



UTTAM

49th

Annual Report 2018 - 2019

UTTAM VALUE STEELS LIMITED



BOARD OF DIRECTORS	B L KHANNA : CHAIRMAN RAJINDER MIGLANI : DIRECTOR JAGATH CHANDRA : DIRECTOR RAJIV MUNJAL : DIRECTOR & CEO								
ASSOCIATE VICE PRESIDENT & COMPANY SECRETARY	RAM GAUD								
CHIEF FINANCIAL OFFICER	R.P. GUPTA								
WORKING CAPITAL BANKERS	STATE BANK OF INDIA IDBI LTD PUNJAB NATIONAL BANK CANARA BANK BANK OF BARODA ANDHRA BANK INDIAN OVERSEAS BANK ALLAHABAD BANK CORPORATION BANK UNION BANK ORIENTAL BANK OF COMMERCE VIJAYA BANK PUNJAB & MAHARASHTRA CO-OP BANK LTD								
STATUTORY AUDITOR	VSS & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI								
INTERNAL AUDITOR	ERNST & YOUNG LLP CHARTERED ACCOUNTANTS, MUMBAI								
REGISTERED OFFICE	UTTAM HOUSE, 69, P. D'MELLO ROAD, MUMBAI : 400 009 Tel No. : 022 66563500, Fax No : 022 23485025 E-MAIL : investor@uttamvalue.com WEBSITE: www.uttamvalue.com								
CORPORATE IDENTIFICATION NO	CIN L27100MH1970PLC014621								
OTHER OFFICES / BRANCHES	<table border="0"> <tr> <td>▪ DELHI</td> <td>▪ AHMEDABAD</td> </tr> <tr> <td>▪ BANGALORE</td> <td>▪ INDORE</td> </tr> <tr> <td>▪ HYDERABAD</td> <td>▪ PUNE</td> </tr> <tr> <td>▪ CHENNAI</td> <td>▪ NAGPUR</td> </tr> </table>	▪ DELHI	▪ AHMEDABAD	▪ BANGALORE	▪ INDORE	▪ HYDERABAD	▪ PUNE	▪ CHENNAI	▪ NAGPUR
▪ DELHI	▪ AHMEDABAD								
▪ BANGALORE	▪ INDORE								
▪ HYDERABAD	▪ PUNE								
▪ CHENNAI	▪ NAGPUR								
WORKS	UTTAM NAGAR, BHUGAON LINK ROAD, WARDHA, MAHARASHTRA, INDIA								

CONTENTS	PAGE NOS
NOTICE	2-8
DIRECTORS' REPORT	9-35
INDEPENDENT AUDITORS' REPORT.....	36-43
BALANCE SHEET AND PROFIT & LOSS ACCOUNT WITH CASH FLOW & NOTES	44-66
INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS.....	67-70
CONSOLIDATED BALANCE SHEET AND PROFIT & LOSS ACCOUNT WITH CASH FLOW & NOTES.....	71-76

NOTICE

NOTICE is hereby given that the 49TH ANNUAL GENERAL MEETING of the Members of the Uttam Value Steels Limited will be held on Friday, 27th December, 2019 at 11.00 a.m. at M. C. Ghia Hall, 18/20, K. Dubhash Marg, Mumbai – 400 001 to transact the following businesses:

BACKGROUND:

This is to apprise the members that pursuant to an application made by the State Bank of India, the Hon'ble National Company Law Tribunal, Mumbai bench ("Adjudicating Authority"), vide order dated 26th June, 2018, had ordered the commencement of the corporate insolvency resolution process ("CIRP") in respect of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 ("Code"). Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and Shri Rajiv Chakraborty (IBBI/ IPA-001/IP-P00602/2017-2018/11053) was appointed as interim resolution professional of the Company who was later confirmed as Resolution Professional of the Company on 2nd August, 2018, for the management of the affairs of the Company ("RP"/ "Resolution Professional").

The CoC approved the resolution plan submitted by the consortium of CarVal Investors and Nithia Capital ("CNC"). The RP submitted the CoC approved resolution plan to the NCLT on 7th May, 2019 for approval.

The Company has obtained extensions for holding the 49th AGM upto 31st December, 2019 vide order dated 23rd September, 2019 issued by Ministry of Corporate Affairs (MCA).

ORDINARY BUSINESS:

1. To consider and adopt the following:-
 - a) The Audited Financial Statement for the Financial Year ended 31st March, 2019 and the Reports of the Board of Directors and the Auditors Report thereon;
 - b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019.
2. To appoint a Director in place of Shri Rajinder Miglani, (Din: 00286788) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. VSS & Associates, Chartered Accountants, (Registration No. 105787W) as the Statutory Auditor of the Company for the Financial Year 2019-20 and to hold office from the conclusion of this Annual General Meeting till the conclusion of the 50th Annual General Meeting and to authorize for finalization of the remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Regulations, 24 & 25 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Shri Brij Lal Khanna (DIN: 00841927), as an Independent Director of the Company who will be re-appointed on the Board as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 31st March, 2024."

"RESOLVED FURTHER THAT Shri. R.P.Gupta- Chief Financial Officer and/or Shri. Ram Gaud – Associate Vice President & Company Secretary of the Company, be and are hereby severally authorised to do all, deeds and things which are necessary for the aforesaid appointment and to send the necessary intimation in prescribed form to Registrar of Companies".

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules Act, 2014 including any statutory modification(s) or re-enactments thereof, for the time being in force M/s. Manisha & Associates- Cost Accountants (Firm Registration No. 000321) as a Cost Auditor appointed by the Resolution Professional of the Company, to conduct the audit of the Cost Records of the Company for the Financial Year ending 31st March, 2020 be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

"RESOLVED FURTHER THAT Shri R.P. Gupta- Chief Financial Officer and/or Shri Ram Gaud – Company Secretary of the Company, be and are hereby severally authorised to do all, deeds and things which are necessary for the aforesaid appointment and to send the necessary intimation in prescribed form to Registrar of Companies."

(Ram Gaud)

Associate Vice President & Company Secretary

Registered Office:

Uttam House, 69, P. D' Mello Road,
Mumbai – 400009
CIN:- L27100MH1970PLC014621
Date: 22nd November, 2019



IMPORTANT NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON ONLY AS A PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR OTHER SHAREHOLDER.
2. The Register of Members and the Share Transfer books of the Company will remain closed from 21st December, 2019 to 27th December, 2019 (both days inclusive) for the purpose of Annual General Meeting for the financial year ended 31st March, 2019.
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. In case of joint Holders attending the meeting the Members whose name appears as the first holder in the order of name as per the Register of Members of the Company will be entitled to vote.
6. The Company's Shares are listed on BSE Ltd and National Stock Exchange of India, Mumbai and applicable listing Fees have been paid upto date including Financial Year 2019-20.
7. The Company do not have any amount which required to be transferred, in terms of Section 124 of the Companies Act, 2013 to Investor Education and Protection Fund of the Central Government during the Financial Year.
8. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
9. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate Resolution/authority, as applicable.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. The Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts and the Members holding shares in physical form can submit their PAN details to the Company.
11. Details under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of this notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
12. Electronic copy of the Notice of the 49th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. The members who have not registered their email address, so far are required to register their email address for receiving all communication including Annual Report, notices, circular etc, from the Company electronically. The physical copies of the Notice of the 49th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
13. Members may also note that the Notice of the 49th Annual General Meeting and the Annual Report for financial year 2018 -2019 will also be available on the Company's website www.uttamvalue.com for their download. The physical copies of the aforesaid documents will also be available at the Registered Office of the Company for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive

Uttam Value Steels Limited

such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send request to the Company's investor email id: investor@uttamvalue.com.

