarat, Andhra Pradesh, Karnataka and Chhattisgarh, etc.

Your Company has come up with many strategic initiatives like the launch of new product -"Brighter Spangled GC"

to differentiate itself from other competitors. During the period under review, your Company has also launched several branding initiatives through radio/print media and enhanced its customer connect through its presence in various exhibitions and fairs across the country.

In line with high demand for Colour Coated Roofing products your Company had earlier launched an exclusive range of products under the brand name "UTTAM TARANG", which will provide greater value and benefits to the rural consumer. We continue to strengthen our presence in the key colour coated demand centres with a market share of 6% overall. Your Company is in the process of executing multiple product and branding strategies to enhance the brand awareness of our product.

Your Company is evaluating expansion through digital means as well. We believe that this will help us in establishing ourselves as a successful brand in our weaker segments too.

**(v) Other strategic initiatives**

During the period under review, your Company had ventured into rigorous cost reduction programs and successfully managed to significantly bring down the processing costs. Your Company would continue its focus on cost reduction and strive to achieve best-in-class in operations excellence.

Apart from the cost reduction initiatives, your Company has also focused on various productivity improvement initiatives. During the period under review, we have successfully managed to de-bottleneck our capacity constrained lines and enhanced their Overall Equipment Efficiency (OEE).

**MANAGEMENT DISCUSSION AND ANALYSIS**

Pursuant to the regulation 34 read with the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your Directors wish to report as follows:

**(i) Industry Structure & Developments:**

The Steel Industry is considered as backbone of the modern society and has direct correlation with the industrial developments. However, in recent years, the global steel industry has been passing through the stress due to significant oversupply in certain geographies, declining demand, falling spreads between steel prices and raw material prices and volatile currency movements.

Indian government has made efforts to revive the steel industry by imposing anti-dumping duty, safeguard duty on imported steel products, supportive government



policies. After these initiations, in the recent period the steel sector in India has shown some signs of recovery and the domestic demand have raised. Now the sector is currently poised for its next wave of growth supported by the recent reforms launched by the government, showing a tremendous opportunity for the steel industry to grow exponentially.

**(ii) Opportunities & Threats:**

India is poised to become the 2<sup>nd</sup> largest steel producing country after China over the next two years, as the country’s steelmakers continue to add capacities. The country’s steel ministry is framing a new steel policy to increase the capacity of steel production to 300 million tonne by 2025.

There is a huge scope for Indian steel makers due to the country’s low per capita steel consumption and positive future outlook due to increase in consumption from construction, automobile and railways sectors. The ambitious infrastructure projects and the thrust in manufacturing through the “Make in India” campaign are steps in the right direction. The plan for smart cities, improved road and rail connectivity by building highways, bridges and dedicated freight and superfast rail corridors have huge potential to spur domestic steel demand

For the first time in last 3 years, India was a net exporter of steel. Our country’s steel exports grew by 150% to 0.75 million tons, while there has been a decline in imports by 46% to 0.49 million tons.

The increase in demand for steel is still struggling to keep pace with the rise in capacity as well as Global oversupply, low global prices, Chinese dumping, High levels of debt and failure to service bank loans are the points of concern for the Steel sector in India.

**(iii) Segment-wise or Product-wise Performance:**

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

**(iv) Outlook:**

India’s average Gross Domestic Product (GDP) growth has been estimated to grow by 7.1% in 2016-17 and 7.4% in 2017-18, down from 7.93% in 2015-16 on account of demonetization drive effected on 8<sup>th</sup> November, 2016.

According to World Steel Association, the demand of steel in India is expected to grow by 5.7% in 2017 against a global growth in demand of 0.5% in 2017. Indian economy is one of the fewer economies to have stayed ‘resilient’ even during ‘global slowdown’ due to its focus on its reforms.

The rising infrastructure in the Country is ultimately going to increase the consumption rate of steel. The announcement of new steel policy is a step towards steering the industry to achieve its future potential and strategy to deal with various impediments like high input cost, availability of raw materials, dependency on imports, financial stress etc. and it will also facilitate India’s annual production to 300 Million Tonne, by giving preference to locally manufactured steel and reducing imports to nil by 2025.

**(v) Risks and Concerns:**

Risks, challenges and volatility are part and parcel of any industry and always the point of concerns for the management of the Company. Your Company has subdued it through well planned strategies and actions. Your Company is continuously evolving and improving systems and measures to take care of all the risk exigencies involved in the business. All inherent risks are identified, measured, monitored and regularly reported to the 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

In accordance with Regulation 17 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has duly adopted steps for framing, implementing and monitoring the risk management plan and accordingly your Directors have put in place critical risk management framework across the Company for identification and evaluation of all potential risks.

**(vi) Internal Control Systems and their adequacy:**

Your Company has an effective Internal Control System to prevent fraud and misuse of Company’s resources and protect shareholders’ interest. These systems ensure that transactions are authorized, recorded and reported diligently, to safeguard the assets of the Company. Your Company has an independent Internal Audit Department. Moreover, Internal Audit was conducted by M/s. K S Aiyar & Co.- Chartered Accountants, in various areas of operations of the Company. The internal audit process includes review and evaluation of effectiveness of existing processes, internal controls and compliances. The internal audit report alongwith audit findings and tracking of process improvements & compliances is presented for review to the Audit Committee of Board of Directors.





Your Company has also established and maintained the Internal Financial Control to ensure the orderly and efficiently conduct of its business *inter alia* adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**(vii) Discussion on Financial Performance with respect to Operational Performance and state of Company's affairs:**

The finance cost has significantly increased because of unexpected stretched working capital. The profitability of the Company improved as compared to last year mainly due to imposition of Minimum Import Price (MIP) by the Government and various marketing initiative taken by your Company. However, the margins remained at subdued level due to the lower demand. Majority of the earnings has been used to meet the overdue finance cost and principal repayment obligations towards the banks/ Financial Institutions. However, the earnings were not sufficient to regularize the entire overdue position resulting in increase in overdue position in Meeting the obligations towards the Banks/ Financial institutions, the details of which is specified in the Annexure II of the Independent Auditors' Report. The focus on credit control, inventory management and extended trade credits from the suppliers has somewhat helped working capital and liquidity management. The Company is working with the Banks/ Financial institutions to find a mutually acceptable solution. In this regard, your Company has submitted its restructuring plan in December, 2016 to the lenders. After evaluation of restructuring plan, the lenders will advise on implementation of the debt restructuring plan in due course of time.

**(viii) Human Resources Development and Industrial Relations:**

Your Company endeavors to strive hard to nurture and develop their employees so that the organization and individual employees can accomplish their work goals in service to the end users. Your Company, on its path towards a culture of meritocracy, has redefined the Performance Management System (PMS). With renewed vigor on Key Result Areas, the targets are identified for each and every employee in accordance with the business objectives. To support the execution, a cloud based PMS system, Success Factors has also been implemented. Also based on industry best practices, your Company has institutionalized a competency framework to identify and develop talent in the organization. Your Company is proud of its healthy Industrial Relations record.

Presently, your Company employs more than 1250 employees. Your Company has put in place 'Employee Grievance Redressal Committee' for their employees. Suitable processes and mechanism are in place to ensure that grievance of any employee, is effectively addressed and to ensure that it has been dealt with in a fair and just manner.

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints pertaining to sexual harassment were received during financial year 2016-17.

**RELATED PARTY TRANSACTIONS**

All Related Party Transactions (RPT) that were entered into during the financial year were on arm's length basis and in the ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter "Listing Regulations").

During the year, no material transaction (which is ten percent or more of the annual consolidated turnover of the preceding financial year), was entered into by the Company. Hence, the disclosure of material related party transactions in the Form AOC-2 regarding particulars of contract or arrangement with the related parties, as referred in Section 188 read with Section 134(3)(h) of the Companies Act, 2013 is not required to be annexed herewith.

**CORPORATE GOVERNANCE**

In the interest of all the stakeholders and as matter of good corporate governance, your Company is committed to the timely compliance with all the applicable provisions of the Listing Regulations. In terms of Regulation 34 of the Listing Regulations, a detailed report on Corporate Governance along with a certificate from the Auditors confirming compliance is annexed hereto and forms part of the Directors' Report as 'Annexure I'.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In accordance with the requirements of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time, your Company has duly constituted Corporate Social Responsibility Committee, under the Chairmanship of Shri Gursharan Singh Sawhney and two



other Members namely Shri Anuj R Miglani and Shri O P Gahrotra. The Committee has framed the Corporate Social Responsibility Policy of the Company which is available on the Company's website.

Due to loss of ₹ 1510.18 crore in financial year 2015-16, your Company was not mandatorily required to spend any amount for the CSR activities in the financial year 2016-17. Thus no report for CSR activities is required to attach herewith.

**DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)**

The Board of Directors of your Company has appointed Shri Rajiv Munjal (DIN 05195651) as Additional Director in the capacity of Non-Executive and Non-Independent Director with effect from 9<sup>th</sup> February, 2017.

Shri Gursharan Singh Sawhney (DIN 02339467) has re-appointed as Whole Time Director designated as Director (Finance) & Group CFO, for a period of three years effective from 30<sup>th</sup> May, 2017 to 29<sup>th</sup> May, 2020, subject to the approval of Members in this Annual General Meeting.

Pursuant to the provisions of the Section 152 of the Companies Act, 2013 and as per the Articles of Association of the Company, Shri Rajinder Miglani- Chairman retires by rotation and being eligible, has offered himself for reappointment.

The brief profiles of the Chairman, Shri Munjal and Shri Sawhney are given in the Corporate Governance report which is part of this report.

The Independent Directors have submitted the declaration of Independence, as required under sub-Section (7) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations stating that they meet the criteria of independence as provided therein.

None of the Directors of your Company is disqualified under Section 164(1) of the Companies Act, 2013. As required by law, this position is also reflected in the Auditors' Report.

The following persons are Key Managerial Personnel of the Company.

Shri Anuj R Miglani	:	Managing Director
Shri Gursharan Singh & Sawhney	:	Director (Finance) & Group CFO
Shri R Agrawal	:	President & Company Secretary

During the year there is no change in KMP or in their respective responsibilities.

**REMUNERATION OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES**

Your Company has framed a Remuneration Policy which lays down a framework in relation to the Directors, Key Managerial Personnel and Senior Management of

the Company. The Policy also lays down the criteria for selection and appointment of Independent Directors. The details of the policy are explained in the Corporate Governance Report.

During the year under review no Employee of the Company other than the Managing Directors has drawn remuneration of ₹ Eight Lakhs and Fifty Thousands per month or more. The information required pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended time to time, in respect to remuneration to the Whole Time Directors and Key Managerial Personnel is prepared separately forming part of this report. Having regard to the provisions of the first proviso of Section 136(1) of the Companies Act, 2013, the Annual Report is being sent to the Members of the Company excluding the aforesaid information.

However, the said information is available for inspection at the registered office of the Company on any working days upto the date of the ensuing Annual General Meeting.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, 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 31<sup>st</sup> March, 2017 and of the Profit and Loss Account for the Financial Year 2016-17 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, 2013, for safeguarding the assets of the Company and preventing & detecting fraud and other irregularities.
- iv) The Annual Accounts have been prepared on a going concern basis.
- v) The Internal Financial Controls were in place and that there are adequate and were operating effectively;
- vi) Proper systems are in place to ensure compliance of all laws applicable to the Company and that such systems are adequate and operating effectively.

**STATUTORY AUDITORS AND THEIR REPORT**

M/s. Todarwal & Todarwal, Chartered Accountants (Firm Registration No. 111009W), Statutory Auditors of the Company, will hold office till the conclusion of ensuing Annual General Meeting and are eligible for reappointment as per the Section 139 of the Companies Act, 2013.





M/s. Todarwal & Todarwal expressed their willingness for reappointment as the Statutory Auditors of the Company and has furnished a certificate of their eligibility under Section 141 of the Companies Act, 2013 read with the rules made thereunder. In terms of the Listing Regulations, they have confirmed vide their letter dated 24<sup>th</sup> April, 2017 that they hold a valid certificate issued by the Peer Review Board of the ICAI. The Audit Committee has reviewed independence, performance and effectiveness audit process of the M/s. Todarwal & Todarwal, Chartered Accountants. Thereafter, Audit committee recommended to the Board, the reappointment as Statutory Auditors of the Company for the term of three years at the ensuing Annual General Meeting, in pursuance to MCA circular dated 30<sup>th</sup> June, 2016.

Notes to the accounts as referred in the Auditor's Report are self-explanatory and does not contain any qualification and therefore, do not call for any further comments or explanations.

#### **COST AUDITORS AND THEIR REPORT**

As per Section 148 of the Act read with Companies (Cost Records and Audits) Rules, 2014, as amended and on the recommendation of the Audit Committee, the Board of Directors of your Company has reappointed 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 2017-18. As required under the Companies Act, 2013, a resolution seeking Members' approval for the remuneration payable to the Cost Auditors forms part of the notice of the Annual General Meeting for their ratification.

Pursuant to the provisions of Section 148 of the Companies Act, 2013, the Report on Cost Audit for the Financial Year 2015-16 has been received and duly furnished to the Central Government within prescribed time.

#### **SECRETARIAL AUDIT**

The Secretarial Audit of the Company for the financial year 2016-17, was carried out by M/s. JNG & Co., Practicing Company Secretaries (C.P. No. 8108). The Secretarial Audit Report is annexed hereto and part of the Director's Report as an 'Annexure II'. The said report does not contain any qualification, reservation or adverse remarks.

#### **SUBSIDIARY & JOINT VENTURE COMPANIES**

There are Seven Wholly-Owned Subsidiary Companies and one step down subsidiary 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 Exports BVI Ltd. in British Virgin Islands (vii) Uttam Galva North America, Inc and (viii) Uttam Galva International, FZE (Step down Subsidiary) in Jebel Ali Free Zone in United Arab Emirates, the subsidiary of Uttam Galva Holdings Limited, Dubai.

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

A separate statement containing the salient features of the Financial Statement for the financial year ended 31<sup>st</sup> March, 2017 of the aforesaid Subsidiaries Companies and Joint Venture Companies are included in the Annual Report as Form AOC-1 as 'Annexure III'. The Financial statements of the said Subsidiary Companies and Joint Venture Companies are available for inspection by the Shareholders at the registered office of your Company. Your Company undertakes that the financial statements of the Subsidiary Companies and Joint Venture Companies shall be made available to the Shareholders of the Company on demand.

The consolidated financial statements of your Company for the financial year ended 31<sup>st</sup> March, 2017, have been prepared on the basis of audited financial statements of the Company, its subsidiaries and joint ventures as per in compliance with applicable provisions of the Companies Act, 2013 and Listing Regulations.

#### **ENVIRONMENT AND SOCIAL OBLIGATION**

Your Company values environmental protection and safety as the major considerations in its functioning. We have well-versed pollution control devices namely Air Pollution Control device (scrubber followed by fume extraction system and adequate height of chimney) to ensure level of pollutant parameter which are well within the standard norms. Your Company has zero water discharge unit and 100% of Industrial waste water is being recycled and reused in the process which comprises ETP, UF, RO, MVRE & MEE. Your Company has Sewage Treatment Plant to treat and reuse treated domestic waste water for flushing and gardening. We have also appointed a laboratory which is approved by Ministry of Environment and Forests (MOEF) & National Accreditation Board to monitor the maintainance of environment on monthly basis. Your Company is yearly submitting Hazardous waste return and Environment Statement Report to Maharashtra Pollution Control Board.

The Company is continuously endeavoring to improve the health and quality of life in the communities surrounding its industrial complexes.



**DISCLOSURES UNDER THE COMPANIES ACT, 2013**

**i) Extract of Annual Return:**

The details containing the extract of the Annual Return is enclosed in the Form MGT-9 as an “Annexure IV” and forms part of this report.

**ii) Particulars of Loans, Guarantee or Investment:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements. Kindly refer note no. 4 of the stand-alone balance sheet.

**iii) Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:**

**a) Conservation of Energy**

The Company has an Energy Conservation Cell which ensures implementation of the Energy Conservation efforts & Energy Management Policy. Conservation of the energy is a continuous activity and the company continually strives to conserve energy. During the year under review followings steps has been taken by the Company to conserve energy at its Plant:

- Monitor and Optimize process parameters in the combustion system of all the thermal equipment's in the Plant. This includes Incinerators, Galvanizing furnace, Annealing furnace, Acid Re-generation Plant, Boilers etc.
- The Company has installed variable speed drive in the Utility System (both water and air) to ensure that energy is conserved.

During the year under review, the Company has not taken any steps for utilizing alternate source of energy.

During this year under review, no capital expenditure has been incurred in energy conservation equipment. Energy conservation has been carried out by effective process optimization.

**b) Technology Absorption**

The Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. The Company has fully absorbed the technology. The Company constantly strives for maintenance and improvement in quality of its products and entire Research & Development activities are directed to achieve the aforesaid goal.

**c) Foreign Exchange Earnings & Outgo:**

During the year under review, the Company has exported its product in various countries and has also made expenditure in foreign currency. The details of the foreign exchange earnings & outgo are as below:

₹ in Crore

Particulars	2016-17	2015-16
Foreign Exchange Earnings	1261.73	2839.20
Value of direct Imports	1089.60	3781.84
Expenditure in Foreign Currency	61.69	170.04

**iv) General Disclosures:**

Your Directors state that no disclosures/ reporting are required since there were no transactions in respect of the following items during the year under review:

- a. Details relating to deposits covered under Chapter V of the Act.
- b. Significant and material orders passed by the Regulators or the Courts which would impact the going concern status of the Company and its future operations.
- c. Issue of Equity shares with differential rights as to dividend, voting or otherwise.
- d. Issue of Shares (including sweat equity shares) to employees of the Company under any scheme.
- e. Neither the Managing Director not the Whole Time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

**CAUTIONARY STATEMENT**

Statements in this Directors' report and in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions and those are forward looking statements within the meaning of applicable laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and its prices, economic conditions affecting demand and supply, price conditions in domestic and international market, change in Government regulations, tax regimes, economic developments and other related and incidental factors.

**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 like to place on record their sincere appreciation for the total commitment, dedication and hard work put in by every Member of the Uttam Galva Family. Your Directors are deeply grateful to you Shareholders, for the confidence and trust reposed in us.

**For and on behalf of the Board**

Sd/-

**Rajinder Miglani**

Chairman

(DIN 00286788)

Place : Mumbai

Date : 28<sup>th</sup> April, 2017



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**ANNEXURE - I**  
**REPORT ON CORPORATE GOVERNANCE**

**1. THE COMPANIES PHILOSOPHY ON CORPORATE GOVERNANCE**

We, Uttam Galva Steels Limited, believe that Good Corporate Governance by the Company would protect and enhance the trust of shareholders, customers, suppliers, financiers, employees, government agencies and the society. The success of Corporate Governance lies in integrity, transparency, accountability, high degree of disclosures, emphasis on product quality and adopting best business practices. In respect to that the Company has adopted the Corporate Governance as a process in the organization which enable your Company to operate in a systemic manner, to meet its ethical, legal and business expectations and at the same time it is fulfilling the social responsibilities.

The Board of Directors of your Company confirms the compliance of Corporate Governance as specified in the Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter known as 'Listing Regulations'), the details of which are given hereinafter.

**2. BOARD OF DIRECTORS**

The Company believes that a diverse 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 Independent Directors, having experience in diverse fields which *inter alia* includes Finance, Banking and Industry Specialists. For effective discharge of its functions and proper deliberations, the Board has constituted various committees.

**(a) Composition of the Board:**

Your Company maintains an optimum combination of Executive and Non-Executive Independent Directors with at least one Woman Director on the Board. The Board consisted of 8 Directors with considerable experience in their respective fields. Of these, 4 are Non-Executive Independent Directors including a Woman Director, ensuring gender diversity, on the Board of the Company. Accordingly, the composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations.

**(b) Details of the Directorship / Committee Chairmanship and Memberships held by the Directors in other Companies and attendance record of them at the Board Meeting and at the last AGM:**

Sr. No	Name of Directors	Category of Directors	Attendance		*No. of other Directorship	Chairperson of the Board	**Board Committee	
			Board Meetings	Last AGM			Director is a Member	Director is a Chairperson
1	Shri Rajinder Miglani	Non- Executive	4	Yes	9	2	1	1
2	Shri O P Gahrotra	Independent	3	Yes	4	NIL	1	1
3	Shri R K Dubey	Independent	4	No	3	NIL	1	NIL
4	Smt. Swarna Prabha Sukumar	Independent	4	No	NIL	NIL	2	1
5	Shri B L Khurana	Independent	4	Yes	6	NIL	3	NIL
6	Shri Anuj R Miglani	Executive	4	Yes	11	NIL	2	NIL
7	Shri Rajiv Munjal (inducted on 09.02.2017)	Non- Executive	1	NA	3	NIL	1	NIL
8	Shri G S Sawhney	Executive	4	Yes	1	NIL	2	1

\* The Directorship includes Private Limited Company and excludes Section 8 Companies as per the Companies Act, 2013.

\*\* Board Committee includes Audit committee and Stakeholders' Relationship Committee as per Regulation 26 of the Listing Regulations.

Shri R. K. Garg- Nominee Observer of State Bank of India is a permanent invitee to the Board Meetings of the Company.

**(c) Meetings:**

The Board of Directors of the Company met four times during the Financial Year 2016- 17 on following dates:

- 1) 27.05.2016                      2) 05.08.2016                      3) 15.11.2016                      4) 09.02.2017

**(d) Disclosure of relationships between Directors:**

Shri Rajinder Miglani – Non Executive Chairman of the Company is the father of Shri Anuj R Miglani– Managing Director. Except for the abovementioned Directors, no Director is related to any other Director on the Board in terms of the definition of “relative” as defined in Section 2(77) of the Companies Act, 2013.

**(e) Disclosure for Independent Directors:**

All Independent Directors meet with the criteria of independence as prescribed under Sub-Section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16 (1)(b) of the Listing Regulations.

During the year under review, a separate Meeting of Independent Directors was held on 9<sup>th</sup> February, 2017 and all the Independent Directors were present in that Meeting. Shri O P Gahrotra, being senior in position, was inducted as the Chairman of the Committee of Independent Directors.

Pursuant to the provisions of the Regulation 46 of the Listing Regulations, the web link of the details of Familiarization Programme for Independent Directors is disclosed here below:

<http://uttamgalva.com/company/Familiarization%20programme%20for%20independent%20Directors.pdf>

**3. AUDIT COMMITTEE****(a) Brief Description of Terms of Reference:**

Your Company has constituted a well-qualified and Independent Audit Committee in line with the provisions of Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013 and rules made thereunder. All the Members of this Committee are Independent Directors including the Chairman.

The terms of reference of the Audit Committee are decided in accordance with the guidelines specified in Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013, which *inter alia* includes overseeing the Company’s financial reporting process, reviewing the financial statements with the management and the adequacy of the internal audit function, internal control, to discuss significant internal audit findings, statutory compliances and issues related to risk management and compliances. The Audit Committee has power to investigate into any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

**(b) Composition, Name of Members & Chairperson:**

The Audit Committee comprises of four Directors and all of them are Independent Directors. All the Members of the Committee are financially literate and possess sound knowledge of accounts, audit, finance, etc.

The composition of the Committee as at 31.03.2017 and the attendance of each member at the Committee Meetings are as given below:

Sr. No.	Name of Directors	Category	No. of Meetings attended
1	Shri O P Gahrotra	Chairperson	4
2	Smt. Swarna Prabha Sukumar	Member	4
3	Shri R K Dubey *	Member	2
4	Shri B L Khurana**	Member	3

\* inducted on the Committee on 15.11.2016

\*\*inducted on the Committee on 27.05.2016

**(c) Meetings:**

During the Financial Year 2016-17, the Audit Committee met four times on following dates:-

1) 27.05.2016    2) 05.08.2016    3) 15.11.2016    4) 09.02.2017

The requisite quorum was present at all the Meetings.

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



Chairman of Audit Committee, Shri O P Gahrotra was present in the Annual General Meeting held on 30<sup>th</sup> August, 2016 as per Regulation 18(d) of the Listing Regulations.

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 attends the Audit Committee Meeting whenever Cost Audit Report is discussed.

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

**4. NOMINATION AND REMUNERATION COMMITTEE**

**(a) Brief Description of Terms of Reference:**

Your Company has set up the Nomination & Remuneration Committee as prescribed under the Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013. The role of committee is *inter alia* to formulate the Company's policy to determine qualifications, positive attributes and independence of Directors and to formulate the criteria for evaluation of Independent Directors and also to approve payment of remuneration to Directors, Managerial personnel and other employees.

**(b) Composition, Name of Members & Chairperson:**

All the members of the Nomination and Remuneration Committee are Non-Executive Directors.

