



UTTAM

43rd
43rd

Annual Report
2012 - 2013

UTTAM VALUE STEELS LIMITED



BOARD OF DIRECTORS	RAJINDER MIGLANI	: CHAIRMAN
	S K SONI	: DIRECTOR
	B L KHANNA	: DIRECTOR
	U N CHALLU	: DIRECTOR
	MANASH CHAKRABORTY	: DIRECTOR (NOMINEE - ARCIL)
	R K BANSAL	: DIRECTOR (NOMINEE - IDBI)
	ANKIT MIGLANI	: DIRECTOR
	RAJIV MUNJAL	: DIRECTOR (COMMERCIAL)
	ASHOK TANDON	: DIRECTOR (ENGG.DIVISION)

GROUP CFO GURSHARAN S SAWHNEY

COMPANY SECRETARY RAM GAUD

BANKERS STATE BANK OF INDIA

STATUTORY AUDITORS TODARWAL & TODARWAL
CHARTERED ACCOUNTANTS
MUMBAI

INTERNAL AUDITORS ERNST & YOUNG LLP
CHARTERED ACCOUNTANTS
MUMBAI

REGISTERED OFFICE 4TH FLOOR, UTTAM HOUSE,
69, P. D'MELLO ROAD,
MUMBAI : 400 009
E-MAIL : investor@uttamvalue.com
WEBSITE: www.uttamvalue.com

OTHER OFFICES / BRANCHES

- DELHI
- BANGALORE
- HYDERABAD
- CHENNAI
- KOLKATTA
- COCHIN
- AHMEDABAD
- INDORE
- PUNE
- NAGPUR
- INDORE
- JAIPUR

WORKS

STEEL PLANT
UTTAM NAGAR, BHUGAON LINK ROAD,
WARDHA, MAHARASHTRA, INDIA

ENGG. PLANT
PLOT NO. A-5/5 & A-6/3, MIDC INDUSTRIAL AREA
MURBAD. DIST THANE, MAHARASHTRA, INDIA.

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NOTICE

NOTICE is hereby given that the **43rd ANNUAL GENERAL MEETING** of the Members of the Company will be held at 11:00 a.m. on Monday, the 26th day of August, 2013 at M C Ghia Hall, 18/20, K. Dubhash Marg, Mumbai – 400 001 to transact the following business :

ORDINARY BUSINESS:

1. To consider and adopt the Statement of Profit & Loss for the Financial Year ended 31st March, 2013 and the Balance Sheet as at that date and Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri B L Khanna, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri U N Challu, who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. Todarwal & Todarwal, Chartered Accountants, (Registration No. 111009W) as the Statutory Auditor for the Financial Year 2013-14 and to hold office from the conclusion of this Annual General Meeting till the conclusion of the 44th Annual General Meeting and to authorize the Board of Directors to decide their remuneration.

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 Rajinder Miglani, who was appointed by the Board of Directors as an Additional Director with effect from 28th December, 2012 under the provisions of Articles of Association of the Company and who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

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

“RESOLVED THAT Shri Ankit Miglani, who was appointed by the Board of Directors as an Additional Director with effect from 28th December, 2012 under the provisions of the Articles of Association of the Company and who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

7. 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, who was appointed by the Board of Directors as an Additional Director with effect from 28th December, 2012 under the provisions of Articles of Association of the Company and who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

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

“RESOLVED THAT Shri S K Soni, who was appointed by the Board of Directors as an Additional Director with effect from 25th May, 2013 under the provisions of Articles of Association of the Company and who by virtue of the provisions of Section 260 of the Companies Act, 1956, holds the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (**“Companies Act”**), pursuant to the Articles 24.3 of the existing Articles of Association of the Company and such other statutory approvals (including the approval of the Central Government) as may be required to be obtained in this respect, and pursuant to recommendation of Remuneration Committee and the approval of Board of Directors at their respective Meeting dated on 28th December, 2012 and 25th May, 2013, the approval of the Members be and is hereby accorded to the appointment of Shri Rajiv Munjal, as Whole Time Director designated as Director (Commercial) of the Company w.e.f. 1st April, 2013 for a period of three years from the date of appointment, on the terms and conditions as stated as below:

- a) Remuneration :
Rs. 3,00,000 per month by way of salary.
- b) Perquisites and Allowances:
 - (i) Contribution to Provident Fund and Superannuation Fund, as per rules of the Company.
 - (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
 - (iii) Leave and Encashment of leave as per the rules of the Company.
 - (iv) Free use of Car with driver for the business of the Company and telephone facility at residence.
 - (v) Such other benefits and amenities as may be provided by the Company to other senior from time to time.
- c) The Company shall pay to or reimburse to Director (Commercial) 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.
- d) In the event of the loss or inadequacy of profit, in any financial year during tenure of

Shri Rajiv Munjal as a Director (Commercial) the aforesaid remuneration will be treated as minimum remuneration subject to the approval of the Central Government, if any, as may be required.

The scope and quantum of remuneration specified hereinabove, may be subject to such guidelines as may be announced by the Central Government from time to time and will be subject to such modifications as the Central Government may suggest or require.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to vary, alter or modify the above-stated remuneration in accordance with provision of Scheduled XIII to the Companies Act, 1956 as may be agreed to by the Board of Directors and Shri Rajiv Munjal.

RESOLVED FURTHER THAT Shri Ram Gaud, Company Secretary of the Company be and is hereby authorized to file necessary forms and returns with the Central Government, Registrar of Companies or any other authorities and to do all such acts, deeds, matters and things as may be necessary to give effect to this Resolution.”

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

**Ram Gaud
Company Secretary**

Registered Office:
4th Floor, Uttam House,
69, P. D'mello Road,
Mumbai – 400009

Date: 25th May, 2013

NOTES:

- I. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**



2. Register of Members and Share Transfer Books of the Company shall remain closed from 20th August, 2013 to 26th August, 2013 (both days inclusive).
3. Members desirous of obtaining any information concerning the Accounts and Operations of the Company are requested to address their queries to the Company Secretary at the Registered Office of the Company, so as to reach him at least seven days before the date of Meeting.
4. 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.
5. The Company's shares are listed on BSE Limited and National Stock Exchange of India Limited, Mumbai and applicable listing Fees have been paid upto date including Financial Year 2013-14.
6. The transfer of Unclaimed Dividend to Investor Education & Protection Fund of the Central Government as required in terms of Section 205C of the Companies Act, 1956, during the current Financial Year is not applicable.
7. Details of the Directors Appointed / Re-appointed during the Year is provided herewith as a part of the Corporate Governance Report as required by Clause 49 of the Listing Agreement.
8. Members are requested to kindly notify changes, if any, in their address to the Company's Registrar & Transfer Agent, M/s. Bigshare Services Pvt. Ltd., (Uttam Value Steels Limited) at E-2/3 Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai - 400072.

Email address of the company is -
investor@uttamvalue.com

9. All queries relating to Share Transfer and allied subjects should be addressed to:

Bigshare Services Pvt. Ltd.
E-2, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri (East), Mumbai - 400072
Phone: 022 - 40430200
Email Id: investor@bigshareonline.com

EXPLANATORY STATEMENT

Pursuant to Section 173 (2) of the Companies Act, 1956

Item No. 5

Shri Rajinder Miglani has joined the Board with effect from 28th December, 2012 as an Additional Director of the Company in accordance with the provisions of Section 260 of the Companies Act, 1956, he holds the office up to the date of 43rd Annual General Meeting.

He is an industrialist and is a graduate and has more than 47 years of experience in the steel industry.

None of the Directors except Shri Rajinder Miglani and Shri Ankit Miglani in any way concerned or interested in this Resolution.

The Board accordingly recommends the Resolution set out in Item No. 5 for the approval of the Members.

Item No. 6

Shri Ankit Miglani has joined the Board with effect from 28th December, 2012 as an Additional Director of the Company in accordance with the provisions of Section 260 of the Companies Act, 1956, he holds the office up to the date of 43rd Annual General Meeting.

He is an industrialist and a Graduate in Economics with specialization in Finance from Wharton School, University of Pennsylvania, Philadelphia, U.S.A and has more than 12 years of experience in the steel industry.

None of the Directors except Shri Ankit Miglani and Shri Rajinder Miglani are in any way concerned or interested in this Resolution.

The Board accordingly recommends the resolution set out in Item No. 6 for the approval of the Members.

Item No. 7

Shri Rajiv Munjal has joined the Board with effect from 28th December, 2012 as an Additional Director of the Company in accordance with the provisions of Section 260 of the Companies Act, 1956, he holds the office up to the date of 43rd Annual General Meeting.

He is a graduate engineer having done his BE in Electronics and Telecommunication in 1981. He has more than 25 years of experience in the industry.

None of the Directors except Shri Rajiv Munjal is in any way concerned or interested in this Resolution.

The Board accordingly recommends the Resolution set out in Item No. 7 for the approval of the Members.

Uttam Value Steels Limited

Item No. 8

Shri S K Soni has joined the Board with effect from 25th May, 2013 as an Additional Director of the Company in accordance with the provisions of Section 260 of the Companies Act, 1956. He holds the office up to the date of 43rd Annual General Meeting.

He is a B.Sc L.L.B., CAIIB (I). He has more than 55 years of experience in the Banking Sector.

None of the Directors except Shri S K Soni is in any way concerned or interested in this Resolution.

The Board accordingly recommends the Resolution set out in Item No. 8 for the approval of the Members.

Item No. 9

Shri Rajiv Munjal is BE in Electronics and Telecommunication and having more than 25 years of experience in industry.

Pursuant to recommendation of Remuneration Committee, Shri Rajiv Munjal was appointed as Manager by the Board of Directors for a period from 28th December, 2012 to 31st March, 2013 under Section 269, 198 and 309 read with Scheduled XIII and other applicable provisions of the Companies Act, if any, without any remuneration.

He was also appointed as an Additional Director with effect from 28th December, 2012 in accordance with the provision of Section 260 of the Companies Act, 1956 and therefore holds the office upto the date of this 43rd Annual General Meeting. Subsequently he was also appointed by the Board of Directors at their meeting held on 25th May 2013 as Whole-Time Director, designated as Director (Commercial) of the Company w.e.f. 1st April, 2013 for a period of three years pursuant to recommendation of the Remuneration Committee thereof.

In view of Shri Rajiv Munjal's vast work experience in the Industry, his appointment as the Director (Commercial) for the period of three years, commencing from 1st April, 2013 is proposed on terms and conditions as set out in the Special Resolution at Item No.9.

The terms and condition of the appointment of Shri Rajiv Munjal as set out in the Special Resolution at Item No. 9 should also be treated as the abstract under Section 302 of the Companies Act, 1956.

None of the Directors except Shri Rajiv Munjal is in any way concerned or interested in this Resolution.

The Board accordingly recommends the Resolution set out in Item No. 9 for the approval of the Members.

I. GENERAL INFORMATION:

1. Nature of Industry - Manufacturing of Steel and Capital Equipment products
2. Date of commencement of Commercial Production - The company has commenced its production activities since 1974.
4. In case of new Companies, expected date of Commencement of activities as per project approved by financial institutions appearing in the prospectus. - N.A.
5. Financial performance based on given indicators : (Rs.In Lacs)

Particulars	2010-11	2011-12	2012-13
Total Income	439945.19	409650.11	674760.00
Profit Before Tax	(13978.72)	(7345.46)	101.77
Profit after tax	(13978.72)	(7345.46)	101.77

6. Export performance and net foreign exchange collaborations : (Rs.In Lacs)

Particulars	2010-11	2011-2012	2012-2013
FOB value of Export	2150.57	1645.01	2584.77

7. Foreign Investments or collaborations, if any - NIL

II. INFORMATION ABOUT THE APPOINTEE : SHRI RAJIV MUNJAL

1. Background Details:
He is a graduate engineer having done his B E in Electronic and Telecommunication. He is aged about 53 years and having 25 years of experience in Industry.
2. Past Remuneration:
Last remuneration drawn by Shri Rajiv Munjal was ₹ 240967 per month.
3. Recognition or Awards - Nil
4. Job Profile and it's suitability:
He was appointed as an Additional Director on 28.12.2012, who will be subsequently regularized as Director of the Company by the members at their upcoming Annual General Meeting to be held on 26th August, 2013 subsequently he



has been appointed as Whole Time Director designated as Director (Commercial) w.e.f 1st April, 2013 for a period of three Years will be responsible for overall operations of Steel Division of the Company.

5. Remuneration proposed:

a) Remuneration :

Rs.3,00,000/- (Rupees Three Lakhs only) per month by way of salary.

b) Perquisites and Allowances :

(i) Contribution to Provident Fund and Superannuation Fund, as per rules of the Company.

(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

(iii) Leave and Encashment of leave as per the rules of the Company.

(iv) Free use of Car with driver for the business of the Company and telephone facility at residence.

(v) Such other benefits and amenities as may be provided by the Company to other senior from time to time.

c) The Company shall pay to or reimburse to Director (Commercial) 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.

d) In the event of the loss or inadequacy of profit, in any financial year during his tenure as Director (Commercial), the aforesaid remuneration will be treated as minimum remuneration subject to the approval of the Central Government, if any, as may be required.

6. Comparative remuneration:

The remuneration proposed is reasonable as profile with respect to compared to size of the company, profile industry, size of the company, and position of the person as well as with respect profile and position of person to the industry.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial person, if any. - N.A.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits

- Increase in the cost of production
- Shortage of Working Capital
- High Finance Cost
- Stagnancy in the Steel prices

2. Steps taken or proposed to be taken for improvement.

- Restructuring of debts with the Financial Institutions and Banks
- Technical Modifications and Technological Changes leading to increase in productivity & operational efficiency.
- Repayments of high interest debts in a phased manner
- Efforts to improve and avail the working capital facilities of the Company from various Banks.

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

**Ram Gaud
Company Secretary**

Registered Office:
4th Floor, Uttam House,
69, P. D'mello Road,
Mumbai – 400 009.

Date: 25th May, 2013

DIRECTORS' REPORT

Your Directors present the 43rd Annual Report on the operations of your Company along with Audited Statement of Accounts for the year ended 31st March, 2013.