14. All documents referred to in the Notice will be available for inspection at the registered office of the Company during normal business hours on working days excluding Saturday, Sunday and Public holidays from 11.00 a.m. to 2.00 P.M. upto the date of AGM.
15. During the period, Shareholder's of the Company holding Shares either in Physical Form or in Dematerialised forms as on Benpos Date (Record Date) i.e. 22th November, 2019 will be able to receive 49th Annual Report.
16. Members are requested to kindly notify changes including email address, if any, in their address to the Company's Registrar & Transfer Agent, Bigshare Services Pvt. Ltd., (Uttam Value Steels Limited) at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri East, Mumbai 400059.
Email address of the company is - investor@uttamvalue.com
17. All queries relating to Share Transfer and allied subjects should be addressed to:
Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis Makwana Road,
Marol, Andheri East, Mumbai 400059
Phone: 022 - 62638200
Email Id: investor@bigshareonline.com

PROCEDURE FOR E-VOTING THROUGH ELECTRONIC MEANS

- I. In terms of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called the "the Rules" for the purpose of this Section of the Notice), the Company is pleased to provide members facility to exercise their right to vote on the items of Business given in the Notice through electronic voting system, to members holding shares as on 20th December, 2019 (end of day) being the cut off date for the purpose of Rule 20(4)(vii) of the Rules fixed for determining voting rights of members, entitled to participate in the remote e - voting process, through the e- voting platform provided by Central Depository Services Limited (CDSL) or to vote at the 49th Annual General Meeting.
- II. The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 49th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.
- III. The remote e-voting period commences on 23rd December, 2019 (10.00 a.m.) and ends on 26th December, 2019 (5:00 p.m.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20th December, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disable by CDSL for voting thereafter. Once the vote on a Resolution is cast by the member, the member shall not be allowed to change it subsequently. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- IV. Shri Vijay B Kondalkar Practicing Company Secretary (Membership No. ACS - 15697), has been appointed as the Scrutinizer to scrutinize the e-voting process and voting at the venue of the Annual General Meeting in a fair and transparent manner.
- V. The Scrutinizer shall immediately after the conclusion of voting at the ensuring Annual General Meeting first count the vote cast at the meeting, thereafter unblock the votes through e - voting in the presence of at least two (2) witness, not in the employment of the Company and make not later than 3(Three) days from the conclusion of the meeting, a consolidated scrutinizers report of the total votes cast in favour or against, if any, to the chairman of the Company who shall countersign the same.
- VI. The Scrutinizer shall submit his report to the Resolution Professional, who shall declare the result of the voting. The result declared along with Scrutinizer report shall be placed on the Company's Website: www.uttamvalue.com and on the website of Big Shares Services Private Limited: www.bigshareonline.com and shall also be communicated to the stock Exchanges.



A) Step-by-Step procedure and instruction for casting your vote electronically are as under in case of members receiving e-mail:

Step-1: Open your web browser during the voting period and Log on to the e-voting website www.evotingindia.com

Step-2: Click on "Shareholders"/ "Members" tab.

Step-3: Now, select the "COMPANY NAME" **UTTAM VALUE STEELS LIMITED** from the drop down menu and click on "SUBMIT"

Step-4: Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

Step-5: Next enter the Image Verification as displayed and Click on Login.

Step-6: If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

Step-7: If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the dividend bank Details as recorded in your demat Account or in the Company records for the said demat Account or folio.</p> <p># Please enter the DOB or Dividend Bank details in order to Login. If the details are not recorded with the Depository or Company Please enter the member id/folio number in the Dividend Bank Detail as Mentioned in step no.4.</p>

Step-8: After entering these details appropriately, click on "SUBMIT" tab.

Step-9: Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Step-10: For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Step-11: Click on the EVSN for the relevant the name of the Company **UTTAM VALUE STEELS LIMITED** on which you choose to vote.

Step-12: On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option **YES** or **NO** as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Step-13: Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

Step-14: After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be

displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

Step-15: Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

Step-16: You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

Step-17: If Demat account holder has forgotten the changed password then Enter the **User ID** and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Step-18: Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

Step-19: Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same

Step-20: In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked

Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

B) In case of members receiving the physical copy:

a) Please follow all steps from sl. no. (1) to sl. no. (17) above to cast vote.

b) The voting period begins on 23rd December, 2019 at 10.00 am and ends on 26th December, 2019 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th December, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

➤ In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

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

ITEM No.4

Mr. Brij Lal Khanna was appointed as an Independent Director of the Company for a term of 5 (Five) years from 1st April, 2014 to 31st March, 2019. He joined the Board of Directors of the Company on 20th June, 2012. He is practicing C.A. with a experience of more than 48 years in the field of Accounting, Auditing and Taxation. He was also a Director on the panel of Board of Industrial and Financial Reconstruction.

Mr. Brij Lal Khanna is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as Director.

As per the provision of Section 149(10) and any other applicable provisions of Companies Act, 2013, Mr. Brij Lal Khanna being eligible offer himself for re-appointment as an Independent Director for a term of 5 (Five) years from 1st April, 2019 to 31st March, 2024.

In the opinion of the Board, Mr. Brij Lal Khanna fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for re-appointment of



Mr. Brij Lal Khanna as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, Sunday and Public Holiday.

The Company has received declaration from Mr. Brij Lal Khanna that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 as may be in force time to time.

Brief resume of Mr. Brij Lal Khanna, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 17 of the SEBI, (Listing Obligations & Disclosure Requirements), Regulations 2015 with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Brij Lal Khanna be re-appointed as an Independent Director.

This Statement may also be regarded as a disclosure under Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 with the Stock Exchanges.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Brij Lal Khanna as an Independent Director.

Save and Except Mr. Brij Lal Khanna being an appointee, and his relatives, to the extent of their shareholding interest none of the Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in this Resolution set out at Item No. 4 of the Notice.

The Board commends the Ordinary Resolutions set out at Item No. 4 of the Notice for approval by the shareholders.

ITEM No.5

The Resolution Professional (RP) has approved the appointment of M/s. Manisha & Associates, Cost Auditors at remuneration of ₹ 60,000/- to conduct the audit of the cost records of the Company for the financial year ending March 31st March, 2020.

In accordance with the provisions of section 148 of the act read with Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing the Ordinary Resolution a set out at item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2020.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the Resolutions set out in item no. 5 of Notice.