Details of Meetings attended by the Members during the year under review are as follow:

Sr. No.	Name of Directors	Category	No. of Meetings attended
1	Shri O P Gahrotra	Chairperson	2
2	Smt. Swarna Prabha Sukumar	Member	2
3	Shri B L Khurana*	Member	1

\*inducted on the Committee on 27.05.2016

**(c) Meetings:**

During the Financial Year 2016-17, the Nomination and Remuneration Committee met twice, on the following dates:

- 1) 27.05.2016
- 2) 09.02.2017

**(d) Remuneration Policy:**

To determine the remuneration of the Whole Time Directors, Key Managerial Personnel (KMP) and Senior Executives of the Company, a Remuneration Policy has been framed by the Nomination & Remuneration Committee and approved by the Board with the following broad objectives.

- i. To ensure that Whole Time Directors, Key Managerial Personnel and senior Executives of high caliber are being attracted, retained and are sufficiently compensated for their performance.
- ii. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in the Policy.
- iii. Evaluate the performance of the Whole Time Directors, Key Managerial Personnel and Senior Executives.
- iv. To recommend to the Board for Remuneration payable to the Whole Time Directors, Key Managerial Personnel and Senior Executives.
- v. To formulate the criteria for determining qualifications, positive attributes and independence of a Directors.

**(e) Performance evaluation criteria for Independent Directors:**

Pursuant to the provisions of the Companies Act, 2013 and Regulations 19 read with the Part D of the Schedule II of the Listing Regulations, the Nomination and Remuneration Committee (NRC) has laid down the criteria for performance evaluation of the Independent Directors which are as follows:

- i. Attendance at Board Meetings and General Meetings.
- ii. Participation in Board Meetings.
- iii. Independence and candidness shown in Board Meetings.
- iv. Objectivity and constructiveness in expressing views.



- v. Interaction with Executive Directors and Senior Management both during and outside Board Meetings.
- vi. Awareness of legal provisions regarding duties, responsibilities and obligations relating to the Company and shareholders.
- vii. Awareness about provisions relating to Corporate Governance, Risk Management, disclosure and legal Compliances.
- viii. Skills, experience and knowledge in their respective field.
- ix. Any other observation that Directors wish to make in this regard.

**5. REMUNERATION OF DIRECTORS**

The details of the remuneration paid to all the Directors are broadly given in point no. (VI) of the Form MGT-9, Extract of Annual Return which is annexed to the Directors' Report. Moreover, the Company would like to present the following additional disclosures as required under Listing Regulations:

- i. All elements of remuneration package of individual Directors as summarized under salary, perquisites and pensions. Except that there are no other benefits such as bonus and stock option as part of the salary.
- ii. The salary to Executive Directors as mentioned herein point no. (VI) of the Form MGT-9, is only the fixed components and there is no variable components which may base on the performance criteria.
- iii. All Executive Directors abide by the terms and conditions as decided at the time of their appointment and reappointment.
- iv. No Stock option is given to any Directors of the Company.
- v. No Pecuniary relationship/ transactions with the Non-Executive Directors vis-a-vis the Company except for the payment of sitting fees to attend the Board and the Committee Meetings.
- vi. The criteria for making payments to Executives are broadly explained by the Company in their Remuneration Policy.

Web Link of the same is <http://uttamgalva.com/investors/pdf/policies/Remuneration%20Policy%20UGSL.pdf>

**6. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholder Committee comprises 3 Directors. The Constitution of this committee and terms of reference are in compliance of Section 178 of the Companies Act, 2013 and as per the provisions of the Regulation 20 of the Listing Regulations. The Board has defined the terms of reference for this committee, as per the role suggested in Part D of the Schedule II of the Listing Regulations, inter-alia includes the satisfactory redressal mechanism for investors' complaints and quality of services to the investor.

**(a) Composition of the Committee:**

The details of the composition of Stakeholders Relationship committee and of the Meetings attended by the Members during the year under review are as follows:

Sr. No.	Name of Directors	Category	No. of Meetings attended
1	Smt. Swarna Prabha Sukumar	Chairperson	4
2	Shri G S Sawhney	Member	4
3	Shri Anuj R Miglani	Member	4

**(b) Meetings**

During the Financial Year 2016-17, the Committee met two times on the following dates:

- 1) 27.05.2016    2) 05.08.2016    3) 15.11.2016    4) 09.02.2017

Shri R Agrawal- President & Company Secretary is the Compliance Officer.

**(c) Status of the Complaints:**

Number of Shareholders Complaints received during the Financial Year 2016-17	5
Number of complaints not solved to the satisfaction of the shareholders	NIL
Number of pending Complaints	NIL





**7. APPOINTMENT & REAPPOINTMENT OF DIRECTORS**

During the year, Shri Rajiv Munjal was appointed as Additional Director with effect from 9<sup>th</sup> February, 2017. His appointment as Non- Executive and Non-Independent Director on the Board is being proposed in this Annual General Meeting.

Shri Gursharan Singh Sawhney is being reappointed as the Director (Finance) & Group CFO for a term of three years commencing from 30<sup>th</sup> May, 2017 to 29<sup>th</sup> May, 2020, subject to the approval of Members in this Annual General Meeting.

In accordance with the requirements of the Companies Act, 2013 and the Articles of Association of the Company, Shri Rajinder Miglani retires by rotation and being eligible has offered himself for reappointment.

Brief profiles of the Directors being appointed/reappointed are as follows:

<b>Particulars</b>	<b>Shri Rajinder Miglani</b>	<b>Shri Rajiv Munjal</b>	<b>Shri G S Sawhney</b>
Age	71 Years	57 Years	64 Years
Qualification	An Industrialist, Science Graduate.	Graduate Engineer having completed his B.E. in Electronics and Telecommunication	Science Graduate, Chartered Accountant and a Company Secretary.
Experience	More than 50 years in Steel Industry.	Appx. 29 years of vast experience in Commercial & Coordination.	More than 40 years of experience in finance and accounts and specializes in project financing.
Remuneration last drawn	NA	NA	₹ 94,31,335/-
Date of first appointment on the Board	Since Incorporation	09.02.2017	30.05.2014
Shareholding, if any	13,91,855 Equity Shares	NIL	14,234 Equity Shares
Relationship	He is father of Shri Anuj R Miglani- Managing Director of the Company	NIL	NIL
No. of Meetings attended	4 out 4 Meetings held during the year	1 out 4 Meetings held during the year	4 out 4 Meetings held during the year
Directorship in any other Companies, Chairmanship/ Membership in any Committee thereof	<ul style="list-style-type: none"> <li>• Uttam Value Steels Limited;</li> <li>• Uttam Galva Metallica Ltd.;</li> <li>• Uttam Galva Ferrous Ltd.,</li> <li>• MIG Oil &amp; Gas Limited.;</li> <li>• M. Visvesvaraya Industrial Research and Development Centre.;</li> <li>• Vibrant Realty &amp; Infrastructure Limited;</li> <li>• Paritosa Properties Pvt. Ltd.;</li> <li>• Revive Buildzone and Dealers Private Limited;</li> <li>• Heli Properties Pvt. Ltd.;</li> </ul> <p><b>Name of the Company's Committee / Positions</b></p> <ul style="list-style-type: none"> <li>• Uttam Value Steels Limited Stakeholder Relationship Committee (Chairman)</li> </ul>	<ul style="list-style-type: none"> <li>• Uttam Value Steels Limited;</li> <li>• Mesmeric Properties Private Limited;</li> </ul> <p><b>Name of the Company's Committee / Positions</b></p> <ul style="list-style-type: none"> <li>• Uttam Value Steels Limited Audit Committee (Member)</li> </ul>	<ul style="list-style-type: none"> <li>• Uttam Galva Ferrous Limited</li> </ul> <p><b>Name of the Company's Committee / Positions</b></p> <ul style="list-style-type: none"> <li>• Uttam Galva Ferrous Limited Audit Committee (Chairman)</li> </ul>



**8. MANAGEMENT DISCUSSION AND ANALYSIS**

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

**9. EQUITY SHARES IN THE DEMAT SUSPENSE ACCOUNT**

In terms of Schedule V (F) of the Listing Regulations, the Company reports that there are no Equity Shares lying in the Demat Suspense Account.

**10. GENERAL BODY MEETINGS**

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

Year	Day and Date	Time	Location	Number of Special resolution passed
2013-14	29 <sup>th</sup> AGM held on Saturday, the 23 <sup>rd</sup> August, 2014	11.00 a.m.	M C Ghia Hall, 18/20, K Dubhash Marg, Mumbai 400 001.	1
2014-15	30 <sup>th</sup> AGM held on Saturday, the 29 <sup>th</sup> August, 2015			2
2015-16	31 <sup>st</sup> AGM held on Tuesday, the 30 <sup>th</sup> August, 2016			2

(b) During the last year the Company has not passed any Special/ Ordinary Resolution through Postal ballot process. **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.

**11. MEANS OF COMMUNICATION**

(a) **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 through the mode specified by the respective Stock Exchanges.

(b) **Newspapers 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

(c) **Website:**

The Company's website ([www.uttamgalva.com](http://www.uttamgalva.com)) contains Section called 'Financial' and 'Investors' which give information on Audited and Un-Audited financial results, Annual Report(s) and various policies applicable to the Company.

(d) **Official News Releases:**

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

(e) **Presentations:**

The Company makes presentation to institutional investors or the analysts when found appropriate.

**12. GENERAL SHAREHOLDERS' INFORMATION**

i	Annual General Meeting (Date, Time and Venue)	19 <sup>th</sup> August, 2017, at 11.00 a.m. at M.C. Ghia Hall, K. Dubash Marg, Mumbai- 400 001.	
ii	Financial Year	1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017	
iii	Date of Book Closure	From 14 <sup>th</sup> August, 2017 to 19 <sup>th</sup> August, 2017 (both days inclusive)	
iv	Dividend Payment Date	Not Applicable	
v	Listing on Stock Exchanges and Stock Code	<b>BSE Ltd. (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 513216	<b>National Stock Exchange of India Ltd (NSE)</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051. Scrip Code: UTTAMSTL





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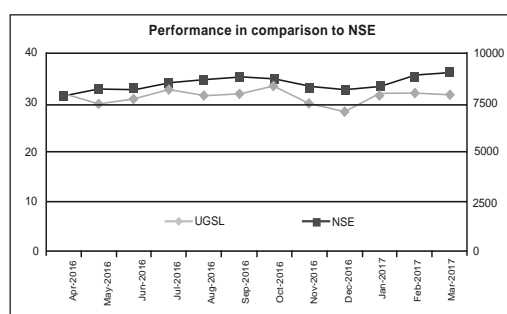
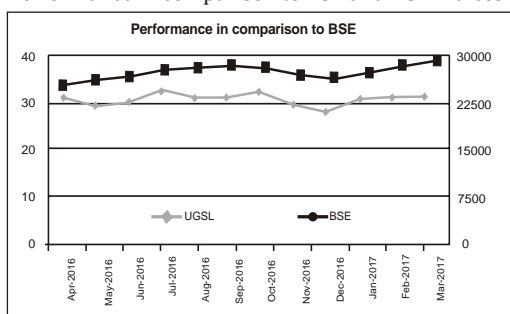
vi	Payment of Annual Listing Fee to Stock Exchange	The Company has paid the listing fees of both the Stock Exchanges within the prescribed time.
vii	Registrar and Share Transfer Agent	Universal Capital Securities Private Limited 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai - 400 093. Tele No.: 28207203/05 E-mail: <a href="mailto:info@unisec.in">info@unisec.in</a>
viii	Share Transfer/ Transmission System	The transfer/ transmission of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of fifteen days from the date of receipt thereof provided all the documents are in order.  In case of shares in electronic form, the transfers/ transmission are processed by NSDL/ CDSL through respective Depository Participants.  In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.
ix	Dematerialization of Shares and Liquidity	Nearly 98.96% of total Equity Share Capital is held in dematerialized form with National Securities Depository Limited/ Central Depository Services (India) Limited.
x	Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity	NIL
xi	Plant Locations	Khopoli – Pen Road, Donvat, Dist.-Raigad, Maharashtra Khopoli – Pali Road Dahivali, Dist.-Raigad Maharashtra
xii	Address for correspondence	Registered office : Uttam House, 69, P. D'Mello Road, Mumbai-400009. Email : <a href="mailto:shares@uttamgalva.com">shares@uttamgalva.com</a> Website : <a href="http://www.uttamgalva.com">www.uttamgalva.com</a>

xiii Market Price Data: High & Low of each month during the financial year 2016-17:

Month	Quotation at BSE Ltd.		Quotation at National Stock Exchange of India Ltd.	
	HIGH	LOW	HIGH	LOW
April, 2016	35.30	27.90	35.35	27.80
May, 2016	32.90	26.50	32.95	26.55
June, 2016	35.25	25.80	35.35	26.00
July, 2016	36.00	30.30	36.00	30.20
August, 2016	34.30	28.80	34.25	28.70
September, 2016	35.40	28.00	35.65	27.65
October, 2016	37.15	29.05	37.80	28.90
November, 2016	34.90	24.65	34.90	24.70
December, 2016	30.40	26.45	30.35	26.00
January, 2017	35.70	27.35	35.80	27.35
February, 2017	33.60	29.70	33.70	29.80
March, 2017	33.95	29.65	33.75	29.50



xiv. Performance in comparison to BSE and NSE indices



xv. Distribution of Shareholding:

The Shareholding distribution of Equity Shares as on 31<sup>st</sup> March, 2017 is given here below:

Sr. No.	Nominal value of shares	No. of Shareholders	No. of Shares	Percentage of Shareholding
1	Upto 5,000	26,727	43,49,241	3.05
2	5,001 – 10,000	2,672	22,40,707	1.57
3	10,001 – 20,000	1,172	18,50,028	1.30
4	20,001 – 30,000	373	9,77,151	0.68
5	30,001 – 40,000	162	5,48,363	0.41
6	40,001 – 50,000	128	6,08,105	0.42
7	50,001 – 1,00,000	245	18,04,432	1.26
8	1,00,001 ABOVE	177	12,98,46,076	91.27
<b>TOTAL</b>		<b>31,656</b>	<b>14,22,60,103</b>	<b>100</b>

13. OTHER DISCLOSURES

(a) **Disclosure on Materially Significant Related Party Transactions:**

There were no materially significant related party transactions during the year. The Company has formulated the Policy on Materiality of Related Party Transactions to decide the materiality for the related party transaction and to deal with related party transaction. The said Policy has been posted on the website of the Company. Web link is [http://uttamgalva.com/investors/pdf/policies/Policy\\_materiality\\_related\\_party\\_transaction.pdf](http://uttamgalva.com/investors/pdf/policies/Policy_materiality_related_party_transaction.pdf).

(b) **Policy for Determining Material Subsidiaries:**

In terms of Regulation of the Listing Regulations, the Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company’s website. The Policy can be accessed at: <http://www.uttamgalva.com/investors/pdf/policies/Policy%20for%20Determining%20Material%20Subsidiaries.pdf>

(c) **Details of Compliances:**

The Company has complied with all the requirements of the Listing Regulations and other regulations as and when specified by SEBI and/ or any other statutory authorities. 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.

(d) **Whistle Blower & Vigil Mechanism:**

The Company recognizes the value of transparency and accountability in its administrative and management practices. The Company promotes ethical behavior in all its business activities. The Whistle Blower Policy and Vigil Mechanism has been laid down by the Company in view to provide a mechanism for the Directors and employees of the Company to approach the person authorized by the Audit Committee of the Company to report existing/probable violations of laws, rules, regulations or unethical conduct. Each and every employee has access to the Audit Committee. It is confirmed that no personnel has been denied access to the Audit Committee.



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(e) **Disclosure of Commodity Price Risks and Commodity hedging activities:**

During the year under review, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in 'Annexure V' of the Directors report.

(f) **Other voluntary disclosures:**

- The Chairman of the Board as a Non-Executive Chairman and his position is separate from that of the Managing Director and CEO of the Company.
- During the year under review there is no audit qualification on the Company's financial statements.
- The Internal Auditor reports to the Audit Committee of the Company.

**14. 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:

**Declaration on Code of Conduct**

I hereby declare that the Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Business Conduct & Ethics for Directors/ Senior Management Personnel in respect of the financial year 2016-17.

I further declare that the said Code of Conduct have been posted on the website of the Company in accordance with the Regulation 46 of the Listing Regulations.

Date : 28<sup>th</sup> April, 2017

Place: Mumbai

**Anuj R Miglani**  
*Managing Director*  
(DIN 00287097)

**15. CEO & CFO CERTIFICATION**

Shri Anuj R Miglani, Managing Director and Shri Gursharan Singh Sawhney, Director (Finance) & Group CFO of the Company have given Annual Compliance Certificate to the Board in terms of the Regulations 17(8) read with Part B of Schedule II of the Listing Regulations.

**16. AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE:-**

To,

The Members

UTTAM GALVA STEELS LIMITED

We have examined the compliance of regulations of Corporate Governance by UTTAM GALVA STEELS LIMITED for the year ended 31<sup>st</sup> March, 2017, as stipulated in regulations Part C of Schedule V of the Listing Regulations.

The compliance of regulations of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations 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, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the Listing Regulations.

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 Tadarwal & Tadarwal**  
*Chartered Accountants*  
Firm Registration No. 111009W  
Sd/-

**Sunil Tadarwal**  
Partner

Membership No. 031512

Date : 28<sup>th</sup> April, 2017

Place: Mumbai



## ANNEXURE II

Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Uttam Galva Steels Limited  
Uttam House,  
69, P D 'Mello Road,  
Mumbai - 400009

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Uttam Galva Steels Limited (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, management representations provided by the Company, its officers, agents and authorized representatives and based on the draft independent auditors report during the conduct of the Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as per Annexure I for the financial year ended on March 31, 2017 according to the provisions of:

- i) The Companies Act, 2013 (Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- vi) Other sector specific laws as applicable to the Company
  1. Mines and Minerals (Development Regulation) Act, 1957 and other Acts/Rules as applicable to Mining activities

However, it is reported that there were no instances requiring compliance with the provisions of the laws indicated at para (c) to (h) of para (v) mentioned hereinabove during the period under review as said regulations were not applicable to the company.



I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary/ Managing Director taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like labour laws and environmental laws.

I further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and there is adequate compliance management system for the purpose of other applicable laws mentioned as sector specific laws hereinabove.

I further report my observation as follows that:

1. As per the records available for verification, the Company has defaulted in repayment of dues to a financial institution and banks.
2. The Company explained to us that the Company will recover excess amount paid to the Managerial personnel, if required.

We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other sector specific laws and regulations applicable to the Company.

I further report that

Board of Directors of the Company is duly constituted with proper balance of the Executive Directors and

the Non-Executive Directors (Independent and Non-independent). The changes in the composition of the Board that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision is carried unanimously and recorded as part of the minutes, wherever required.

I further report that

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

I further report that

During the audit period there were no specific events/ actions having a major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards except two operational creditors of the Company filed petition at National Company Law Tribunal ("NCLT") under Insolvency and Bankruptcy Code 2016 same is admitted by NCLT. As further explained to us the Company has filed appeal against said order at National Company Law Appellate Tribunal ("NCLAT").

For JNG & Co.,

Sd/-

Jigarkumar Gandhi

(FCS: 7569)

(C.P. No. 8108)

Place: Mumbai

Date: 28.04.2017

Note: This report is to be read with our letter of even date which is annexed as Annexure II and forms an integral part of this report.



Annexure - I

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Minutes of the Meetings of the Board of Directors and various committees comprising of Audit Committee, Nomination & Remuneration Committee etc. held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/Records under the Companies Act and rules made there under
5. Agenda papers submitted to all the Directors/ Members for the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of 184 of the Companies Act, 2013.
7. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the period under report.
8. Intimations received from Directors under the prohibition of Insider Trading and SEBI Takeover Code
9. Various policies framed by the Company from time to time as required under the statutes applicable to the company.
10. Processes and procedure followed for Compliance Management System for applicable laws to the Company
11. Filings made with Reserve Bank of India under the Foreign Direct Investment Guidelines and for Overseas Direct Investments made by the Company.
12. Communications/ Letters issued to and acknowledgements received from the Independent Directors for their appointment
13. Various policies framed by the Company from time to time as required under the Companies Act as well as SEBI LODR Regulations.

Annexure II

To,  
The Members  
Uttam Galva Steels Limited  
Uttam House,  
69, P D 'Mello Road,  
Mumbai - 400009

Sir,

Sub : Secretarial Audit Report for the Financial Year ended on 31<sup>st</sup> March, 2017

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, I followed provide a reasonable basis for our opinion.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management and my examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For JNG & Co.,

**Jigarkumar Gandhi**  
FCS: 7569  
C.P. No. 8108

Place: Mumbai  
Date: 28.04.2017



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**ANNEXURE III**  
**Form AOC-1**

(Pursuant to first proviso to Section 129(3) read with rule 5 of the Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of Subsidiary/Associate Companies / Joint Venture

<b>PART A : Subsidiary Companies</b>									
Name of the subsidiary	Atlantis International Services Co Ltd	Uttam Galva Steels Netherlands BV	Uttam Galva Holdings Ltd	Neelraj International Trade Ltd	Uttam Galva Steels (BVI) Ltd	Uttam Galva North America INC	Uttam Exports BVI Ltd	Uttam Galva International FZE(Step down Subsidiary)	Total
Reporting period for the subsidiary concerned is the same i.e. 31 <sup>st</sup> March, 2017									
Reporting Currency and Exchange Rate	US\$ @ 64.8386	US\$ @ 64.8386	US\$ @ 64.8386	US\$ @ 64.8386	US\$ @ 64.8386	US\$ @ 64.8386	US\$ @ 64.8386	US\$ @ 64.8386	US\$ @ 64.8386
Share Capital	30,04,990	14,86,377	21,94,22,500	30,04,991	12,01,99,600	50,87,21,500	18,29,32,500	21,68,92,331	1,25,56,64,789
Reserves & Surplus	(1,92,90,621)	(24,20,31,876)	(39,62,151)	(9,19,49,292)	(22,26,80,048)	7,90,47,533	(10,28,64,594)	37,82,75,590	(22,54,55,460)
Total Assets	19,29,46,538	2,96,81,444	21,44,99,958	1,55,33,684	1,22,62,15,532	3,49,05,41,291	92,081,368	3,14,00,40,893	8,40,15,40,708
Total Liabilities	20,89,95,234	27,04,57,593	62,79,414	10,42,41,051	1,31,92,18,580	2,89,27,85,757	4,30,463	2,54,97,59,294	7,35,21,67,387
Investments	-	-	21,20,06,010	-	-	-	-	-	21,20,06,010
Turnover	-	-	-	-	-	6,68,78,02,178	-	1,26,25,28,7282	19,31,30,89,460
PBT	(6,25,08)	(11,97,686)	(2,12,383)	(6,25,08)	(2,94,82,101)	9,19,66,623	(4,86,35,307)	8,12,16,963	9,35,31,092
Provision for Taxation	-	-	-	-	-	1,69,54,081	-	-	1,69,54,081
PAT	(6,25,08)	(11,97,686)	(2,12,383)	(2,12,383)	(2,94,82,101)	7,50,12,542	(4,86,35,307)	8,12,16,963	7,64,27,136
Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	-
% of Share Holding	100%	100%	100%	100%	100%	100%	100%	100%	-
<b>Part B : Associates and Joint Ventures</b>									
Name of the Associates / Joint Ventures	Texturing Technology Private Limited			Moira Madhujore Coal Limited					
Latest audited Balance Sheet Date	31.03.2017			31.03.2017					
Shares of the Associate / Joint Ventures held by the Company	30,20,000			19,94,65					
Amount of Investment in Associates / Joint Venture Rs	₹ 3,02,00,000			₹ 1,68,40,035					
Extend of Holding %	50%			30.70%					
Description of how there is a significant influence	There is significant influence due to percentage (%) of Share Capital								
Reason why the associate / Joint Venture is not consolidated	NA			NA					
Net worth attributable to shareholding as per latest audited Balance Sheet	₹ 7,67,65,003			₹ 86,98,695					
Profit for the year									
i. Considered in Consolidation	₹ 14,72,157			₹ 3,81,378					
ii. Not Considered in Consolidation	NA			NA					





**ANNEXURE - IV**  
**FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN**  
**for financial year ended on 31<sup>st</sup> March, 2017**

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.)