FINANCIAL HIGHLIGHTS

(₹ in Lacs)

	2012-13 (12 Months)	2011-12 (9 months)
Sales :	668556.72	405303.18
Other Income	6203.28	4346.93
Total Income :	674760.00	409650.11
Profit/(Loss) before Interest, Depreciation, Exceptional Items & Tax	31178.32	15476.72
Less : Finance Charges	16575.50	10849.94
Depreciation	14501.05	10649.84
Profit / (Loss) before exceptional items & taxes	101.77	(6023.06)
Less : Exceptional items (Net)	-	1322.40
Profit/(Loss) before tax	101.77	(7345.46)
Tax Provision	-	-
Profit/(Loss) after Tax	101.77	(7345.46)
Net Profit/ (Loss)	101.77	(7345.46)

FINANCIAL YEAR

The current year is of twelve months. Financial accounts for the previous period was prepared for nine months i.e. from 1st July, 2011 to 31st March, 2012 hence they are not comparable.

DIVIDEND

In view of the accumulated losses, the Board of Directors do not recommend any dividend on the Equity shares.

STEEL INDUSTRY SCENARIO

2012 -13 was a challenging year for the steel industry with apparent steel use increasing at the slowest rate since 2009 when global demand declined by 6.5%. This was mainly due to the Eurozone crisis which persisted throughout 2012 and whose impact was felt further. On top of this, corrective macroeconomic measures in major emerging economies also contributed to a concerted slowdown globally. However, in the early part of 2013, the key risks to the global economy – the Eurozone crisis, a hard landing for the Chinese economy, and the US fiscal cliff issue – have all stabilized considerably and we now expect a recovery in global steel demand to kick in by the second half, led by the emerging economies. Yet, the situation on the financial markets remains fragile and the Eurozone crisis is far from being solved as the recent events in Cyprus have again shown.

Apparent steel use in China is expected to grow by 3.5% in 2013 to 668.8 Mt following a 1.9% increase in 2012. In 2014, steel demand is expected to grow by 2.5% as the Chinese government's measures to control investment in an effort to rebalance the economy will remain in place.

In India, steel demand is also expected to pick up and will grow by 5.9% to 75.8 Mt in 2013 following 2.5 % growth in 2012 as monetary easing is expected to support investment activities. In 2014, growth in steel demand is expected to further accelerate to 7% thanks to the reform measures aimed at narrowing the fiscal deficit, coupled with measures to improve the foreign direct investment climate.

OPERATIONS & OVERALL PERFORMANCE

The Company achieved a Gross Turnover of ₹ **6685.56 crores** in 2012-13 as against ₹ **4053.03 crores** in the previous period (9 months), showing a growth of 23 % over previous year. The operating EBIDTA for the year was ₹ **311.78 crores** as against ₹ **154.77 crores** in the previous period (9 months). The Company posted a profit of ₹ **1.01 crores** during the year as against a loss of ₹ 73.45 crores in the previous period (9 months) after providing depreciation of ₹ 145.01 crores (Previous period ₹ 106.50 crores).

STEEL PRODUCTS

Sale of steel products during the year 2012-13 was ₹ **3033.31 crores** as against the previous period (9 months) of ₹ 2239.69 crores. Export sales achieved during the year ₹ **23.07 crores** as against ₹ 10.77 crores recorded during the previous period of 9 months.

ENGINEERING PRODUCTS

Engineering Division achieved sales of ₹ 470.07 crores during 2012 -13 as compared to sales of ₹ 286.24 crores for 9 months in the previous period. During the year the division has executed various orders / jobs by supplying critical equipment and items including various types of Tanks and Vessels, Water Cooled Equipment to SMS India Ltd, Instrument Air Drier Unit to BOC India Ltd for MRPL PP Project , Pressure Vessels to Technimon SpA for OPAL Butene Project , Pressure Vessels - Passivation Drum & Pump out Drum and Hexane Dryer Package to Technip France for OPAL Butene Project, Marine Unloading Arms to HPCL, Supply of Cooling Bed-Fixed Structure to Danieli India Ltd, Buffer Vessels to SAIL, Pressure Vessels to HPCL, equipment for WHR Boiler to Petron Engineering Construction Ltd for IOCL, Paradip and Equipment to Uttam Galva Metallics Ltd, Uttam Galva Steels Ltd,



Gopani Iron & Power Ltd. and Tapadia Polysters Pvt. Ltd. and supply of critical Spares and Services to all the major public and private Oil and Gas sector, Port Trust and various Government bodies.

PREFERENTIAL ISSUE OF EQUITY SHARES

In terms of the special resolution passed at the Extraordinary General Meeting of the members of the Company held on 14th July 2012, the Company was authorized to issue 7,00,00,000 Equity Shares to Metallurgical Engineering and Equipments Limited and 31,00,00,000 Equity Shares to Ultimate Logistics Solutions Private Limited on preferential basis, at a price of ₹ 10 per equity share, higher than the price calculated in accordance with Preferential Issue Guidelines contained in SEBI (ICDR) Regulations, 2009. Accordingly, the Committee of Board of Directors at its meeting held on 6th Dec, 2012 has issued 38,00,00,000 equity shares at a price of ₹ 10 each.

In terms of Regulations 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Ultimate logistics Solutions Private Limited and Metallurgical Engineering Equipments Limited had made an open offer to the equity shareholders of the Company which opened on October 23, 2012 and closed on November 7, 2012.

UTILIZATION OF PROCEEDS FROM PREFERENTIAL ISSUE

Proceeds from Preferential issue of equity shares of ₹ 38,000 lacs have been utilised to fund the working capital needs and for general corporate purposes of the company.

CONVERSION OF PREFERENCE SHARES OF IDBI BANK LIMITED

In terms of the special resolution passed at the Extra-ordinary General Meeting of the members of the Company held on 4th March, 2013 the Company was authorized to convert 22,69,50,000 Redeemable Preference Shares of ₹ 10 each into 15,00,00,000 Equity shares of ₹ 10 each fully paid up by way of preferential Issue at a price of ₹ 15.13 per equity share.

Accordingly Committee of Directors of the Company at its meeting held on 19th March, 2013 has allotted 15,00,00,000 equity shares to IDBI Bank Limited.

DEBT RESTRUCTURING

All the debts of the Company are crystalized and settled. Over the years, the Company has paid a large amount towards past debt liabilities and remaining debts are being

paid in accordance with the restructured terms. The Company has paid off ₹ 134.12 crores during the period under review towards past Debt liabilities.

CHANGE OF NAME OF THE COMPANY

Pursuant to the consent received from the shareholders of the Company in the Extraordinary General Meeting held on 4th March, 2013 and Fresh Certificate of Incorporation received from Registrar of Companies, Maharashtra, Mumbai, the name of the Company has been changed from LLOYDS STEEL INDUSTRIES LIMITED to UTTAM VALUE STEELS LIMITED with effect from 18th March, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

The core business of the Company is manufacturing and marketing Iron and Steel Products and manufacturing capital equipments and turnkey projects. The Management Discussion and Analysis is given hereunder.

Steel Division

The crude steel production has grown from 1490 million tonnes in 2011 to 1510 million tonnes in 2012, a growth of 1.3%. China continued to be the largest Crude Steel producer in the world and their production increased from 683 million tonnes in 2011 to 708 million tonnes in 2012, a growth of 3.7%.

- a) **Industry Structure & Development:** Indian Steel Industry has grown from the production of 72 million tonnes in 2011 to 76 million tonnes in 2012, a growth of 5.5%.

The Indian Steel Industry plays an important role in the country's economic growth. The growth of the Indian Steel Industry looks positive. However, it is impeded to some extent due to higher money lending rates resulting in to high cost of capital, impacting margins as well as capital expenditure plans.

A wide range of products are manufactured by Engineering Industries in India the developments of which is dependent upon the development of core and the infrastructure sector.

- b) **Opportunity & Threats:** The Indian steel industry is the fourth largest crude steel producer in the world for the last two years i.e. 2011 & 2012. It is poised for greater growth in the future as the consumption of steel increases in India.

Opportunities

- Strong growth in heavy industry e.g. infrastructure, oil & gas.

- The strong growth expected in Power Sector, additional generation capacity of 100,000 megawatts proposed to be added in the 12th Five Year Plan (2012 – 2017).
- Fourth largest iron ore reserves after Russia, Brazil & Australia.
- Increased investment by State Governments in water & sewerage pipes.
- Increasing popularity of Pre-Engineered Buildings (PEB) in industry and construction.
- The 3rd largest pool of technical manpower next to USA & CIS.
- Increasing production in auto segment fuelling increase of steel consumption.
- Growing over all domestic demand, under explored rural market and rapid urbanization.

Threats

- Global economic slow down
 - Technological change / obsolescence
 - Substitute – steel being replaced by aluminum in auto industry and by PVC in pipe industry.
 - Increasing power tariff.
 - China remaining a net exporter.
 - Protection in West.
 - Dumping by producers from some of the countries.
 - Higher duties and taxes
 - Fluctuating market demand
- c) **Segment wise / Product wise performance:** The Company is mainly in the business of Manufacturing steel and Capital Equipments and Turnkey Projects. The Company has no activity outside India except export of steel products manufactured in India. Segment wise performance is given at Note No 32 of Notes to Accounts.
- d) **Outlook:** The outlook in the domestic steel industry looks positive. The country has acquired an important position in global steel map. The Indian Steel Industry is having Giant Steel Mills, modernization and up gradation of old steel mills improving energy efficiency and backward integration to global raw material resources.

The steel consumption in the country grew from 71 million tonnes in 2011-12 to 73.3 million tonnes in 2012-13 a growth of 3.2%. In the coming years the consumption is expected to grow at higher rates.

However, challenges before Indian Steel Industries are also there and need serious attention. Rising prices of key raw material like iron ore & coking coal, fall in demand from automobile have posed certain threats. Despite this, the future of Indian steel industry looks bright as per capita consumption is poised to grow substantially from the current level of 60 Kg. Further, India has abundant mineral resources like Iron Ore and non-coking coal. With acquisition of coking coal mines by Indian companies in countries like South Africa & Australia, India is poised to grow further from being the fourth largest steel producer currently in the world.

The Company supplies Hot Rolled Special steels to the following Sectors

- Defence
- Indian Railways
- IBR Approved Applications
- Oil & Gas Sector
- Automobiles
- Infrastructure Projects
- Transmission Tower Sector
- Pre Engineered Building Sector
- LPG Cylinder manufacturers
- Agro based Industries
- General Engineering Sector

e) **Risk & Concerns:** The domestic steel industries run the risk of normal industry cycle as under:

- High cost of capital
- High cost of basic input and services
- Delay in absorption in technology by existing units.
- High logistics cost
- Poor quality of basic infrastructure like road, port etc.
- Lack of expenditure in R&D
- Unremunerative prices
- Non availability of adequate coking coal
- In adequate access to good quality of iron & ore.
- High cost of energy

The Company is exposed to the normal industry risk factors and manages these risks by prudent business and risk management practices. The Company has taken up modernization programmes and the capital

shut down of one month in December, 2012 was taken to revamps equipments. The Company has made efforts to lower the cost of steel production by maximizing use of Hot Metal in Electric Arc Furnaces, reduce energy consumption, improving productivity and maximizing production and sales of Special steels.

Engineering Division

The division continues to compete and participate in the tenders of various Public and Private Sector companies and is hopeful of begging fresh orders.

i) Industry structure and development

The Engineering Division of the Company has been approved for its engineering skills/ works/services by various premier consulting companies and Inspection Agencies such as Engineers India Ltd, MECON, LRIS, BVIS, amongst various other agencies. The Division has further been approved by Industrial Boiler Regulatory Authority (IBR). The Division, with a view to expand its operations acquired Plot A-5/4, MIDC, Murbad situated adjacent to the existing Plot No. A-5/5 during January 2012 and is exploring possibilities for further expansion. Due to recession in all sectors of Indian Industry, the expansion projects are moving in slow phase which has affected most of the Indian engineering companies. In addition to this, the Engineering segment is highly competitive in view of tough competition from foreign companies/ agencies and giant public/private sector undertakings.

ii) Tie-ups and Arrangements

The division has not entered into any fresh tie up arrangements during the current year apart from the existing ones.

f) Internal control system and their adequacy:

In order to attain the corporate objectives, strict internal controls systems are required to be implemented across the organization. The same is ensured by the senior management through a mix of periodic reviews, implementation of Standard Operating Procedures, defining Delegation of powers and constant up gradation of IT systems.

The efficacy of internal control systems is ensured as a combined result of the following activities:

- i. Operational performance is reviewed each month by an executive committee comprising members of Senior Management.

- ii. Performance of each function is closely monitored by the Senior Management through various Weekly / Monthly review meetings. Reviews of all independent functions are regularly undertaken. Simultaneously, cross functional activities are also subject to periodic review.
- iii. Various policies are introduced from time to time, to ensure effective functioning of various independent departments, such as, Marketing, Finance, HR, etc.
- iv. Delegation of power is regularly reviewed and revised, based on feedback received from Directors and process owners. The documents clearly specify the authorities of various divisional / functional heads etc. Hence, the financial and non-financial authorities stand clearly defined.

Reports of Internal audit and management response thereto are subject to regular review by Audit Committee of Board of Directors. Adequacy of internal audit is also reviewed by the Audit Committee.

g) Discussion on financial performance with respect to operating performance:

The operating performance of the Company has been discussed in Directors' Report under the head 'Financial Highlights' & 'Operations and Overall Performance'.

h) Material Developments in Human resources and Industrial Relations:

The Company's human resource policies and strategies seek to ensure a high level of motivation among employees so that they play a significant role in achieving the company's goal. The Company has constituted various in-house training programs for skill advancement. The Company accords highest priority to ensure safety and protection of health of its employees. The Company believes that safety and health are essential to, and form an integral part of every HR development endeavor.

The Company has a medical centre at its Wardha complex providing round the clock medical assistance to its employees. Health checkup is also carried out periodically, for all employees. Number of employees as on 31st March, 2013 was 1322.

- i) **Statutory Compliance:** The Company has complied with the various provisions of the Companies Act, 1956, the SEBI regulations and provisions of the Listing Agreements. Compliance certificates are obtained from various units of the Company and the Board is informed of the same at every Board meeting.

- j) **Corporate Social responsibility:** The Company believes that Corporate Social Responsibility (CSR) is 'the continuing commitment for improving the quality of life of the society at large.' The Company strives to contribute to the environment to its fullest to avoid irreversible changes in the ecosystem. We contribute to this global effort with activities such as planting of tree saplings and promoting environmental protection awareness amongst our plant employees. Company controls the pollutions by recycling and reusing the scrap with safety, health and environment protection high on its corporate agenda. Company is committed to conducting business with a strong environment conscience, so as to ensure sustainable development, safe work places and enrichment of the quality of life.
- k) **Cautionary Statement:** The Management Discussions and Analysis describe Company's projections, expectations or predictions and are forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand and supply and price conditions in domestic and international market, changes in Government regulations, tax regimes, economic developments and other related and incidental factors.