The Board commends the ordinary Resolutions set out at the Item no.5 of the Notice for approval members of the Company.

(Ram Gaud)
Associate Vice President & Company Secretary

Registered Office:
Uttam House, 69, P. D' Mello Road,
Mumbai - 400009
CIN:- L27100MH1970PLC014621
Date: 22nd November, 2019

ROUTE MAP FOR THE AGM VENUE



AGM Venue:

M. C. Ghia Hall, 4th Floor,
Bhogilal Hargovindas Building, 18/20,
Kaikhushru Dubash Marg, Kala Ghoda,
Mumbai – 400 001.

Prominent landmark:

1. Near Chhatrapati Shivaji Maharaj Vastu Sangrahalaya (Formerly known as Prince of Wales Museum of Western India)
2. Near Lion Gate



DIRECTORS' REPORT

This is to apprise the members that in accordance with the applicable provisions of the Insolvency and Bankruptcy Code 2016 ("IBC/Code"), the Corporate Insolvency Resolution Process ("CIRP") of Uttam Value Steels Limited ("Company") was initiated by State Bank of India (SBI), one of the Financial Creditors of the Company. SBI's petition to initiate the CIRP was admitted by the National Company Law Tribunal ("NCLT") on June 26th June, 2018 ("Insolvency Commencement Date" or "ICD"). Mr. Rajiv Chakraborty was appointed as the Interim Resolution Professional ("IRP") to manage the affairs of the Company. Subsequently, Mr. Chakraborty was confirmed as the Resolution Professional ("RP") by the committee of creditors ("CoC"). On appointment of the IRP/RP, the powers of the Board of Directors of the Company were suspended. The RP invited expressions of interest and submission of a resolution plan in accordance with the provisions of the Code. Of the various resolution plans submitted, the CoC approved the resolution plan submitted by consortium of Carval and Nithia Capital ("CNC"). The RP submitted the CoC approved resolution plan to the NCLT on 7th May, 2019 for its approval.

Members may kindly note that, the RP was not in office for the first quarter of the period to which this report pertains i.e. from 1st April, 2018 to 25th June, 2018. During the CIRP, the RP is entrusted with the management of the affairs of the Company and continue to operate the Company as a going concern. Prior to the ICD, the erstwhile Board of Directors had the control on the management of the affairs of the Company. The RP is submitting this report in compliance with the provisions of the Companies Act, 2013, the rules and regulations framed thereunder ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations"). The RP is not to be considered responsible to discharge fiduciary duties with respect to the financial and operational health of the Company and performance of the management for the period prior to the ICD.

In exercise of the powers of the Board of Directors, the RP of the Company hereby presents the 49th Annual Report on business and operations of the Company along with the Audited Statement of Accounts for the financial year ended 31st March, 2019. The RP has approved and presented these financial results only to the limited extent of discharging powers of the Board of Directors of the Company which has been conferred upon him in terms of provisions of Section 17 of IBC.

FINANCIAL HIGHLIGHTS

(₹ in Crores)

Particular	Standalone		Consolidated	
	2018-2019	2017-2018	2018-2019	2017-2018
Sales (Gross)	2467.33	2704.21	2467.33	2704.21
Other Income	70.56	74.13	70.56	74.13
Total Income	2537.89	2778.34	2537.89	2778.34
Profit/(Loss) before Interest, Depreciation, Exceptional Items & Tax	54.07	(88.94)	54.07	(88.94)
Less : Finance Charges	65.89	239.33	65.89	239.33
Depreciation	114.61	137.54	114.61	137.54
Exceptional Items	501.11	-	501.11	-
Profit/(Loss) before tax	(627.54)	(465.82)	(627.54)	(465.82)
Portion of current year Profit/(Loss) on Investment in Associate	-	-	(2.84)	(0.69)
Net Profit/(Loss) after Tax	(627.54)	(465.82)	(630.38)	(466.51)

- Exceptional items include provision for old advances, receivables and investments, which are doubtful of recovery, and aggregate ₹439.68 Crores, ₹ 59.83 Crores and ₹1.60 Crores respectively.
- Considering that the CIRP has been initiated with effect from 26th June, 2018, interest on bank borrowings has not been provided for the quarter ended 30th September, 2018, 31st December, 2018 and 31st March, 2019.

PERFORMANCE

The Company achieved a Gross Turnover of ₹2467.33 Crores in 2018-19 as against ₹2704.21 Crores in the previous year, showing a decline by 8.76% over previous year. The operating profit before Interest, Depreciation, Exceptional Items & Tax for the year was ₹54.07 Crores as against the loss of ₹88.94 Crores in the previous year showing an improvement of 160.79%. The Company posted loss of ₹ 627.54 Crores during the Year against a loss of ₹ 465.82 Crores in previous year, after providing depreciation of ₹ 114.61 Crores (Previous year ₹ 137.54 Crores).

During the year there were no changes in nature of business of the Company, the detailed discussion on Company's overview and future outlook have been given in the section on 'Management Discussion and Analysis' (MDA).

Uttam Value Steels Limited

CONSOLIDATED FINANCIAL STATEMENT

The audited consolidated financial statement, pursuant to Section 129 of the Companies Act, 2013 and Accounting Standard (AS) 21 on Consolidated Financial Statements has been provided in the Annual Report.

A statement containing salient features of the financial statement of associate Company in accordance with the first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 in the prescribed form AOC - 1 is annexed as "Annexure V" of this report.

DIVIDEND

In view of the accumulated losses, Dividend on the Equity shares was not recommended.

TRANSFER TO RESERVE

In view of the losses incurred by the Company, no amount has been transferred to reserves.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES:

The Company does not have any Subsidiary or Joint Venture Company. The Company has one Associate Company namely Indrajit Power Private Limited ("IPPL") and the details of the same are attached in Form AOC-1 as "Annexure -V".

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF YOUR COMPANY

There has been no change in the business of the Company. However, in accordance with the applicable provisions of the IBC, the CIRP of the Company was initiated by SBI, one of the Financial Creditors of the Company. SBI's petition to initiate the CIRP was admitted by the NCLT on 26th June, 2018. Mr. Rajiv Chakraborty was appointed as the IRP to manage the affairs of the Company. Subsequently, Mr. Chakraborty was confirmed as the RP by the CoC. On appointment of the IRP/RP, the powers of the Board of Directors of the Company were suspended. The RP invited expressions of interest and submission of a resolution plan in accordance with the provisions of the Code. Of the various resolution plans submitted, the CoC approved the resolution plan submitted by consortium of Carval and Nithia Capital ("CNC"). The RP submitted the CoC approved resolution plan to the NCLT on 7th May, 2019 for its approval.

Members may kindly note that, the RP was not in office for the first quarter of the period to which this report pertains i.e. from 1st April, 2018 to 25th June, 2018. During the CIRP, the RP is entrusted with the management of the affairs of the Company and continue to operate the Company as a going concern. Prior to the ICD, the erstwhile Board of Directors had the control on the management of the affairs of the Company.