**I. REGISTRATION & OTHER DETAILS**

i	CIN	L27104MH1985PLC035806
ii	Registration Date	29.03.1985
iii	Name of the Company	Uttam Galva Steels Limited
iv	Category/Sub-category of the Company	Company Limited by shares
v	Address of the Registered office & contact details	Uttam House, 69, P. D' Mello Road, Mumbai- 400009. Phone: 022 6656 3500; Fax: 022 23485025
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any	Universal Capital Securities Private Limited, 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai - 400 093. Tel No.:022 - 28207203/05, E-mail: <a href="mailto:info@unisec.in">info@unisec.in</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No	Name & Description of main products/services	NIC Code of the Product / service	% to total turnover of the Company
1	Cold Rolled Product of Steel	27164/27165	12.14%
2	GP/GC/Colour Coated Sheet	27171	56.19%

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sr. No.	Name of Company	CIN/ GLN	Holding/ subsidiary/ associate	% of shares held	Applicable Section
1	Atlantis International Services Company Ltd	N.A.	WOFS *	100%	Section 2(87)
2	Uttam Galva Holdings Limited	N.A.	WOFS	100%	Section 2(87)
3	Uttam Galva Steels Netherland B.V.	N.A.	WOFS	100%	Section 2(87)
4	Neelraj International Trade Limited	N.A.	WOFS	100%	Section 2(87)
5	Uttam Galva Steels BVI Limited	N.A.	WOFS	100%	Section 2(87)
6	Uttam Exports BVI Ltd	N.A.	WOFS	100%	Section 2(87)
7	Uttam Galva North America, Inc	N.A.	WOFS	100%	Section 2(87)
8	Uttam Galva International, FZE (Step down Subsidiary)	N.A.	WOFS	100%	Section 2(87)
9	Texturing Technology Private Limited	U27100MH2006PTC160649	Joint Venture	50%	Section 2(6)
10	Moirra Madhujore Coal Limited	U10100WB2009PLC140050	Joint Venture	30.70%	Section 2(6)

Note: \* WOFS - Wholly Owned Foreign Subsidiary





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IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year As on 1 <sup>st</sup> April, 2016				No. of Shares held at the end of the year As on 31 <sup>st</sup> March, 2017				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	59,61,700	--	59,61,700	4.19	59,61,700	-	59,61,700	4.19	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt.	--	--	--	--	--	--	--	--	--
c) Bodies Corporates	3,93,04,520	--	3,93,04,520	27.63	3,93,04,520	--	3,93,04,520	27.63	--
d) Bank/FI	--	--	--	--	--	--	--	--	--
e) Any other	--	--	--	--	--	--	--	--	--
<b>SUB TOTAL (A) (1)</b>	<b>4,52,66,220</b>	<b>-</b>	<b>4,52,66,220</b>	<b>31.82</b>	<b>4,52,66,220</b>	<b>-</b>	<b>4,52,66,220</b>	<b>31.82</b>	<b>--</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	--	--	--	--	--	--	--	--	--
b) Other Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	4,13,27,931	--	4,13,27,931	29.05	4,13,27,931	--	4,13,27,931	29.05	--
d) Banks/FI	--	--	--	--	--	--	--	--	--
e) Any other...	--	--	--	--	--	--	--	--	--
<b>SUB TOTAL (A) (2)</b>	<b>4,13,27,931</b>	<b>--</b>	<b>4,13,27,931</b>	<b>29.05</b>	<b>4,13,27,931</b>	<b>--</b>	<b>4,13,27,931</b>	<b>29.05</b>	<b>--</b>
<b>Total Shareholding of Promoters (A)= (A)(1)+(A)(2)</b>	<b>8,65,94,151</b>	<b>--</b>	<b>8,65,94,151</b>	<b>60.87</b>	<b>8,65,94,151</b>	<b>--</b>	<b>8,65,94,151</b>	<b>60.87</b>	<b>--</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	813	37,800	38,613	0.03	--	37,800	37,800	0.03	0.00
b) Banks/FI	81,420	10,100	91,520	0.06	45,214	10,100	55,314	0.04	(0.02)
c) Central govt	69	--	69	--	69	--	69	--	--
d) State Govt.	--	--	--	--	--	--	--	--	--
e) Venture Capital Fund	--	--	--	--	--	--	--	--	--
f) Insurance Companies	1,24,104	--	1,24,104	0.09	1,24,104	--	1,24,104	0.09	--



Category of Shareholders	No. of Shares held at the beginning of the year As on 1 <sup>st</sup> April, 2016				No. of Shares held at the end of the year As on 31 <sup>st</sup> March, 2017				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
g) FIIS (incl. Foreign Portfolio Investors)	3,86,47,301	14,900	3,86,62,201	27.18	3,86,47,301	14,900	3,86,62,201	27.18	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
<b>SUB TOTAL (B)(1)</b>	<b>3,88,53,707</b>	<b>62,800</b>	<b>3,89,16,507</b>	<b>27.35</b>	<b>3,88,16,688</b>	<b>62,800</b>	<b>3,88,79,488</b>	<b>27.33</b>	<b>(0.02)</b>
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	18,55,607	50,755	19,06,362	1.34	18,09,072	50,755	18,59,827	1.31	(0.03)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	98,51,854	11,53,166	1,10,05,020	7.74	1,02,94,091	11,36,739	1,14,30,830	8.04	0.3
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh	25,52,083	76,300	26,28,383	1.85	22,42,714	76,300	23,19,014	1.63	(0.22)
c) Others (specify)									
i) Clearing Members	5,55,544	--	5,55,544	0.39	5,52,667	--	5,52,667	0.39	0.00
ii) Trusts	800	--	800	--	500	--	500	0.00	0.00
iii) NRI / OCBs	5,15,996	1,37,340	6,53,336	0.46	4,86,486	1,37,140	6,23,626	0.44	(0.02)
<b>SUB TOTAL (B)(2)</b>	<b>1,53,31,884</b>	<b>14,17,561</b>	<b>1,67,49,445</b>	<b>11.78</b>	<b>1,53,85,530</b>	<b>14,00,934</b>	<b>1,67,86,464</b>	<b>11.80</b>	<b>0.02</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>54,185,591</b>	<b>1,480,361</b>	<b>5,56,65,952</b>	<b>39.13</b>	<b>54,20,22,18</b>	<b>14,63,734</b>	<b>5,56,65,952</b>	<b>39.13</b>	<b>--</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>-</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Grand Total (A+B+C)</b>	<b>14,07,79,742</b>	<b>14,80,361</b>	<b>14,22,60,103</b>	<b>100.00</b>	<b>14,07,96,369</b>	<b>14,63,734</b>	<b>14,22,60,103</b>	<b>100.00</b>	<b>--</b>



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(ii) Share Holding of Promoters:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year As on 1 <sup>st</sup> April, 2016			Shareholding at the end of the year As on 31 <sup>st</sup> March, 2017			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Shri Rajinder Miglani	13,91,855	0.98	--	13,91,855	0.98	--	--
2	Shri Anuj R Miglani	13,02,094	0.92	--	13,02,094	0.92	--	--
3	Shri Ankit Miglani	13,00,000	0.91	--	13,00,000	0.91	--	--
4	Smt. Neelam Rajinder Miglani	11,27,501	0.79	--	11,27,501	0.79	--	--
5	Smt. Archana Miglani	3,07,500	0.22	--	3,07,500	0.22	--	--
6	Smt. Priyanka Miglani	3,07,500	0.22	--	3,07,500	0.22	--	--
7	Smt. Sheetal Miglani	2,03,750	0.14	--	2,03,750	0.14	--	--
8	Ms. Sudiksha Miglani - Minor (U/G Anuj R Miglani)	21,500	0.01	--	21,500	0.01	--	--
9	M/s. Archisha Steels Pvt. Ltd	58,49,878	4.11	--	58,49,878	4.11	--	--
10	M/s. Sainath Trading Co. Pvt. Ltd	33,23,600	2.34	--	33,23,600	2.34	--	--
11	M/s. Kredence Multi Trading Ltd	1,49,21,063	10.49	--	1,49,21,063	10.49	--	--
12	M/s. Uttam Exports Pvt Ltd	73,24,379	5.15	--	73,24,379	5.15	--	--
13	M/s. Evergreen Tradeplace P Ltd	78,85,600	5.54	--	78,85,600	5.54	--	--
14	ArcelorMittal Netherland BV	4,13,27,931	29.05	--	4,13,27,931	29.05	--	--
<b>Total</b>		<b>8,65,94,151</b>	<b>60.87</b>	<b>--</b>	<b>8,65,94,151</b>	<b>60.87</b>	<b>--</b>	<b>--</b>

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

There is no change in Promotor's shareholding during the year.



(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of Top Ten Shareholders	Shareholding at the beginning of the year As on 1 <sup>st</sup> April, 2016		Change in the shareholding during the year		Shareholding at the end of the year As on 31 <sup>st</sup> March, 2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Eriska Investment Fund Ltd	32,38,000	2.28	1,07,50,000	7.55	1,39,88,000	9.83
2	Albula Investment Fund Limited	1,28,56,750	9.04	-	-	1,28,56,750	9.04
3	Asia Investment Corporation (Mauritius) Limited	84,42,125	5.93	-	-	84,42,125	5.93
4	Cresta Fund Limited	1,41,01,426	9.91	-1,07,50,000	-7.55	33,51,426	2.36
5	Dr. Barun Kumar Nayak	2,30,291	0.16	-	-	2,30,291	0.16
6	Nina Dalal	1,89,887	0.13	-	-	1,89,887	0.13
7	Ghanshyam Kalwani	1,74,667	0.12	-	-	1,74,667	0.12
8	Shri Parasram Holdings Pvt.Ltd.	1,03,036	0.07	58,699	0.04	1,61,735	0.11
9	Life Insurance Corporation of India	1,24,104	0.09	-	-	1,24,104	0.09
10	Bonanza Portfolio Ltd	72,677	0.05	38,554	0.03	1,11,231	0.08

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Directors and Key Managerial Personnel	Shareholding at the beginning of the year As on 1 <sup>st</sup> April, 2016		Change in the shareholding during the year		Shareholding at the end of the year As on 31 <sup>st</sup> March, 2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Shri Rajinder Miglani	13,91,855	0.98	-	-	13,91,855	0.98
2	Shri Anuj R Miglani	13,02,094	0.92	-	-	13,02,094	0.92
3	Shri Gursharan Singh Sawhney	14,234	0.01	-	-	14,234	0.01
	<b>Total</b>	<b>40,08,183</b>	<b>2.82</b>	<b>-</b>	<b>-</b>	<b>40,08,183</b>	<b>2.82</b>



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## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

₹ in Crore

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2,704.91	64.07	-	2,768.98
ii) Interest due but not paid	15.19	-	-	15.19
iii) Interest accrued but not due	24.93	-	-	24.93
<b>Total (i+ii+iii)</b>	<b>2,745.03</b>	<b>64.07</b>	-	<b>2,809.1</b>
<b>Change in Indebtedness during the Financial Year</b>				
Addition	-	-	-	-
Reduction*	(58.68)	(0.19)	-	(58.87)
<b>Net Change</b>	<b>(58.68)</b>	<b>(0.19)</b>	-	<b>(58.87)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,646.23	63.88	-	2,710.11
ii) Interest due but not paid	211.43	-	-	211.43
iii) Interest accrued but not due	22.7	-	-	22.7
<b>Total (i+ii+iii)</b>	<b>2,880.36</b>	<b>63.88</b>	-	<b>2,944.24</b>

\*On Principal Amount

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### a) Remuneration to Managing Director, Whole-time Directors and/or Manager:

in ₹

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Shri Anuj R Miglani	Shri G S Sawhney	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,02,00,000	94,05,000	1,96,05,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,58,000	26,335	2,84,335
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-
2	Others, please specify	NA	NA	NA
	<b>Total</b>	<b>1,04,58,000</b>	<b>94,31,335</b>	<b>1,98,89,335</b>
	Ceiling as per the Act	As per Schedule V of the Companies Act, 2013		



b) REMUNERATION TO OTHER DIRECTORS

in ₹

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri O P Gahrotra	Smt. Swarna Prabha Sukumar	Shri R K Dubey	Shri B L Khurana	
1	Independent Directors					
2	Fee for attending board / committee Meetings	2,00,000	2,70,000	2,20,000	2,35,000	9,25,000
3	Commission	-	-	-	-	-
4	Others, please specify	-	-	-	-	-
	<b>Total</b>	<b>2,00,000</b>	<b>2,70,000</b>	<b>2,20,000</b>	<b>2,35,000</b>	<b>9,25,000</b>
	Overall Ceiling as per the Act	As per Schedule V of the Companies Act, 2013				

c) REMUNERATION TO KEY MANAGERIAL PERSONNEL (OTHER THAN MD AND CFO):

in ₹

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount
		Shri R Agrawal	
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	44,01,828	44,01,828
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5,75,173	5,75,173
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-
2	Others, please specify	NA	NA
	<b>Total</b>	<b>49,77,001</b>	<b>49,77,001</b>

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no Penalties / Punishment/ Compounding of Offences for the financial year ended 31<sup>st</sup> March, 2017.



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## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF M/S UTTAM GALVA STEELS LIMITED Report on the Stand-alone Ind-AS Financial Statements

We have audited the accompanying Stand-alone Ind-AS financial statements of M/s Uttam Galva Steels Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss (including other Comprehensive Income), the Cash Flow Statement, and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Stand-alone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Stand-alone Ind-AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), and cash flows, and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Stand-alone Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these Stand-alone Ind-AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Stand-alone Ind-AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Stand-alone Ind-AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence, on a test basis, about the amounts and disclosures in the Stand-alone Ind-AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Stand-alone Ind-AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Stand-alone Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management, as well as evaluating the overall presentation of the Stand-alone Ind-AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Stand-alone Ind-AS financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Stand-alone Ind-AS 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 including the Ind-AS:

- (a) in the case of the Balance Sheet, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March, 2017,
- (b) in the case of the Statement of Profit and Loss, of the loss (financial performance including other comprehensive income) for the year ended on that date;
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date; and
- (d) in the case of the Statement of Changes in Equity, of the changes in equity for the year ended on that date.

#### Other Matters

The Stand-alone financial statements of the Company for the year ended 31<sup>st</sup> March, 2017 have been prepared under the Ind-AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015. The comparative figures have also been reinstated in accordance with the Ind-AS. A reconciliation statement, which reconciles the figures of the comparatives from erstwhile Accounting Standard to Ind-AS has been prepared and presented as a part of the Stand-alone Ind-AS financial statement.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, we give in the 'Annexure A', a



- statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
- a) We have sought and 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 Company has no branch office and hence the Company is not required to conduct audit under Section 143(8) of the Act;
  - d) The Balance Sheet, the Statement of Profit and Loss, the Cash flow statement, and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - e) In our opinion, the aforesaid Stand-alone Ind-AS financial statements comply with the Ind-AS prescribed under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
  - f) On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a Director in terms of Section 164(2) of the Act;
  - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position as per the Notes to the Financial Statement.
    - ii. The Company has made provision, as required under the applicable law or Ind-AS for material foreseeable losses, and as required on long-term contracts including derivative contracts as per Notes to the Stand-alone Ind-AS Financial Statement.
    - iii. During the year, no amounts were required to be transferred to the Investor Education and Protection Fund by the Company. The question of delay in transferring such sums does not arise.
    - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

For **Todarwal & Todarwal**  
Chartered Accountants  
(ICAI Reg No : 111009W)  
Sd/-  
Sunil Todarwal  
Partner  
(Membership No. : 032512)

Place: Mumbai  
Date : 28<sup>th</sup> April, 2017

#### Annexure - A to Independent Auditor's Report

The 'Annexure A' referred to in Independent Auditor's Report to the Members of the Company on the Financial Statements for the year ended 31<sup>st</sup> March 2017, we report that:

- (i) (a) According to the information and explanation given to us and based on the records produced before us, we are of the opinion that the Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us, fixed assets are physically verified by the management according to a phased programme designed to cover all the locations which in our opinion, is reasonable having regard to the size of the company and the nature of its assets
- (c) According to the information and explanation given to us and based on the records produced before us, the title deeds of immovable properties are held in the name of the company.
- (ii) According to the information and explanation given to us Inventory has been physically verified by the management during the year. No material discrepancies were noticed that would have an impact over the Financial Statements.
- (iii) According to the information and explanation given to us, the Company has not granted during the year any unsecured loans. Hence this clause is not applicable to the Company.
- (iv) According to the information and explanation given to us, we are of the opinion that in respect of loans, investments, guarantees, and security, provisions of Section 185 and 186 of the Act have been complied with.
- (v) According to the information and explanation given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the rules framed there under.





- (vi) According to the information and explanation given to us, the Company has maintained cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Act
- (vii) (a) According to the books and records as produced and audited by us in accordance with generally accepted auditing practices in India and also Management representations, undisputed statutory dues in respect of Provident fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth tax, Service tax, Custom duty, Excise duty, Value Added Tax, Cess and other statutory dues, if any, applicable to it, has been regularly deposited with the appropriate authorities.
- (b) According to the information and explanation given to us and the record produced before us, the disputed amount payable in case of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax or cess is as per 'Annexure I' attached.
- (viii) According to the information and explanation given to us and based on the records produced before us, the Company has defaulted in repayment of dues to financial institutions and banks as per 'Annexure II' attached.
- (ix) According to the information and explanation given to us and the record produced before us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or by way of any term loan during the year.
- (x) During the course of our examination of the books of account carried in accordance with the generally accepted auditing standards in India, we have neither come across any instance of fraud on or by the Company by its officers or employees, either noticed or reported during the year, nor have we been informed of such case by the Management.
- (xi) According to the information and explanation given to us and the record produced before us, managerial remuneration has been paid during the year as per the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as specified in the Nidhi Rules, 2014. Hence the provision of this clause is not applicable to the Company.
- (xiii) According to the information and explanation given to us and the record produced before us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details have been disclosed in the Stand-alone Financial Statements etc., as required by the applicable Ind-AS.
- (xiv) According to the information and explanation given to us and the record produced before us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence the provision of this clause is not applicable to the Company.
- (xv) As per the information and explanation given to us and the record produced before us, the company has not entered into any non-cash transactions with Directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Todarwal & Todarwal**  
Chartered Accountants  
(ICAI Reg No : 111009W)  
Sd/-  
Sunil Todarwal  
Partner  
Place: Mumbai  
Date : 28<sup>th</sup> April, 2017 (Membership No. : 032512)

### Annexure - B to Independent Auditor's Report

#### Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Uttam Galva Steels Limited ("the Company") as of 31<sup>st</sup> March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered

Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit



in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance

that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Todarwal & Todarwal**  
Chartered Accountants  
(ICAI Reg No : 111009W)

Sd/-

Sunil Todarwal

Partner

Place: Mumbai  
Date : 28<sup>th</sup> April, 2017

(Membership No. : 032512)



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#### ANNEXURE I

Sr. No.	Nature of duty	Period	Amount (₹)	Forum where dispute is pending
1	Excise Duty	Mar-12 to 28 <sup>th</sup> May-12	17,77,180	Central Excise & Service Tax Appellate Tribunal
2	Excise Duty	Dec-07 to Jun-08	30,82,563	Central Excise & Service Tax Appellate Tribunal
3	Excise Duty	Dec-07 to Jun-08	64,84,307	Central Excise & Service Tax Appellate Tribunal
4	Excise Duty	May-07 to Sep-09	2,76,12,314	Additional Commissioner of Central Excise
5	Service Tax	Jul-10 to Dec-10	35,26,753	Central Excise & Service Tax Appellate Tribunal
6	Service Tax	Mar-11, Jun-11, Aug-11 & Sep-11	25,02,879	Central Excise & Service Tax Appellate Tribunal
7	Service Tax	Jan-11, Feb-11, Apr-11, May-11, Jul-11, Oct-11 to Dec-11.	24,15,279	Central Excise & Service Tax Appellate Tribunal
8	Service Tax	Jan-12	8,60,833	Central Excise & Service Tax Appellate Tribunal
9	Service Tax	Jul-05 to Jul-07	35,29,749	Central Excise & Service Tax Appellate Tribunal
10	Service Tax	Oct-06 to Nov-09	13,15,490	Additional Commissioner of Central Excise
11	Custom Duty	Financial Year 2008-09	11,67,80,968	Commissioner of Customs
		<b>Total</b>	<b>16,98,88,315</b>	

#### ANNEXURE II

Name of Lenders	Default in (₹in Crore)			Default Since		
	Principal Repayment	Interest	LC Devolvement	Principal Repayment	Interest	LC Devolvement
State Bank of India	67.42	26.15	946.18	June,2016	June,2016	July,2016
Canara Bank	24.02	9.94	639.30	July,2016	July,2016	Februrary,2016
Bank of India	24.02	10.40	-	July,2016	July,2016	-
ICICI Bank limited	17.88	9.28	26.88	July,2016	July,2016	August, 2016
Indian Overseas Bank	22.52	14.08	110.69	June,2016	April,2016	April,2016
Union Bank of India	20.02	8.28	225.80	July,2016	July,2016	March,2016
Punjab National Bank	43.38	21.12	320.09	March,2016	March,2016	March,2016
Indian Bank	16.01	6.93	-	July,2016	July,2016	-
Bank of Baroda	19.51	8.46	95.73	June,2016	June,2016	June,2016
Exim Bank	21.54	9.19	-	March,2016	March,2016	-
State Bank of Mauritius Limited.	8.01	3.31	-	July,2016	July,2016	-
Afrasia Bank Ltd	6.74	2.32	-	July,2016	July,2016	-
Oriental Bank of Commerce	25.00	18.83	-	June,2016	April,2016	-
Syndicate Bank	43.75	21.56	-	March,2016	March,2016	-
Pheonix ARC Pvt Ltd	-	14.23	-	-	March,2016	-
Vijaya Bank	30.00	27.36	-	March,2016	March,2016	-
IDBI	-	-	235.22	-	-	April,2016
<b>Total</b>	<b>389.82</b>	<b>211.44</b>	<b>2,599.89</b>			

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017

₹ in Crore

Particulars		Note No.	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>I</b>	<b>ASSETS</b>				
	<b>Non-Current Assets</b>				
(a)	Property, Plant and Equipment	1	5,442.51	5,659.79	4,682.02
(b)	Intangible Assets	2	9.79	14.01	18.69
(c)	Capital Work in Progress	3	154.06	152.23	162.35
(d)	Financial Assets	4			
	(i) Investments	4(i)	74.83	77.88	52.86
	(ii) Loans	4(ii)	55.60	51.81	46.14
	(iii) Other Financial Assets	4(iii)	1,220.61	1,232.71	423.46
(e)	Income Tax Asset(net)	5	10.86	10.17	43.09
(f)	Deferred Tax Assets	6	853.55	670.19	224.43
(g)	Other non-current Assets	7	19.66	19.60	20.36
	<b>Total Non - Current Assets</b>		<b>7,841.47</b>	<b>7,888.39</b>	<b>5,673.40</b>
	<b>Current Assets</b>				
(a)	Inventories	8	858.05	904.35	1,268.47
(b)	Financial Assets	9			
	(i) Trade Receivables	9(i)	1,186.74	1,475.66	1,165.76
	(ii) Cash and Cash Equivalent	9(ii)	5.39	1.59	3.73
	(iii) Bank Balances Other than (ii) above	9(iii)	10.25	36.78	35.05
	(iv) Other Financial Assets	9(iv)	0.73	0.82	0.87
(c)	Other Current Assets		205.42	119.14	353.80
	<b>Total Current Assets</b>		<b>2,266.58</b>	<b>2,538.34</b>	<b>2,827.68</b>
	<b>TOTAL ASSETS</b>		<b>10,108.05</b>	<b>10,426.73</b>	<b>8,501.08</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>				
	<b>Equity</b>				
(a)	Equity Share Capital	11	142.26	142.26	142.26
(b)	Other Equity	12	590.07	1,015.78	1,573.53
			<b>732.33</b>	<b>1,158.04</b>	<b>1,715.79</b>
	<b>Liabilities</b>				
	<b>Non Current Liabilities</b>				
(a)	Financial Liabilities	13			
	(i) Long-term Borrowings	13(i)	2,367.26	2,403.92	2,484.30
	(ii) Other Financial Liabilities	13(ii)	9.58	20.51	24.33
(b)	Provisions	14	9.71	12.20	12.45
(c)	Deferred Tax Liabilities	15	412.34	412.34	208.87
(d)	Other non-current Liabilities	16	-	-	-
	<b>Total Non Current Liabilities</b>		<b>2,798.89</b>	<b>2,848.97</b>	<b>2,729.96</b>
	<b>Current Liabilities</b>				
(a)	Financial Liabilities	17			
	(i) Short-term Borrowings	17(i)	2,908.29	1,166.94	425.86
	(ii) Trade and other Payables	17(ii)	2,060.38	4,009.28	2,443.83
	(iii) Other Financial Liabilities	17(iii)	707.75	436.26	268.45
(b)	Provisions	18	59.64	37.29	30.35
(c)	Other Current Liabilities	19	840.77	769.95	886.84
	<b>Total Current Liabilities</b>		<b>6,576.83</b>	<b>6,419.72</b>	<b>4,055.33</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>10,108.05</b>	<b>10,426.73</b>	<b>8,501.08</b>
NOTES FORMING PART OF THE FINANCIAL STATEMENTS		30 to 41			