RESEARCH AND DEVELOPMENT

The Company undertakes on a continuous basis, various activities such as the development of new products and processes, cost reduction, improvement in quality and productivity and import substitution.

INVESTOR SERVICES

The Company and its Registrars M/s. Bigshare Services Private Limited who is looking after the physical as well as Demat work and also shareholders correspondence, endeavored their best to service the investors satisfactorily. Your Company has constituted a committee comprising of 3 Senior Directors of the Company to redress the Investor grievances.

DIRECTORS

In accordance with the provisions of Companies Act, 1956 and as per the provisions of the Articles of Association of the Company, Shri B. L. Khanna & Shri U. N. Challu, retire by rotation and being eligible, offer themselves for re-appointment to the Board.

Shri Rajinder Miglani, was appointed as a Additional Director and Chairman of the Company Shri Ankit

Miglani and Shri Rajiv Munjal were appointed as Additional Directors by the Board of Directors of the Company at its meeting held on 28th December, 2012. Further, Shri S. K. Soni was also appointed as an Additional Director w.e.f. 25th May, 2013 respectively. As Additional Directors, they hold office upto the date of the ensuing Annual General Meeting of the Company at which they are being proposed for regularization.

During the year Shri Ashok Tandon , Director of the Company was re-designated as Whole time Director w.e.f. 20th June, 2012 and the shareholders of the Company have confirmed his appointment as Whole time Director vide Special Resolution passed at the Extra Ordinary General Meeting of the Company held on 04th March, 2013.

Further, the Board of Directors appointed Shri Rajiv Munjal as Whole time Director, designated as Director – (Commercial) and of the Company which needs to be approved by the Shareholders at the ensuing Annual General Meeting of the Company.

The above appointments / re-appointments forms part of the Notice of the 43rd Annual General Meeting and the relevant Resolutions are recommended for your approval.

Profiles of these Directors, as required by the Listing Agreement provisions, are given in the Corporate Governance Report which forms part of this Annual Report / Notice.

During the year, Shri Mukesh Gupta resigned as Chairman and Director, Shri Rajesh Gupta resigned as a Managing Director & Director, Shri B. L. Agarwal resigned as a Director w.e.f 28th December, 2012 & Shri K. A. Krishna Rao resigned as Director of the Company w.e.f 25th May, 2013. The Board wishes to place on record their gratitude and sincere appreciation for their immense and invaluable contributions made to the Company during their tenure as Directors since inception of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. In the preparation of annual accounts for the financial year 31st March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.



3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. Final accounts have been prepared on going concern basis.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Agreement of the Stock Exchanges with which the Company is listed are complied with.

A separate report on Corporate Governance and the Auditor's Certificate on its compliance are annexed hereto and forms part of this Annual Report.

ENVIRONMENT AND SOCIAL OBLIGATION

The Company's plants comply with all norms set up for clean and better environment by the competent authorities. The Company undertakes regular checks / inspections including certification for the maintenance of the environment. The Company values environmental protection and safety as the major considerations in its functioning. The Company has adequate effluent treatment plants to prevent pollution. The Company is continuously endeavoring to improve the health and quality of life in the communities surrounding its industrial complex.

PUBLIC DEPOSITS

The Company has not accepted any deposit from the public and hence has not contravened provisions of the Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 and the Reserve Bank of India, if any.

AUDITORS & AUDITORS' REPORT

The Auditors of the Company, M/s Todarwal & Todarwal (Regn. No. 111009W) shall hold the office upto the conclusion of the ensuing Annual General Meeting of the Company and being eligible offers themselves for re-appointment. Pursuant to the provisions of Section 224(1B) of the Companies Act, 1956, the Auditors have furnished certificate of their eligibility for the re-appointment. The members are requested to appoint Auditors for the next financial year and to authorize the Board to fix their remuneration.

As regards Auditors' observations in Clause No. 9 (b), 10 & 11 in the Annexure Audit Report (CARO Report), they are self-explanatory and do not require further explanation.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

Information in accordance with Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in **Annexure 'A'** forming part of this report.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975, names and other particulars of the employees are required to be set out in the annexure to this report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the report and Annual Accounts of the Company sent to the shareholders do not contain the said annexure. Any shareholders desirous of obtaining the annexure may write to the Company Secretary at the registered office of the Company.

INSURANCE

The Company has taken adequate insurance cover for all its assets.

COST AUDITOR

In pursuance of Section 233B of the Companies Act, 1956 read with circular no. 52/26/CAB – 2010 the Company has appointed Manisha & Associates, Nagpur as the Cost Auditors to conduct the Cost Audit for the financial year 2013-2014. The approval of the central government for the appointment has been received.

ACKNOWLEDGEMENT:

Your Directors place on record their sincere appreciation and gratitude for the assistance and generous support extended by all Government authorities, Financial Institutions, Banks, Customers, Vendors and Members during the period under review. Your Directors wish to express their immense appreciation for the devotion, commitment and contribution shown by the employees of the Company while discharging their duties.

For and on behalf of the Board

Dated: 25th May, 2013
Place : Mumbai

RAJINDER MIGLANI
CHAIRMAN

ANNEXURE – A

STATEMENT PURSUANT TO SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

(A) CONSERVATION OF ENERGY

Engineering Products

Form ‘A’ is not applicable as its activities do not fall under the list of industries specified in the Schedule attached to Rule 2.

Steel Products

- 1) In Hot Rolling Mill, Mill Automation was changed in Finishing Mill (FM) by adopting Level 1 technology. This ensures close gauge control, accurate slab & Strip movement.
- 2) Indigenously Designed & Fabricated FM Guide System was successfully commissioned.
- 3) In EAF, 85% Hot Metal (in charge-mix) working has been established, due to which great deal of cost-savings in power & other has been achieved.
- 4) Dependence on Petroleum Products was reduced by switching over to coke oven gas in Pickling, ARP and RHF-1.

(B) RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

Research & Development (R & D)

- 1) LPG grade steel was successfully developed.
- 2) Steel Grade En 18B was successfully developed.
- 3) Process was optimized in Hot Rolling Mill to roll thinner section of Corten Steel (2.5 mm) directly.
- 4) Process was optimized to curb surface cracks on the Plates.
- 5) Steel grades 16 Mn Cr5 was successfully developed for export-oriented units.
- 6) Steel grade C-45 was developed successfully for automobile segment, safety belt (export) application.

Expenditure on R & D

Expenses on R & D Rs.4.26 lacs.

- 1) Impact Test Machine as per ASTM Standards installed.
- 2) New vickers hardness tester with computer-aided programme was installed.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of Foreign Exchange Earnings and Outgo are as under:

(₹ in Lacs)

	2012-2013	2011-2012
(1) Foreign Exchange Earnings		
a. Brokerage and Commission	139.56	63.00
b. Exports including Deemed and Third Party	2584.77	1645.01
(2) Foreign Exchange Outgo		
a. CIF Value of Imports		
- Raw Materials, Components, Spare Parts & Production consumables	4764.59	12801.14
- Capital goods	-	-
b. Other Expenditure	468.08	115.47



FORM – A

Form for Disclosure of Particulars with respect to Conservation of Energy:

A.	Power & Fuel Consumption	UNIT	2012-2013	2011-2012
1	Electricity			
a)	Purchased			
	Units	Kwh	346724435	284637730
	Total Amount	₹	2,35,80,82,546	1,48,68,43,062
	Rate/Unit	₹/kwh	6.80	5.22
b)	Own Generation			
i)	Through Diesel Generator			
	Units	Kwh	10368	3288
	Units per ltr. of Diesel Oil	Kwh/ltr	1.79	0.99
	Cost/Unit	₹/kwh	24.68	43.11
ii)	Through Steam Turbine / Generator		NIL	NIL
2	Fuel Oil			
a)	Furnace Oil			
	Quantity	KI	NIL	19
	Total Amount	₹	NIL	6,29,076
	Average Rate	₹/KI	NIL	33799
b)	LDO			
	Quantity	KI	1869	1819
	Total Amount	₹	7,33,20,113	6,65,09,193
	Average Rate	₹/KI	39225	36559
c)	Coke Oven Gas			
	Quantity	SM3	94582239	NIL
	Total Amount	₹	52,02,02,315	NIL
	Average Rate	₹/ SM3	5.50	NIL
3	Others/Internal Generation		NIL	NIL
B.	Consumption per unit of production			
1	HR PRODUCTS			
	- Electricity	kwh/mt	421	488
	- Furnace Oil	ltr/mt	NIL	0.48
	- LDO	ltr/mt	1.58	3.00
	- Coke oven Gas	SM3/mt	126	NIL
2	GP/GC PRODUCTS			
	- Electricity	kwh/mt	662	740
	- Furnace Oil	ltr/mt	NIL	0.53
	- LDO	ltr/mt	4.70	7.40
	- Coke oven Gas	SM3/mt	8.00	NIL
3	CR PRODUCTS			
	- Electricity	kwh/mt	611	684
	- Furnace Oil	ltr/mt	NIL	0.54
	- LDO	ltr/mt	5.00	8.00
	- Coke oven Gas	SM3/mt	8.09	NIL

For and on behalf of the Board

Dated: 25th May, 2013
Place : Mumbai

RAJINDER MIGLANI
CHAIRMAN

ANNEXURE – B
REPORT ON CORPORATE GOVERNANCE

I. THE COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company’s Philosophy is that Corporate Governance is the application of ethical business practices with all stakeholders coupled with compliance of law. The Company has all along believed in and practiced fair business and corporate practices with all its stakeholders and associates.

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

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

2. BOARD OF DIRECTORS:

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

As on 31st March, 2013 your Company’s Board comprises of 9 Directors with considerable experience in their respective fields. Of these 5 are Non- Executive Independent Directors. The details of the Directors with regard to their other Directorship(s) (excluding Private Limited Companies and Section 25 Companies) and Committee Positions are as follows :-

Sr. No.	Name of Directors	Executive/ Non-Executive/ Independent/ Nominee	No. of Other Directorship(s)	Chairman of the Board	Board Committee of which he/she is a Member	Chairman of the Committee
1.	Shri Rajinder Miglani	Non – Executive Chairman	8	1	-	-
2.	Shri Ankit Miglani	Non – Executive Director	9	-	-	-
3.	Shri R K Bansal	Independent (Nominee of IDBI)	6	-	4	-
4.	Shri Ashok Tandon	Whole Time Director	2	-	-	-
5.	Shri K A Krishna Rao	Independent	-	-	-	-
6.	Shri B L Khanna	Independent	3	-	3	-
7.	Shri Rajiv Munjal	Non-Executive Director	1	-	-	-
8.	Shri U N Challu	Independent	3	-	2	1
9.	Shri Manash Chakraborty	Independent (Nominee of ARCIL)	1	-	-	-

II. Attendance of each Director at the Board Meeting during the Financial Year 2012-2013 and the last Annual General Meeting (AGM):

Sr. No.	Name of the Directors	Attendance at Board Meetings	Attendance at Last AGM
1	Shri Rajinder Miglani (Appointed as Additional Director w.e.f. 28/12/2012)	2	No
2	Shri Ankit Miglani (Appointed as Additional Director w.e.f. 28/12/2012)	2	No
3	Shri R K Bansal	3	No
4	Shri Ashok Tandon	5	No



Sr. No.	Name of the Directors	Attendance at Board Meetings	Attendance at Last AGM
5	Shri K A Krishna Rao (Resigned w.e.f. 25/05/2013)	5	Yes
6	Shri B L Khanna	6	No
7	Shri Rajiv Munjal (Appointed as Additional Director w.e.f 28/12/2012)	2	No
8	Shri U N Challu	5	No
9	Shri Manash Chakraborty (Appointed as Nominee Director w.e.f. 09/05/2012)	5	Yes
10	Shri Mukesh Gupta (Resigned w.e.f. 28/12/2012)	5	Yes
11	Shri Rajesh Gupta (Resigned w.e.f. 28/12/2012)	4	Yes
12	Shri B L Agarwal (Resigned w.e.f. 28/12/2012)	5	Yes
13	Shri S K Gupta (Resigned w.e.f. 30/04/2012)	-	No

III. **The Board of Directors during the Financial Year 2012 - 2013 had Six Meetings which are as follows:**

1) 21.04.2012 2) 20.06.2012 3) 13.08.2012 4) 07.11.2012 5) 28.12.2012 6) 04.02.2013

IV. **Disclosure of relationships between Directors:**

Shri Rajinder Miglani – Chairman of the Company is the Father of Shri. Ankit Miglani – Director of the Company. Except for the above mentioned Directors, none of the other Directors are related to each other in terms of relationships.

3. AUDIT COMMITTEE:

I. **Brief Description of Terms of Reference:-**

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

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

II. **Composition, Name of Members & Chairperson:-**

a) Composition of Audit Committee till 28th December, 2012 was as follows:

1. Shri B L Agarwal
2. Shri K A Krishna Rao
3. Shri B L Khanna
4. Shri U N Challu
5. Shri Manash Chakraborty

The Audit Committee was reconstituted during the year at the meeting held on 28th December, 2012 due to resignation of Shri B L Agarwal, who was acting as the member of the Committee.

b) Currently the composition of the Committee is as follows:

1. Shri B L Khanna
2. Shri K A Krishna Rao
3. Shri U N Challu
4. Shri Manash Chakraborty

All the Members of the Audit Committee are Non-Executive Independent Directors. They are financially literate and possess sound knowledge of accounts, audit, finance etc. Shri B L Khanna is the Chairman of the Audit Committee.

The Chairman, Director & Manager (under the Companies Act, 1956), President – Corporate Accounts, the Internal Auditor and the representatives of Statutory Auditors are invitees to the meetings of the Audit Committee.

The Cost Auditors appointed by the Company u/s 233B of the Companies Act, 1956 attends the Audit Committee Meeting whenever Cost Audit Report is discussed.

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

Shri Ram Gaud, Company Secretary acts as the Secretary of the Audit Committee.