SHARE CAPITAL AND LISTING OF SHARES

The paid up Share Capital of the Company as on 31st March, 2018 was ₹660.81 Crores and remained unchanged during the financial year under review.

MANAGEMENT DISCUSSION AND ANALYSIS

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

a) Industry Structure & Developments:

STEEL INDUSTRY SCENARIO

Steel Industry plays a vital role in the development of any modern economy and is considered to be a yardstick to measure the level of socio-economic development and living standard of its countrymen. Steel industry derives its demand from other important sectors like infrastructure, aviation, engineering, construction, automobile, pipes and tubes, etc. Thus, its intense integration with other important industries makes it a strategic sector for the Governments as well.

Steel demand in India is expected to grow at 7% in 2019 as well as in 2020. Steel demand in India will be driven by broad based growth across sectors. Construction is expected to grow and boosted by Government spending on Infrastructures like large scale metro, rail projects, dedicated freight corridors and transport ways network through "BharatMala Pariyojna" and Port Development through the "SagarMala Programme" which are progressing in full swing. The Automotive sector witnessing a slowdown as automotive sales started slowing down towards end of 2018 and into 2019. Policy to support Real Estate sector is expected to lead to recovery in the sector.

Industry consolidation through the Insolvency and Bankruptcy Code, 2016 is expected to lead to improved discipline in the market place and stable pricing. Change of ownership will also lead to improved capacity utilization levels over the next one year.

The Indian steel sector enjoys advantages of domestic availability of raw materials and cheap labour. Iron ore is also available in abundant quantities, though the continued mining restrictions have put a strain on its availability as well as price.

Steel Ministry has announced facilitation of R&D in the steel sector through the establishment of Steel Research and Technology Mission of India (SRTMI). The initiative is aimed to spearhead R&D of national importance in iron & steel sector utilising tripartite synergy amongst industry, national R&D laboratories and academic institutes.



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

b) Opportunity & Threats:

India's Crude Steel production grew 3.3% to 106.56 MnT in FY 2018-19, making it the world's second largest steel producers behind China. Steel exports fell 26.4% to 8.54 MnT as Global demand weakened due to geo-political uncertainties and additional tariffs on imports by U.S. Finished and Semi Finished imports rose by 4.6% to reach 8.79 MnT. The domestic market saw rising import from China, Japan and Korea.

During FY 2018-19, domestic steel consumption increased from 7.5% to 97.54 MnT, primarily driven by the Government expenditures on Infrastructures (The Central and State Governments infra spending pegged at ₹7 – 8 lakhs crores) . The infrastructures construction and real state sectors accounted for 60 – 65% domestic steel consumption.

c) Segment-wise or Product-wise Performance:

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

d) Outlook

Worldsteel forecasts overall steel demand in India to grow above 7% in CY 2019 and CY 2020. Demand is likely to grow to 100-105 MnT, with per capita consumption improving to 75-76 Kg driven by heavy infrastructure spending and faster economic growth. Worldsteel also forecasts that at the current rate, India would overtake the US in terms of demand.

As India is expected to grow at 6 - 8% atleast for a decade, steel demand is likely to grow at 7% , implying that the country would need to produce and additional 7 MnT of steel. To meet this enhanced demand, the steel sector could see investment to the tune of Dollar 10 Billion. However, India's steel makers face persistent

threat of cheaper import and lower domestic prices. The on-going trade disputes and the global economic slowdown are routing Asian Steel inventory to India, negatively impacting the countries steel makers. Since, certain trade remedial actions have become irrelevant, imposition of safe guard duty is the need of hour to stop such imports and corresponding injury to the domestic industry.

e) Risk & Concerns :

As per the requirement of Regulation 17 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted steps for framing, implementing and monitoring the risk management plan and accordingly the Directors have put in place critical risk management framework across the Company for identification and evaluation of all potential risks. The Company is continuously evolving and improving systems and measures to take care of all the risk exigencies involved in the business. All inherent risks are identified, measured, monitored and regularly reported to the management. The management decides measures required to overcome these risks and ensures implementation of proper risk mitigation plans. Some of them are mentioned herein below:

The domestic steel industries run the risk of normal industry cycle as under:

- High cost of capital
- Delay in absorption in technology by existing units.
- High cost of basic input and services
- Poor quality of basic infrastructure like road, port etc.
- High logistics cost

The Company is exposed to the normal industry risk factors and manages these risks by prudent business and risk management practices.

The Company has made efforts to mitigate the risk by enhancing the Quality of steel produced and higher use of Hot Metal in Electric Arc Furnace.

f) Internal Control System and Their Adequacy:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain

its objectivity and independence, the Internal Audit function reports to the Audit Committee. During the CIR process, the Chief Financial Officer ("CFO") has been mandated by the Resolution Professional to evaluate the Internal Audit reports and ensure corrective actions. The Internal Audit is outsourced to external firms of Chartered Accountants and they evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. The Company has in place adequate internal financial controls with reference to financial statements and other matters.

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

Considering that the CIRP has been initiated with effect from 26th June, 2018, interest on bank borrowings has not been provided for the quarter ended 30th September, 2018, 31st December, 2018 and 31st March, 2019. Earnings before Interest, Tax, Depreciation & Amortisation (EBITDA) of the Company has improved marginally as compared to the previous year due to change in production mix and higher realization.

h) 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 accords highest priority to ensure safety and protection of health of its employees which 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 of the Employees are also carried out periodically, for all employees. Total employees as on 31st March, 2019 were 927.

i) 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.

The Power of the Board is suspended due to the Hon'ble National Company Law Tribunal, Mumbai Bench's order no C.P. (IB) -2054/(MB)/2007 dated 26th June, 2018 as per which the Corporate Insolvency Resolution Process commenced for the Company.

DIRECTORS' RESPONSIBILITY STATEMENT / Statement by the Director & CEO and taken on record by the Resolution Professional.

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- i) that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any;
- ii) that the CEO had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at end of the financial year 31st March, 2019 and of the Profit and Loss Account for the year ended on that date;
- iii) that the CEO has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- iv) the Annual Accounts have been prepared on a going concern basis in terms of the Code;
- v) that the CEO had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- vi) that the CEO had devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

The Corporate Governance Report which form part of this Report, are set out as separate Annexures together with the Certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in **Schedule V** of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



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

Information in accordance with Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014 is annexed and forms integral part of this Report.

The Company adopts a cautious approach in power and fuel consumption by optimizing the operation of shifts and by following strict fuel consumption measures.

DIRECTORS & KEY MANGERIAL PERSONNEL

Pursuant to the provisions of section 152 of the Companies Act, 2013, Shri Rajinder Miglani (DIN 00286788) retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment In accordance with the provisions of the act, none of the Independent Directors are liable to retire by rotation.

During the year under review Shri B.L. Khurana, Non-Executive Independent Director has passed away on 22nd January, 2019. No Directors has been appointed in his place as yet.

Further, Shri Arvind Kumar Gupta, Independent Directors resignation letter dated 14th October, 2019 citing the other commitments, stepped down as a Director of the Company and the same has been noted by the resolution professional in their meeting held on 13th November, 2019.