As per our Report of even date

For and on behalf of the Board of Directors

For **Todarwal & Todarwal**  
Chartered Accountants  
Firm Registration No 111009 W

**Rajinder Miglani**  
Chairman  
(DIN: 00286788)

**Anuj R Miglani**  
Managing Director  
(DIN: 00287097)

**Sunil Todarwal**  
Partner  
(Membership No. 32512)

**Gursharan Singh Sawhney**  
Director (Finance) & Group CFO  
(DIN: 02339467)

**R Agrawal**  
President & Company Secretary  
(FCS: 2174)

Date : 28<sup>th</sup> April, 2017 Place : Mumbai



The Best that Steel can be

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

₹ in Crore

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Revenue from Operations (Gross)	20	4,613.08	7,257.21
Other Income	21	64.25	104.49
<b>Total Income</b>		<b>4,677.33</b>	<b>7,361.70</b>
<b>Expenses</b>			
(a) Cost of Materials and Components Consumed	22	2,811.37	2,799.27
(b) Purchase of Traded Goods	23	669.62	3,168.78
(c) Changes in Inventories of Finished Goods, WIP & Traded Goods	24	15.84	236.27
(d) Excise Duty on Sales		264.98	374.60
(e) Employee benefit expenses	25	94.14	109.15
(f) Other operating expenses	26	555.78	620.22
(g) Finance costs	27	608.99	505.33
(h) Depreciation and amortisation expense	28	285.31	281.84
<b>TOTAL EXPENSES</b>		<b>5,306.03</b>	<b>8,095.45</b>
<b>PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS</b>		<b>(628.70)</b>	<b>(733.75)</b>
Exceptional Items	29	-	717.81
		(628.70)	(1,451.56)
<b>Tax Expenses:</b>			
Deferred tax		(183.36)	(445.77)
Net Current Tax		-	-
Prior Period Tax - MAT Credit Entitlement written off		-	41.33
<b>TOTAL TAX EXPENSE / (INCOME)</b>		<b>(183.36)</b>	<b>(404.43)</b>
<b>PROFIT / (LOSS) FOR THE YEAR</b>		<b>(445.34)</b>	<b>(1,047.13)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
(i) Items that will be reclassified subsequently to the statement of profit and loss		19.63	692.86
(ii) Income tax on items that will be reclassified subsequently to the statement of profit and loss		-	(203.46)
(iii) Items that will not be reclassified subsequently to the statement of profit and loss		-	-
(iv) Income tax on items that will not be reclassified subsequently to the statement of profit and loss		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME / (LOSS)</b>		<b>19.63</b>	<b>489.40</b>
<b>TOTAL COMPREHENSIVE INCOME OF THE YEAR</b>		<b>(425.71)</b>	<b>(557.73)</b>
Earning per equity share:-Basic and Diluted		<b>(31.30)</b>	(73.61)
Weighted average number of equity shares (Face value ₹10 each)		<b>14,22,60,103</b>	14,22,60,103
<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	30 to 41		

As per our Report of even date

For **Todarwal & Todarwal**  
Chartered Accountants  
Firm Registration No 111009 W

**Sunil Todarwal**  
Partner  
(Membership No. 32512)

Date : 28<sup>th</sup> April, 2017 Place : Mumbai

For and on behalf of the Board of Directors

**Rajinder Miglani**  
Chairman  
(DIN: 00286788)

**Anuj R Miglani**  
Managing Director  
(DIN: 00287097)

**Gursharan Singh Sawhney**  
Director (Finance) & Group CFO  
(DIN: 02339467)

**R Agrawal**  
President & Company Secretary  
(FCS: 2174)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

₹ in Crore

Particulars		For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit/(Loss) Before Tax	(628.70)	(1,451.56)
	Adjustments for Depreciation	285.31	281.84
	(Profit) / Loss on Sale of Assets	0.01	0.09
	Share Issue Expenses W/off	0.52	0.52
	Interest & Financial Charges	608.47	504.81
	Operating Profit Before Working Capital Changes	265.61	(664.29)
	Adjustments for :		
	(Increase)/Decrease in Trade and other Receivables	210.98	(855.09)
	(Increase)/Decrease in Inventories	46.30	364.13
	Increase/(Decrease) in Trade Payables and Other Liabilities	(156.57)	2,232.78
	Increase / (Decrease) in other Financial Liabilities	(19.36)	(167.28)
	<b>Cash Generated from Operations</b>	<b>346.96</b>	<b>910.26</b>
	Direct Taxes Paid (Net of Refunds)	(0.69)	(4.11)
	<b>Cash Flow from Operating Activities</b>	<b>346.27</b>	<b>906.15</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Purchase of Property, Plant & Equipment	(37.44)	(296.79)
	Sale of Property, Plant & Equipment	0.03	0.11
	Purchase of Investments / Investments in Subsidiaries	-	(59.40)
	Sale of Investments	3.05	-
	<b>Net Cash Used in Investing Activities</b>	<b>(34.35)</b>	<b>(356.08)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
	Proceeds from Long Term Borrowings	-	196.99
	Repayment of Long Term Borrowings	(20.18)	(195.57)
	Interest & Financial Charges Paid	(332.01)	(572.13)
	Gain / (Loss) on Forward Contracts/ Foreign Exchange	17.73	(36.69)
	Proceeds (Repayments) of deferred Sales Tax Loan /ICD/Unsecured Loan	(0.20)	56.93
	<b>Net Cash Generated from Financing Activities</b>	<b>(334.65)</b>	<b>(550.47)</b>
	<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(22.73)</b>	<b>(0.40)</b>
	Cash & Cash Equivalents (Opening)	38.37	38.77
	Cash & Cash Equivalents (Closing)	15.64	38.37

**Notes :**

- 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.
- Purchase of Fixed Assets includes movement of Capital Work in Progress between the beginning and end of the year and net of Creditors for Capital Expenditure.
- 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 of Directors

For **Todarwal & Todarwal**  
Chartered Accountants  
Firm Registration No 111009 W

**Rajinder Miglani**  
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Director (Finance) & Group CFO  
(DIN: 02339467)

**R Agrawal**  
President & Company Secretary  
(FCS: 2174)

Date : 28<sup>th</sup> April, 2017 Place : Mumbai



The Best that Steel can be

STATEMENT OF CHANGES IN OTHER EQUITY FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH, 2017

	Capital Reserve	Capital Redemption Reserve	Securities Premium	Capital Incentive from Govt of Maharashtra	Revaluation Reserves	Retained Earning	Total
Balance as at 1 <sup>st</sup> April 2015	0.12	5.37	309.16	24.64	614.53	619.71	1,573.53
Foreign Currency Translation Reserves	-	-	-	-	-	-	-
Capital Incentive from Govt of Maharashtra received during the year	-	-	-	58.61	-	-	58.61
Profit for the Year	-	-	-	-	-	(1,551.51)	(1,551.51)
Defered Tax	-	-	-	-	-	445.77	445.77
Other Comprehensive Income	-	-	-	-	-	489.40	489.40
Total Comprehensive Income	-	-	-	58.61	-	(616.35)	(557.74)
<b>Balance as at 31<sup>st</sup> March 2016</b>	<b>0.12</b>	<b>5.37</b>	<b>309.16</b>	<b>83.25</b>	<b>614.53</b>	<b>3.35</b>	<b>1,015.78</b>
<b>Balance as at 1<sup>st</sup> April 2016</b>	<b>0.12</b>	<b>5.37</b>	<b>309.16</b>	<b>83.25</b>	<b>614.53</b>	<b>3.35</b>	<b>1,015.78</b>
Profit for the Year	-	-	-	-	-	(628.70)	(628.70)
Defered Tax	-	-	-	-	-	183.36	183.36
Other Comprehensive Income	-	-	-	-	-	19.63	19.63
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(425.72)</b>	<b>(425.71)</b>
<b>Balance as at 31<sup>st</sup> March 2017</b>	<b>0.12</b>	<b>5.37</b>	<b>309.16</b>	<b>83.25</b>	<b>614.53</b>	<b>(422.37)</b>	<b>590.07</b>

As per our Report of even date

For and on behalf of the Board of Directors

For **Todarwal & Todarwal**  
Chartered Accountants  
Firm Registration No 111009 W

**Rajinder Miglani**  
Chairman  
(DIN: 00286788)

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(DIN: 02339467)

**R Agrawal**  
President & Company Secretary  
(FCS: 2174)

Date : 28<sup>th</sup> April, 2017  
Place : Mumbai





**NOTES FORMING PART OF THE FINANCIAL STATEMENTS:**

**CORPORATE INFORMATION**

The Company is promoted by Miglani Family since the year 1985, and ArcelorMittal has joined as Co-Promoter in the year 2009-10.

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 PPGL. Its current facilities are mainly in thicker and thinner guage 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 markets. The market segments 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 - 09.

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1.01 (a) Statement of Compliance / Adoption of Ind-AS for first time:**

In accordance with the notification issued by the ministry of corporate affairs, the company has adopted Indian Accounting Standards (referred to as "Ind-AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. Previous period have been restated to Ind-AS. In accordance with Ind-AS 101 first-time Adoption of Ind-AS, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to presentation of Financial Statements under Ind-AS of Shareholders' equity as at 31<sup>st</sup> March, 2016 and 1<sup>st</sup> April, 2015 and of the comprehensive net income for the year ended 31<sup>st</sup> March, 2016.

These financial statements have been prepared in accordance with Ind-AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

**(b) Basis of Preparation:**

The financial statements are prepared under the historical cost convention, except for certain financial instruments, and Land, which are measured at fair values at the end of reporting period, as explained in accounting policies below. Historical cost is generally based on fair value of the consideration given in exchange for goods and services. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**(c) Use of estimates and judgements:**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind-AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

Impairment of investments.

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Useful lives of property, plant and equipment.

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.



**(d) Revenue Recognition:**

The Company recognises revenue in accordance with Ind-AS 18. Revenue is recognised when a customer obtains control of goods or services and thus has the ability to direct the use and obtained the benefits of the goods or services. Any advance received against supply of goods and services is recognised under the head current liabilities, sub head trade and other payables.

**(e) Cost recognition:**

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in to material consumption, cost of trading goods, employee benefit expenses, depreciation and amortisation, other operating expenses and finance cost. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses broadly comprise manufacturing expenses, administrative expenses and selling and distribution expenses.

**1.02 Foreign Currency Loans / Transactions:**

**(a) Import Transactions:**

(i) Material imports are accounted in the entities functional currency at the custom exchange rates prevailing at the time of receipts. In case foreign exchange is hedged, the exchange rate contracted is recognised as a part of purchase cost. Exchange Fluctuations, if any, at the time of retirement of the contract, are appropriately accounted as a part of material (consumption) cost. Similarly all related monetary liabilities at the year-end are re-instated at exchange rate prevailing at year end.

(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 in the entities functional currency at the custom exchange rates prevailing at the time of shipments. Exchange fluctuations, if any, at the time of realisation are appropriately accounted in the statement of profit and loss.

(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 realization, and forms part of revenue from operations.

(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 Loans balances are accounted at Exchange Rate prevailing at the year end.

(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 costs:**

Borrowing costs attributable to the acquisition or construction of qualifying assets as defined in Ind-AS 23, "Borrowing Costs" are capitalized as part of the cost of such asset up to the date when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Any related foreign currency fluctuations on account of qualifying asset under construction is capitalized and added to the cost of asset concerned. Other borrowing costs are expensed as incurred.

**1.04 The Treatment of Expenditure during Construction Period:**

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.



**1.05 Property, plant and equipment:**

(a) Property, plant and equipment, other than land, are carried at cost less accumulated depreciation and impairment loss, if any in accordance with Ind-AS 16. Land is valued at fair market price, based on the valuation carried out by an independent valuer, at end of the reporting period. Valuations are performed with sufficient frequency to ensure that the carrying amount does not differ materially from its fair value.

(b) Cost excludes Cenvat credit, sales tax and service tax credit and such other levies / taxes. Depreciation on assets is claimed on such 'reduced' cost.

(c) All items of repairs and maintenance are recognised in the statement of profit and loss, except those meet the recognition principle as defined in Ind-AS 16.

(d) Depreciation on fixed assets has been provided on straight line method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

(e) Depreciation on assets acquired during the year has been provided on pro-rata basis; from the date on which it is 'Available for Intended Use'.

(f) Any revaluation of an asset is recognised in other comprehensive income and shown as revaluation reserves in other equity

**1.06 Fair value measurement:**

The Company measures land at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant absorbable inputs and minimizing the use of un-absorbable inputs. External valuers are adopted for valuing land. The selection criteria for these valuers include market knowledge, reputation, independence and whether professional standards are maintained.

**1.07 Intangible Assets:**

(a) Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

(b) Intangible assets with finite life are amortised over the useful economic life, and assessed for impairment whenever there is an indication that assets are impaired. Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually.

**1.08 Impairment of Assets:**

Property plant and equipment are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverable amount of assets to be held and used is the higher of fair value less cost of disposal or value in use as envisaged in Ind-AS 36. 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 recoverable value of the asset. Impairment loss is recognised in the statement of profit and loss except for properties previously revalued with revaluation taken to other comprehensive income. For such properties impairment loss is recognised in other comprehensive income up to the amount of any previous revaluation.

**1.09 Interest in Subsidiaries, Joint ventures and Associates:**

Interest in subsidiaries, joint ventures and associates are recognised at cost. The company provides for any permanent diminution, if any, in value of such interests. Exchange Gain/ (Loss) on interest in subsidiaries, joint ventures and associates in Foreign Currency is not provided at the year end.

**1.10 Inventories:**

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

(i) Raw Materials - At Cost (Moving Weighted Average Method)

(ii) Work-in-Process - At Material Cost *plus* labour and other appropriate portion of production and administrative overheads and depreciation.



- (iii) Finished Goods - At lower of cost *or* net realisable value. Cost is inclusive of any taxes and duties incurred.
- (iv) Stores Spares etc. - At Cost
- (v) Arisings - At realisable value
- (vi) Stock In Trade Land - At Fair market 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.

#### **1.11 Taxation:**

##### **(a) Current Tax**

Current income tax Assets or Liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to determine the amount are in accordance with the provisions of Income Tax Act 1961.

##### **(b) Deferred Tax**

Deferred tax liabilities are recognised for all taxable temporary differences in accordance with Ind-AS 12. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits any unused tax losses. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available, against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax asset is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply in the year when the assets are realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in statement of total comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

#### **1.12 Earning per Share:**

The Company reports basic and diluted earning per share in accordance with Ind-AS 33, 'Earning per Share' issued by the ICAI. Basic earning per share is computed by dividing the net profit after tax but before other comprehensive income by the weighted average number of shares outstanding during the year.

#### **1.13 Accounting for Provisions, Contingent liabilities and Contingent Assets**

**(a)** In conformity with Ind-AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', issued by the ICAI. The Company recognizes provisions only when it has a present obligation (legal or constructive) 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. When the Group expect some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

**(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.

(c) All those obligations for which provisions are not required to be recognised in accordance with Ind-AS 37 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.

In the normal course the company faces claims and assertion by various Parties. The Company assesses such claims and assertions and monitors the legal environment on ongoing basis with assistance of legal counsel, wherever necessary.

(d) Contingent Assets are not recognised in the financial statements unless it has become virtually certain that an inflow of economic benefit will arise.

#### 1.14 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) Export incentives receivable on export performance are recognised on accrual basis, with reference to certainty of collectability of such export incentives.

1.15 Deferred sales tax incentive available to the Company under Maharashtra Value Added Tax (MVAT) is recognised as long term liability.

#### 1.16 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 recognised 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 recognised as an expense in the Profit and Loss Account for the year in which the employee has rendered services. The present value of these defined benefit obligations are ascertained by an independent actuarial valuation as per the requirement of Ind-AS 19- Employee Benefits. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to Statement of Profit and Loss.

1.17 Inter Unit transactions are eliminated to the extent possible.

#### 1.18 Other Comprehensive Income

₹ in Crore

Reconciliation of profit between Ind-AS and previous IGAAP for earlier period and as at 31.03.2017	Year Ended	
	31.03.2017	31.03.2016
Name of Adjustments		
Net Profit as per IGAAP	(679.99)	(1,551.51)
Capital Incentive from Government of Maharashtra	51.29	58.61
Deferred Tax	183.36	445.77
Other Comprehensive Income (Net of Tax)	19.63	489.40
<b>Total Comprehensive Income as per Ind-AS</b>	<b>(425.71)</b>	<b>(557.73)</b>



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**B. NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017**

**Note : 1 Property, Plant and Equipment**

₹ in Crore

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	COST 14.2016	ADDITIONS	DEDUCTION	COST 31.03.2017	UP TO 14.2016	YEAR ENDED 31.03.2017	DEDUCTION ADJUSTMENT	TOTAL DEPRECIATION	AS AT 31.03.2017	AS AT 31.03.2016
<b>(A) TANGIBLE ASSETS</b>										
Land	1,067.12	-	-	1,067.12	-	-	-	-	1,067.12	1,067.12
Building & Site Development	850.84	3.84	-	854.68	200.40	31.14	-	231.54	623.14	650.44
Flats & Office Premises	4.93	-	-	4.93	0.53	0.08	-	0.61	4.33	4.40
Plant and Machinery	5,285.96	30.34	-	5,316.30	1,412.16	214.45	-	1,626.62	3,689.68	3,873.80
Furniture & Fixture	37.25	0.91	-	38.16	18.29	3.83	-	22.13	16.03	18.96
Office Equipments	4.25	-	-	4.25	3.64	0.16	-	3.80	0.45	0.61
Computers	13.93	0.01	-	13.93	11.03	1.16	-	12.19	1.74	2.90
Vehicles	10.28	-	0.07	10.21	5.37	0.85	0.02	6.20	4.02	4.91
Housing Complex	40.70	-	-	40.70	4.05	0.65	-	4.70	36.00	36.65
<b>TOTAL (A)</b>	<b>7,315.25</b>	<b>35.10</b>	<b>0.07</b>	<b>7,350.29</b>	<b>1,655.47</b>	<b>252.33</b>	<b>0.02</b>	<b>1,907.77</b>	<b>5,442.51</b>	<b>5,659.79</b>

**Note: 2 Intangible Assets**

₹ in Crore

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	COST 14.2016	ADDITIONS	DEDUCTION	COST 31.03.2017	UP TO 14.2016	YEAR ENDED 31.03.2017	DEDUCTION ADJUSTMENT	TOTAL DEPRECIATION	AS AT 31.03.2017	AS AT 31.03.2016
Computer Software	23.39	0.51	-	23.90	9.38	4.73	-	14.11	9.79	14.01
<b>Total - Intangible Assets</b>	<b>23.39</b>	<b>0.51</b>	<b>-</b>	<b>23.90</b>	<b>9.38</b>	<b>4.73</b>	<b>-</b>	<b>14.11</b>	<b>9.79</b>	<b>14.01</b>

**Note 3 Capital Work-in-Progress**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Land & Building & Site Development	77.99	79.16
Plant & Machinery	60.41	59.71
Consultancy fees	4.06	3.90
Other Fixed Assets	-	0.05
Pre-operative Expences	11.59	9.39
<b>Total Capital Work-in-Progress</b>	<b>154.06</b>	<b>152.23</b>

**Note 4 (i) Non Current Investments**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Investments (At cost):</b>		
<b>A) Investments in Equity Shares</b>		
<b>(I) In Equity Shares of Subsidiary Companies Unquoted, Fully Paid Up</b>		
a) 5,000 Equity Shares of \$ 10 each of Atlantis International Services Company Limited	0.30	0.30
b) 120,000 Equity Shares of UAE Dirham 100 each of Uttam Galva Holdings	21.95	21.95



c)	18,000 Equity Shares of Euro one each of Uttam Galva Steels Netherlands B.V	0.15	0.15
d)	50,000 Equity Shares of USD 40 each of Uttam Galva Steels BVI Ltd	12.02	12.02
e)	1 Equity Shares of USD 50,000 of Neelraj International Trade Limited	0.30	0.30
f)	50,000 Equity Shares of USD 60 each of Uttam Exports BVI Limited	18.29	18.29
g)	200,000 Equity Shares of USD 40 each of Uttam Galva North America	50.87	50.87
		<b>103.88</b>	103.88
<b>(II) In Equity Shares of Associate Companies Unquoted, Fully Paid Up</b>			
a)	9,994 Equity Shares of ₹ 10 each of Uttam Utkal Steels Limited	0.01	0.01
		<b>0.01</b>	0.01
<b>(III) In Equity Shares of Joint Venture Companies Unquoted, Fully Paid Up</b>			
a)	30,20,000 Equity Shares of Rs 10 each of Texturing Technology Private Limited	3.02	3.02
b)	1,99,465 Equity Shares of Rs 10 each of Moira Madhujore Coal Limited (Out of this, 1,35,284 equity shares are purchased at a premium of ₹90/Share & 35,527 Equity Share @ 10 Each at a Premium of Rs 75/Shares)	1.68	1.68
		<b>4.70</b>	4.70
<b>(IV) Equity Shares of Other Companies Unquoted, Fully Paid Up</b>			
	40,000 Equity Shares of ₹ 25 each of Punjab & Maharashtra Co-op Bank Limited	0.10	0.10
	515,000, Equity Shares of ₹10 each in Ansal Hi-Tech Township Ltd.	0.52	0.52
		<b>0.62</b>	0.62
<b>Total Investment in Equity Shares</b>		<b>109.21</b>	109.21
<b>B) Investment in Debentures of others entities, Un quoted Fully Paid UP</b>			
a)	0 (Previous Year 300,000) Unsecured Optionally Fully Convertible Debentures of ₹100/ each in Shree Bhavani Power Projects Private Limited	-	3.00
<b>Total Investment in Debentures</b>		-	3.00
<b>C) Other Non-Current Investments</b>			
a)	Investment of Mutual Funds		
	- 50,000 Units of Union KBC Capital Protection Oriented Fund of ₹ 10 each	-	0.05
		-	0.05
<b>Total Other Non Current Investments</b>		<b>109.21</b>	112.26
Less: Provision for Diminution of value of Investments		(34.38)	(34.38)
<b>Total Net Non Current Investments</b>		<b>74.83</b>	77.88

**Note 4(ii) Loans**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Loans and advances to employees	0.56	1.25
Loans & Advances to Other Parties	55.04	50.56
<b>Total Loans</b>	<b>55.60</b>	51.81





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**Note 4(iii) Other Financial Assets**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Advances to Other Related parties	1,201.75	1,186.49
Advances to Other Parties	29.04	36.61
Advances to Capital Goods Suppliers	51.81	71.59
<b>Total</b>	<b>1,282.59</b>	1,294.69
Less: Provision for Diminution in Value of Advances	(61.98)	(61.98)
<b>Total Other Financial Assets</b>	<b>1,220.61</b>	1,232.71

**Note 5 Income Tax Asset (net)**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Advance Income Tax of Prior Years (net)	10.86	10.17
<b>Total Income Tax Asset (net)</b>	<b>10.86</b>	10.17

**Note 6 Deferred Tax Assets**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Deferred Tax Assets	853.55	670.19

**Note 7 Other Non Current Assets**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Deposits Flats & Others	19.66	19.60
<b>Total Other Non Current Assets</b>	<b>19.66</b>	19.60

**Note 8 Inventories**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Raw Materials	133.66	231.75
Goods-in-Transit (Raw Materials)	120.48	45.18
Work-in-Progress	79.90	65.11
Finished Goods	130.48	109.53
Stock-in-trade - Traded Goods	0.36	48.55
Stores and Spares	42.06	49.30
Arising	3.74	7.57
Land	347.36	347.36
<b>Total Inventories</b>	<b>858.05</b>	904.35

**Note 9 Trade Receivables**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Unsecured Trade Receivables	1,315.79	1,532.61
Less: Provision for Bad and Doubtful Debts	(129.06)	(56.95)
<b>Total Trade Receivables</b>	<b>1,186.74</b>	1,475.66



**Note 9(ii) Cash and Cash Equivalents**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Cash in hand	0.02	1.35
<b>Balances with banks In Current Accounts</b>	5.37	0.25
<b>Total Cash and Cash Equivalents</b>	<b>5.39</b>	1.59

**Note 9(iii) Other Balances with Banks**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Balances held as Margin money or security against Borrowings, Guarantees and other Commitments	10.25	36.78
<b>Total Other Balances with Banks</b>	<b>10.25</b>	36.78

**Note 9(iv) Other Financial Assets**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Interest Receivable	0.73	0.82
<b>Total Other Financial Assets</b>	<b>0.73</b>	0.82