III. Meetings and attendance during the year: -

The Audit Committee during the Financial Year 2012-2013 had the following meetings:-

1) 21.04.2012 2) 13.08.2012 3) 07.11.2012 4) 04.02.2013

IV. During the period 01.04.2012 to 31.03.2013, the Audit Committee met Four times and the attendance of the Audit Committee members at the said meetings are detailed below:

Sr. No.	Name of Directors	No. of Meetings attended
1.	Shri B L Agarwal	3
2.	Shri B L Khanna	4
3.	Shri K A Krishna Rao	3
4	Shri U N Challu	3
5	Shri Manash Chakraborty	2

4. SUBSIDIARY COMPANIES:

The Company does not have any Subsidiary Company.

5. REMUNERATION COMMITTEE:

I. Brief Description of Terms of Reference:-

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

II. Composition:-

During the period, one Remuneration Committee Meeting was held on 20th June, 2012 which comprised of three Non Executive Independent Directors namely Shri B L Khanna, Shri K A Krishnarao and Shri U N Challu.

The Remuneration Committee was reconstituted on 28th December, 2012, hence now it comprises of three Non Executive Independent Directors namely Shri K A Krishnarao, Shri U N Challu and Shri Manash Chakraborty.

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



III. Attendance during the Year:

During the period 01.04.2012 to 31.03.2013, the Remuneration Committee met on 20th June, 2012 & 28th December, 2012 and attendance of the members at the said meeting are details below:

Sr No	Name of Director	No of Meeting attended
1	Shri K A Krishnarao	1
2	Shri U N Challu	2
3	Shri B L Khanna	2

IV. Remuneration Policy:

The remuneration to the Executive and Non - Executive Directors of the Company is approved by the Remuneration Committee as per the Remuneration Policy of the Company.

V. Details of Remuneration to all the Director

a. Non-Executive Directors:

The Non-Executive Directors are paid sitting fees as remuneration for attending the Meetings of Board of Directors, Audit Committee, Remuneration Committee, Committee of Directors and Shareholders / Investors Grievance Committee. Save and except the following, there are no pecuniary relationship or transactions of the Non- Executive Directors viz-a-viz the Company.

Sr. No.	Name of Directors	Sitting Fees	Equity Shares held in the Company
1.	Shri Rajinder Miglani	Nil	Nil
2.	Shri Ankit Miglani	Nil	Nil
3.	Shri Rajiv Munjal	Nil	Nil
4.	Shri R K Bansal	3000/-	Nil
5.	Shri K A Krishna Rao	8000/-	5000
6.	Shri B L Khanna	10,000/-	Nil
7.	Shri U N Challu	8000/-	30000
8.	Shri Manash Chakraborty	7000/-	Nil

b. Executive directors:

Sr. No.	Name of Directors	Position	All elements of remuneration i.e salary, benefits, allowances, bonus, contributions and perquisites (₹ in Lacs)
1	Shri Ashok Tandon	Director	32.29

VI. Disclosures regarding Directors appointment & re-appointment:

a. Appointment and Resignation of Directors:

During the year Shri Ashok Tandon was appointed as an Additional Director with effect from 20th June,2012. Further, he was re-designated as Whole Time Director with effect from 20th June, 2012 for which approval of shareholders of the Company was obtained vide special resolution passed at the Extra-ordinary General Meeting held on 04th March, 2013.

The tenure of office of the Whole Time Director is 3 years from the date of appointment and can be terminated by either party by giving 60 (Sixty) days notice in writing. There is no separate provision for payment of severance fees.

During the year Shri U N Challu and Shri B L Khanna were appointed as Director with effect from 20th June, 2012.

Uttam Value Steels Limited

ARCIL has withdrawn the Nomination of Shri S K Gupta from the Board with effect from 30th April, 2012 and Shri Manash Chakraborty was appointed as Nominee Director of ARCIL with effect from 9th May, 2012.

Shri Rajinder Miglani has been appointed as the Additional Director & Chairman of the Company with effect from 28th December, 2012

Shri Ankit Miglani and Shri Rajiv Munjal have been appointed as Additional Directors of the Company with effect from 28th December, 2012.

During the year Shri Mukesh Gupta has resigned as Chairman, Shri Rajesh Gupta has resigned as Managing Director and Shri B L Agarwal has resigned as Director with effect from 28th December, 2012.

b. Re-appointment of Directors:

Shri B L Khanna and Shri U N Challu retire by rotation and being eligible have offered themselves for re-appointment. The Board of Directors recommends their re-appointment.

Name of Director	Brief Resume	Nature of expertise in specific areas	The details of the Directorships / Committee Memberships in other Companies (excluding Private Companies and Section 25 Companies)	Equity Shares held in the Company.
Shri Rajinder Miglani	He is an Industrialist. He is a graduate and having more than 47 years of experience in the Steel Industry.	Industrialist	<ol style="list-style-type: none"> 1. Shree Uttam Steel and Power Limited 2. Uttam Galva Steels Limited 3. Uttam Galva Metallics Limited 4. Uttam Distribution Network Limited 5. Uttam Galva Ferous Limited 6. Vibrant Realty And Infrastructure Limited 7. Real ID Limited 8. Mig Oil & Gas Limited 	Nil
Shri Ankit Miglani	He is a Graduate in Economics with specialization in Finance from Wharton School, University of Pennsylvania, Philadelphia, U.S.A. He has more than 12 years of experience in the Steel Industry.	Industrialist	<ol style="list-style-type: none"> 1. Shree Uttam Steel and Power Limited. 2. Uttam Galva Steels Limited. 3. Uttam Galva Metallics Limited. 4. Uttam Distribution Network Limited. 5. Sindhudurg Iron and Steels Limited. 6. Moira Madhujore Coal Limited 7. Kredence Multi Trading Limited 8. Metallurgical Engineering and Equipment Limited. 9. Uttam Utkal Steels Limited. 	Nil
Shri Rajiv Munjal	He is a graduate engineer having done his BE in Electronics and Telecommunication in 1981. He has more than 25 years of experience in the industry.	Commercial	<ol style="list-style-type: none"> 1. Tensile Steel Limited 	Nil

Shri S K Soni	Shri Surinder Kumar Soni is B.Sc., L.L.B and Certified Associate of the Indian Institute of Bankers. He has an experience of more than 50 years in operational and policy formulation in Commercial & Central Banking. He is the former Chairman and Managing Director of Oriental Bank of Commerce.	Commercial & Banking.	<ol style="list-style-type: none"> 1. PNB Gilts Limited 2. Centurion Bank of Punjab Limited 3. Wisec Global Limited 4. Housing Development and Infrastructure Limited 5. Brahmaputra Infrastructure Limited 	Nil
Shri B L Khanna	He is a practicing C.A. with a wide experience in his field of Accounting & Finance. He was also associated with the Board of Industrial & Financial Reconstruction.	Finance & Accounts	<ol style="list-style-type: none"> 1. Modern Terry Towels Limited. 2. Mahindra Gujarat Tractor Limited. 3. The Mysore Paper Mills Limited. 	Nil
Shri U N Challu	He has done his B.A. in Economics and has an overall experience of about 40 years in the field of finance, handling corporate finance and Banking business.	Finance	<ol style="list-style-type: none"> 1. ARSS Infrastructure Projects Limited 2. Icomm Tele Limited 3. Greenply Industries Limited 	30,000

6. SHAREHOLDERS' COMMITTEE

I. Name of Non-Executive Director Heading the Committee:

Shri Rajinder Miglani, Non-Executive Director, is Chairman of the Shareholders' / Investors' Grievance Committee.

The Committee is looking after the Shareholders' / Investors' Grievance and redressal of investors' / shareholders' complaints related to transfer of shares, non-receipt of balance sheets, non-receipt of declared dividends etc. This Committee consists of the following Directors as its members:-

1. Shri Rajinder Miglani
2. Shri Ankit Miglani
3. Shri Rajiv Munjal

II. Name and Designation of Compliance Officer:

Shri Ram Gaud, Company Secretary is the Compliance Officer.

III. Number of Shareholders Complaints received during the Financial Year:

During the Financial Year 2012-2013, the Company has received 156 complaints.

IV. Number of complaints not solved to the satisfaction of the shareholders:

Nil

V. Number of pending Complaints:

Nil

7. EQUITY SHARES IN THE SUSPENSE ACCOUNT:

Pursuant to Clause 5A(I) & (II) of the Listing Agreements, the Company has sent 3 (three) reminder letters to those shareholders whose shares are remaining unclaimed and lying with the Company / Registrar and Share Transfer Agents and will be initiating the process of opening an unclaimed suspense account for transferring the said unclaimed shares.

8. GENERAL BODY MEETINGS:

I. Location and time when the Last three Annual General Meetings held:-

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

Year	Day, Date and Time	Location
2009-2010	40 th AGM held on Thursday, the 29 th July, 2010 at 11:00 a.m.	Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400018
2010-2011	41 st AGM held on Saturday, the 08 th October, 2011 at 11:00 a.m.	Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400018
2011-2012	42 nd AGM held on Wednesday, the 23 rd May, 2012 at 11:00 a.m.	Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400018

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

Date of AGM	Details of Special Resolution
23 rd May, 2012	No Special Resolution Passed
08 th October, 2011	Issue of Equity Share on Preferential Basis
29 th July, 2010	No Special Resolution Passed

III. Special Resolution passed last year through Postal Ballot:- Nil

IV. Person who conducted the Postal Ballot exercise:- N.A.

V. Special Resolution proposed to be conducted through Postal Ballot:- None

VI. Procedure for Postal Ballot:- N.A.

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.

9. DISCLOSURES

I. Disclosure of Accounting Treatment

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

II. Disclosure on Risk Management

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

III. Disclosure on Related Party Transactions

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

IV. Disclosure on Requirements of the Listing Agreement

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

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



10. MEANS OF COMMUNICATION

I. Quarterly Results:

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

II. Newspapers wherein results normally published:

Un-audited and Audited Financial Results are published in Business Standard (English) having all India coverage and Lakshdeep (Marathi) local newspaper.

III. Website:

Name of the Company's Website where the results are displayed is www.uttamvalue.com

IV. Official News Releases:

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

V. Presentations:

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

11. GENERAL SHAREHOLDERS' INFORMATION

I. Annual General Meeting :

Date, Time and Venue: 26th August, 2013 on Monday at 11 a.m at M. C. Ghia Hall, 18/20, K. Dubhash Marg, Mumbai – 400 001.

II. Financial Year : 2012 - 2013

III. Date of Book Closure: 20th August, 2013 to 26th August, 2013 (both days inclusive)

IV. Dividend Payment Date: Not Applicable

V. Listing on Stock Exchanges: BSE Ltd (BSE) & National Stock Exchange of India Ltd (NSE).

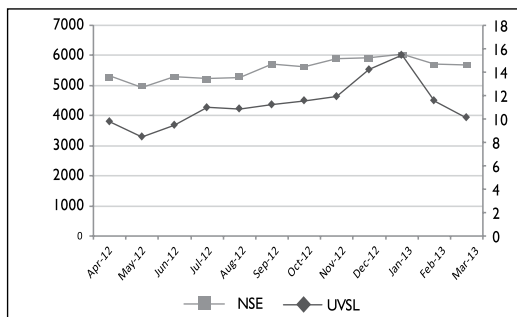
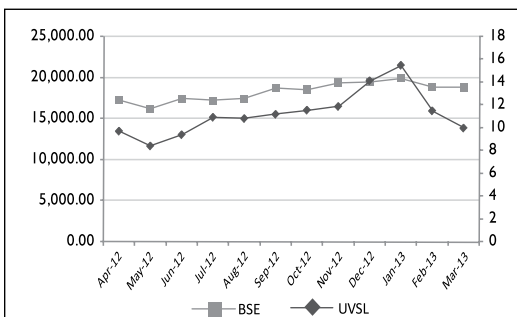
VI. Stock Code:

Name of the Stock Exchange (Equity Shares)	Stock Code
BSE Ltd Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	500254
National Stock Exchange of India Ltd Exchange Plaza, 5 th floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051.	<u>UTTAMVALUE</u>

VII. Market Price Data: High, Low of each month during the financial year 2012-2013:

Month	Quotation at Bombay Stock Exchange		Quotation at National Stock Exchange	
	HIGH	LOW	HIGH	LOW
April 2012	11.60	9.15	11.15	9.85
May 2012	10.10	8.00	9.95	9.60
June 2012	9.75	8.00	8.70	8.35
July 2012	11.20	9.44	9.90	9.40
August 2012	11.05	10.25	11.10	10.80
September 2012	11.55	10.50	11.00	10.75
October 2012	11.60	10.55	11.25	11.10
November 2012	14.54	10.45	14.00	12.50
December 2012	14.50	11.01	14.50	13.60
January 2013	16.80	13.01	15.75	14.80
February 2013	15.80	11.40	12.50	11.45
March 2013	13.00	9.10	10.20	9.65

VIII. Performance in comparison to BSE & NSE indices:



IX. Registrar and Share Transfer Agent:

Bigshare Services Pvt. Ltd.
 E-2, Ansa Industrial Estate, Sakivihar Road,
 Saki Naka, Andheri (East), Mumbai - 400072
 Phone: 022-40430200
 Fax: 022-28475207
 Email Id: investor@bigshareonline.com

X. Share transfer system :

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

XI. Distribution of Shareholding :

The Shareholding distribution of equity shares as on 31st March, 2013 is given here below:

Sr. No.	Nominal Value of Shares (Rupees)	No. of Shareholders	No. of Shares	Percentage of Shareholding
1	UPTO - 5,000	136403	27290084	2.2846
2	5,001 – 10,000	14879	11879580	0.9945
3	10,001 – 20,000	4911	7621332	0.6380
4	20,001 – 30,000	1457	3795304	0.3177
5	30,001 – 40,000	601	2186735	0.1831
6	40,001 – 50,000	744	3591334	0.3007
7	50,001 – 1,00,000	856	6642361	0.5561
8	1,00,001 ABOVE	890	1131511763	94.7253
	TOTAL	160741	1194518493	100.0000

XII. Dematerialization of Shares and Liquidity:

Nearly 85.76% of total Equity Share Capital is held in dematerialized form with NSDL/CDSL.

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

XIV. Plant Locations:

1. Steel plant: Value Nagar, Bhugaon Link Road, Wardha, Maharashtra
2. Engg. Plant: Plot No. A – 5/5 & A-6/3, MIDC Industrial Area, Murbad, Thane, Maharashtra

XV. Address for correspondence:

Registered office : 4th Floor, Uttam House, 69, RD'Mello Road, Mumbai 400 009.