Shri B.L. Khanna's tenure as Independent Directorship is expired on 31st March, 2019 .Therefore it is proposed to re-appointed him as Independent Directors for further a period of 5 Years commencing from 1st April, 2019 to 31st March, 2024.

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

The requirement of minimum number of members in the nomination and remuneration committee in accordance with the Companies Act, 2013 and the rules framed thereunder is not maintainable on account of suspension of the powers of the Board.

In terms of the SEBI (LODR) Regulations 2015, a company undergoing CIRP is not required to comply with Regulation 19(1)(a) of the SEBI (LODR) Regulations 2015, dealing with the minimum number of the members in the nomination and remuneration committee of a listed company. Further, in terms of SEBI (LODR) Regulations 2015, a company undergoing CIRP is not required to comply with Regulation 19 of the SEBI (LODR) Regulations 2015, dealing with the requirements of constitution, meetings and terms of reference of the nomination and remuneration committee.

During the year under review following persons are the Key Managerial Personnel as per the requirement of section 203 of Companies Act, 2013 Read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Name of the Person	Designation
1	Shri Rajiv Munjal	Dirctor & CEO
2	Shri R P Gupta	Chief Financial Officer
3	Shri Ram Gaud	Associate Vice -President and Company Secretary

BOARD EVALUATION

In terms of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018, a company undergoing CIRP is not required to comply with the requirement of conducting evaluation of the independent directors. Therefore, subsequent to commencement of the CIRP the evaluation of the independent directors of the Company was not required to be carried out under the provisions of the Regulation 17(10) SEBI LODR Regulations. Further, in accordance with Rule 8(4) of Companies (Accounts) Rules, 2014, the Board of Directors of a company are required to evaluate its own performance and that of its committees and individual directors. However pursuant to commencement of the CIRP of the Company, the powers of the Board of Directors stand suspended and are exercised by the Resolution Professional, as the case may be, in accordance with the provisions of the Code.

NUMBER OF MEETINGS OF THE BOARD

As stated above, the power of the Board of the Directors stood suspended w.e.f 26th June, 2018. The Board met only once during the year under review the details of which are given in Corporate Governance Report forming part of the Annual Report during the Financial Year 31st March, 2019.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY

The Details of Loans Guarantees and Investments covered under the provision of the Section 186 of the Companies Act, 2013 are given in the notes of Financial Statements.

AUDIT COMMITTEE

Pursuant to Commencement of CIRP, the power of the Board of the Directors stand suspended and are executed by the Resolution Professional in accordance with provision of the Code, accordingly the Audit Committee has not met after 28th May, 2018.

The Audit Committee Comprises of two Independent Directors namely Shri B L Khanna, Shri B L Khurana and Shri Rajiv Munjal, a Director & CEO as Members. Only Two

meetings were held during the financial year under review prior to commencement of CIRP i.e. 26th June, 2018. All the recommendations made by the Audit Committee have been accepted and implemented by the Board of Directors. More details on the committee are given in the Corporate Governance Report.

RELATED PARTY TRANSACTION

All transactions, as certified by the CFO of the Company, entered with Related Parties for the year under review, FY18 in the audit committee meetings until 6th April, 2018 were on Arm's Length basis & in the ordinary course of the business and are in the compliance with applicable provisions of the Companies Act, 2013 & Rules made thereunder & the SEBI (LODR) Regulations.

Further in terms of the provisions of the Code, all the related party payments post ICD i.e. 26th June, 2018 till 31st March, 2019 were ratified by the CoC.

Accordingly, since the disclosure in FORM AOC-2 is required to be made only of the Related Party Transaction that were not at Arm's Length Basis or the material related party transaction that were at arm's length basis and in accordance with Section 188 of the Companies Act, 2013, the disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is required.

Further the details of the transaction with related are provided in the Company Financial statement in accordance with Accounting standard.

All Related Party Transactions prior to the Commencement of CIRP were authorized by the Audit Committee/ Board of Directors, as applicable for approval.

The policy on related party transaction as approved by Board of Director of the Company has been uploaded on the website of the Company viz. www.uttamvalue.com. None of the Directors has any pecuniary relationship or transaction vis-à-vis the Company except remuneration and sitting fees.

The form AOC-2 regarding the particulars of material related party transaction with Uttam Galva Metallics Ltd. referred in section 188(I) of the Companies Act, 2013, is annexed herewith as "Annexure V".

CORPORATE GOVERNANCE

In the interest of all the stakeholders and as matter of good corporate governance, your Company is committed to the timely compliance with all the applicable Regulations of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

However, a company undergoing insolvency resolution process is exempted from the requirement of, amongst others, composition of board of directors, constitution, meetings

and terms of reference of the audit committee, constitution, meetings and terms of reference of the nomination and remuneration committee, constitution, meetings and terms of reference of the stakeholders' relationship committee as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR Regulations"). Further, the role and responsibilities of the Board of Directors as specified under Regulation 17 of the SEBI LODR Regulations is required to be fulfilled by the IRP or RP, as the case maybe.

In terms of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, a detailed report on Corporate Governance along with a certificate from the Auditors confirming compliance is annexed hereto and forms part of the Directors' Report as "Annexure III".

STATUTORY AUDITOR AND THEIR REPORT

M/s. VSS & Associates, Chartered Accountant, Statutory Auditor of the Company, will hold office till the conclusion of 52nd Annual General Meeting, subject to ratification at Annual General Meeting as per the Section 139 of the Companies Act, 2013.

M/s. VSS & Associates, Chartered Accountant, as the Statutory Auditor of the Company has furnished a certificate of their eligibility and consent under Section 141 of the Companies Act, 2013 read with the rules made thereunder. In terms of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Auditor's have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI. Accordingly, the Board based on the recommendation of the Audit Committee, recommends the ratification of appointment of M/s. VSS & Associates, Chartered Accountant, as Statutory Auditor of the Company for the term of one year for the approval of members.

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

COST AUDITORS AND COST AUDIT REPORT

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records of the Company.

The RP, as per the requirement of the Companies Act, 2013, has appointed M/s. Manisha & Associates, Cost Accountants as Cost Auditor to audit the cost accounts of the Company for the financial year 2019-20 at a remuneration of ₹ 60,000/- per annum and reimbursement of out of pocket expenses if any. As required under the Companies Act, 2013 a Resolution seeking members approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the Annual General Meeting.



The cost audit report for the financial year 2018-19 was filed with the Ministry of Corporate Affairs.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of the Section 204 of the Companies Act, 2013 read with the rules made there under, the Company has re-appointed M/s. JNG & Co., a firm of Practising Company Secretaries (CP No. 8108), to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure VI" and forms an integral part of this report. The said report does not contain any qualification, reservation or adverse remarks. However, the observations mentioned in the Secretarial Audit Report are statement of facts which have been suitably addressed in the Directors Report and the Annexures thereto.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with rules 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this reports. In terms of section 136 of the Companies Act, 2013, the said information is available for inspection at the registered office of the Company before 21 days of the ensuing Annual General Meeting during business hours on working days.