**Note 10 Other Current Assets**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Security Deposits	-	-
Advance to Related Parties	-	-
Advance to Others		
(i) Advance to Suppliers	11.22	8.55
(ii) Prepaid Expenses	7.84	10.18
(iii) Indirect Tax Recoverable		
a) CENVAT Credit Receivable	55.95	28.61
b) VAT Refund Receivable	28.12	4.54
c) Mega Incentive Receivable	56.51	63.17
d) Service Tax Credit Receivable	9.78	7.09
(iv) Export Incentives / Import Entitlements Receivable /(Obligation)	35.88	(6.45)
(v) Other Short term Deposits	0.12	3.44
<b>Total Other Current Assets</b>	<b>205.42</b>	119.14

**Note 11 Equity Share Capital**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
(a) Authorised Share Capital		
50,00,00,000 (17,50,00,000) Equity Shares of ₹10 Each	500	500



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(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 Share have been Issued for consideration other than Cash and 2,18,57,924 Equity Share have been issued on Conversion of Global Depository Receipts )	142.26	142.26
<b>Total Issued, Subscribed and Paid up Equity Share Capital</b>		<b>142.26</b>	<b>142.26</b>

Reconciliation of No of Shares outstanding is set out below.	<b>As at 31<sup>st</sup> March, 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>
Equity Shares at the beginning of the year	14,22,60,103	14,22,60,103
Add: Shares Issued during the year	-	-
<b>Equity Shares at the end of the year</b>	<b>14,22,60,103</b>	<b>14,22,60,103</b>

**Details of Shareholder holding more than 5% Equity Shares:**

Name of Shareholder	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	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
Eriska Investment Pvt Ltd	1,39,88,000	9.83	1,39,88,000	9.83
Arcelomittal Netherlands BV	4,13,27,931	29.05	4,13,27,931	29.05
Cresta Fund Limited	33,51,426	2.36	33,51,426	2.36
Albula Investment Fund Limited	1,28,56,750	9.04	1,28,56,750	9.04
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 Ltd)	78,85,600	5.54	78,85,600	5.54

**Note 12 Other Equity**

₹ in Crore

Particulars		<b>As at 31<sup>st</sup> March, 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>
(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	309.16
	Add : During the Year	-	-
	Closing Balance	<b>309.16</b>	<b>309.16</b>
(d)	Debenture Redemption Reserve		
	As per Last Balance Sheet	-	-
	Less :Transferred to Profit & Loss Reserve Account	-	-
	Add: Transferred from Profit & Loss Account	-	-



	Closing Balance	-	-
(e)	Capital Incentive From Government of Maharashtra		
	As per Last Balance Sheet	83.25	24.64
	Add : During the Year	-	58.61
	Closing Balance	<b>83.25</b>	83.25
(f)	Revaluation Reserve		
	As per Last Balance Sheet	614.53	614.53
	Addition during the year	-	-
	Closing Balance	<b>614.53</b>	614.53
(g)	Profit and Loss Account		
	As per Last Balance Sheet	3.35	561.08
	Add: Transferred from Debenture Redemption Reserve Account	-	-
	Add: Profit for the year	(425.71)	(557.73)
	Less: Appropriations		
	Closing Balance	(422.35)	3.35
	<b>Total Other Equity</b>	<b>590.07</b>	1,015.78

**Note 13(i) Long Term Borrowings**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Secured</b>		
Term Loan from Banks and Financial Institutions	2,091.96	2,324.66
Interest Accrued and Due on Term Loans	211.43	15.19
	<b>2,303.39</b>	2,339.85
<b>Unsecured</b>		
Other loans ( SICOM & Deferral Sales Tax Loans)	63.88	64.07
<b>Total Long Term Borrowings</b>	<b>2,367.26</b>	2,403.92

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

₹ in Crore

Term Loan from Banks	Terms of repayment	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Punjab National Bank, State Bank of India, Bank of Baroda & Exim Bank	Repayable in 36 quarterly installments ending on Mar-2020	186.49	193.99
Vijaya Bank	Repayable in 28 quarterly installments ending on Sept-2019	68.75	68.75
Syndicate Bank	Repayable in 20 quarterly installments ending on March 2020	113.75	113.75
Oriental Bank of Commerce	Repayable in 24 quarterly installments ending on March 2022	124.31	124.31



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State Bank of India	Repayable in 34 quarterly installments ending on March 2023	85.00	85.00
Vijaya Bank	Repayable in 20 quarterly installments ending on December 2021	80.00	95.00
Indian Overseas Bank	Repayable in 34 quarterly installments ending on June 2023	43.13	43.76
Phoenix ARC Pvt Ltd (Previously held by South Indian Bank)	Repayable in 20 quarterly installments ending on June 2022	85.00	100.00
FCTL: Exim Bank (USD 10.88 Million, Previous Year USD 12.11 Million)	Repayable in 12 half yearly installments ending on July-2020	70.51	80.30
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 (USD 190.48 Million, Previous Year USD 213.87 Million)	Repayable in 12 half yearly installments ending on July-2020	1,235.02	1,419.81
		<b>2,091.96</b>	<b>2,324.67</b>

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.

Details of Term Loan Principal and Interest overdue as on 31.03.2017

₹ in Crore

Name of Lenders	Default in		Default from	
	Principal Repayment	Interest	Principal Repayment	Interest
State Bank of India	67.42	26.15	June,2016	June,2016
Canara Bank	24.02	9.94	July,2016	July,2016
Bank of India	24.02	10.40	July,2016	July,2016
ICICI Bank Ltd	17.88	9.28	July,2016	July,2016
Indian Overseas Bank	22.52	14.08	June,2016	April,2016
Union Bank of India	20.02	8.28	July,2016	July,2016
Punjab National Bank	43.38	21.12	March,2016	March,2016
Indian Bank	16.01	6.93	July,2016	July,2016
Bank of Baroda	19.51	8.46	June,2016	June,2016
Exim Bank	21.54	9.19	March,2016	March,2016
State Bank Of Mauritius Ltd	8.01	3.31	July,2016	July,2016
Afrasia Bank Ltd	6.74	2.32	July,2016	July,2016
Oriental Bank of Commerce	25.00	18.83	June,2016	April,2016
Syndicate Bank	43.75	21.56	March,2016	March,2016
Phoenix ARC Pvt Ltd	-	14.23	NA	March,2016
Vijaya Bank	30.00	27.36	March,2016	March,2016
<b>Total</b>	<b>389.82</b>	<b>211.44</b>		



**Note 13(ii) Other Financial Liabilities**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Creditors for Capital Goods	9.58	20.51
<b>Total Other Financial Liabilities</b>	<b>9.58</b>	<b>20.51</b>

**Note 14 Long Term Provisions**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Unfunded Gratuity Liability	3.95	6.61
Unfunded Leave Encashment Liability	5.77	5.59
<b>Total Long Term Provisions</b>	<b>9.71</b>	<b>12.20</b>

**Note 15 Deferred Tax Liability**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Deferred Income Tax Liabilities Related to Revaluation Fixed Assets	412.34	412.34
<b>Total Deferred Tax Liability</b>	<b>412.34</b>	<b>412.34</b>

**Note 16 Other Non Current Liabilities**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Other Long Term Liabilities	-	-
<b>Total Other Non Current Liabilities</b>	<b>-</b>	<b>-</b>

**Note 17(i) Short Term Borrowings**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Secured</b>		
Working Capital Loans from Banks	308.40	323.79
Over Drafts from Banks	2,599.89	755.48
	2,908.29	1,079.26
<b>Unsecured</b>		
Loan from Banks	-	87.67
<b>Total Long Term Provisions</b>	<b>2,908.29</b>	<b>1,166.94</b>

Details of overdrafts (LC Devolvement ) from Banks as on 31.03.2017

₹ in Crore

Name Of Lender	LC Devolvement	Default from
State Bank of India	946.18	July,2016
Canara Bank	639.30	Februrary,2016
ICICI Bank Ltd	26.88	August,2016
Indian Overseas Bank	110.69	April,2016
Union Bank of India	225.80	March,2016
Punjab National Bank	320.09	March,2016
Bank of Baroda	95.73	June,2016
IDBI	235.22	April,2016
<b>Total</b>	<b>2,599.89</b>	



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**Note 17(ii) Trade and Other Payables**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Trade Payables:		
Micro, Small and Medium Enterprises	1.30	1.36
Acceptances	51.14	1,715.88
Other than Acceptances	2,007.95	2,292.04
Subsidiary Companies	-	-
<b>Total Trade and Other Payables</b>	<b>2,060.38</b>	<b>4,009.28</b>

**Note 17(iii) Other Financial Liabilities**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Current Maturities of Long Term Borrowings		
Rupee Term Loans	191.18	161.19
ECBs & FCTLs	363.10	219.07
Interest Accrued but not due on Term Loans	22.70	27.79
Interest due but not paid on Other Borrowings	130.77	28.21
<b>Total Other Financial Liabilities</b>	<b>707.75</b>	<b>436.26</b>

**Note 18 Provisions**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Unpaid Salaries and Wages	0.13	0.08
Provision for Bonus	1.18	2.31
Provision for Expenses	58.08	34.72
Provision for Freight	0.24	0.02
Provision for Commission	-	0.02
Provision for Discounts	-	0.13
<b>Total Provisions</b>	<b>59.64</b>	<b>37.29</b>

**Note 19 Other Current Liabilities**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Statutory Remittances (Contributions to PF and ESIC, Withholding Taxes, TDS, Excise Duty, VAT, Service Tax, etc.)	9.35	16.77
Advances from Customers - from Subsidiaries	120.36	116.39
- from Others	706.37	617.93
Other payables	4.68	18.87
<b>Total Other Current Liabilities</b>	<b>840.77</b>	<b>769.95</b>





**Note 20 Revenue from Operations**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Sale of Products	3,646.67	4,092.93
Traded Goods	717.73	3,005.24
Other Operating Revenues	248.68	159.04
<b>Gross Revenue from Operations</b>	<b>4,613.08</b>	<b>7,257.21</b>
Less: Excise Duty *	264.98	374.60
<b>Total Revenue from Operations (Net)</b>	<b>4,348.10</b>	<b>6,882.61</b>

Sale of Products Comprises	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Manufactured Goods **</b>		
Galvanised Plain (GP)/ Galvanised Corrugated (GC)	1,913.22	2,030.56
Prepainted Galvanised Iron (PPGI)	678.82	740.28
Cold Rolled Closed Annealed (CRCA) & Others ***	1,054.63	1,322.10
<b>Total - Sale of Manufactured Goods</b>	<b>3,646.67</b>	<b>4,092.93</b>
<b>Traded Goods</b>		
Sales Domestic Trading / Service Centre	532.67	1,005.64
Sales Domestic Trading - High Seas Sales	74.68	6.46
Sales-Deemed Exports	-	-
Sales Merchandise Exports	110.39	1,993.13
<b>Total - Sale of Traded Goods</b>	<b>717.73</b>	<b>3,005.24</b>
<b>Total - Sale of Products</b>	<b>4,364.40</b>	<b>7,098.17</b>
<b>Other Operating Revenues</b>		
Sale of Scrap/ Arising	128.21	149.73
Duty Drawback and Other Export Incentives( FMS and MEIS)	28.67	6.49
Conversion Charges on Contract Manufacturing	91.80	-
Sale of Surplus Generated Power	-	2.82
<b>Total Other Operating Revenues</b>	<b>248.68</b>	<b>159.04</b>

\* Does not include ₹50.24 Crore (Previous Year NIL), Excise Duty paid against Job work despatches under Rule 10A.

\*\* Manufactured Sales includes Export Sales worth ₹ 1,310.92 Crore ( Previous Year ₹ 880.71 Crore)

\*\*\* Includes Hot Rolled Picked & Oiled Products (HRPO), Tube Products and Re-Processed Arisings.

**Note 21 Other Income**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Interest Income - Operational	9.52	41.77
- Non-Operational	-	-
Other Non-Operating Income	54.73	62.72
<b>Total Other Income</b>	<b>64.25</b>	<b>104.49</b>



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**Note 22 Cost of Materials Consumed**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Opening Stock	263.13	386.23
Add: Purchases	2,786.32	2,676.17
	<b>3,049.45</b>	3,062.40
Less: Closing Stock	238.08	263.13
<b>Total Cost of Material Consumed</b>	<b>2,811.37</b>	2,799.28

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Cost of Materials Consumed</b>		
Hot Rolled Coil	2,065.33	2,226.02
Cold Rolled Full Hard	317.21	155.50
Zinc & Metal	366.26	358.12
Paint	62.57	59.63
<b>Total Cost of Material Consumed</b>	<b>2,811.37</b>	2,799.27

**Note 23 Purchase of Traded Goods**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Purchase of Trade goods</b>		
Trading Purchases Hot Rolled Coil - Domestic	75.81	694.43
Trading Purchases Others - Domestic	408.94	363.62
Trading Purchases - Imports	184.87	2,110.73
<b>Total Purchase of Traded Goods</b>	<b>669.62</b>	3,168.78

**Note 24 Changes in Inventories of Finished Goods, Work-in-Progress , Traded Goods**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Inventories at the end of the year:		
Finished Goods at Plant	91.07	108.24
Finished Goods at Port	39.41	0.86
Arisings	3.74	7.57
Work-in-Process	79.90	65.10
Traded Goods	0.36	48.55
	<b>214.48</b>	230.32
Inventories at the beginning of the year:		
Finished Goods at Plant	108.24	199.41
Finished Goods at Port	0.86	11.14
Arisings	7.57	16.93
Work-in-Process	65.11	172.71
Traded Goods	48.55	66.39
	<b>230.32</b>	466.59
<b>Changes in Inventories</b>	<b>15.84</b>	236.27



## Note 25 Employee benefits expense

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Salaries and Wages	86.11	97.23
Contributions to Provident and other Funds	2.90	5.45
Staff Welfare Expenses	5.13	6.47
<b>Total Employee Benefit Expenses</b>	<b>94.14</b>	<b>109.15</b>

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:

Amount to be recognised in Balance Sheet	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Gratuity</b>		
Defined Benefit Obligations	18.77	19.68
Present Value of Unfunded Obligations	3.95	6.15
Fair Value of Plan Assets (managed by insurer)	14.82	13.53
<b>Net Liability</b>	<b>3.95</b>	<b>6.15</b>
Amounts in Balance Sheet		
Liability	18.77	19.68
Assets	14.82	13.53
<b>Net Liability</b>	<b>3.95</b>	<b>6.15</b>
<b>Expenses to be recognised in the Statement of P&amp;L</b>		
Current Service Cost	1.40	1.97
Interest on Defined Benefit Obligation	1.47	1.54
Expenses Levied by Insurance Company	0.16	0.15
Expected Return on Plan Assets	(1.07)	(1.15)
Re-measurement - Return on Assets	(0.10)	0.00
Net Actuarial Losses/(Gains) Recognised in Year	(1.30)	(0.18)
<b>Total, included in "Employee Benefit Expense"</b>	<b>0.56</b>	<b>2.33</b>
Actual Return on Plan Assets	1.07	1.15
<b>Reconciliation of Benefit Obligations &amp; Plan Assets For the Period</b>		
<b>Change in Defined Benefit Obligation</b>		
<b>Opening Defined Benefit Obligation</b>	<b>19.68</b>	<b>19.22</b>
Current Service Cost	1.40	1.97
Interest Cost	1.47	1.54
Actuarial Losses/ (Gains)	(1.30)	(0.18)
Benefits Paid/ Accrued but not paid	(2.47)	(2.87)
<b>Closing Defined Benefit Obligation</b>	<b>18.77</b>	<b>19.68</b>
<b>Change in Fair Value of Assets</b>		
<b>Opening in Fair Value of Plan Assets</b>	<b>13.53</b>	<b>12.27</b>
Expected Return on Plan Assets	1.07	1.15
Changes due to effect of any business combination	0.14	0.18
Contributions by Employer	2.80	2.61



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Benefits Paid/ Accrued but not paid	(2.47)	(2.78)
Re-measurement - Return on Assets	(0.10)	0.00
Payments due to the Company	(0.14)	(0.10)
Expenses Levied by Insurance Company	(0.16)	(0.15)
Balance with the Bank	0.15	0.34
<b>Closing Fair Value of Plan Assets</b>	<b>14.82</b>	<b>13.53</b>
<b>Principal Actuarial Assumptions (Expressed as Weighted Averages)</b>		
Discount Rate (p.a.)	7.50%	8.00%
Salary Escalation Rate (p.a.)	7.00%	7.00%

Amount to be recognised in Balance Sheet	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Leave Encashment</b>		
Present Value of Funded Obligations	-	-
Present Value of Unfunded Obligations	5.77	5.59
Fair Value of Plan Assets (managed by insurer)	-	-
<b>Net Liability</b>	<b>5.77</b>	<b>5.59</b>
Amounts in Balance Sheet		
Liability	5.77	5.59
Assets	-	-
<b>Net Liability</b>	<b>5.77</b>	<b>5.59</b>
<b>Expenses to be recognised in the Statement of Profit &amp; Loss</b>		
Current Service Cost	1.23	1.33
Interest on Defined Benefit Obligation	0.43	0.44
Expected Return on Plan Assets	Nil	Nil
Net Actuarial Losses/(Gains) Recognised in Year	(1.00)	(0.51)
<b>Total, included in "Employee Benefit Expense"</b>	<b>0.66</b>	<b>1.26</b>
Actual Return on Plan Assets		
<b>Principal Actuarial Assumptions (Expressed as Weighted Averages)</b>		
Discount Rate (p.a.)	7.50%	8.00%
Salary Escalation Rate (p.a.)	7.00%	7.00%

**Note 26 Other Expenses**

₹ in Crore

Particulars	For the Year Ended 31 <sup>st</sup> March, 2017	For the Year Ended 31 <sup>st</sup> March, 2016
<b>Manufacturing Expenses</b>		
Power Consumption	143.03	152.48
Coal Consumed	68.48	74.41
Power Captively Consumed	(128.53)	(137.82)
Power Captively Consumed - Steam	(8.68)	(10.73)
Consumption of Steam	8.68	10.73
Fuel Consumption	55.68	83.89
Water Charges	2.45	2.44
Stores & Spares Consumed	59.77	61.68
Repairs & Maintenance to Plant	24.00	30.44
Other Manufacturing Expenses	21.95	26.93
<b>Total Manufacturing Expenses</b>	<b>246.83</b>	<b>294.45</b>



<b>Selling and Distribution Expenses</b>		
International Freight	58.19	43.13
F.O.B. Expenses	19.33	24.18
Local Freight	26.23	42.15
Brokerage & Commission	2.75	5.99
Other Expenses	6.59	7.64
Packing Material Consumed	48.26	55.52
Provision for Bad & Doubtful Debts	77.09	54.56
<b>Total Selling and Distribution Expenses</b>	<b>238.44</b>	233.17
<b>Administrative Expenses</b>		
Insurance	7.82	8.53
Travelling & Conveyance	4.08	6.11
Rent, Rates & Taxes	5.28	5.18
Legal , Professional & Consultancy Charges	31.27	46.20
Repairs & Maintenance to Building	6.30	8.31
Repairs & Maintenance to others	3.14	2.72
Security charges	2.67	3.32
Other Expenses	7.37	9.92
Remuneration to CMD/DMD	1.96	1.96
Sundry Balance Written Off/(Written back)	0.39	-0.05
Payment to Auditors -Audit Fees	0.18	0.26
-Tax Audit & Certifications	0.05	0.05
-Expenses Reimbursed	-	-
Loss on Sale of Fixed Assets	0.01	0.09
<b>Total Administrative Expenses</b>	<b>70.52</b>	92.60
<b>Total Other Expenses</b>	<b>555.78</b>	620.22

**Note 27 Finance Costs**

₹ in Crore

Particulars	For the Year Ended 31 <sup>st</sup> March, 2017	For the Year Ended 31 <sup>st</sup> March, 2016
<b>Interest Expense on:</b>		
(i) Borrowings - Long Term	220.11	218.49
(ii) Borrowings - Short Term	402.17	359.32
Other Borrowing Costs (Upfront Fees)	4.43	36.16
Loss on Sale of Investment	-	-
Net Loss on Foreign Currency Transactions and Translation	(17.73)	40.11
<b>Gross Interest and Financial Charges</b>	<b>608.99</b>	654.08
Interest & Financial Charges Charged to Capital Work In Progress	-	148.75
<b>Total Finance Costs</b>	<b>608.99</b>	505.33



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Note: 28 Depreciation & Amortisation as on 31<sup>st</sup> March 2017

A) Depreciation

₹ in Crore

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	COST 1.04.2016	ADDITIONS	DEDUCTION	COST 31.03.2017	UP TO 1.04.2016	YEAR ENDED 31.03.2017	DEDUCTION ADJUSTMENT	TOTAL DEPRECIATION	AS AT 31.03.2017	AS AT 31.03.2016
<b>(A) TANGIBLE ASSETS</b>										
Land	1,067.12	-	-	1,067.12	-	-	-	-	1,067.12	1,067.12
Building & Site Development	850.84	3.84	-	854.68	200.40	31.14	-	231.54	623.14	650.44
Flats & Office Premises	4.93	-	-	4.93	0.53	0.08	-	0.61	4.33	4.40
Plant and Machinery	5,285.96	30.34	-	5,316.30	1,412.16	214.45	-	1,626.62	3,689.68	3,873.80
Furniture & Fixture	37.25	0.91	-	38.16	18.29	3.83	-	22.13	16.03	18.96
Office Equipments	4.25	-	-	4.25	3.64	0.16	-	3.80	0.45	0.61
Computers	13.93	0.01	-	13.93	11.03	1.16	-	12.19	1.74	2.90
Vehicles	10.28	-	0.07	10.21	5.37	0.85	0.02	6.20	4.02	4.91
Housing Complex	40.70	-	-	40.70	4.05	0.65	-	4.70	36.00	36.65
<b>TOTAL (A)</b>	<b>7,315.25</b>	<b>35.10</b>	<b>0.07</b>	<b>7,350.29</b>	<b>1,655.47</b>	<b>252.33</b>	<b>0.02</b>	<b>1,907.77</b>	<b>5,442.51</b>	<b>5,659.79</b>
<b>(B) INTANGIBLES ASSETS</b>										
Computer Software	23.39	0.51	-	23.90	9.38	4.73	-	14.11	9.79	14.01
<b>TOTAL (B)</b>	<b>23.39</b>	<b>0.51</b>	<b>-</b>	<b>23.90</b>	<b>9.38</b>	<b>4.73</b>	<b>-</b>	<b>14.11</b>	<b>9.79</b>	<b>14.01</b>
<b>TOTAL (A+B)</b>	<b>7,338.64</b>	<b>35.61</b>	<b>0.07</b>	<b>7,374.19</b>	<b>1,664.85</b>	<b>257.06</b>	<b>0.02</b>	<b>1,921.88</b>	<b>5,452.31</b>	<b>5,673.79</b>
PREVIOUS YEAR	6,131.57	1,207.72	0.64	7,338.64	1,430.86	234.42	0.44	1,664.85	5,673.79	

B) Amortisation Expense

₹ in Crore

Particulars	For the Year Ended 31 <sup>st</sup> March, 2017	For the Year Ended 31 <sup>st</sup> March, 2016
Amortisation of ECB issue expenses and Exchange Loss	28.26	47.42
<b>Total Amortisation Expenses</b>	<b>28.26</b>	<b>47.42</b>

Note 29 Exceptional Items

₹ in Crore

Particulars	For the Year Ended 31 <sup>st</sup> March, 2017	For the Year Ended 31 <sup>st</sup> March, 2016
Diminution in value of Investments in Subsidiaries	-	(34.38)
Diminution in value of Overseas Loans & Advances	-	(61.98)
Non-realizable Claims on Vendors Written Off	-	(621.45)
<b>Total Exceptional Items</b>	<b>-</b>	<b>(717.81)</b>

30. Contingent Liabilities not provided for in respect of:

₹ in Crore

Particulars	31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016
(a) Letters of Credit outstanding	51.14	37.09
(b) Bank Guarantees	25.10	54.15
(c) Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	16.81
(d) Disputed Statutory Liabilities	16.99	17.01



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

The Company had given a corporate guarantee of US\$ 22 Million (US\$ 22 Million) to Macquarie Bank Limited, against Working Capital Facility availed by Uttam Galva North America Inc, a wholly owned subsidiary.

The Company had given a corporate guarantee of US\$ 12.50 Million (US\$ 12.50 Million) to Brown Brothers Harriman & Co. (BBH) against Working Capital Facility availed by Uttam Galva North America Inc, a wholly owned subsidiary.

**31. (a)** The Income Tax Assessments are completed up to AY 2014-15.

**(b)** The Sales Tax Assessments are completed up to 31<sup>st</sup> March, 2014.

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

**32.** The Company has recognised Industrial Promotion Subsidy (IPS) receivable from Government of Maharashtra in respect of Mega Project under Package Scheme of Incentive (PSI) 2007.