Email : investor@uttamvalue.com

Website : www.uttamvalue.com

XVI. 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 Chairman forms part of this Report.

XVII. Auditors' Certificate on Corporate Governance:

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

XVIII. CEO / CFO Certification:

As required by Clause 49 V of the Listing Agreement, the CEO and CFO certification on the Financial Statements, Cash Flow Statement and Internal Control Systems for financial reporting for the period ended March 31, 2013, has been obtained from Shri G S Sawhney CEO / CFO and is incorporated in the Annual Report.

XIX. Mandatory / Non- Mandatory Requirements:

During the Financial Year ended 31st March, 2013, the Company has duly complied with all mandatory requirements of Clause 49 of the Listing Agreement. The Company will implement other non mandatory requirements as mentioned in Clause 49 of the Listing Agreement at the appropriate time.

Uttam Value Steels Limited

XX. Shareholding Pattern:

Pattern of equity shares as on 31st March, 2013 is given here below:

Sr. No	Category	No. of Shares Held	% of holding
A.	Promoter's Holding		
I.	Promoters		
	- Indian Promoters	609472232	51.02
	- Foreign Promoters	0	0
2.	Persons acting in concert	0	0
	Sub-Total (A)	609472232	51.02
B.	Non-Promoters Holding		
I.	Institutional Investors		
a.	Mutual Funds and UTI	573153	0.0480
b.	Banks / Financial Institutions, Insurance Companies	205103234	17.17
c.	Central Government/ State Government(s)	1500	0.01
d.	Insurance Company	4389894	0.3675
e.	FIs	239379	0.0200
	Sub-Total (B) (1)	210307160	17.60
2.	Others		
a.	Bodies Corporate	269797592	22.58
b.	Indian Public	90997635	7.61
c.	Clearing Member	201995	0.01
d.	NRIs	4185479	0.35
e.	Trust	4500	0.0004
f.	OCBs	9551900	0.799
	Sub-Total (B) (2)	374739101	31.37
C.	Shares held by Custodians and against which Depository Receipts have been issued	00	00
	GRAND TOTAL	1194518493	100.00



DECLARATION

To,
The Members of
Uttam Value Steels Limited,
Mumbai

I, Rajinder Miglani, Chairman of Uttam Value Steels Limited, having its Registered Office at 4th Floor, Uttam House, 69, P. D' Mello Road, Mumbai – 400 009, do hereby declare that the Code of Conduct for Directors and Senior Management have been prepared in terms of Clause 49 of Listing Agreement (as amended) and the same have been affirmed by the Board Members and Senior Management of the Company.

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

For Uttam Value Steels Limited

Rajinder Miglani
Chairman

Place: Mumbai

Date : 25th May, 2013

CERTIFICATE

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

We have examined the compliance of the conditions of Corporate Governance by **UTTAM VALUE STEELS LIMITED** for the financial year ended 31st March, 2013, as stipulated in Clause 49(as amended) of the Listing Agreement of the said Company, with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

**For M/s Todarwal & Todarwal
Chartered Accountants
Firm Registration No. 111009W**

**Sunil Todarwal
Partner
Membership No. 32512**

Place: Mumbai
Date: 25th May, 2013



AUDITOR'S REPORT

TO THE MEMBERS OF UTTAM VALUE STEELS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Uttam Value Steels Limited ("the Company") (previously known as Lloyds Steel Industries Limited), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For and on behalf of
Todarwal & Todarwal
Chartered Accountants
ICAI Reg No : 111009W

Sunil Todarwal
Partner
M. No. : 32512

Dated : 25th May, 2013
Place: Mumbai

ANNEXURE TO AUDITORS' REPORT

[Referred to the Auditor's Report of even date to the Members of Uttam Value Steels Limited on the Financial Statements for the year ended 31st March 2013]

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As per 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. Pursuant to the programme, the management during the year physically verified the fixed assets at certain locations and no material discrepancies were noticed on such verification.
(c) According to the information and explanation given to us, the company has not disposed off any significant part of the fixed assets during the year. Thus, paragraph 4(i)(c) of the Companies (Auditor's Report) Order, 2003 is not applicable.
2. (a) Inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion and according to the information & explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. (a) According to information and explanation given to us, the Company has not granted any loans, secured or unsecured loans to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
In view of the above, provisions of clause 4 (iii) (b), (c), (d) are not applicable to the company.
(b) The company has taken unsecured loan of Rs 5,000 lacs from a company covered in the register maintained under Section 301 of the Act. According to the information and explanation given to us, the rate of interest and other terms and conditions of the loan taken are prima facie not prejudicial to the interest of the company.
4. In our opinion and according to information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods.
5. (a) On the basis of our examination of the books of accounts, we are of the opinion that the transactions that need to be entered in the register in pursuance of Section 301 of the Act have been entered in the said register.
(b) In our opinion, and according to the information & explanation given to us, the transactions made during the year with parties covered under Section 301 of the Act have been at prices which are reasonable, having regard to the prevailing market price for such goods and materials or prices at which transaction for similar goods or material have been made with other parties.
6. According to the information and explanation given to us, the company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Act and the rules framed there under. Hence the provisions of clause 4(vi) are not applicable to the company.
7. In our opinion and according to information and explanation given to us, the Company's present internal audit system is commensurate with its size and the nature of its business.
8. We have reviewed the books of accounts maintained by the company in respect of Steel division, where, pursuant to the rules made by the Central Government, the maintenance of Cost Records have been prescribed under Section 209(1) (d) of the Companies Act, 1956. We are of the view that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.



9. (a) According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also Management representations, undisputed statutory dues in respect of Provident fund, Profession Tax, Income Tax, Sales Tax, Value added Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Cess and other material statutory dues, if any, applicable to it, has been regularly deposited with the appropriate authorities.
- (b) According to the records of the Company, the disputed dues in respect of Excise Duty of Rs 428.73 lacs (Previous period Rs 447.84 lacs) and Sales Tax of Rs NIL (Previous period Rs 28.65 lacs) as at March 31st, 2013 have not been deposited with appropriate authorities and no provision has been made for the same.

Name of the Statute	Amount (In Lacs)	Forum where dispute is pending
The Central Excise Act, 1944	38.94	Chief Commissioner of Appeals
	32.95	Assistant Commissioner
	135.55	Commissioner
	36.38	Additional Commissioner
	150.89	High Court
	34.02	Supreme Court
Total	428.73	

- 10 *The Company's accumulated losses at the end of the current year are more than fifty percent of its net worth.* The Company has not incurred cash losses during the year and also not incurred cash losses in the immediately preceding period (9 months).
- 11 In our opinion and according to the information and explanation given to us and the books of accounts verified by us, the company has not defaulted in repayment of dues to financial institutions and banks.
- 12 According to information and explanation given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities during the year.
- 13 In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to it. Hence the provisions of clause 4(xiii) are not applicable to the company.
- 14 According to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments. Hence clause 4(xiv) is not applicable to the company.
- 15 According to the information and explanations given to us, the Company has given guarantee for loans taken by others from a bank, the terms and conditions whereof in our opinion are not prejudicial to the interest of the company.
- 16 As per information given to us, no fresh term loans have been taken by the Company during the year. Hence the provisions of clause 4(xvi) are not applicable to the company.
- 17 On the basis of overall examination of the Balance Sheet of the Company and according to information and explanations given to us, there are no funds raised on short-term basis, which have been used for long-term investments.
- 18 According to information and explanation given to us, the Company has during the year, made preferential allotment of shares to the party covered in the register maintained under Section 301. In our opinion, the price at which the shares have been issued is not prejudicial to the interest of the Company.
- 19 According to information and explanation given to us, the Company has not issued any fresh debenture during the year. Hence the provisions of clause 4(xix) are not applicable to the Company.
- 20 According to information and explanation given to us, the Company has not raised any money by public issue during the year. Hence the provisions of clause 4(xx) are not applicable to the company.
- 21 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, either noticed or reported during the year, nor have we been informed of such case by the Management.

For and on behalf of
Todarwal & Tadarwal
Chartered Accountants
ICAI Reg No : 111009W

Dated : 25th May, 2013
Place: Mumbai

Sunil Todarwal
Partner
M. No. : 32512

BALANCE SHEET AS AT 31ST MARCH 2013

(₹ in lacs)

	Notes	As at 31 st March 2013	As at 31 st March 2012
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	2	120,516.73	90,211.73
Reserves and surplus	3	(74,235.43)	(82,032.20)
		46,281.30	8,179.53
NON-CURRENT LIABILITIES			
Long-term borrowings	4	30,148.93	38,526.39
Long-term provisions	5	2,341.66	2,048.63
		32,490.59	40,575.02
CURRENT LIABILITIES			
Short-term borrowings	6	5,995.68	-
Trade payables	7	194,378.27	129,438.58
Other current liabilities	7	25,709.55	59,947.38
Short-term provisions	5	216.18	204.74
		226,299.68	189,590.70
TOTAL		305,071.57	238,345.25
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Tangible assets	8	125,377.15	107,485.67
Capital work-in-progress	8	16,423.42	113.51
Non-current investments	9	160.26	250.26
Long-term loans and advances	10	585.42	1,425.59
		142,546.25	109,275.03
CURRENT ASSETS			
Inventories	11	45,751.17	37,683.67
Trade receivables	12.1	11,849.61	11,923.07
Cash and bank balances	13	5,880.60	4,972.12
Short-term loans and advances	10	94,614.08	69,964.11
Other current assets	12.2	4,429.86	4,527.25
		162,525.32	129,070.22
TOTAL		305,071.57	238,345.25
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors
of Uttam Value Steels Limited

For **Todarwal & Todarwal**

Firm Registration No. 111009 W

Chartered Accountants

Rajinder Miglani

Chairman

Ankit Miglani

Director

Sunil Todarwal

Partner

Membership No : 32512

Ram Gaud

Company Secretary

Place: Mumbai

Date : 25th May, 2013



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

(₹ in lacs)

	Notes	Apr'12 - Mar'13 (12 Months)	Jul' 11 - Mar'12 (9 Months)
Continuing operations			
Income			
Revenue from operations (gross)	14	668,556.72	405,303.18
Less : excise duty		34,152.48	20,486.81
Revenue from operations (net)		634,404.24	384,816.37
Other income	15	6,203.28	4,346.93
Total revenue (I)		640,607.52	389,163.30
Expenses			
Cost of raw material consumed	16	204,025.72	157,382.82
Purchase of traded goods		334,531.18	171,838.56
(Increase)/ decrease in inventories of finished goods and work-in-progress	17	(9,353.99)	(9,901.03)
Employee benefits expense	18	7,425.96	5,086.54
Other expenses [Including Prior period items ₹ 34.86 lacs (₹ 23.50 lacs)]	19	72,800.33	49,279.69
Total (II)		609,429.20	373,686.58
Earnings before interest, tax, depreciation and amortization (EBITDA) (I-II)		31,178.32	15,476.72
Net depreciation and amortization expense	20	14,501.05	10,649.84
Finance costs	21	16,575.50	10,849.94
Profit/(Loss) before exceptional items and tax		101.77	(6,023.06)
Exceptional items	22	-	1,322.40
Profit/(Loss) before tax		101.77	(7,345.46)
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Profit/(Loss) for the period		101.77	(7,345.46)
Earnings per equity share [nominal value of share ₹ 10 (₹ 10)]			
Basic & Diluted (Before Exceptional items)	25	₹ 0.01	₹ (1.43)
Basic & Diluted (After Exceptional items)		₹ 0.01	₹ (1.75)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors
of Uttam Value Steels Limited

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

Rajinder Miglani
Chairman

Ankit Miglani
Director

Sunil Todarwal
Partner
Membership No : 32512

Ram Gaud
Company Secretary

Place: Mumbai
Date : 25th May, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before Tax	101.77	(7,345.46)
Adjustment for:		
Depreciation and amortization expenses	14,501.05	10,649.84
Loss on Fixed Assets Sold/Discarded (Net)	9.25	0.22
Profit on sale of Investment	(650.00)	-
Interest Income	(1,533.61)	(996.25)
Interest & Finance Charges	16,575.52	10,849.94
Exceptional items	-	1,322.40
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	29,003.98	14,480.69
Movements in Working Capital		
Increase/(Decrease) in Trade Payable	64,939.67	8,614.63
Increase/(Decrease) in Other Liabilities	(31,959.25)	(7,033.64)
Increase/(Decrease) in Provisions	304.48	332.13
Decrease/(Increase) in Trade Receivable	73.46	8,302.57
Increase/(Decrease) in Short Term Borrowings	5,995.68	-
Decrease/(Increase) in Loans and Advances including Deposits	(23,809.80)	(17,458.96)
Decrease/(Increase) in Other current assets	97.39	-
Decrease/(Increase) in Inventories	(8,067.50)	(10,005.67)
CASH GENERATED FROM/(USED IN) OPERATIONS (A)	36,578.11	(2,768.25)
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets, including CWIP and Capital Advances	(48,719.38)	(335.18)
Purchase of Investments	(160.00)	-
Proceeds from sale of Fixed Assets	7.69	0.46
Sale of Investment	900.00	-
Interest Received	1,533.61	996.25
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES (B)	(46,438.08)	661.53
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issuance of Share Capital (including Securities Premium)	38,000.00	22,718.14
Reduction in Loans	(13,412.22)	(11,543.33)
Increase/(Decrease) in Unsecured Loan	2,756.19	1,860.95
Interest and Finance Charges	(16,575.52)	(10,849.94)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES (C)	10,768.45	2,185.82
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	908.48	79.10
Cash and cash equivalent at the beginning of the Year	4,972.12	4,893.02
Cash and cash equivalent at the end of the Year	5,880.60	4,972.12
Notes:-		
Components of Cash and Cash Equivalents		
Cash on hand	36.17	597.13
Balance with Bank in		
- Current Accounts	2,021.88	1,800.98
- In Margin Account (Including FDR)	2,900.77	2,574.01
- Deposits with original maturity of less than three months	921.78	-
- Cheques/Drafts on hand	-	-
Total Cash and Cash Equivalents	5,880.60	4,972.12

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors
of Uttam Value Steels Limited

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

Rajinder Miglani
Chairman

Ankit Miglani
Director

Sunil Todarwal
Partner
Membership No : 32512
Place: Mumbai
Date : 25th May, 2013

Ram Gaud
Company Secretary

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of Accounts

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. Further, insurance & other claims, on the ground of prudence or uncertainty in realisation, are accounted for as and when accepted / received. The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle for the purpose of current – non current classification of assets and liabilities.