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

Your Company recognizes the value of transparency and accountability in its administrative and management practices. The Company promotes the ethical behavior in all its business activities. The Company has adopted the Whistle blower Policy and Vigil Mechanism in view to provide a mechanism for the directors and employees of the Company to approach Audit Committee of the Company to report existing/ probable violations of laws, rules, regulations or unethical conduct.

The Whistle Blower Policy has been posted on the website of the Company.

EXTRACT OF ANNUAL RETURN

Subsequent to the enforcement of the relevant provision of the Companies Amendment Act, 2017 The Annual Return in Form MGT-7 Shall be available on the website of the Company. (www.uttamvalue.com) and also available on below mentioned link (http://www.uttamvalue.com/Annual_Return/Draft%20Annual%20Return%20for%20Financial%20%20Year%20ended%2031st%20March,%202019%20MGT-7-UVSL-1.pdf)

RISK MANAGEMENT

As required by Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Company has framed the Risk Management Policy. The Risk Management Policy defines the Risk Management Approach of the Company which includes periodic review of such risks and also documentation, mitigating controls and reports mechanism of such risks.

The Main objective of this policy is to ensure sustainable business growth with stability and to promote proactive approach and reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy established a structure and disciplined

approach to risk management in order to guide decision on risk related issues.

Under the current challenging and competitive environment, the strategy for mitigating inherent risk in accomplishing the growth plan of the Company are imperative. The Common risk inter-alia are regulatory risk, competition, financial risk, technology obsolescence, human resources risk, political risks, investments, retention of talents, expansion of facilities and product price risk.

Pursuant to the Commencement of CIR Process, the powers of the Board of Directors stands suspended and are exercised by the Resolution Professional, in accordance with the provisions of IBC Code, Accordingly the Audit Committee has not met after 28th May, 2018.

CORPORATE SOCIAL RESPONSIBILITY:

Since the provisions of Section 135 of Companies Act, 2013 and Rules made there under regarding Corporate Social Responsibility are not attracted to the Company hence the detailed report on CSR activities is not annexed to this Report. , yet the Company has formed the Corporate Social Responsibility (CSR) Committee comprises of Shri Rajiv Munjal- Chairman of the committee, Shri Rajinder Miglani & Shri B L Khanna as a member as per the requirement of Companies Act, 2013,

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 employees. Company controls the pollutions by recycling and reusing the scrap with safety, health and environment protection high on its corporate agenda.

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.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURT

In accordance with the applicable provisions of the IBC, the CIRP of the Company was initiated by SBI, one of the Financial Creditors of the Company. SBI's petition to initiate the CIRP was admitted by the NCLT on 26th June, 2018. Mr. Rajiv Chakraborty was appointed as the IRP to manage the affairs of the Company. Subsequently, Mr. Chakraborty was confirmed as the RP by the CoC. On appointment of the IRP/ RP, the powers of the Board of Directors of the Company were suspended. The RP invited expressions of interest and submission of a resolution plan in accordance with the provisions of the Code. Of the various resolution plans

Uttam Value Steels Limited

submitted, the CoC approved the resolution plan submitted by consortium of Carval and Nithia Capital ("CNC"). The RP submitted the CoC approved resolution plan to the NCLT on 7th May, 2019 for its approval.

STATUTORY COMPLIANCE:

The Company has complied with the various provisions of the Companies Act, 2013, the SEBI, (Listing Obligations & Disclosure Requirements) Regulations 2015. Certificates are obtained from units of the Company and the RP is informed of the same at every RP Convened Meeting.

MATERIAL EVENTS

The RP Convened Meeting for the First quarter was held on 31st July, 2019 where the quarterly results for quarter ended 30th June, 2019 was approved. The Total turnover for first quarter was ₹ 490.36 Crores, the loss was reported to ₹32.16 Crore. The RP Convened Meeting for the second quarter was held on 13th November, 2019 where the results were approved. The Total turnover for the quarter ended 30th September, 2019 was ₹ 424.66 Crores and the loss was reported to ₹ 58.64 Crores and ₹ 111.55 Crores after exceptional items.

INVESTOR SERVICES

The Company and its Registrars and Share Transfer Agent, namely 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 Stakeholders Relationship and Grievance Committee comprising of 3 senior Directors Shri Rajinder Miglani, Shri B L Khanna and Ms. Jagath Chandra as a member to redress the Investor Grievances.

GENERAL DISCLOSURES

- i) The information required under section 197 (12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of Directors Report for the year ending 31st March, 2018 is prepared separately forming part of this Report.

Having regard to the provisions of the first proviso to section 136 (1) of the Act and as provided in the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any members interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The full Annual Report including the aforesaid information is being sent electronically to all those members who have registered their email addresses and is available on the Company's website.

- ii) Your Directors states that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review :

- a) Details relating to deposits covered under Chapter V of the Act.
- b) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- d) Neither the Managing Director nor the Whole Time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

GREEN INITIATIVES

Electronic Copies of the Annual Report and notice of the Annual General Meeting are sent to all members whose email address is registered with the Company depository participant(s). For members who have not registered their email addresses, physical copies of the Annual Report and the Notice of the Annual General Meeting under section 101 of the Companies Act 2013 are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

Your Company provides e-voting facility to all its members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to the Section 108 of the Companies Act 2013 and rule 20 of the Companies (Management and Administration) Amendment Rules 2015.

SECRETARIAL STANDARDS

The Company has in place proper system to ensure the compliance with the provisions of applicable Secretarial Standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

ACKNOWLEDGEMENT:

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

Sd/-
Taken on record
Rajiv Chakraborty
Resolution Professional (RP)
IP Reg No.: IBBI/IPA-001/IP-P00602/2017-18/11053

Sd/-
Rajiv Munjal
Director & CEO

Date : 22nd November, 2019
Place: Mumbai



ANNEXURE -I

The information on conservation of energy, technology absorption stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014.

(A) CONSERVATION OF ENERGY

FORM - A

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

A.	Power & Fuel Consumption	UNIT	2018-2019	2017-2018
1	Electricity			
	a) Purchased			
	Units	Kwh	307026412	330550597
	Total Amount	₹	2,25,29,31,211	2,32,54,88,811
	Rate/Unit	₹/kwh	7.34	7.04
	a) Own Generation			
	i) Through Diesel Generator			
	Units	Kwh	8502	6432
	Units per ltr. of Diesel Oil	Kwh/ltr	1.78	1.34
	Cost/Unit	₹/kwh	38.33	44.50
2	Fuel Oil			
	a) LDO			
	Quantity	Kl	1034	792
	Total Amount	₹	4,63,78,463	2,98,53,693
	Average Rate	₹/Kl	44859	37710
	b) Coke Oven Gas			
	Quantity	SM3	75748733	76660214
	Total Amount	₹	24,99,70,819	25,29,78,706
	Average Rate	₹/ SM3	3.30	3.30
B.	Consumption per unit of production	UNIT	2018-2019	2017-2018
1	HR PRODUCTS			
	- Electricity	kwh/mt	378	369
	- LDO	ltr/mt	1.83	1.47
	- Coke oven Gas	SM3/mt	145	130
2	GP/GC PRODUCTS			
	- Electricity	kwh/mt	589	599
	- LDO	ltr/mt	0.71	0.04
	- Coke over Gas	SM3/mt	18	19
3	CR PRODUCTS			
	- Electricity	kwh/mt	529	533
	- LDO	ltr/mt	0.70	0.04
	- Coke oven Gas	SM3/mt	18	19

Uttam Value Steels Limited

(B) RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

Research & Development (R & D)

- 1) Development of new grade UVSMCG13T- SAE1541 for making a tube for automobile application.
- 2) Achieved free boron above 75% in UVSAGRI01T- 28MnB5 grade to get mechanical properties in agricultural application.
- 3) Development of new grade UVSMCG03A- SMnC443 for oil extraction component application.
- 4) Development of new grade UVSAGRIB26- B26 for agricultural application.