During the Financial Year, the company has treated incentive receivable under the said scheme to the tune of ₹ 51.29 Crore (Previous Year ₹58.61 Crore) as Other Income.

**33. Taxation.**

**(a)** The Company does not have any taxable income as per the provisions of the Income Tax Act, 1961, nor liable to MAT (Minimum Alternate Tax), hence no provision has been made.

**(b)** During the year the Company has collected VAT and CST amounting to ₹ Nil (Previous Year ₹63.33 Crore) under Deferred Sales Tax Scheme, which is repayable in 5 equated annual installments after 11 years.

**(c)** VAT and CST collected under Deferred Sales Tax Scheme up to 31<sup>st</sup> March 2015, has already been paid at Net Present Value.

**34. Diminution in value of Long Term Investments, Advances, and Claims**

The Company has made a provision of Nil (Previous Year ₹ 34.38 Crore) towards the diminution in value of long term investments in overseas subsidiaries, and Nil (Previous Year ₹ 61.98 Crore) towards diminution in value of loans and advances. Non-realizable claims on vendors / advances to vendors, amounting to Nil (Previous Year ₹ 621.45 Crore) has been written off.

**35. Earnings per Share (EPS)**

Earnings Per Share (EPS) Basic and Diluted	2016-17	2015-16
<b>a) Including Extraordinary Income &amp; Prior Period Income</b>		
Profit for the Year (before other comprehensive Income)	(437.44)	(1,051.07)
Weighted average No. of Ordinary shares of ₹10 each for Basic EPS	14,22,60,103	14,22,60,103
Earnings per Share (EPS) Basic & Diluted (Rupees)	(30.75)	(73.88)
<b>a) Excluding Extraordinary Income &amp; Prior Period Income</b>		
Profit for the Year (before other comprehensive Income)	(437.44)	(1,051.07)
Weighted average No. of Ordinary shares of ₹10 each for Basic EPS	14,22,60,103	14,22,60,103
Earnings per Share (EPS) Basic & Diluted (Rupees)	(30.75)	(73.88)

**36. Segment Reporting**

The Company is Manufacturing of Steel Products and also has a Captive Power Plant, hence it is reporting its results in single segment as required by Ind-AS 108.

**37.** Sundry Debit Balances and Credit balances are subject to confirmations.

**38. (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 (KMP):**

Shri Anuj R Miglani

Shri Gursharan Singh Sahwney

Shri R Agrawal





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**(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 Holding Limited	Atlantis International Service Company Limite
Uttam Galva Steels , Netherland BV	NeelRaj International Trade Limited
Uttam Galva Steels ( BVI) Limited	Uttam Galva North America,IN
Uttam Export BVI	Uttam Galva International FZE (Step down Subsidiary)

**Co-Promoter**

ArcelorMittal Netherland, B.V.

**Ability to Control/Exercise Significant Influence**

ArcelorMittal International FZE                      ArcelorMittal International Luxembourg

**Associates / Joint Ventures :**

Growell Mercantile Private Limited	Evergreen Tradeplace Private Limited
Shree Uttam Steel and Power Limited	Uttam Galva Metallics Limited
Uttam Utkal Steels Limited	Sainath Trading Company Private Limite
Uttam Value Steels Limited	Kredence Multi Trading Limited
Archisha Steels Private Limited	Uttam Galva International PTE Ltd
Texturing Technology Private Limited	Moirra Madhujore Coal Limited

**(b) Details of transactions with related parties (KMP) referred to in (a)(i) above: ₹ in Crore**

	<b>2016-17</b>	<b>2015-16</b>
Remuneration	2.49	2.47

**(c) Details of transactions with related parties referred to in (a)(ii) above: ₹ in Crore**

Particular	2016-2017			2015-2016		
	Subsidiaries	Associates / Joint Venture	Ability to Contol/ Exercise significant influence	Subsidiaries	Associates/ Joint Venture	Ability to Contol/ Exercise significant influence
Sale of Goods / Services	921.10	367.99		628.23	67.03	90.82
Purchase of Goods / Services	101.66	1,066.74			1,459.92	
Expenses		33.09				
Export Advance Received / (Repaid) (Net)				(245.43)		
Investment in Equity				59.39		
Rent Income		3.09			3.22	
Rent Payment		1.91			1.93	
Interest Paid				3.39		
Interest Received					7.02	



39. Information pursuant to Regulation 34 of Listing Regulations, 2015.

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

₹ in Crore

Particular	Balance as at 31 <sup>st</sup> March, 2017	Balance as at 31 <sup>st</sup> March, 2016	Maximum Balance during the year	
			2016-2017	2015-2016
<b>Interest free loans without specified repayment schedule</b>				
Uttam Galva Holding Limited	0.23	0.23	0.23	0.23
Atlantis International Services Company Limited	19.31	19.31	19.31	19.31
Uttam Galva Steels Netherlands BV	24.52	24.52	24.52	24.52
Neelraj International Trade Limited	9.53	9.53	9.53	9.53
Uttam Galva Steels (BVI) Limited	2.06	2.06	2.06	2.06
Uttam Exports BVI	0.02	0.02	0.02	
Uttam Galva International FZE	6.32	6.32	6.32	14.48

40. Derivative Contracts entered into by the Company and outstanding as on 31<sup>st</sup> March 2017.

**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 31<sup>st</sup> March, 2017 is as follows:

Amount in Million

Sr. No	Currency	Cross Currency	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
			Buy	Sell	Buy	Sell
1	US Dollar	INR	-	-	132.15	-
2	EURO	INR	-	-	-	-
3	EURO	US Dollar	-	-	0.78	-
4	AUD	INR	-	-	-	-

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 of Directors

**For Todorwal & Todorwal**  
Chartered Accountants  
Firm Registration No 111009 W

**Rajinder Miglani**  
Chairman  
(DIN: 00286788)

**Anuj R Miglani**  
Managing Director  
(DIN: 0028709)

**Sunil Todorwal**  
Partner  
(Membership No. 32512)

**Gursharan Singh Sawhney**  
Director (Finance) & Group CFO  
(DIN: 02339467)

**R Agrawal**  
President & Company Secretary  
(FCS: 2174)

Date : 28<sup>th</sup> April, 2017  
Place : Mumbai



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## INDEPENDENT AUDITORS REPORT ON CONSOLIDATED Ind-AS FINANCIAL STATEMENTS

TO THE MEMBERS OF

M/S UTTAM GALVA STEELS LIMITED

### Report on the Consolidated Ind-AS Financial Statements

We have audited the accompanying consolidated Ind AS Financial Statements of Uttam Galva Steels Limited ('the Holding Company') and its subsidiaries and its joint ventures (collectively referred to as 'the Group'), comprising the Consolidated Balance Sheet as at 31<sup>st</sup> March 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, the Consolidated Statement of Changes in Equity and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

### Management's Responsibility for the Consolidated Financial Statement

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with Companies (Indian Accounting Standards) Rules, 2015.

The Boards of Directors of the Company is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error; which have been used for the purpose of preparation of the Consolidated Ind-AS Financial Statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind-AS Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind-AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence, on a test basis, about the amounts and disclosures in the consolidated Ind-AS financial statements. The procedures selected depend on the auditor's judgment, including the

assessment of the risks of material misstatement of the consolidated Ind-AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management, as well as evaluating the overall presentation of the consolidated Ind-AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind-AS Financial Statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2017, their consolidated loss, their consolidated cash flows, and their consolidated statement of changes in equity for the year ended on that date.

### Other Matters

We did not audit the financial statements/ financial information of 8 subsidiaries, and 2 jointly controlled entities, whose financial statements/ financial information reflect total assets of ₹ 840.14 Crore as at 31<sup>st</sup> March, 2017, total revenues of ₹ 1931.31 Crore and net cash and cash equivalent of ₹ 48.46 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of Sub-Sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

For **Todarwal & Todarwal**  
Chartered Accountants  
(ICAI Reg No : 111009W)  
Sd/-

**Sunil Todarwal**  
Partner  
(M. No. : 032512)

Date : 28<sup>th</sup> April, 2017  
Place: Mumbai

CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017

₹ in Crore

Particulars	Note No.	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant and Equipment	1	5,447.82	5,665.55	4,686.99
(b) Intangible Assets	2	9.79	14.01	18.69
(c) Capital Work in Progress	3	154.06	152.23	162.35
(d) Financial Assets	4			
(i) Investments	4(i)	5.53	8.78	9.55
(ii) Loans	4(ii)	55.60	51.81	46.14
(iii) Other Financial Assets	4(iii)	1,220.58	1,232.68	370.32
(e) Income Tax Asset(net)	5	10.86	10.17	43.09
(f) Deferred Tax Assets	6	853.55	670.19	224.43
(g) Other non-current Assets	7	19.70	19.60	20.36
<b>Total Non Current Assets</b>		<b>7,777.49</b>	<b>7,825.02</b>	<b>5,581.92</b>
<b>Current Assets</b>				
(a) Inventories	8	1,076.16	961.29	1,356.37
(b) Financial Assets	9			
(i) Trade Receivables	9(i)	1,567.83	1,847.26	1,798.43
(ii) Cash and Cash Equivalent	9(ii)	53.85	65.06	133.38
(iii) Bank Balances Otherthan (ii) above	9(iii)	10.25	36.78	35.05
(iv) Other Financial Assets	9(iv)	0.73	0.86	0.87
(c) Other Current Assets	10	211.57	123.23	376.02
<b>Total Current Assets</b>		<b>2,920.39</b>	<b>3,034.48</b>	<b>3,700.12</b>
<b>TOTAL ASSETS</b>		<b>10,697.88</b>	<b>10,859.50</b>	<b>9,282.04</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	11	142.26	142.26	142.26
(b) Other Equity	12	671.27	1,086.68	1,558.78
		<b>813.53</b>	<b>1,228.94</b>	<b>1,701.04</b>
<b>Liabilities</b>				
<b>Non Current Liabilities</b>				
(a) Financial Liabilities	13			
(i) Long-term Borrowings	13(i)	2,496.94	2,536.59	3,008.64
(ii) Other Financial Liabilities	13(ii)	9.58	20.51	24.33
(b) Provisions	14	9.79	12.26	12.49
(c) Deferred Tax Liabilities	15	412.34	412.34	209.02
(d) Other non-current Liabilities	16	-	-	-
<b>Total Non Current Liabilities</b>		<b>2,928.65</b>	<b>2,981.70</b>	<b>3,254.48</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities	17			
(i) Short-term Borrowings	17(i)	3,140.94	1,248.87	519.74
(ii) Trade and other Payables	17(ii)	2,326.58	4,271.10	3,102.62
(iii) Other Financial Liabilities	17(iii)	707.75	4,36.26	268.45
(b) Provisions	18	59.64	37.29	30.37
(c) Other Current Liabilities	19	720.79	655.35	405.33
<b>Total Current Liabilities</b>		<b>6,955.70</b>	<b>6,648.87</b>	<b>4,326.52</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>10,697.88</b>	<b>10,859.50</b>	<b>9,282.04</b>
<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	30 to 35			

As per our Report of even date

For and on behalf of the Board of Directors

For **Todarwal & Todarwal**  
Chartered Accountants  
Firm Registration No 111009 W

**Rajinder Miglani**  
Chairman  
(DIN: 00286788)

**Anuj R Miglani**  
Managing Director  
(DIN: 00287097)

**Sunil Todarwal**  
Partner  
(Membership No. 32512)

**Gursharan Singh Sawhney**  
Director (Finance) & Group CFO  
(DIN: 02339467)

**R Agrawal**  
President & Company Secretary  
(FCS: 2174)

Date : 28<sup>th</sup> April, 2017 Place : Mumbai



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CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017

₹ in Crore

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Revenue from Operations (Gross)	20	5,535.24	8,670.03
Other Income	21	63.92	101.86
<b>Total Income from Operations</b>		<b>5,599.16</b>	<b>8,771.89</b>
<b>EXPENSES</b>			
(a) Cost of Materials and Components Consumed	22	2,811.37	2,799.89
(b) Purchase of Traded Goods	23	1,702.56	4,517.78
(c) Changes in Inventories of Finished Goods, WIP and Traded Goods	24	(146.44)	267.73
(d) Excise Duty on Sales		264.98	374.60
(e) Employee benefit expenses	25	105.67	116.32
(f) Other operating expenses	26	572.39	632.91
(g) Finance costs	27	621.31	516.93
(h) Depreciation and amortisation expense	28	286.40	282.81
<b>TOTAL EXPENSES</b>		<b>6,218.24</b>	<b>9,508.95</b>
<b>PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS</b>		<b>(619.08)</b>	<b>(737.06)</b>
Exceptional Items	29	-	717.81
<b>PROFIT / (LOSS) BEFORE TAX</b>		<b>(619.08)</b>	<b>(1,454.87)</b>
<b>Tax Expenses:</b>			
Current tax		1.82	0.81
Deferred tax		(183.42)	(445.58)
Prior Period Tax - MAT Credit Entitlement written off		-	41.33
<b>TOTAL TAX EXPENSE / (INCOME)</b>		<b>(181.59)</b>	<b>(403.43)</b>
<b>PROFIT / (LOSS) FOR THE YEAR</b>		<b>(437.48)</b>	<b>(1,051.44)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
(i) Items that will be reclassified subsequently to the statement of profit and loss		19.63	692.86
(ii) Income tax on items that will be reclassified subsequently to the statement of profit and loss		-	(203.46)
(iii) Items that will not be reclassified subsequently to the statement of profit and loss		-	-
(iv) Income tax on items that will not be reclassified subsequently to the statement of profit and loss		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME / (LOSSES)</b>		<b>19.63</b>	<b>489.40</b>
<b>TOTAL COMPREHENSIVE INCOME OF THE YEAR</b>		<b>(417.85)</b>	<b>(562.04)</b>
Earning per equity share:-Basic and Diluted		<b>(30.75)</b>	<b>(73.91)</b>
Weighted average number of equity shares (Face value ₹10 each)		<b>14,22,60,103</b>	<b>14,22,60,103</b>
<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	30 to 35		

As per our Report of even date

For and on behalf of the Board of Directors

For **Todarwal & Todarwal**  
Chartered Accountants  
Firm Registration No 111009 W

**Rajinder Miglani**  
Chairman  
(DIN: 00286788)

**Anuj R Miglani**  
Managing Director  
(DIN: 00287097)

**Sunil Todarwal**  
Partner  
(Membership No. 32512)

**Gursharan Singh Sawhney**  
Director (Finance) & Group CFO  
(DIN: 02339467)

**R Agrawal**  
President & Company Secretary  
(FCS: 2174)

Date : 28<sup>th</sup> April, 2017 Place : Mumbai



**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH, 2017.**

₹ in Crore

Particulars		For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit/(Loss) Before Tax	(619.08)	(1,454.87)
	Adjustments for Depreciation	286.40	282.81
	(Profit) / Loss on Sale of Assets	0.01	0.09
	Share Issue Expenses W/off	0.52	0.52
	Unrealised currency translation (gains)/losses	2.44	(0.79)
	Interest & Financial Charges	620.79	516.41
	Operating Profit Before Working Capital Changes	<b>291.09</b>	(655.82)
	Adjustments for :		
	(Increase)/Decrease in Trade and other Receivables	199.69	(668.95)
	(Increase)/Decrease in Inventories	(114.87)	395.09
	Increase/(Decrease) in Trade Payables and Other Liabilities	(7.14)	2,249.33
	Increase/(Decrease) in other Financial Liabilities	(19.56)	(110.35)
	<b>Cash Generated from Operations</b>	<b>349.21</b>	1,209.29
	Direct Taxes Paid (Net of Refunds)	(1.00)	(3.49)
	<b>Cash Flow from Operating Activities</b>	<b>348.21</b>	1,205.80
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Purchase of Property, Plant & Equipment	(38.06)	(298.64)
	Sale of Property, Plant & Equipment	0.03	0.11
	Sale of Investments	3.05	0.36
	<b>Net Cash Used in Investing Activities</b>	<b>(34.98)</b>	(298.18)
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
	Proceeds from Long Term Borrowings	-	196.99
	Repayment of Long Term Borrowings	(20.18)	(195.57)
	Interest & Financial Charges Paid	(345.34)	(604.19)
	Gain / (Loss) on Forward Contracts/ Foreign Exchange	17.73	(36.69)
	Proceeds ( Repayments ) of deferred Sales Tax Loan /ICD/Unsecured Loan	(3.19)	(334.74)
	<b>Net Cash Generated from Financing Activities</b>	<b>(350.98)</b>	(974.20)
	<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(37.75)</b>	(66.58)
	Cash & Cash Equivalents (Opening)	101.84	168.42
	Cash & Cash Equivalents (Closing)	64.09	101.84

**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 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 of Directors

**For Todarwal & Todarwal**  
Chartered Accountants  
Firm Registration No 111009 W

**Rajinder Miglani**  
Chairman  
(DIN: 00286788)

**Anuj R Miglani**  
Managing Director  
(DIN: 00287097)

**Sunil Todarwal**  
Partner  
(Membership No. 32512)

**Gursharan Singh Sawhney**  
Director (Finance) & Group CFO  
(DIN: 02339467)

**R Agrawal**  
President & Company Secretary  
(FCS: 2174)

Date : 28<sup>th</sup> April, 2017 Place : Mumbai



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STATEMENT OF CHANGES IN OTHER EQUITY FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH, 2017

	Capital Reserve	Capital Redemption Reserve	Securities Premium	Capital Incentive from Govt of Maharashtra	Revaluation Reserves	Foreign Currency Translation Reserves	Retained Earning	Total
Balance as at 1 <sup>st</sup> April 2015	0.12	5.37	309.16	24.64	614.53	(6.41)	643.50	1,558.78
Foreign Currency Translation Reserves	-	-	-	-	-	(0.79)	-	(0.79)
Capital Incentive from Govt of Maharashtra received during the year	-	-	-	-	-	-	58.61	58.61
Profit for the Year	-	-	-	-	-	-	(1,555.63)	(1,555.63)
Deferred Tax	-	-	-	-	-	-	445.58	445.58
Other Comprehensive Income	-	-	-	-	-	-	489.40	489.40
<b>Total Comprehensive Income</b>	-	-	-	-	-	-	<b>(562.04)</b>	<b>(562.04)</b>
<b>Balance as at 31<sup>st</sup> March, 2016</b>	<b>0.12</b>	<b>5.37</b>	<b>309.16</b>	<b>24.64</b>	<b>614.53</b>	<b>(7.20)</b>	<b>81.46</b>	<b>1,086.68</b>
Balance as at 1 <sup>st</sup> April, 2016	0.12	5.37	309.16	24.64	614.53	(7.20)	81.46	1,086.68
Foreign Currency Translation Reserves	-	-	-	-	-	2.44	-	2.44
Profit for the Year	-	-	-	-	-	-	(620.90)	(620.90)
Deferred Tax	-	-	-	-	-	-	183.42	183.42
Other Comprehensive Income	-	-	-	-	-	-	19.63	19.63
<b>Total Comprehensive Income</b>	-	-	-	-	-	-	<b>(417.85)</b>	<b>(417.85)</b>
<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>0.12</b>	<b>5.37</b>	<b>309.16</b>	<b>24.64</b>	<b>614.53</b>	<b>(4.76)</b>	<b>(336.40)</b>	<b>671.27</b>

As per our Report of even date

For and on behalf of the Board of Directors

For **Todarwal & Todarwal**  
Chartered Accountants  
Firm Registration No 111009 W

**Rajinder Miglani**  
Chairman  
(DIN: 00286788)

**Anuj R Miglani**  
Managing Director  
(DIN: 0028709)

**Sunil Todarwal**  
Partner  
(Membership No. 32512)

**Gursharan Singh Sawhney**  
Director (Finance) & Group CFO  
(DIN: 02339467)

**R Agrawal**  
President & Company Secretary  
(FCS: 2174)

Date : 28<sup>th</sup> April, 2017  
Place : Mumbai

**A. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2016-17****1.0 Accounting Policies:****1.01 (a) Statement of Compliance / Adoption of Ind-AS for first time:**

In accordance with the notification issued by the ministry of corporate affairs, the company has adopted Indian Accounting Standards (referred to as "Ind-AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. Previous period has been restated to Ind-AS. In accordance with Ind-AS 101 First-time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to presentation of Financial Statements under Ind-AS of Shareholders' equity as at March 31, 2016 and April 1, 2015 and of the comprehensive net income for the year ended March 31, 2016.

These financial statements have been prepared in accordance with Ind-AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

**(b) Basis of Preparation:**

The financial statements are prepared under the historical cost convention, except for certain financial instruments, and Land, which are measured at fair values at the end of reporting period, as explained in accounting policies below. Historical cost is generally based on fair value of the consideration given in exchange for goods and services. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**(c) Use of estimates and judgements:**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind-AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

**Impairment of investments.**

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**Useful lives of property, plant and equipment.**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**(d) Revenue Recognition:**

The Company recognises revenue in accordance with Ind-AS 18. Revenue is recognised when a customer obtains control of goods or services and thus has the ability to direct the use and obtained the benefits of the goods or services. Any advance received against supply of goods and services is recognised under the head current liabilities, sub head trade and other payables.

**(e) Cost recognition**

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in to material consumption, cost of trading goods, employee benefit expenses, depreciation and amortisation, other operating expenses and finance cost. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses broadly comprise manufacturing expenses, administrative expenses and selling and distribution expenses.





#### 1.02 Foreign Currency Loans / Transactions:

##### (a) Import Transactions:

- (i) Material imports are accounted in the entities functional currency at the custom exchange rates prevailing at the time of receipts. In case foreign exchange is hedged, the exchange rate contracted is recognised as a part of purchase cost. Exchange Fluctuations, if any, at the time of retirement of the contract, are appropriately accounted as a part of material (consumption) cost. Similarly all related monetary liabilities at the year-end are re-instated at exchange rate prevailing at year end.
- (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 in the entities functional currency at the custom exchange rates prevailing at the time of shipments. Exchange fluctuations, if any, at the time of realisation are appropriately accounted in the statement of profit and loss.
  - (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 realization, and forms part of revenue from operations.
  - (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 Loans balances are accounted at Exchange Rate prevailing at the year end.
  - (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 costs:

Borrowing costs attributable to the acquisition or construction of qualifying assets as defined in Ind-AS 23, "Borrowing Costs" are capitalized as part of the cost of such asset up to the date when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Any related foreign currency fluctuations on account of qualifying asset under construction is capitalized and added to the cost of asset concerned. Other borrowing costs are expensed as incurred.

#### 1.04 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.

#### 1.05 Property, plant and equipment:

(a) Property, plant and equipment, other than land, are carried at cost less accumulated depreciation and impairment loss, if any in accordance with Ind-AS 16. Land is valued at fair market price, based on the valuation carried out by an independent valuer, at end of the reporting period. Valuations are performed with sufficient frequency to ensure that the carrying amount does not differ materially from its fair value.

(b) Cost excludes Cenvat credit, sales tax and service tax credit and such other levies / taxes. Depreciation on assets is claimed on such 'reduced' cost.

(c) All items of repairs and maintenance are recognised in the statement of profit and loss, except those meet the recognition principle as defined in Ind-AS 16.

(d) Depreciation on fixed assets has been provided on straight line method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

(e) Depreciation on assets acquired during the year has been provided on pro-rata basis; from the date on which it is 'Available for Intended Use'.



(f) Any revaluation of an asset is recognised in other comprehensive income and shown as revaluation reserves in other equity

#### 1.06 Fair value measurement:

The Company measures land at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant absorbable inputs and minimizing the use of un-absorbable inputs. External valuers are adopted for valuing land. The selection criteria for these valuers include market knowledge, reputation, independence and whether professional standards are maintained.

#### 1.07 Intangible Assets:

(a) Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

(b) Intangible assets with finite life are amortised over the useful economic life, and assessed for impairment whenever there is an indication that assets are impaired. Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually.

#### 1.08 Impairment of Assets:

Property plant and equipment are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverable amount of assets to be held and used is the higher of fair value less cost of disposal or value in use as envisaged in Ind-AS 36. 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 recoverable value of the asset. Impairment loss is recognised in the statement of profit and loss except for properties previously revalued with revaluation taken to other comprehensive income. For such properties impairment loss is recognised in other comprehensive income up to the amount of any previous revaluation.

#### 1.09 Interest in Subsidiaries, Joint ventures and Associates

Interest in subsidiaries, joint ventures and associates are recognised at cost. The company provides for any permanent diminution, if any, in value of such interests. Exchange Gain / (Loss) on interest in subsidiaries, joint ventures and associates in Foreign Currency is not provided at the year end.

#### 1.10 Inventories:

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

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

#### 1.11 Taxation:

##### (a) Current Tax

Current income tax Assets or Liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to determine the amount are in accordance with the provisions of Income Tax Act 1961.