Significant Accounting Policies

a) System of Accounting

The financial statements are prepared under the historical cost convention and comply in all material aspects with the applicable accounting principles in India, accounting standards notified under sub-section (3C) of section 211 of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956. The Company accrues individual items of Income/ Expenses above ₹ 5000/- per item.

b) Fixed assets

- (i) Fixed Assets are valued at cost, net of CENVAT, unless revalued, for which proper disclosure is made.
- (ii) All expenditure, including advances given and interest cost during the project construction period, are accumulated and shown as Capital Work-in- Progress until the project/assets commences commercial production. Assets under construction are not depreciated. Expenditure/Income arising out of trial run is part of pre-operative expenses included in Capital Work-in-Progress.

c) Depreciation

Depreciation on all the assets has been provided on Straight Line Method as per Schedule XIV of the Companies Act, 1956.

d) Revenue Recognition

Sales/Income in case of contracts/orders spreading over more than one financial year are booked to the extent of work billed. Sales include export benefits & net of sales return & trade discounts. Export benefits accrue on the date of export, which are utilized for custom duty free import of material / transferred for consideration.

e) Inventories

The general practice adopted by the company for valuation of inventory is as under:-

- | | | |
|--|---|---|
| i) Raw Materials | : | *At lower of cost and net realizable value. |
| ii) Stores and spares | : | At cost |
| iii) Work-in-process/semi-finished goods | : | At cost. |
| iv) Engineering Plant Finished Goods | : | At lower of cost and market value. |
| v) Finished Goods/Traded Goods | : | At lower of cost and market value. |
| vi) Finished Goods at the end of trial run | : | At net realizable value. |
| vii) Scrap material | : | At net realizable value. |
| viii) Tools and equipments | : | At lower of cost and disposable value. |

*Material and other supplies held for use in the production of the inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

f) Excise duty

Excise duty is accounted for at the point of manufacture of goods and accordingly is considered for valuation of finished goods stock lying in the factory as on the Balance Sheet date.

g) Custom duty

Custom Duty payable on imported raw materials, components and stores and spares is recognized to the extent assessed by the customs department.

h) Custom duty benefit

Custom duty entitlement eligible under pass book scheme / DEPB is accounted on accrual basis. Accordingly, import duty benefits against exports effected during the year are accounted on estimate basis as incentive till the end of the year in respect of duty free imports of raw material yet to be made.

i) Lease Rentals

Lease rentals are expensed with reference to lease terms.

j) Research and development expenses

Research and Development costs (other than cost of fixed assets acquired) are expensed in the year in which they are incurred.

k) Provision for Gratuity

Provision for Gratuity is made on the basis of actuarial valuation based on the provisions of the Payment of Gratuity Act, 1972.

l) Provision for Leave encashment

Provision is made for value of unutilized leave due to employees at the end of the year.

m) Investments

Long term investments are carried at cost less provision for permanent diminution in value. Current investments are carried at lower of cost or fair value.

n) Amortization of expenses

i) Equity Issue expenses : Expenditure incurred in equity issue is being treated as Deferred Revenue Expenditure to be amortized over a period of 10 years

ii) Debenture Issue Expenses : Debenture Issue expenditure is amortized over the period of 10 years Debentures.

iii) Deferred Revenue Expenses : Deferred Revenue expenses are amortized over a period of 5 years.

o) Foreign currency transactions

Foreign currency transactions during the accounting year are translated at the rates prevalent on the transaction date. Exchange differences arising from foreign currency fluctuations are dealt with on the date of payment/ receipt. Assets and Liabilities related to foreign currency transactions remaining unsettled at the end of the period/ year are translated at the period/ year end rate. The exchange difference is credited / charged to Profit & Loss Account in case of revenue items and capital items.

p) Impairment of assets

The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external/ internal factors. An impairment loss in accordance with Accounting Standard-28 "Impairment of Assets" is recognized wherever the carrying amount of an assets exceeds its recoverable amount, which represent the greater of the net selling price of assets and their value in use.



q) Provision for doubtful debts

The management reviews on a periodical basis the outstanding debtors with a view to determine as to whether the debtors are good, bad or doubtful after taking into consideration all the relevant aspects. On the basis of such review and in pursuance of other prudent financial considerations the management determines the extent of provision to be made in the accounts.

r) Cash and Cash Equivalents

Cash and cash equivalents for the purposes of Cash Flow Statement comprises cash at bank and in hand and fixed deposits with an original maturity of three months or less

s) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non- occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that any outflow of resources will be required to settle the obligation. A contingent liability also arises in a extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the Financial statements.

t) Earning per Share

The company reports basic and diluted earning per share in accordance with AS - 20 "Earning per share" issued by the ICAI. Basic earning per share is computed by dividing the net profit after tax by the weighted average number of shares outstanding for the year.

2. Share Capital

(₹ in lacs)

	As at 31 st March 2013	As at 31 st March 2012
Authorized shares		
150,00,00,000 (150,00,00,000) Equity Shares of ₹ 10 each	150,000.00	150,000.00
50,00,00,000 (50,00,00,000) Cumulative Redeemable Preference Shares of ₹ 10 each	50,000.00	50,000.00
	200,000.00	200,000.00
Issued, subscribed and fully paid-up shares		
119,45,18,493 (66,45,18,493) Equity shares of ₹ 10 each	119,451.85	66,451.85
27,14,451 Equity Shares Forfeited (Amount originally paid up) (Previous Year 27,14,451 shares)	132.34	132.34
	119,584.19	66,584.19
93,25,420 Redeemable Preference Shares of ₹ 10 each fully paid up (Previous Year 23,62,75,420 Redeemable Preference Shares of ₹ 10/- each)	932.54	23,627.54
Total	120,516.73	90,211.73

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31 st March 2013		As at 31 st March 2012	
	(Nos.)	(₹ in lacs)	(Nos.)	(₹ in lacs)
Equity shares				
At the beginning of the period	664,518,493	66,451.85	391,338,241	39,133.82
Issued during the period - Preferential issue	380,000,000	38,000.00	195,000,000	19,500.00
Issued during the period - Conversion of preference share	150,000,000	15,000.00	-	-
Issued during the period - Conversion of Loan	-	-	78,180,252	7,818.03
Outstanding at the end of the period	1,194,518,493	119,451.85	664,518,493	66,451.85
Redeemable Preference shares				
At the beginning of the period	236,275,420	23,627.54	236,275,420	23,627.54
Less : Conversion into equity share	226,950,000	22,695.00	-	-
Outstanding at the end of the period	9,325,420	932.54	236,275,420	23,627.54

(b) Terms and Rights attached to equity shares

The company has only one class of shares having a par value at ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

(c) Terms and Rights attached to redeemable preference shares

The Redeemable preference shares will be redeemed with a premium of 11.50 % in 6(six) annual installments commencing from financial year 2016. No such shares shall be redeemed except out of the profits of the company which would otherwise be available for dividend or out of the proceeds of the fresh issue of shares made for the purpose of the redemption.

(d) Equity shares in the Company held by its holding/ultimate holding company and/or their subsidiaries / associates are given below.

(₹ in lacs)

Name of the shareholder	As at 31 st March 2013	As at 31 st March 2012
Ultimate Logistics Solutions Pvt. Ltd.	42,364	8,150
Metallurgical Engineering and Equipments Ltd	185,835	8,150

(e) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31 st March 2013		As at 31 st March 2012	
	(Nos.)	(% holding in the class)	(Nos.)	(% holding in the class)
Equity shares of ₹ 10 each fully paid				
Ultimate Logistics Solutions Pvt. Ltd.	423,637,469	35.47%	81,500,000	12.26%
Shree Global Tradefin Ltd.	188,274,167	15.76%	183,763,299	27.65%
Metallurgical Engineering and Equipments Ltd	185,834,763	15.56%	81,500,000	12.26%
IDBI Bank Limited	150,000,000	12.56%	-	-
Trump Investments Ltd.*	-	-	37,404,966	5.63%
Asset Reconstruction Co. India. Ltd.*	-	-	48,918,450	7.36%
State Bank of India.*	-	-	50,261,802	7.56%

* Holding less than 5 % as on 31st March 2013.



3. Reserves and surplus

(₹ in lacs)

	As at 31 st March 2013	As at 31 st March 2012
Capital reserve	44,409.91	44,409.91
	44,409.91	44,409.91
Share premium account		
Balance as per the last financial statements	43,572.15	37,433.68
Add: Premium on Issue of equity shares on preferential basis	-	3,217.50
Add: Premium on Issue of equity shares on conversion of Preference shares	7,695.00	-
Add: Premium on Issue of equity shares on conversion of loan	-	2,920.97
Closing Balance	51,267.15	43,572.15
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	(170,014.26)	(162,668.80)
Add: Profit/(Loss) for the year	101.77	(7,345.46)
Net deficit in the statement of profit and loss	(169,912.49)	(170,014.26)
Total	(74,235.43)	(82,032.20)

4. Long-term borrowings

(₹ in lacs)

	Non-current portion		Current maturities	
	As at 31 st March 2013	As at 31 st March 2012	As at 31 st March 2013	As at 31 st March 2012
Term loans (Secured)				
Rupee loan from banks	16,557.62	19,974.01	3,016.87	5,295.80
Rupee loan from financial institutions	5,333.50	10,666.67	5,333.50	5,333.16
Working Capital Finance from Banks	-	2,384.07	-	-
Deferred payment liabilities (Unsecured)				
Sales Tax Deferral	8,146.38	5,320.89	-	-
Other Loans & Advances (Unsecured)				
Sales Tax Loan from Government of Maharashtra	111.43	180.75	26.83	-
Total	30,148.93	38,526.39	8,377.20	10,628.96
The above amount includes				
Secured borrowings	21,891.12	33,024.75	8,350.37	10,628.96
Unsecured borrowings	8,257.81	5,501.64	26.83	-
Amount disclosed under the head "other current liabilities" (Note No 7.)	-	-	(8,377.20)	(10,628.96)
Net amount	30,148.93	38,526.39	-	-

Uttam Value Steels Limited

- a) Rupee loan from banks comprises of ₹ 11718.49 lacs of term loan, interest @ 14 % p.a. and ₹ 7856 lacs of Zero coupon loan from IDBI bank. Following is the repayment schedule of Rupee Term Loan & Zero coupon from Banks :

Repayment Schedule :

Installments due	Term loan of ₹ 11718.49 lacs		ZCL of ₹ 7856 lacs	
	Monthly Installment	(₹ in lacs)	Monthly Installment	(₹ in lacs)
Within one year from Balance Sheet Date (Shown under Current maturities of long-term borrowings - Note No 7.)	12	3,016.87	-	-
One year to three year	25	8,701.62	-	-
More than three year	-	-	36	7,856.00
Total	37	11,718.49	36	7,856.00

Repayment Terms:

- i) **Term Loan** : Repayment in 56 monthly installments commencing from Sept 1, 2011 to April 1, 2016, in a manner such that 20 % of the outstanding dues to be paid in first 24 installments and remaining 80 % in balance 32 installments.
- ii) **ZCL** : Repayment in 36 monthly installment commencing from April 1, 2017.

Charge : The loan is secured by way of first pari passu charge on companies immovable properties both present and future.

- b) Rupee loan from financial institutions comprises of ₹ 10667 lacs towards ARCIL, interest @ 11% p.a. Following is the repayment schedule of Term Loan from Financial institutions:

Repayment Schedule :

Installments due on	Term loan of ₹ 10667 lacs	
	Numbers	(₹ in lacs)
15th March 2014	1	5,333.50
15th September 2014	1	5,333.50
Total	2	10,667.00

Charge : The loan is secured by way of first pari passu charge on companies immovable properties both present and future.

- c) Sales tax deferral is interest free and payable in seven equal annual installments commencing after 18 years from respective assessment year. Sales tax deferral of ₹ 8146.38 lacs is repayable in 10 varying annual installments starting from 30th Apr 2028 to 30th Apr 2037.

Following is the repayment schedule of Sales tax Deferral :

Installments due	Sales tax deferral ₹ 8146.38 lacs	
	Numbers	(₹ in lacs)
More than five year	10	8,146.38
Total	10	8,146.38



d) Sales tax loan of ₹ 138.26 lacs is interest free and payable in 5 varying annual installments ending at 30th April 2017.

Following is the repayment schedule of Sales tax loan from Government of Maharashtra:

Installments due	Sales tax loan ₹ 138.26 lacs	
	Numbers	(₹ in lacs)
Within one year from Balance Sheet Date (Shown under Current maturities of long-term borrowings - Note No. 7)	1	26.83
One year to three year	3	96.95
Three year to five year	1	14.48
Total	5	138.26

5. Provisions

(₹ in lacs)

	Long-term		Short-term	
	As at 31 st March 2013	As at 31 st March 2012	As at 31 st March 2013	As at 31 st March 2012
Provision for employee benefits				
Provision for gratuity	1,638.52	1,451.30	177.96	115.25
Provision for leave benefits	691.14	597.33	38.22	89.49
	2,329.66	2,048.63	216.18	204.74
Other provisions				
Provision for litigations (Refer details below)	12.00	-	-	-
Total	2,341.66	2,048.63	216.18	204.74

Provision for litigations

The table below gives information about movement in provisions for litigations with government authorities:

(₹ in lacs)

	As at 31 st March 2013	As at 31 st March 2012
At the beginning of the year	-	-
Arising during the year	12.00	-
Paid / settled during the year	-	-
Amount reversed during the year	-	-
At the end of the year	12.00	-

6. Short-term Borrowings

(₹ in lacs)

	As at 31 st March 2013	As at 31 st March 2012
Overdraft from banks (unsecured)	995.68	-
Loan from Body corporates (unsecured)	5,000.00	-
Total	5,995.68	-
The above amount includes		
Secured borrowings	-	-
Unsecured borrowings	5,995.68	-

7. Other current liabilities

(₹ in lacs)

	As at 31 st March 2013	As at 31 st March 2012
Trade payables		
Micro, Small and Medium Enterprises *	-	-
Acceptances	5,133.27	4,246.92
Other than Acceptances	189,245.00	125,191.66
	194,378.27	129,438.58
Other liabilities		
Current maturities of long-term borrowings (Note No. 4)	8,377.20	10,628.96
Interest accrued but not due on borrowings	190.77	356.79
Trade and other deposits	72.09	65.63
Book Overdrawn from Banks	842.04	688.20
Advances from customers	13,959.64	45,141.73
Statutory Dues	1,179.91	1,074.20
Expenses Payable	743.64	1,781.85
Employee related liabilities	344.26	210.02
	25,709.55	59,947.38
Total	220,087.82	189,385.96

Details of dues to micro and small enterprises as defined under the Micro and Small Enterprise Development (MSMED) Act,2006* :

(₹ in lacs)

Sr. No.	Particulars	As at 31 st March 2013	As at 31 st March 2012
1.	Principal amount due and remaining unpaid	-	-
2.	Interest due on (1) above and the unpaid interest	-	-
3.	Interest paid on all delayed payments under the MSMED Act	-	-
4.	Payment made beyond the appointed day during the year	-	-
5.	Interest due and payable for the period of delay other than (3) above	-	-
6.	Interest Accrued and remaining unpaid	-	-
	Amount of further interest remaining due and payable in succeeding year	-	-

* The company has initiated the process of identification of suppliers registered under Micro and small enterprise development Act,2006, by obtaining confirmations from all suppliers. The above information has been determined on the basis of information available with the company. This has been relied upon by the auditors.