Expenditure on R & D

Expenses on R & D ₹ 5.95 lacs.

- 1) NIST High & Low energy sharp test specimen.
- 2) Roughness Tester Portable.
- 3) Computer SBC 800 Single Board - HRM/CRM Spectro Lab.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

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

(₹ in Crores)

		2018-2019	2017-2018
(1)	Foreign Exchange Earnings a. FOB Value of Exports	-	1.48
(2)	Foreign Exchange Outgo a. CIF Value of Imports - Raw Materials , Components, Spare Parts & Production consumables - Capital goods b. Other Expenditure	37.11 - -	27.17 - 0.02

ANNEXURE II

SALIENT FEATURE OF CSR POLICY

1. Commitment for improving the quality of life of the society at large.
2. Strives to contribute to the environment to its fullest to avoid irreversible changes in ecosystem
3. To contribute to the Global Effort with equities such as planting of Tree sapling and promoting environmental protection awareness amongst our employees.
4. To Control the pollution by recycling and reusing the scrap with safety, health and environment protection.
5. Promoting health care including preventive health care.
6. Promotion of Education by providing quality education near plant.



ANNEXURE IV REPORT ON CORPORATE GOVERNANCE

In accordance with Regulation 34(3), 53(f) and Scheduled V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 134(3) of the Companies Act, 2013, set out below is the report to be submitted to the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") containing the details of corporate governance systems and processes followed at Uttam Value Steels Limited.

This is to apprise the members that pursuant to an application made by the State Bank of India, the Hon'ble National Company Law Tribunal, Mumbai bench ("Adjudicating Authority"), vide order dated 26th June, 2018, had ordered the commencement of the corporate insolvency resolution process ("CIRP") in respect of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 ("Code"). Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and Shri Rajiv Chakraborty (IBBI/IPA-001/IP-P00602/2017-2018/11053) was appointed as interim resolution professional ("IRP") of the Company who was later confirmed as Resolution Professional of the Company on 2nd August, 2018 for the management of the affairs of the Company ("RP"/ "Resolution Professional").

The CoC approved the resolution plan submitted by the consortium of Carval and Nithia Capital ("CNC"). The RP submitted the CoC approved resolution plan to the NCLT on 7th May, 2019 for approval.

Since the CIRP of the Company is underway and the Company is exempted from the requirement to comply with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR Regulations"), including the need to comply with the requirements as to the constitution of the Board of Directors, constitution, meetings, and terms of reference to the audit committee, the nomination and remuneration committee, the stakeholders' relationship committee. Further, the role and responsibilities of the Board of Directors as specified under Regulation 17 of the SEBI LODR Regulations is required to be fulfilled by the Resolution Professional, as the case may be¹.

Members may kindly note that the RP was not in office for the first quarter of the period to which this report pertains i.e. from 1st April, 2018 to 25th June, 2018.

1) BOARD OF DIRECTORS:

Pursuant to the suspension of the powers of the Board w.e.f. from 26th June, 2018, only one Board Meeting was held during the Financial Year on 6th April, 2018².

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

As on 31st March, 2019 the Company's suspended Board comprises of 5 directors, i.e. three non- executive independent directors, one non- executive director and one executive director. Accordingly, the composition of the Board is in conformity with Regulations 17(1) of the SEBI LODR Regulations. The details of the Directors are as follows: -

Notes

Sr No.	Name of Directors	Category of Directors	Attendance at Board Meetings	Attendance at Last AGM	*No. of Other Directorship	Chairperson of the Board	**Board Committee in which Director is a Member	Board Committee in which Director is a Chairperson	No. of shares held by Directors
1.	Shri B L Khanna	Independent Director and Chairman	2	Yes	4	1	1	1	Nil
2.	Shri Rajinder Miglani	Non- Executive Director	1	No.	7	2	0	1	Nil
3.	Shri Rajiv Munjal	Director & CEO	4	Yes	3	-	1	-	Nil
4.	Ms. Jagath Chandra	Independent & Women Director	2	No	4	-	4	1	Nil
5.	Shri Arvind Kumar Gupta	Non- Executive Director	1	No	4	-	-	-	Nil

¹In terms of SEBI LODR Regulations, a Company undergoing CIRP is not required to comply with Regulations 17 of the SEBI (LODR) Regulations.

²Pursuant to the commencement of the CIRP of the Company the powers of the Board stand suspended and to be exercised by Resolution Professional in accordance with the provisions of the Code.

Note:

1. The directorship includes private limited companies and excludes Section 8 companies as per the Companies Act, 2013.
2. Board Committees include Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of the SEBI LODR Regulations.
3. During the year under review Shri B.L. Khurana, non-executive independent director has expired on 22nd January, 2019. No director has been appointed in his place yet.
4. Further, Shri Arvind Kumar Gupta, independent director, resignation letter dated on 14th October, 2019 citing the other commitments, stepped down as a Director of the Company which is noted by Resolution Professional in their meeting held on 13th November 2019.
5. Shri B.L. Khanna's tenure as Independent Directors expired on 31st March 2019. Therefore, it is proposed to re-appoint him as independent director for further a period of five years commencing from 1st April, 2019 to 31st March, 2024.
6. The requirement of appointing director under the Companies Act, 2013 and the rules framed thereunder is not applicable on account of suspension of the powers of the Board of the Company.
7. Further, in terms of the SEBI LODR Regulations, a company undergoing CIR process is not required to comply with Regulation 17(1)(a) of the SEBI LODR Regulations dealing with the requirement of appointing a women director on the board of a listed company.

II. Meetings

A) The Board of Directors During the Financial Year 2018 - 2019 had One Meeting which are as follows:

- 1) 06th April, 2018.

B) Pursuant to the order of NCLT, Mumbai Bench, RP convened meetings held which are as follows:

- 1) 14th August, 2018
- 2) 13th November, 2018
- 3) 14th February, 2018

III. Disclosure of relationships between Directors:

None of the Directors are related to each other.