##### (b) Deferred Tax

Deferred tax liabilities are recognised for all taxable temporary differences in accordance with Ind-AS 12. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits any unused tax



losses. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available, against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax asset is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply in the year when the assets are realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in statement of total comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

#### **1.12 Earning per Share:**

The Company reports basic and diluted earning per share in accordance with Ind-AS 33, '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 but before other comprehensive income by the weighted average number of shares outstanding during the year.

#### **1.13 Accounting for Provisions, Contingent liabilities and Contingent Assets**

**(a)** In conformity with Ind-AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', issued by the ICAI. The Company recognizes provisions only when it has a present obligation (legal or constructive) 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. When the Group expect some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

**(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.

**(c)** All those obligations for which provisions are not required to be recognised in accordance with Ind-AS 37 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.

In the normal course the company faces claims and assertion by various Parties. The company assesses such claims and assertions and monitors the legal environment on ongoing basis with assistance of legal counsel, wherever necessary.

**(d)** Contingent Assets are not recognised in the financial statements unless it has become virtually certain that an inflow of economic benefit will arise.

#### **1.14 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)** Export incentives receivable on export performance are recognised on accrual basis, with reference to certainty of collectability of such export incentives.

**1.15** Deferred sales tax incentive available to the Company under Maharashtra Value Added Tax (MVAT) is recognised as long term liability.



**1.16 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 recognised 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 recognised as an expense in the Profit and Loss Account for the year in which the employee has rendered services. The present value of these defined benefit obligations are ascertained by an independent actuarial valuation as per the requirement of Ind-AS 19- Employee Benefits. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to Statement of Profit and Loss.

1.17 Inter Unit transactions are eliminated to the extent possible.

**2.0 Principal for Consolidation:**

The consolidated financial statements relate to UTTAM GALVA STEELS LTD (“The Company”), its subsidiary companies and joint ventures. Subsidiaries are entities controlled by the Company. Control exists when the Company (a) Has power over the investee; (b) It is exposed, or has rights, to variable returns from its involvement with the investee and (c) Has the ability to affect those returns through its power over the investee. The Company re-assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. In assessing control, potential voting rights that currently are exercisable are taken into account.

The consolidated financial statements have been prepared on 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 Ind-AS 27, “Consolidated and Separate Financial Statements”.
- b) In case of foreign subsidiaries, 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) Interest in joint venture have been accounted by using the equity method of consolidation as per Ind-AS 28, from the date in which the investee becomes an associate or a joint venture and are recognized initially at cost. The Company’s investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statement includes the Company’s share of profits or losses and equity movements accounted by investees, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the company transacts with an associate or joint venture of the Company, unrealized profits and losses are eliminated to the extent of the Company’s interest in its associate or joint venture.

e) The financial statements of the subsidiaries and joint ventures are drawn up to the same reporting date as that of The Company i.e.31<sup>st</sup> March, 2017 for the purpose of consolidation.

3.1 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
<b>A.</b>	<b>Subsidiaries</b>		
1.	Uttam Galva Holdings Ltd.	Dubai	100.00%
2.	Atlantis International Services Ltd.	BVI	100.00%



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3	Uttam Galva Steels , Netherlands BV	Netherland	100.00%
4	Neelraj International Trade Ltd	BVI	100.00%
5	Uttam Galva Steels ( BVI) Ltd	BVI	100.00%
6	Uttam Galva North America INC	USA	100.00%
7	Uttam Export BVI	BVI	100.00%
8	Uttam Galva International FZE – Step Down Subsidiary	Dubai	100.00%
<b>B.</b>	<b>Joint Venture.</b>		
1.	Texturing Technology Pvt. Ltd. (TTPL)	India	50.00%
2	Moirra Madhujore Coal Ltd	India	30.70%

3.2 In all the companies under consolidation, depreciation is charged on Straight Line Method (SLM), where as in case of TTPL depreciation of 0.70 Crore is charged on Written Down Value Method (WDV), which is 0.27 % of total depreciation.

4.0 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.

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

#### B. NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

##### Note : 1 Property, Plant and Equipment

₹ in Crore

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST 1.04.2016	ADDITIONS	DEDUCTION	COST 31.03.2017	UP TO 1.04.2016	YEAR ENDED 31.03.2017	DEDUCTION ADJUSTMENT	TOTAL DEPRE- CIATION	AS AT 31.03.2017	AS AT 31.03.2016
<b>(A) TANGIBLE ASSETS</b>										
Land	1,067.12	-	-	1,067.12	-	-	-	-	1,067.12	1,067.12
Building & Site Development	850.84	3.84	-	854.68	200.40	31.14	-	231.54	623.14	650.44
Flats & Office Premises	4.93	-	-	4.93	0.53	0.08	-	0.61	4.33	4.40
Plant and Machinery	5,285.96	30.34	-	5,316.30	1,412.16	214.45	-	1,626.62	3,689.68	3,873.80
Furniture & Fixture	37.25	0.91	-	38.16	18.29	3.83	-	22.13	16.03	18.96
Office Equipments	10.01	0.63	-	10.64	3.64	1.25	-	4.89	5.76	6.38
Computers	13.93	0.01	-	13.93	11.03	1.16	-	12.19	1.74	2.90
Vehicles	10.28	-	0.07	10.21	5.37	0.85	0.02	6.20	4.02	4.91
Housing Complex	40.70	-	-	40.70	4.05	0.65	-	4.70	36.00	36.65
<b>TOTAL (A)</b>	<b>7,321.02</b>	<b>35.73</b>	<b>0.07</b>	<b>7,356.68</b>	<b>1,655.47</b>	<b>253.42</b>	<b>0.02</b>	<b>1,908.86</b>	<b>5,447.82</b>	<b>5,665.55</b>

##### Note: 2 Intangible Assets

₹ in Crore

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST 1.4.2016	ADDITIONS	DEDUCTION	COST 31.03.2017	UP TO 1.4.2016	YEAR ENDED 31.03.2017	DEDUCTION ADJUSTMENT	TOTAL DEPRECIATION	AS AT 31.03.2017	AS AT 31.03.2016
Computer Software	23.39	0.51	-	23.90	9.38	4.73	-	14.11	9.79	14.01
<b>Total Intangible Assets</b>	<b>23.39</b>	<b>0.51</b>	<b>-</b>	<b>23.90</b>	<b>9.38</b>	<b>4.73</b>	<b>-</b>	<b>14.11</b>	<b>9.79</b>	<b>14.01</b>



**Note 3 Capital Work-in-Progress**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Land & Building & Site Development	77.99	79.16
Plant & Machinery	60.41	59.71
Consultancy fees	4.06	3.90
Other Fixed Assets	-	0.05
Pre-operative Expences	11.59	9.39
<b>Total Capital Work-in-Progress</b>	<b>154.06</b>	<b>152.23</b>

**Note 4 (i) Non Current Investments**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Investments (At cost):</b>		
<b>Investment in Equity Share</b>		
<b>I) In Equity Shares of Associate Companies Unquoted, Fully Paid Up</b>		
a) 9,994 Equity Shares of ₹ 10 each of Uttam Utkal Steels Limited	0.01	0.01
	<b>0.01</b>	<b>0.01</b>
<b>II) Equity Shares of Joint Venture Companies Unquoted, Fully Paid Up</b>		
a) 30,20,000 Equity Shares of ₹ 10 each of Texturing Technology Private Limited		
Investments (At cost)	3.02	3.02
Profit for year	0.15	0.36
<b>Total</b>	<b>3.17</b>	<b>3.38</b>
b) 1,99,465 Equity Shares of ₹ 10 each of Moira Madhujore Coal Limited		
Investments (At cost)	1.68	1.68
Profit for year	0.05	0.04
<b>Total</b>	<b>1.74</b>	<b>1.73</b>
(Out of this, 1,35,284 equity shares are purchased at a premium of ₹ 90 / Share & 35,527 Equity Share @ ₹ 10 each at a Premium of ₹ 75/ Share)	4.91	5.11
<b>III) Equity Shares of Other Companies Unquoted, Fully Paid Up</b>		
a) 40,000 Equity Shares of ₹ 25 each of Punjab & Maharashtra Co-op Bank Limited	0.10	0.10
b) 5,15,000, Equity Shares of ₹ 10 each in Ansal Hi-Tech Township Ltd.	0.52	0.52
	<b>0.62</b>	<b>0.62</b>
<b>Total Investment in Equity Shares</b>	<b>5.53</b>	<b>5.73</b>
<b>B) Investment in Debentures of others entities, Un quoted Fully Paid up</b>		
a) 0 (Previous Year 3,00,000) Unsecured Optionally Fully Convertible Debentures of ₹ 100 each in Shree Bhavani Power Projects Private Limited.	-	3.00
	<b>-</b>	<b>3.00</b>



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<b>C) Other Non-Current Investments</b>		
a) Investment of Mutual Funds		
- 50,000 Units of Union KBC Capital Protection Oriented Fund of ₹ 10 each	-	0.05
	-	0.05
<b>Total Other Non Current Investments</b>	<b>5.53</b>	<b>8.78</b>
Less: Provision for Diminution of value of Investments	-	-
<b>Total Net Non Current Investments</b>	<b>5.53</b>	<b>8.78</b>

**Note 4(ii) Loans**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Loans and advances to employees	0.56	1.25
Loans & Advances to Other Parties	55.04	50.56
<b>Total Loans</b>	<b>55.60</b>	<b>51.81</b>

**Note 4(iii) Other Financial Assets**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Advances to Other Related parties	1,139.74	1,124.49
Advances to Other Parties	29.04	36.61
Advances to Capital Goods Suppliers	51.81	71.59
<b>Total</b>	<b>1,220.58</b>	<b>1,232.68</b>
Less: Provision for Diminution in Value of Advances	-	-
<b>Total Other Financial Assets</b>	<b>1,220.58</b>	<b>1,232.68</b>

**Note 5 Income Tax Asset (net)**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Advance Income Tax of Prior Years (net)	10.86	10.17
<b>Total Income Tax Asset (net)</b>	<b>10.86</b>	<b>10.17</b>

**Note 6 Deferred Tax Assets**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Deferred Tax Assets	<b>853.55</b>	670.19

**Note 7 Other Non Current Assets**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Deposits Flats & Others	19.70	19.60
<b>Total Other Non Current Assets</b>	<b>19.70</b>	<b>19.60</b>

**Note 8 Inventories**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Raw Materials	133.66	231.75
Goods-in-Transit (Raw Materials)	120.48	45.18
Work-in-Progress	79.90	65.11
Finished Goods	130.48	109.53
Stock-in-trade - Traded Goods	218.48	104.37
Stores and Spares	42.06	50.42
Arising	3.74	7.57
Land	347.36	347.36
<b>Total Inventories</b>	<b>1,076.16</b>	961.29

**Note 9(i) Trade Receivables**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Unsecured Trade Receivables	1,696.89	1,904.20
Less: Provision for Bad and Doubtful Debts	(129.06)	(56.95)
<b>Total Trade Receivables</b>	<b>1,567.83</b>	1,847.26

**Note 9(ii) Cash and Cash Equivalents**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Cash in hand	0.02	1.35
<b>Balances with banks In Current Accounts</b>	53.82	63.71
<b>Total Cash and Cash Equivalents</b>	<b>53.85</b>	65.06

**Note 9(iii) Other Balances with Banks**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Balances held as Margin money or security against Borrowings, Guarantees and other Commitments	10.25	36.78
<b>Total Other Balances with Banks</b>	<b>10.25</b>	36.78

**Note 9(iv) Other Financial Assets**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Interest Receivable	0.73	0.86
<b>Total Other Financial Assets</b>	<b>0.73</b>	0.86





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**Note 10 Other Current Assets**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Security Deposits	-	-
Advance to Related Parties	-	-
Advance to Others		
(i) Advance to Suppliers	16.05	12.64
(ii) Prepaid Expenses	8.41	10.18
(iii) Indirect Tax Recoverable		
a) CENVAT Credit Receivable	55.95	28.61
b) VAT Refund Receivable	28.12	4.54
c) Mega Incentive Receivable	56.51	63.17
d) Service Tax Credit Receivable	9.78	7.09
(iv) Export Incentives / Import Entitlements Receivable /(Obligation)	35.88	(6.45)
(v) Other Short term Deposits	0.86	3.44
<b>Total Other Current Assets</b>	<b>211.57</b>	<b>123.23</b>

**Note 11 Equity Share Capital**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
(a) Authorised Share Capital 50,00,00,000 (17,50,00,000) Equity Shares of ₹10 Each	500.00	500.00
(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 Share have been Issued for consideration other than Cash and 2,18,57,924 Equity Share have been issued on Conversion of Global Depository Receipts )	142.26	142.26
<b>Total Issued, Subscribed and Paid up Equity Share Capital</b>	<b>142.26</b>	<b>142.26</b>

Reconciliation of No of Shares outstanding is set out below.	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Equity Shares at the beginning of the year	14,22,60,103	14,22,60,103
Add: Shares Issued during the year	-	-
<b>Equity Shares at the end of the year</b>	<b>14,22,60,103</b>	<b>14,22,60,103</b>

**Details of Shareholder holding more than 5% Equity Shares:**

Name of Shareholder	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	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
Eriska Investment Pvt Ltd	1,39,88,000	9.83	1,39,88,000	9.83



Arcelomittal Netherlands BV	4,13,27,931	29.05	4,13,27,931	29.05
Cresta Fund Limited	33,51,426	2.36	33,51,426	2.36
Albula Investment Fund Limited	1,28,56,750	9.04	1,28,56,750	9.04
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 Ltd)	78,85,600	5.54	78,85,600	5.54

**Note 12 Other Equity**

₹ in Crore

Particulars		As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
(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	309.16
	Add : During the Year	-	-
	Closing Balance	<b>309.16</b>	309.16
(d)	Debenture Redemption Reserve		
	As per Last Balance Sheet	-	-
	Less : Transferred to Profit & Loss Reserve Account	-	-
	Add: Transferred from Profit & Loss Account	-	-
	Closing Balance	-	-
(e)	Capital Incentive From Government of Maharashtra		
	As per Last Balance Sheet	83.25	24.64
	Add : During the Year	-	58.61
	Closing Balance	83.25	83.25
(f)	Revaluation Reserve		
	As per Last Balance Sheet	614.53	614.53
	Addition during the year	-	-
	Closing Balance	<b>614.53</b>	614.53
(g)	Profit and Loss Account		
	As per Last Balance Sheet	81.46	643.50
	Add: Transferred from Debenture Redemption Reserve Account	-	-
	Add: Profit for the year	(417.85)	(562.04)
	Less: Appropriations	-	-
	Less: Transferred from Fixed Assets	-	-
	Transferred to Debenture Redemption Reserve	-	-
	Closing Balance	<b>(336.40)</b>	81.46



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₹ in Crore

(h)	Foreign Currency Translation Reserve		
	As per Last Balance Sheet	(7.20)	(6.41)
	Addition during the year	2.44	(0.79)
	Closing Balance	(4.76)	(7.20)
<b>Total - Other Equity</b>		<b>671.27</b>	<b>1,086.68</b>

**Note 13(i) Long Term Borrowings**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Secured</b>		
Term Loan from Banks and Financial Institutions	2,091.96	2,324.66
Interest Accrued and Due on Term Loans	211.43	15.19
	<b>2,303.39</b>	<b>2,339.85</b>
<b>Unsecured</b>		
Other loans ( SICOM & Deferral Sales Tax Loans)	193.55	196.74
<b>Total Long Term Borrowings</b>	<b>2,496.94</b>	<b>2,536.59</b>

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

Term Loan from Banks	Terms of repayment	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Punjab National Bank, State Bank of India, Bank of Baroda & Exim Bank	Repayable in 36 quarterly installments ending on March-2020	186.49	193.99
Vijaya Bank	Repayable in 28 quarterly installments ending on Sept-2019	68.75	68.75
Syndicate Bank	Repayable in 20 quarterly installments ending on March-2020	113.75	113.75
Oriental Bank of Commerce	Repayable in 24 quarterly installments ending on March-2022	124.31	124.31
State Bank of India	Repayable in 34 quarterly installments ending on March- 2023	85.00	85.00
Vijaya Bank	Repayable in 20 quarterly installments ending on Dec -2021	80.00	95.00
Indian Overseas Bank	Repayable in 34 quarterly installments ending on June- 2023	43.13	43.76
Phoenix ARC Pvt Ltd (Previously held by South Indian Bank)	Repayable in 20 quarterly installments ending on June- 2022	85.00	100.00
FCTL: Exim Bank (USD 10.88 Million, Previous Year USD 12.11 Million)	Repayable in 12 half yearly installments ending on July-2020	70.51	80.30



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 (USD 190.48 Million, Previous Year USD 213.87 Million)	Repayable in 12 half yearly installments ending on July-2020	1,235.02	1,419.81
		<b>2,091.96</b>	<b>2,324.67</b>
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.			

Details of Term Loan Principal and Interest overdue as on 31.03.2017

Name of Lenders	Default in		Default from	
	Principal Repayment	Interest	Principal Repayment	Interest
State Bank of India	67.42	26.15	June,2016	June,2016
Canara Bank	24.02	9.94	July,2016	July,2016
Bank of India	24.02	10.40	July,2016	July,2016
ICICI Bank Ltd	17.88	9.28	July,2016	July,2016
Indian Overseas Bank	22.52	14.08	June,2016	April,2016
Union Bank of India	20.02	8.28	July,2016	July,2016
Punjab National Bank	43.38	21.12	March,2016	March,2016
Indian Bank	16.01	6.93	July,2016	July,2016
Bank of Baroda	19.51	8.46	June,2016	June,2016
Exim Bank	21.54	9.19	March,2016	March,2016
State Bank Of Mauritius Ltd	8.01	3.31	July,2016	July,2016
Afrasia Bank Ltd	6.74	2.32	July,2016	July,2016
Oriental Bank of Commerce	25.00	18.83	June,2016	April,2016
Syndicate Bank	43.75	21.56	March,2016	March,2016
Pheonix ARC Pvt Ltd	-	14.23	NA	March,2016
Vijaya Bank	30.00	27.36	March,2016	March,2016
<b>Total</b>	<b>389.82</b>	<b>211.43</b>		

**Note 13(ii) Other Financial Liabilities**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Creditors for Capital Goods	9.58	20.51
<b>Total Other Financial Liabilities</b>	<b>9.58</b>	<b>20.51</b>

**Note 14 Long Term Provisions**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Unfunded Gratuity Liability	4.02	6.67
Unfunded Leave Encashment Liability	5.77	5.59
<b>Total Long Term Provisions</b>	<b>9.79</b>	<b>12.26</b>



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**Note 15 Deferred Tax Liability**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Deferred Income Tax Liabilities Related to Revaluation Fixed Assets	412.34	412.34
<b>Total Deferred Tax Liability</b>	<b>412.34</b>	<b>412.34</b>

**Note 16 Other Non Current Liabilities**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Other Long Term Liabilities	-	-
<b>Total Other Non Current Liabilities</b>	<b>-</b>	<b>-</b>

**Note 17(i) Short Term Borrowings**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Secured</b>		
Working Capital Loans from Banks	308.40	323.79
Over Drafts from Banks	2,599.89	755.48
	2,908.29	1,079.26
<b>Unsecured</b>		
Loan from Banks	-	169.61
Loan from Others	232.66	-
<b>Total Short Term Borrowings</b>	<b>3,140.94</b>	<b>1,248.87</b>

Details of overdrafts (LC Devolvement ) from Banks as on 31.03.2017

₹ in Crore

Name Of Lender	LC Devolvement	Default from
State Bank of India	946.18	July,2016
Canara Bank	639.3	Februrary,2016
ICICI Bank Ltd	26.88	August,2016
Indian Overseas Bank	110.69	April,2016
Union Bank of India	225.8	March,2016
Punjab National Bank	320.09	March,2016
Bank of Baroda	95.73	June,2016
IDBI	235.22	April,2016
<b>Total</b>	<b>2,599.89</b>	

**Note 17(ii) Trade and Other Payables**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Trade Payables:		
Micro, Small and Medium Enterprises	1.30	1.36
Acceptances	51.14	1,715.88
Other than Acceptances	2,274.15	2,553.85
Subsidiary Companies	-	-
<b>Total Trade and Other Payables</b>	<b>2,326.58</b>	<b>4,271.10</b>



**Note 17(iii) Other Financial Liabilities**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Current Maturities of Long Term Borrowings		
Rupee Term Loans	191.18	161.19
ECBs & FCTLs	363.10	219.07
Interest Accrued but not due on Term Loans	22.70	27.79
Interest due but not paid on Other Borrowings	130.77	28.21
<b>Total Other Financial Liabilities</b>	<b>707.75</b>	<b>436.26</b>

**Note 18 Provisions**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Unpaid Salaries and Wages	0.13	0.08
Provision for Bonus	1.18	2.31
Provision for Expenses	58.08	34.72
Provision for Freight	0.24	0.02
Provision for Commission	-	0.02
Provision for Discounts	-	0.13
<b>Total Provisions</b>	<b>59.64</b>	<b>37.29</b>

**Note 19 Other Current Liabilities**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Statutory Remittances (Contributions to PF and ESIC, Withholding Taxes, TDS, Excise Duty, VAT, Service Tax, etc.)	9.35	16.77
Advances from Customers - from Subsidiaries	-	-
- from Others	706.37	619.71
Other payables	5.07	18.87
<b>Total Other Current Liabilities</b>	<b>720.79</b>	<b>655.35</b>

**Note 20 Revenue from Operations**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Sale of Products	3,646.67	4,092.93
Traded Goods	1,639.89	4,418.06
Other Operating Revenues	248.68	159.04
<b>Gross Revenue from Operations</b>	<b>5,535.24</b>	<b>8,670.03</b>
Less: Excise Duty *	264.98	374.60
<b>Total Revenue from Operations (Net)</b>	<b>5,270.26</b>	<b>8,295.44</b>



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Other Operating Revenues	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Manufactured Goods **</b>		
Galvanised Plain (GP)/ Galvanised Corrugated (GC)	1,913.22	2,030.56
Prepainted Galvanised Iron (PPGI)	678.82	740.28
Cold Rolled Closed Annealed (CRCA) & Others ***	1,054.63	1,322.10
<b>Total - Sale of Manufactured Goods</b>	<b>3,646.67</b>	<b>4,092.93</b>
<b>Traded Goods</b>		
Sales Domestic Trading / Service Centre	532.67	1,005.64
Sales Domestic Trading - High Seas Sales	74.68	6.46
Sales-Deemed Exports	-	-
Sales Merchandise Exports	1,032.55	3,405.96
<b>Total - Sale of Traded Goods</b>	<b>1,639.89</b>	<b>4,418.06</b>
<b>Total - Sale of Products</b>	<b>5,286.56</b>	<b>8,510.99</b>
<b>Other Operating Revenues</b>		
Sale of Scrap/ Arising	128.21	149.73
Duty Drawback and Other Export Incentives( FMS and MEIS)	28.67	6.49
Conversion Charges on Contract Manufacturing	91.80	-
Sale of Surplus Generated Power	-	2.82
<b>Total Other Operating Revenues</b>	<b>248.68</b>	<b>159.04</b>

\* Does not include ₹50.24 Crore (Previous Year NIL), Excise Duty paid against Job work despatches under Rule 10A.

\*\* Manufactured Sales includes Export Sales worth ₹ 1310.92 Crore ( Previous Year ₹ 880.71 Crore)

\*\*\* Includes Hot Rolled Picked & Oiled Products (HRPO), Tube Products and Re-Processed Arisings.