Note 8

FIXED ASSETS

Tangible Assets

(₹ in Lacs)

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.2012	Additions during the year	Discarded/ Sold/ Transfer	As at 31.03.2013	As at 01.04.2012	For the year	Written back during the year	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
1	Land	608.14	-	-	608.14	-	-	-	-	608.14	608.14
2	Building	6289.64	182.41	-	6472.05	1589.28	116.31	-	1705.59	4766.46	4700.36
3	Plant & Machinery	267544.46	17647.93	(516.84)	# 285709.23	166802.36	14206.72	(28.04)	181037.12	104672.11	100742.10
4	Computers	904.19	118.25	2.18	1020.26	780.35	45.84	2.18	824.01	196.25	123.84
5	Electrical Installations	127.57	6.02	-	133.59	82.88	6.75	-	89.63	43.96	44.69
6	Office Equipment	288.21	26.90	0.17	314.94	196.44	15.66	0.02	212.08	102.86	91.77
7	Furniture & Fixtures	620.92	9.73	0.16	630.49	458.38	15.68	0.07	473.99	156.50	162.54
8	Motor Vehicles	212.45	176.95	23.73	365.67	47.51	30.78	7.04	71.25	294.42	164.94
9	Railway Siding	1676.87	14241.27	516.84	# 15401.30	829.58	63.31	28.04	864.85	14536.45	847.29
	Total	278272.45	32409.46	26.24	310655.67	170786.78	14501.05	9.31	185278.52	125377.15	107485.67
	Capital Work -in-Progress	113.51	48462.04	32152.13	* 16423.42	-	-	-	-	16423.42	113.51
	Total	278385.96	80871.50	32178.37	327079.09	170786.78	14501.05	9.31	185278.52	141800.57	107599.18
	Previous Year	278051.35	3420.15	3085.54	278385.96	160137.27	10649.84	0.33	170786.78	107599.18	

Note : Gross Block, accumulated depreciation and net block of plant & machinery includes asset given on operating lease.

* Transfer to Fixed Assets

Transfer from Railway Siding to Plant & Machinery

9. Non-current investments

(₹ in lacs)

	As at 31 st March 2013	As at 31 st March 2012
Trade investments (valued at cost)		
Unquoted equity instrument		
Investment in associates		
2600 (2600) Equity shares of ₹ 10 each fully paid-up in Indrajit Power Private Limited.	0.26	0.26
Investment in others		
16,00,000 (NIL) Equity shares of ₹ 10 each fully paid-up in Aura Minerals Private Limited.	160.00	-
NIL (100,00,000) Equity shares of ₹ 2.5 each fully paid-up in Aristo Realty Developers Limited.	-	250.00
Total	160.26	250.26

Uttam Value Steels Limited

10. Loans and advances

(₹ in lacs)

		Non-current		Current	
		As at 31 st March 2013	As at 31 st March 2012	As at 31 st March 2013	As at 31 st March 2012
Deposits					
Security deposits		567.08	1,425.59	70.59	221.03
Others		-	-	-	-
	(A)	567.08	1,425.59	70.59	221.03
Loan and advances to related parties					
Considered good		-	-	7,440.06	8,798.76
Considered doubtful		-	-	-	-
		-	-	7,440.06	8,798.76
Less: Provision for doubtful advances		-	-	-	-
	(B)	-	-	7,440.06	8,798.76
Advances recoverable in cash or kind					
Considered good		-	-	74,790.60	54,001.76
Considered doubtful		-	-	-	-
		-	-	74,790.60	54,001.76
Less: Provision for doubtful advances		-	-	-	-
	(C)	-	-	74,790.60	54,001.76
Other loans and advances					
Advance tax and tax deducted at source (net)		-	-	204.89	34.41
Prepaid expenses		18.34	-	2,045.05	124.99
Loans to employees		-	-	23.74	26.45
Other recoverables		-	-	900.70	375.75
Balances with Statutory / Government authorities					
(i) CENVAT Credit Receivable		-	-	2,426.22	978.24
(ii) VAT Refund Receivable		-	-	5,917.79	5,042.95
(iii) Service Tax Credit Receivable		-	-	794.44	359.77
		-	-	9,138.45	6,380.96
Less: Provision for doubtful advances		-	-	-	-
		-	-	9,138.45	6,380.96
	(D)	18.34	-	12,312.83	6,942.56
Total (A+B+C+D)		585.42	1,425.59	94,614.08	69,964.11



11. Inventories

(₹ in lacs)

	As at 31 st March 2013	As at 31 st March 2012
Raw materials	1,605.54	3,143.09
Work-in-progress	11,434.39	8,555.78
Finished goods	7,973.52	6,942.83
Traded goods	17,087.91	11,675.87
Stores and spares [includes in transit ₹ 157.58 lacs]	7,054.53	7,080.98
Saleable scrap	331.79	213.23
Fuel and gases	250.15	62.55
By-Products	13.34	9.34
Total	45,751.17	37,683.67

12. Trade Receivables & Other Assets

12.1 Trade Receivables

(₹ in lacs)

		Current	
		As at 31 st March 2013	As at 31 st March 2012
Unsecured, considered good unless stated otherwise			
Outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good		225.85	946.93
Doubtful		-	-
		225.85	946.93
Less : Provision for doubtful receivables		-	-
	(A)	225.85	946.93
Other receivables			
Unsecured, considered good		11,623.76	10,976.14
	(B)	11,623.76	10,976.14
Total (A+B)		11,849.61	11,923.07

12.2 Other assets

(₹ in lacs)

	Current	
	As at 31 st March 2013	As at 31 st March 2012
Mega subsidy receivable	3,406.02	2,438.90
RLC receivable	921.59	2,012.50
Interest accrued on fixed deposit	76.13	75.85
Export Incentive receivable	26.12	-
Total	4,429.86	4,527.25

13. Cash and bank balances

(₹ in lacs)

	Current	
	As at 31 st March 2013	As at 31 st March 2012
Cash and cash equivalents		
Balances with banks:		
- On current accounts	2,021.88	1,800.98
- Deposits with original maturity of less than three months	700.00	-
Cheques/ drafts on hand	921.78	549.62
Cash on hand	36.17	47.51
	3,679.83	2,398.11
Other bank balances		
Deposits with Original maturity for more than 12 months	-	-
Deposits with Original maturity for more than 3 months but less than 12 months	19.33	-
Margin money deposit *	2,181.44	2,574.01
	2,200.77	2,574.01
Amount disclosed under non-current assets	-	-
Total	5,880.60	4,972.12

* Amount held in Margin / fixed deposits accounts with banks is also having lien for guarantee's provided of ₹ 2181.44 lacs (previous period ₹ 2574 lacs)

14. Revenue from operations

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Revenue from operations		
Sale of products		
Finished goods	312,677.66	215,713.46
Traded goods	328,340.73	163,525.06
Less: Claims, Trade Discounts, etc.	1,460.52	1,117.48
	639,557.87	378,121.04
Other operating revenue		
Saleable Scrap & By products sale	25,704.18	12,066.28
Export Benefits	106.75	-
Job work charges	3,187.92	15,115.86
Revenue from operations (gross)	668,556.72	405,303.18
Less: Excise duty	34,152.48	20,486.81
Revenue from operations (net)	634,404.24	384,816.37



Detail of products sold

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Finished goods sold		
Hot Rolled Coils/ Slab	162,576.37	125,746.51
Galvanised Coils/ Sheets	96,884.84	62,996.06
Trading Sales	328,340.73	163,525.06
Engineering Sales	46,637.57	24,260.40
Others	5,118.36	1,593.01
Total	639,557.87	378,121.04

- Engineering division sales to steel division is at cost and net of excise duty amounting to ₹14598.68 lacs (previous period ₹ 496.24 lacs) out of which ₹ 14157.35 lacs (previous period ₹ 86.68 lacs) are capitalized.
- Steel division sales to engineering division is at selling price amounting to ₹ 19753.36 lacs (previous period ₹ 15633.81 lacs)
- Steel division sales includes at cost , repair and maintenance expenses of ₹ 521.09 lacs (previous period ₹ 406.56 lacs) & capital work in progress of ₹ 1545.77 lacs (previous period ₹ 55.52 lacs)

15. Other income

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Interest income on		
Bank deposits	273.31	156.53
From Customers and others	1,260.30	839.72
	1,533.61	996.25
Net gain on Exchange Rates/Forward Exchange Contract	-	37.98
Lease rent received	333.52	1,154.57
Liabilities no longer required written back	117.91	102.86
Profit on sale of Investments	650.00	-
Profit on fixed assets sold/discarded	-	0.22
Mega subsidy	3,051.96	1,574.89
Miscellaneous Receipts	516.28	480.16
Total	6,203.28	4,346.93

16. Cost of raw material consumed

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Cost of raw material consumed	204,025.72	157,382.82
Total	204,025.72	157,382.82

Uttam Value Steels Limited

Detail of raw materials consumed

	(₹ in lacs)	
	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Pig Iron / Hot Metal	105,335.07	83,946.63
Direct reduced iron	43,419.18	44,297.18
HR Coil	6,524.89	-
Scrap	6,700.75	6,495.23
Zinc	5,152.77	3,175.38
Engineering goods & others	36,893.06	19,468.40
Total	204,025.72	157,382.82

17. (Increase)/ decrease in inventories

	(₹ in lacs)	
	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Inventories at the end of the year		
Finished goods	7,465.00	6,401.66
[Including saleable scrap ₹ 345.13 lacs (₹ 222.57 lacs)]		
Work-in-progress	11,434.39	8,555.78
Stock in trade	17,087.91	11,675.87
	35,987.30	26,633.31
Inventories at the beginning of the year		
Finished goods	6,401.66	5,866.57
[Including saleable scrap ₹ 222.57 lacs (₹ 358.35 lacs)]		
Work-in-progress	8,555.78	7,225.53
Stock in trade	11,675.87	3,640.18
	26,633.31	16,732.28
Total	(9,353.99)	(9,901.03)

Detail of inventory of products

	(₹ in lacs)	
	As at 31 st March 2013	As at 31 st March 2012
Work-in-progress		
Engineering products	9,076.34	4,473.18
Slabs	881.50	3,164.56
HR products	1,123.88	640.28
CR products	352.67	277.76
	11,434.39	8,555.78
Finished goods*		
HR products	5,301.25	4,426.02
GP products	1,818.62	1,753.07
	7,119.87	6,179.09

* excluding scrap



18. Employee benefit expense

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Salaries, wages and bonus	6,309.75	4,208.47
Contribution to provident and other fund	457.83	304.82
Gratuity & leave encashment expenses	500.43	466.45
Staff welfare /workmen expenses	110.46	88.80
Managerial Remuneration	47.49	18.00
Total	7,425.96	5,086.54

19. Other expenses

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Consumption of stores and spare parts	21,870.82	15,800.20
(Increase)/decrease of excise duty on inventory	(89.91)	(196.39)
Power Charges	23,771.44	14,982.35
Fuel & gases Charges	10,982.53	8,015.96
Engineering and processing charges	159.49	273.90
Freight and forwarding charges	8,156.51	5,107.61
Other expenses of production	1,335.03	1,064.63
Rent	174.73	147.87
Rates and Taxes	97.43	58.24
Insurance	291.71	187.03
Repairs and Maintenance:		
Plant and Machinery	888.08	719.32
Buildings	12.62	8.62
Others	68.06	31.84
Other selling expenses	1,053.47	815.93
Commission and brokerage	1,835.59	1,012.46
Items pertaining to previous year		
At Debit	55.79	56.25
Less: At Credit	(20.92)	(32.75)
Legal & Professional Charges	838.77	220.13
Directors' sitting fees	0.49	0.38
Payment to auditor (Refer details below)	6.14	4.54
Loss on sale of Fixed Assets (net)	9.25	-
Travelling & Conveyance Expenses	339.97	294.51
Loss on exchange rates/ forward exchange contracts	126.32	-
Miscellaneous expenses	836.92	707.06
Total	72,800.33	49,279.69

Uttam Value Steels Limited

Payment to auditor

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
As auditor:		
Audit fee	4.75	3.38
Tax audit fee	0.87	0.75
In other capacity:		
Other services (certification fees)	0.25	0.25
Reimbursement of expenses	0.27	0.16
Total	6.14	4.54

20. Depreciation and amortization expense

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Depreciation of tangible assets	14,501.05	10,649.84
Total	14,501.05	10,649.84

21. Finance costs

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Interest:		
On Term Loans	3,797.38	2,692.19
Other borrowing costs	2,060.37	2,732.12
Finance Charges:		
Bill Discounting charges	9,649.58	4,663.45
Bank Charges & Commission	916.91	576.49
Others	151.26	185.69
Total	16,575.50	10,849.94

22. Exceptional items

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Interest expenses payable to financial institution upon settlement	-	5,017.13
Advance written back	-	(3,694.73)
Total	-	1,322.40



23. Contingent liabilities & commitments

(₹ in lacs)

	As at 31 st March 2013	As at 31 st March 2012
(a) In respect of guarantees issued by Banks : This includes expired Bank guarantees of ₹ 31.82 Lacs.(₹ 392.54 Lacs)	1,268.72	1,730.64
(b) Corporate Guarantee issued by the Company	70.85	62.18
(c) i) Claims against the Company not acknowledged as Debts	867.50	866.19
ii) Show cause notices under hearing in respect of excise duty which is disputed by the company	428.73	447.84
iii) Sales Tax	-	28.65
Total	2,635.80	3,135.50

24. Employee benefits

The group operates one defined benefit plan , viz., gratuity benefit, for its employees . The Gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. The company does not have any fund for gratuity liability and the same is accounted for as provision.

Under the other long-term employment benefit plan, the company extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/separation or during tenure of service the plan is not funded by the company.

a) Net employee benefit expense recognized during the period

(₹ in lacs)

	As at 31 st March 2013	As at 31 st March 2012
i) Current Services Cost	164.95	134.42
ii) Interest Cost	133.16	110.83
iii) Net actuarial (Gain)/Loss recognized during the year	67.08	97.03
iv) Expenses included in 'employee benefit expense'	365.19	342.28

b) Changes in the present value of the defined benefit obligation are as follows

(₹ in lacs)

	As at 31 st March 2013	As at 31 st March 2012
i) Opening Defined benefit obligation plan	1,566.56	1,346.93
ii) Current Services Cost	164.95	134.42
iii) Interest on obligation	133.16	110.83
iv) Net actuarial (Gain)/Loss recognized during the year	67.08	97.03
v) Benefits paid	(115.27)	(122.66)
vi) Closing Defined benefit obligation plan	1,816.48	1,566.55

c) The principal assumptions used in determining gratuity obligations for the company's plan are shown below

	As at 31st March 2013	As at 31st March 2012
i) Discounting rate	8.25 % Per Annum	8.25 % Per Annum
ii) Escalation of salary	7.25 % Per Annum	7.25 % Per Annum
iii) Withdrawal rate	1%	1%
iv) Mortality rate	LIC (1994-96) Ultimate Mortality Rates	LIC (1994-96) Ultimate Mortality Rates
v) Retirement Age	60 Years	60 Years

d) Amounts for the current and previous four periods are as follows

(₹ in lacs)

	As at 31st March 2013	As at 31st March 2012	As at 30th June 2011	As at 31st March 2010	As at 31st March 2009
Present Value of Defined Benefit Obligation	1,816.48	1,566.55	1,346.93	868.43	887.09
Fair Value of Plan Assets	-	-	-	-	-
(Surplus)/Deficit	1,816.48	1,566.55	1,346.93	868.43	887.09
Experience adjustment on plan Liability (Gain)/Loss	32.44	67.19	(28.68)	(115.90)	146.21

25. Earning per share (EPS)

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
The following reflects the profit and share data used in the basic and diluted EPS computations :		
Profit/(Loss) after Tax (₹ lacs)	101.77	(7,345.46)
Weighted average number of equity shares in calculating basic and diluted EPS	79,06,28,082	42,06,47,047
Nominal value of equity shares	₹ 10	₹ 10
Basic and diluted earning per share before exceptional items	₹ 0.01	₹ (1.43)
Basic and diluted earning per share after exceptional items	₹ 0.01	₹ (1.75)

26. Foreign currency exposures which are not hedged as at the Balance sheet date

(₹ in lacs)

	Foreign Currency	
	USD	EURO
As at 31st March 2013		
Trade payables - Foreign currency	1,095,697.19	18,840.00
Trade payables - ₹ in lacs	595.95	13.10
Trade receivables - Foreign currency	290,042.00	-
Trade receivables - ₹ In lacs	157.75	-
As at 31st March 2012		
Trade payables - Foreign currency	-	-
Trade payables - ₹ in lacs	-	-
Trade receivables - Foreign currency	-	-
Trade receivables - ₹ In lacs	-	-

**27. Imported and indigenous raw material, components and spare parts consumed**

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)		Jul'11 - Mar'12 (9 Months)	
	Value (₹ in lacs)	% of total Consumption	Value (₹ in lacs)	% of total Consumption
Raw Material				
Imported	16,089.69	7.89%	9,266.15	5.89%
Indigenously obtained *	187,936.03	92.11%	148,116.67	94.11%
Components & spare parts				
Imported	5,721.22	17.41%	3,434.47	14.43%
Indigenously obtained	27,132.13	82.59%	20,365.00	85.57%

* After adjusting credit of ₹ 147.60 crores , balance of customer written back upon arbitration award.

28. C.I.F. Value of imports

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Raw Materials	681.37	9,351.02
Production consumables , stores and spares	4,083.23	3,450.12

29. Earning in foreign currency (accrual basis)

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
FOB value of exports	2,584.77	1,645.01
Brokerage and Commission	139.56	63.00

30. Expenditure in foreign currency (accrual basis)

(₹ in lacs)

	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
i) Travelling , books & periodicals	22.37	3.09
ii) Brokerage & commission	160.81	5.09
iii) Engineering & design	110.97	45.90
iv) Conference & training expenses / royalty	12.33	14.36
v) Repair and maintenance	61.82	44.07
vi) Professional fees	91.22	2.96
vii) Testing Charges	3.91	-
viii) Business Promotion	4.64	-

31. Related party disclosures

A. Name of the related party and nature of relationship where control exists

i) Key management personnel :	Shri Rajinder Miglani (w.e.f 28 th December, 2012) Shri Ankit Miglani (w.e.f 28 th December, 2012) Shri Rajiv Munjal (w.e.f 28 th December, 2012) Shri Mukesh R Gupta (Ceased w.e.f 28 th December, 2012) Shri Rajesh R Gupta (Ceased w.e.f 28 th December, 2012) Shri B L Agarwal (Ceased w.e.f 28 th December, 2012) Shri Ashok S Tandon (w.e.f 20 th June, 2012)
ii) Enterprise over which key management personnel /share holders /relatives have significant influence (where transaction exists)	Uttam Galva Metallics Limited. Uttam Galva Steels Limited. Sainath Trading Company Private Limited. Kredence Multi Trading Limited. Grow well Mercantile Limited. Shree Global Tradefin Limited. (ceased w.e.f 6 th December 2012)
iii) Associates	Indrajit Power Private Limited.

B. Transaction with related party as per the books of accounts

(₹ in lacs)

	Nature of relationship	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
I. In relation to the statement of profit and loss			
Purchase of materials / finished goods and services			
Uttam Galva Metallics Limited		38,745.27	-
Uttam Galva Steels Limited	Enterprises over which Key	24,129.65	-
Kredence Multi Trading Limited	Management personnel/	26,872.63	-
Grow well Mercantile Limited	shareholder/relatives have	52,685.64	-
Shree Global Tradefin Limited	significant influence.	2,016.32	12,293.38
Indrajit Power Private Limited	Associates	17,398.92	14,188.99
Total		161,848.44	26,482.37
Sale of goods and services			
Uttam Galva Metallics Limited	Enterprises over which Key	38,663.54	-
Uttam Galva Steels Limited	Management personnel/	20,832.43	-
Shree Global Tradefin Limited	shareholder/relatives have	4,189.59	26,366.01
Indrajit Power Private Limited	Associates	5,774.17	3,431.78
Total		69,459.74	29,797.79
Rent			
Sainath Trading Company Private Limited	Enterprises over which Key	3.37	-
	Management personnel/		
	shareholder/relatives have		
	significant influence.		
Total		3.37	-



	Nature of relationship	Apr'12 - Mar'13 (12 Months)	Jul'11 - Mar'12 (9 Months)
Salary / Managerial remuneration			
Shri Rajesh Gupta	Key Management personnel	18.87	19.08
Shri Ashok Tandon	Key Management personnel	32.29	-
Total		51.16	19.08
Purchase of investments			
Uttam Galva Metallica Limited	Enterprises over which Key Management personnel/ shareholder/relatives have significant influence.	160.00	-
Total		160.00	-
Unsecured Loan taken			
Kredence Multi Trading Limited	Enterprises over which Key Management personnel/ shareholder/relatives have significant influence.	5,000.00	-
Total		5,000.00	-
2. In relation to Balance Sheet items			
Balance outstanding as at the year end - Debit			
Indrajit Power Private limited		7,440.06	1,544.50
Shree Global TradeFin Limited		-	7,249.26
Balance outstanding as at the year end - Credit			
Uttam Galva Metallica Limited		49,797.46	-
Uttam Galva Steels Limited		12,965.21	-
Grow well Mercantile Limited		11,357.15	-
Kredence Multi Trading Limited		9,655.13	-
Sainath Trading Company Private Limited		3.07	-

32. Segment information

The business segment has been considered as the primary segment. The company has identified business segments such as Steel product , Engineering product and power .

The above business segments have been identified considering :

- The customers
- The differing risks and returns
- The organization structure
- The internal financial reporting system

Uttam Value Steels Limited

Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.

(₹ in lacs)

Sr. No.	Particulars	For the year ended 31 st March 2013 (12 Months)					For the period ended 31 st March 2012 (9 Months)				
		Steel Product	Engineering Product	Trading*	Unallocable	Consolidated	Steel Product	Engineering Product	Trading	Unallocable	Consolidated
i)	Segment Revenue :										
	Sales :										
	Revenue	263,916.69	42,146.82	328,340.73	-	-	196,079.17	25,212.14	163,525.06	-	-
	less : Inter - Segment	17,576.61	12,947.25		-	-	14,143.24	445.16		-	-
	Net revenue	246,340.08	29,199.57	328,340.73		603,880.38	181,935.93	24,766.98	163,525.06		370,227.97
ii)	Segment Result :										
	Operating Net Profit	12,954.45	3,721.45	(648.63)	650.00	16,677.27	2,738.68	2,365.99	(277.80)	-	4,826.87
	Interest	-	-	-	-	(16,575.50)	-	-	-	-	(10,849.94)
	Exceptional items	-	-	-	-	-	-	-	-	-	(1,322.40)
	Profit before tax					101.77					(7,345.46)
iii)	Segment Assets	203,017.40	49,509.59	52,384.32	-	304,911.31	163,541.64	43,299.91	31,253.44	-	238,094.99
iv)	Segment Liabilities	165,453.57	15,598.19	47,589.56	-	228,641.32	114,761.61	31,560.77	45,316.95	-	191,639.33
v)	Capital Expenditure	32,198.51	208.99	-	1.95	32,409.45	3,133.32	177.98	-	-	3,311.30
vi)	Depreciation	14,390.81	110.05	-	0.19	14,501.05	10,576.99	72.85	-	-	10,649.84

* Includes power , since the total sales is less than 2 % it has not been shown separately.

33. The Committee of Board of Directors at its meeting held on 06th December, 2012 has issued 38,00,00,000 equity shares of face value of ₹ 10 each on preferential basis at a price of ₹ 10 per share higher than the price calculated in accordance with Preferential Issue Guidelines contained in SEBI (ICDR) Regulations, 2009 to the existing shareholder of the Company namely Ultimate Logistics Solutions Private Limited - 31,00,00,000 Equity shares and Metallurgical Engineering and Equipments Ltd - 7,00,00,000 Equity Shares.
34. Upon Modification of restructuring package, the Company has to further pay an amount of ₹ 125 crores to M/s ARCIL in 3 installments starting from September 2013. This amount will be recorded when the liability to pay arises. This liability is secured by way of first pari passu charge on companies immovable properties both present and future.
35. The name of the Company has been changed from Lloyds Steel Industries Ltd. to Uttam Value Steels Ltd. pursuant to the Fresh certificate of incorporation received from Registrar of Companies, Maharashtra, Mumbai dated March 18, 2013.
36. The Committee of Directors of the Company at its meeting held on March 19, 2013 allotted 15,00,00,000 Equity shares of ₹ 10/- each at a price of ₹ 15.13 on Conversion of 22,69,50,000 Preference Shares of ₹ 10/- each to IDBI Bank Limited.
37. There is a carried forward unabsorbed depreciation and business losses as at the Balance Sheet date. As a matter of prudence, the company has not recognized net deferred tax assets in term of Accounting Standard -22.
38. The Company has claimed the Mega benefit based on increased capacity @ 40 % on HR products, 50 % on Galvanized products and Mega subsidy based on the ratio of new investments to old investments.
39. There are 27,14,451 forfeited Equity shares pending reissue at year end (previous period 27,14,451 shares)
40. The financial accounts for previous year was prepared for a period of 9 months (i.e July'11 to Mar'12). Hence the figures for current accounting year are not comparable with those of previous accounting period.
41. Previous period figures have been regrouped and recast wherever necessary.

IMPORTANT COMMUNICATION TO MEMBERS

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

- 1) The Registrar and Share Transfer Agents viz. Bigshare Services Private Limited for shares held in physical form and;
- 2) The concerned Depository Participants in respect of shares held in electronic / demat mode

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

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

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



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REGISTRATION FORM FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

M/s. BIGSHARE SERVICES PRIVATE LIMITED

(Unit: Uttam Value Steels Limited)

E-2/3, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri (East), Mumbai - 400 072.

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

Name of First Member _____

Joint Holder – 1 _____

Joint Holder – 2 _____

E-mail id for registration _____

Date: _____ Signature (1st holder) _____

Regd. Folio /Client Id No. _____



UTTAM VALUE STEELS LIMITED

Registered Office: 4th Floor, Uttam House, 69, P.D' Mello Road, Mumbai – 400 009

PROXY FROM

I/We _____ of _____ being a member / members of the Company hereby appoint _____ of _____ or failing him / her _____ of _____ as my / our proxy to vote for me / us and on my / our behalf at the **43rd Annual General Meeting** to be held at **11.00 a.m. on Monday, 26th August, 2013** or adjournment thereof.

Signed this _____ day of _____ 2013

Signature _____

E-mail address _____

Affix ₹ 1.00
Revenue
Stamp

Note: The proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.

Name of Shareholder(s)	Folio No.
No. of Shares	Client ID

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UTTAM VALUE STEELS LIMITED

Registered Office: 4th Floor, Uttam House, 69, P.D' Mello Road, Mumbai – 400 009

ATTENDANCE SLIP

Name and Address of Shareholder	Folio No.
No. of Shares	Client ID

I / We, hereby record my / our attendance at the **Forty Third Annual General Meeting** at 11.00 a.m. on **Monday, 26th August, 2013** at M C Ghia Hall, 18/20 K Dubhash Marg, Mumbai: 400 001.

Signature of Shareholder or Proxy _____

E-mail address _____

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report at the meeting.



BOOK - POST

If undelivered please return to:

BIGSHARE SERVICES PRIVATE LIMITED
(UNIT: Uttam Value Steels Limited)
E-2/3, Ansa Industrial Estate, Sakivihar Road,
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