**Note 21 Other Income**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Interest Income - Operational	9.52	41.77
- Non-Operational	-	-
Other Non-Operating Income	54.40	60.09
<b>Total Other Income</b>	<b>63.92</b>	<b>101.86</b>

**Note 22 Cost of Materials Consumed**

₹ in Crore

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Opening Stock	263.13	386.23
Add: Purchases	2,786.32	2,676.79
	<b>3,049.45</b>	<b>3,063.02</b>
Less: Closing Stock	238.08	263.13
<b>Cost of Material Consumed</b>	<b>2,811.37</b>	<b>2,799.89</b>



<b>Cost of Materials Consumed</b>		
Hot Rolled Coil	2,065.33	2,226.02
Cold Rolled Full Hard	317.21	155.50
Zinc & Metal	366.26	358.12
Paint	62.57	59.63
Others	-	0.62
<b>Total Cost of Material Consumed</b>	<b>2,811.37</b>	<b>2,799.89</b>

**Note 23 Purchase of Traded Goods**

₹ in Crore

<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>
<b>Purchase of Trade goods</b>		
Trading Purchases Hot Rolled Coil - Domestic	75.81	694.43
Trading Purchases Others - Domestic	408.94	363.62
Trading Purchases - Imports	1,217.80	3,459.73
<b>Total Purchase of Traded Goods</b>	<b>1,702.56</b>	<b>4,517.78</b>

**Note 24 Changes in Inventories of Finished Goods, Work-in-Progress , Traded Goods**

₹ in Crore

<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>
<b>Inventories at the end of the year:</b>		
Finished Goods at Plant	91.07	108.24
Finished Goods at Port	39.41	0.86
Arisings	3.74	7.57
Work-in-Process	79.90	65.11
Traded Goods	218.47	104.37
	<b>432.59</b>	<b>286.15</b>
<b>Inventories at the beginning of the year:</b>		
Finished Goods at Plant	108.24	199.41
Finished Goods at Port	0.86	11.14
Arisings	7.57	16.93
Work-in-Process	65.11	172.71
Traded Goods	104.37	153.68
	<b>286.15</b>	<b>553.88</b>
<b>Net Changes in Inventories</b>	<b>(146.44)</b>	<b>267.73</b>

**Note 25 Employee benefits expense**

₹ in Crore

<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>
Salaries and Wages	95.99	104.40
Contributions to Provident and other Funds	4.55	5.45
Staff Welfare Expenses	5.13	6.47
<b>Total Employee Benefit Expenses</b>	<b>105.67</b>	<b>116.32</b>





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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:

Amount to be recognised in Balance Sheet	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Gratuity</b>		
Defined Benefit Obligations	18.77	19.68
Present Value of Unfunded Obligations	3.95	6.15
Fair Value of Plan Assets (managed by insurer)	14.82	13.53
<b>Net Liability</b>	<b>3.95</b>	<b>6.15</b>
Amounts in Balance Sheet		
Liability	18.77	19.68
Assets	14.82	13.53
<b>Net Liability</b>	<b>3.95</b>	<b>6.15</b>
<b>Expenses to be recognised in the Statement of P&amp;L</b>		
Current Service Cost	1.40	1.97
Interest on Defined Benefit Obligation	1.47	1.54
Expenses Levied by Insurance Company	0.16	0.15
Expected Return on Plan Assets	(1.07)	(1.15)
Re-measurement - Return on Assets	(0.10)	-
Net Actuarial Losses/(Gains) Recognised in Year	(1.30)	(0.18)
<b>Total, included in "Employee Benefit Expense"</b>	<b>0.56</b>	<b>2.33</b>
Actual Return on Plan Assets	1.07	1.15
<b>Reconciliation of Benefit Obligations &amp; Plan Assets For the Period</b>		
<b>Change in Defined Benefit Obligation</b>		
<b>Opening Defined Benefit Obligation</b>	<b>19.68</b>	19.22
Current Service Cost	1.40	1.97
Interest Cost	1.47	1.54
Actuarial Losses/ (Gains)	(1.30)	(0.18)
Benefits Paid/ Accrued but not paid	(2.47)	(2.87)
<b>Closing Defined Benefit Obligation</b>	<b>18.77</b>	19.68
<b>Change in Fair Value of Assets</b>		
<b>Opening in Fair Value of Plan Assets</b>	<b>13.53</b>	12.27
Expected Return on Plan Assets	1.07	1.15
Changes due to effect of any business combination	0.14	0.18
Contributions by Employer	2.80	2.61
Benefits Paid/ Accrued but not paid	(2.47)	(2.78)
Re-measurement - Return on Assets	(0.10)	-
Payments due to the Company	(0.14)	(0.10)
Expenses Levied by Insurance Company	(0.16)	(0.15)
Balance with the Bank	0.15	0.34
<b>Closing Fair Value of Plan Assets</b>	<b>14.82</b>	13.53
<b>Principal Actuarial Assumptions (Expressed as Weighted Averages)</b>		
Discount Rate (p.a.)	7.50%	8.00%
Salary Escalation Rate (p.a.)	7.00%	7.00%



Amount to be recognised in Balance Sheet	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Leave Encashment</b>		
Present Value of Funded Obligations	-	-
Present Value of Unfunded Obligations	5.77	5.59
Fair Value of Plan Assets (managed by insurer)	-	-
<b>Net Liability</b>	<b>5.77</b>	<b>5.59</b>
Amounts in Balance Sheet		
Liability	5.77	5.59
Assets	-	-
<b>Net Liability</b>	<b>5.77</b>	<b>5.59</b>
<b>Expenses to be recognised in the Statement of Profit &amp; Loss</b>		
Current Service Cost	1.23	1.33
Interest on Defined Benefit Obligation	0.43	0.44
Expected Return on Plan Assets	Nil	Nil
Net Actuarial Losses/(Gains) Recognised in Year	(1.00)	(0.51)
<b>Total, included in "Employee Benefit Expense"</b>	<b>0.66</b>	<b>1.26</b>
Actual Return on Plan Assets	-	-
<b>Principal Actuarial Assumptions (Expressed as Weighted Averages)</b>		
Discount Rate (p.a.)	7.50%	8.00%
Salary Escalation Rate (p.a.)	7.00%	7.00%

**Note 26 Other Expenses**

₹ in Crore

Particulars	For the Year Ended 31 <sup>st</sup> March, 2017	For the Year Ended 31 <sup>st</sup> March, 2016
<b>Manufacturing Expenses</b>		
Power Consumption	143.03	152.48
Coal Consumed	68.48	74.41
Power Captively Consumed	(128.53)	(137.82)
Power Captively Consumed - Steam	(8.68)	(10.73)
Consumption of Steam	8.68	10.73
Fuel Consumption	55.68	83.89
Water Charges	2.45	2.44
Stores & Spares Consumed	59.77	61.68
Repairs & Maintenance to Plant	24.00	30.44
Other Manufacturing Expenses	18.94	21.83
<b>Total Manufacturing Expenses</b>	<b>243.82</b>	<b>289.35</b>
<b>Selling and Distribution Expenses</b>		
International Freight	58.19	43.13
F.O.B. Expenses	19.33	24.18
Local Freight	26.23	42.15
Brokerage & Commission	2.75	5.99
Other Expenses	9.57	7.64
Packing Material Consumed	48.26	55.52
Provision for Bad & Doubtful Debts	77.09	54.56
<b>Total Selling and Distribution Expenses</b>	<b>241.41</b>	<b>233.17</b>



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<b>Administrative Expenses</b>		
Insurance	9.88	8.53
Travelling & Conveyance	5.70	6.11
Rent, Rates & Taxes	6.53	5.18
Legal , Professional & Consultancy Charges	36.14	46.20
Repairs & Maintenance to Building	6.30	8.31
Repairs & Maintenance to others	3.14	2.72
Security charges	2.67	3.32
Other Expenses	14.21	27.71
Remuneration to CMD/DMD	1.96	1.96
Sundry Balance Written Off/(Written back)	0.39	(0.05)
Payment to Auditors - Audit Fees	0.18	0.26
-Tax Audit & Certifications	0.05	0.05
-Expenses Reimbursed	-	-
Loss on Sale of Fixed Assets	0.01	0.09
<b>Total Administrative Expenses</b>	<b>87.16</b>	<b>110.39</b>
<b>Total Other Expenses</b>	<b>572.39</b>	<b>632.91</b>

**Note 27 Finance Costs**

₹ in Crore

Particulars	For the Year Ended 31 <sup>st</sup> March, 2017	For the Year Ended 31 <sup>st</sup> March, 2016
<b>Interest Expense on:</b>		
(i) Borrowings - Long Term	220.11	218.49
(ii) Borrowings - Short Term	414.50	374.34
Other Borrowing Costs (Upfront Fees)	4.43	36.16
Loss on Sale of Investment	-	-
Net Loss on Foreign Currency Transactions and Translation	(17.73)	36.69
<b>Gross Interest and Financial Charges</b>	<b>621.31</b>	<b>665.68</b>
Interest & Financial Charges Charged to Capital Work In Progress	-	148.75
<b>Total Finance Costs</b>	<b>621.31</b>	<b>516.93</b>

**Note: 28 DEPRECIATION & AMORTISATION AS ON 31<sup>ST</sup> MARCH 2017**

**A) DEPRECIATION**

₹ in Crore

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST 1.04.2016	ADDITIONS	DEDUCTION	COST 31.03.2017	UP TO 1.04.2016	YEAR ENDED 31.03.2017	DEDUCTION ADJUSTMENT	TOTAL DEPRECIATION	AS AT 31.03.2017	AS AT 31.03.2016
<b>(A) TANGIBLE ASSETS</b>										
Land	1,067.12	-	-	1,067.12	-	-	-	-	1,067.12	1,067.12
Building & Site Development	850.84	3.84	-	854.68	200.40	31.14	-	231.54	623.14	650.44
Flats & Office Premises	4.93	-	-	4.93	0.53	0.08	-	0.61	4.33	4.40



Plant and Machinery	5,285.96	30.34	-	5,316.30	1,412.16	214.45	-	1,626.62	3,689.68	3,873.80
Furniture & Fixture	37.25	0.91	-	38.16	18.29	3.83	-	22.13	16.03	18.96
Office Equipments	10.01	0.63	-	10.64	3.64	1.25	-	4.89	5.75	6.37
Computers	13.93	0.01	-	13.93	11.03	1.16	-	12.19	1.74	2.90
Vehicles	10.28	-	0.07	10.21	5.37	0.85	0.02	6.20	4.02	4.91
Housing Complex	40.70	-	-	40.70	4.05	0.65	-	4.70	36.00	36.65
<b>TOTAL (A)</b>	<b>7,321.02</b>	<b>35.73</b>	<b>0.07</b>	<b>7,356.68</b>	<b>1,655.47</b>	<b>253.42</b>	<b>0.02</b>	<b>1,908.86</b>	<b>5,447.82</b>	<b>5,665.55</b>
<b>(B) INTANGIBLES ASSETS</b>										
Computer Software	23.39	0.51	-	23.90	9.38	4.73	-	14.11	9.79	14.01
<b>TOTAL (B)</b>	<b>23.39</b>	<b>0.51</b>	<b>-</b>	<b>23.90</b>	<b>9.38</b>	<b>4.73</b>	<b>-</b>	<b>14.11</b>	<b>9.79</b>	<b>14.01</b>
<b>TOTAL (A+B)</b>	<b>7,344.41</b>	<b>36.24</b>	<b>0.07</b>	<b>7,380.58</b>	<b>1,664.85</b>	<b>258.15</b>	<b>0.02</b>	<b>1,922.97</b>	<b>5,457.61</b>	<b>5,679.55</b>
PREVIOUS YEAR	6,137.33	1,207.72	0.64	7,344.40	1,430.86	234.42	0.44	1,664.85	5,679.55	

**B) Amortisation Expense**

₹ in Crore

Particulars	For the Year Ended 31 <sup>st</sup> March, 2017	For the Year Ended 31 <sup>st</sup> March, 2016
Amortisation of ECB issue expenses and Exchange Loss	28.26	47.42
<b>Total Amortisation Expenses</b>	<b>28.26</b>	<b>47.42</b>

**Note 29 Exceptional Items**

₹ in Crore

Particulars	For the Year Ended 31 <sup>st</sup> March, 2017	For the Year Ended 31 <sup>st</sup> March, 2016
Diminution in value of Investments in Subsidiaries	-	(34.38)
Diminution in value of Overseas Loans & Advances	-	(61.98)
Non-realizable Claims on Vendors Written Off	-	(621.45)
<b>Total Exceptional Items</b>	<b>-</b>	<b>(717.81)</b>

**30 Contingent Liabilities not provided for in respect of:**

₹ in Crore

Particulars	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
(a) Letters of Credit outstanding	51.14	37.09
(b) Bank Guarantees	25.10	54.15
(c) Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	16.81
(d) Disputed Statutory Liabilities	16.99	17.01

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 Metallica Limited.

The Company had given a corporate guarantee of US\$ 22 Million (US\$ 22 Million) to Macquarie Bank Limited, against Working Capital Facility availed by Uttam Galva North America Inc, a wholly owned subsidiary.

The Company had given a corporate guarantee of US\$ 12.50 Million (US\$ 12.50 Million) to Brown Brothers Harriman & Co. (BBH) against Working Capital Facility availed by Uttam Galva North America Inc, a wholly owned subsidiary.

**31 Taxation.**

The Company does not have any taxable income as per the provisions of the Income Tax Act, 1961, nor liable to MAT (Minimum Alternate Tax), hence no provision has been made.



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32 In respect of Jointly Controlled Entities, The Company's share of assets, liabilities, incomes and expenditures of Joint Venture Company is as follows: ₹ in Crores

Particulars	Moira Madhujore Coal Ltd.		Texturing Technology Pvt. Ltd.	
	As on 31-03-2017	As on 31.03.2016	As on 31-03-2017	As on 31.03.2016
<b>1. Assets</b>				
a) Fixed Assets (Incl. CWIP)	-	-	3.15	3.81
b) Non - Current Assets	-	-	0.01	0.27
c) Current Assets	0.92	0.88	5.57	4.29
<b>2. Liabilities</b>				
a) Secured / Unsecured Loans	-	-		
b) Non - Current Liabilities	-	-	0.26	0.32
c) Current Liabilities	0.05	0.05	0.80	0.53
<b>3. Income</b>	0.06	0.06	3.64	4.01
<b>4. Expenditure</b>	0.02	0.02	3.49	3.67

33 (a) List of Related Parties As per Ind-AS 24, with whom the Company have entered into transactions during the year in the ordinary course of business:

(i) Key Managerial Personnel:

Shri Anuj R Miglani

Shri Gursharan Singh Sahwney

Shri R Agrawal

(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 International FZE

ArcelorMittal International Luxembourg

Associates where the company does not have significant influence

Grow Well Mercantile Private Limited

Evergreen Tradeplace Private Limited

Shree Uttam Steel and Power Limited

Uttam Galva Metalics Limited

Uttam Utkal Steels Limited

Sainath Trading Company Private Limited

Kredence Multi Trading Limited

Archisha Steels Private Limited

Uttam Value Steels Limited

Uttam Galva International PTE Ltd

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

₹ in Crore

Particulars	Ability to Control/ Exercise significant influence		Associates	
	2016-17		2015-16	
Sale of goods / services	-	367.99	90.82	67.03
Purchase of goods / services	-	1,058.64	-	1,459.92
Rent Payment	-	1.91	-	1.93
Re-imburement of expense	-	33.09	-	-
Interest Received	-	-	-	7.02



34 Earning Per Share (EPS)

Earnings Per Share (EPS) Basic and Diluted		2016-17	2015-16
<b>a) Including Extraordinary Income</b>			
Profit for the Year (Before Other Comprehensive Income)		(437.88)	(1,051.44)
Weighted average No. of Ordinary shares of ₹10 each for Basic EPS		14,22,60,103	14,22,60,103
Earnings per Share (EPS) Basic & Diluted (Rupees)		(30.75)	(73.91)
<b>b) Excluding Extraordinary Income</b>			
Profit for the Year (Before Other Comprehensive Income)		(437.88)	(1,051.44)
Weighted average No. of Ordinary shares of ₹10 each for Basic EPS		14,22,60,103	14,22,60,103
Earnings per Share (EPS) Basic & Diluted (₹)		(30.75)	(73.91)

35 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements:

Sr. No	Name of the Entity in the Group	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated Net Assets	Amount	As % of consolidated Profit/(Loss)	Amount	As % of consolidated Other comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
<b>Subsidiaries (Foreign)</b>									
1	Uttam Galva Holdings Ltd	2.56	20.82	-	(0.02)	-	-	(0.02)	-
2	Atlantis International Services Ltd	(0.20)	(1.60)	-	(0.01)	-	-	(0.01)	-
3	Uttam Galva Steels ,Netherlands BV	(2.96)	(24.08)	(0.03)	(0.12)	-	-	(0.12)	(0.03)
4	Neelraj International Trade Ltd	(1.09)	(8.87)	-	(0.01)	-	-	(0.01)	-
5	Uttam Galva Steels (BVI) Ltd	(1.14)	(9.30)	(0.67)	(2.95)	-	-	(2.95)	(0.71)
6	Uttam Galva North America INC	7.35	59.78	1.71	7.50	-	-	7.50	1.79
7	Uttam Exports BVI	1.13	9.17	(1.11)	(4.86)	-	-	(4.86)	(1.16)
8	Uttam Galva International FZE-Step Down Subsidiary	7.07	57.48	1.86	8.12	-	-	8.12	1.94
<b>Joint Ventures (Indian)</b>									
1	Texturing Technology Pvt Ltd (TTPL)	0.94	7.68	0.03	0.15	-	-	0.15	0.04
2	Moirra Madhujore Coal Ltd	0.11	0.87	0.01	0.05	-	-	0.05	0.01

As per our Report of even date

For and on behalf of the Board of Directors

For **Todarwal & Todarwal**  
Chartered Accountants  
Firm Registration No 111009 W

**Rajinder Miglani**  
Chairman  
(DIN: 00286788)

**Anuj R Miglani**  
Managing Director  
(DIN: 0028709)

**Sunil Todarwal**  
Partner  
(Membership No. 32512)

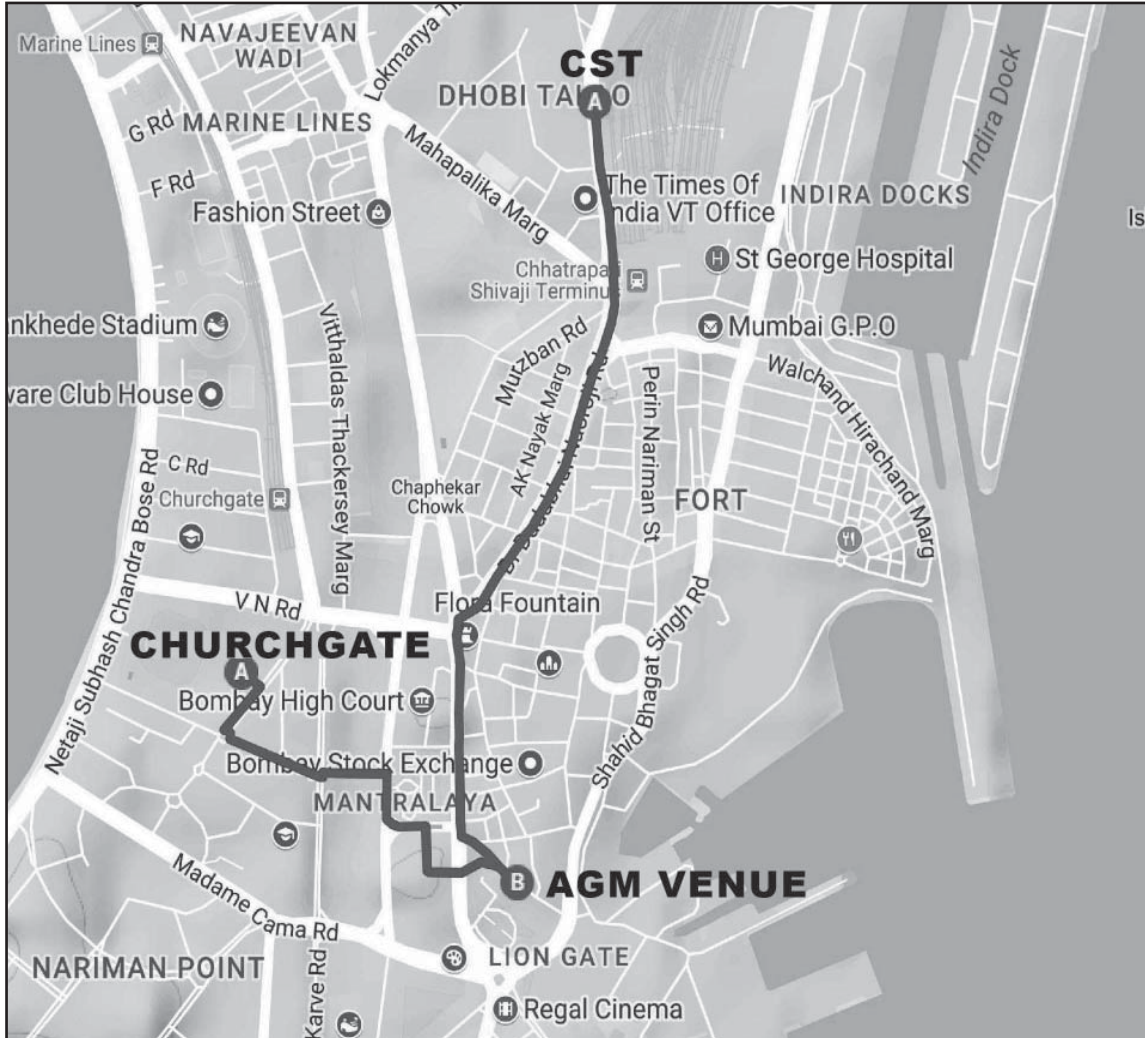
**Gursharan Singh Sawhney**  
Director (Finance) & Group CFO  
(DIN: 02339467)

**R Agrawal**  
President & Company Secretary  
(FCS: 2174)

Date : 28<sup>th</sup> April, 2017  
Place : Mumbai



## ROUTE MAP FOR AGM VENUE



### AGM Venue:

M. C. Ghia Hall, 4<sup>th</sup> Floor,  
18/20, K. Dubash Marg,  
Kala Ghoda,  
Mumbai - 400 001.





## UTTAM GALVA STEELS LIMITED

Registered office: Uttam House, 69, P. D'Mello Road, Mumbai: 400 009.  
Tel. No. 022 66563500, Fax No.: 022 23485025, CIN: L27104MH1985PLC035806  
Website: [www.uttamgalva.com](http://www.uttamgalva.com), E-Mail: [shares@uttamgalva.com](mailto:shares@uttamgalva.com).

### ATTENDANCE SLIP

(To be presented at the entrance)

**32<sup>nd</sup> Annual General Meeting of Uttam Galva Steels Limited to be held on the 19<sup>th</sup> day of August, 2017 at 11.00 a.m. on Saturday at M C Ghia Hall, 18/20, K. Dubhash Marg, Mumbai - 400 001.**

<b>Name and Address of Shareholder or Proxy</b>	
<b>Folio No.</b>	
<b>DP ID - Client ID</b>	
<b>No. of Shares</b>	

I / We, hereby record my/ our attendance at the 32<sup>nd</sup> Annual General Meeting at 11.00 a.m. on Saturday, 19<sup>th</sup> August, 2017 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 off whichever is not applicable.





# UTTAM GALVA STEELS LIMITED

Registered office: Uttam House, 69, P. D'Mello Road, Mumbai: 400 009.  
Tel. No. 022 66563500, Fax No.: 022 23485025, CIN: L27104MH1985PLC035806  
Website: www.uttamgalva.com, E-Mail: shares@uttamgalva.com.

## FORM NO. MGT-11 : PROXY FORM

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

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

I/We, being the Member(s) of \_\_\_\_\_ Equity Shares of the above named Company, hereby appoint

- Name : \_\_\_\_\_  
E-mail id: \_\_\_\_\_  
Address : \_\_\_\_\_  
  
Signature \_\_\_\_\_ or failing him \_\_\_\_\_
- Name \_\_\_\_\_  
E-mail id \_\_\_\_\_  
Address \_\_\_\_\_  
  
Signature \_\_\_\_\_ or failing him \_\_\_\_\_
- Name \_\_\_\_\_  
E-mail id \_\_\_\_\_  
Address \_\_\_\_\_  
  
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 32<sup>nd</sup> Annual General Meeting of Uttam Galva Steels Limited to be held on the 19<sup>th</sup> day of August, 2017 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
<b>Ordinary Business</b>	
1	Adoption of Audited Stand-alone Financial Statements for the year ended 31 <sup>st</sup> March, 2017.
2	Adoption of Audited Consolidated Financial Statements for the year ended 31 <sup>st</sup> March, 2017.
3	Reappointment of Shri Rajinder Miglani (DIN 00286788) who retires by rotation and being eligible, offers himself for reappointment.
4	Appointment of M/s. Todarwal & Todarwal, Chartered Accountants as Statutory Auditor of the Company & to fix their remuneration.
<b>Special Business</b>	
5	Appointment of Shri Rajiv Munjal (DIN:05195651) as a Director of the Company.
6	Re appointment of Shri Gursharan Singh Sawhney (DIN:02339467) as Whole Time Director of the Company designated as Director (Finance) & Group CFO for a period of 3 years from 30 <sup>th</sup> May, 2017 to 29 <sup>th</sup> May, 2020.
7	Approval of the remuneration of the Cost Auditor for the financial year 2017 - 2018.

Signed this..... day of..... 2017

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.





If undelivered please return to:

M/S UNIVERSAL CAPITAL SECURITIES PVT. LTD.

(UNIT: UGSL)

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

Tel. No. : 022 28207203 / 05

E-mail : [info@unisec.in](mailto:info@unisec.in)