As required under Schedule IV of the Companies Act, 2013 and regulation 25(3) and (4) (a) (b) (c) of the SEBI (Listing Obligations and disclosure Requirement) Regulations, 2015 a separate Meeting of Independent Directors was not held during the Financial Year 2018 – 2019.

The Company had kept all Board members well informed about various provisions of new amendments in Companies Act, 2013 SEBI (LODR), 2015 along with all necessary amendments and all other acts applicable to the Company more particularly the duties and responsibilities of the Independent Directors and Board as a whole.

IV. Disclosure for Independent Directors:

During the year under review, a separate Meeting of Independent Directors was not held. Since the Company is under the Corporate Insolvency Resolution process vide the order issued by NCLT, Mumbai dated 26th June, 2018 and accordingly, the powers of the Board of Directors are vested in the insolvency professional appointed as an interim resolution professional vide the aforesaid order and confirmed as the resolution professional by the committee of creditors on 2nd August, 2018. Given the aforesaid context, and in compliance with the circular dated 3rd January, 2018 with reference number IP/002/2018 issued by the Insolvency and Bankruptcy Board of India and Regulation 15 (2B) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the role and responsibilities of the committees, though not constituted, have been fulfilled by the Resolution Professional.

Pursuant to the provisions of the Regulation 25(7) of the SEBI (Listing Obligations and disclosure Requirement) Regulations, 2015 the web link of the details of Familiarization Programme for Independent Directors is disclosed here below:

<http://uttamvalue.com/company/Familiarization%20programme%20for%20independent%20directors.pdf>

2. AUDIT COMMITTEE:

I. Brief Description of Terms of Reference:-

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with Section 177 of the Companies Act, 2013.



The terms of reference and powers of the Audit Committee are as mentioned in Scheduled II Part C and Regulations 18(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 entered into with the Stock Exchanges and read with Section 177 of the Companies Act, 2013 and rules made thereunder 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:-

The Composition of the Committee is as follows:

1. Shri B L Khanna
2. Shri Rajiv Munjal
3. Shri B L Khurana*

Two 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 & CEO, Chief Financial Officer (under the Companies Act, 2013), 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 139 and 148 of the Companies Act, 2013 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, Associate Vice President & Company Secretary acts as the Secretary of the Audit Committee.

* Shri B. L. Khurana passed away on 22nd January, 2019. The Company is under the corporate insolvency resolution process vide the order issued by NCLT, Mumbai bench dated 26th June, 2018 and accordingly, the powers of the Board of Directors are vested in the insolvency professional appointed as an interim resolution professional vide the aforesaid order and confirmed as the resolution professional by the committee of creditors on 2nd August, 2018. Given the aforesaid context, the Audit and Remuneration Committees of the Company have not been reconstituted.

III. Meetings and attendance during the year: -

The Audit Committee during the Financial Year 2018- 2019 had the following meetings:-

- 1) 06.04.2018
- 2) 28.05.2018

IV. During the period 01.04.2018 to 31.03.2019, the Audit Committee met Two times and the attendance of the Audit Committee members at the said meetings are detailed below:

Sr. No.	Name of Directors	Category	Attendance of the Audit Committee Meeting held on	
			06.04.2018	28.05.2018
1	Shri B L Khanna	Independent Director (Chairman)	✓	✓
2	Shri Rajiv Munjal	Director & CEO (Member)	✓	✓
3	Shri B L Khurana	Independent Director (Member)	✓	✓

Pursuant to commencement of the CIR process, the powers of the Board of Directors stand suspended and are exercised by the resolution professional, as the case may be, in accordance with the provisions of the Code. The requirement of minimum number of members in the audit committee in accordance with the Companies Act, 2013 and the rules framed thereunder is not maintainable on account of suspension of the powers of the Board. In terms of the SEBI LODR Regulations, a company undergoing CIR process is not required to comply with Regulation 18(1) (a) of the SEBI LODR Regulations dealing with the minimum number of the members in the audit committee of a listed company.

3. SUBSIDIARY COMPANIES:

The Company does not have any Subsidiary Company

4. NOMINATION & REMUNERATION COMMITTEE:

Pursuant to the Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 and Schedule V and Section 178 to the Companies Act, 2013, 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 or CEO.

I. Composition:-

Pursuant to commencement of the CIR process, the powers of the Board of Directors stand suspended and are exercised by the Resolution Professional, as the case may be, in accordance with the provisions of the Code. The requirement of minimum number of members in the Nomination and Remuneration Committee in accordance with the Companies Act, 2013 and the rules framed thereunder is not maintainable on account of suspension of the powers of the Board. In terms of the SEBI LODR Regulations, a company undergoing CIR process is not required to comply with Regulation 19(1)(a) of the SEBI LODR Regulations dealing with the minimum number of the members in the Nomination and Remuneration Committee of a listed Company.

No meeting was held during the Financial Year 31st March,2019.

Nomination and Remuneration Committee Meeting, which comprised of Three Non Executive Independent Directors namely *Shri B L Khurana , Shri B L Khanna and Ms. Jagath Chandra.

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

II. Meeting & Attendance during the Year:

During the period 01.04.2018 to 31.03.2019, the Nomination and Remuneration Committee was not met.

III. Performance evaluation criteria for Independent Directors:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 read with the Part D of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Nomination and Remuneration Committee (NRC) has laid down the criteria for performance evaluation of the Independent Directors which are as follows:

1. Attendance at Board Meetings and General Meetings
2. Participation in Board Meetings
3. Independence and candidness shown in Board Meetings.
4. Objectivity and constructiveness in expressing views.
5. Interaction with Executive Directors and Senior Management both during and outside Board Meetings.
6. Awareness of legal provisions regarding duties, responsibilities and obligations relating to the Company and shareholders.
7. Awareness about provisions relating to Corporate Governance, Risk Management, disclosure and legal Compliances.
8. Skills, experience and knowledge in their respective Field.
9. Any other observation Directors wish to make in this regard.

4. REMUNERATION POLICY:

The Board has framed the Nomination and Remuneration Committee policy which ensure effective compliance of Section 178 of the Companies Act, 2013 and Regulations 19 and 20 and Scheduled II and Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Board has clearly defined terms of reference for the Nomination and Remuneration Committee, which are as follows:-

In terms of SEBI LODR (Third Amendments) Regulations, 2018 a Company undergoing CIR process is not required to comply with the requirement of conducting Evaluation of Independent Directors therefore subsequently to commencement of CIR process the evaluation of Independent Directors of the Company was not required to be carried under the provisions of the Regulations 17(10) of SEBI (LODR) further in accordance with rule 8(4) of the Company Account rules, 2014 the Board of the Directors of the Company are required to evaluate own performance & of its Committee & individual directors however pursuant to commencement of CIR process the power of Board of Directors stand suspended and are exercised by Resolution Professional in accordance with the Provisions of the Code.



Further in terms of SEBI (LODR) Regulations a Company undergoing (CIR) Process is not required to Comply with Regulations 19 of SEBI (LODR) Regulations dealing with Requirements of Constitutions, Meetings & terms of the reference Nominations & Remunerations Committee.

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing / Whole-time Director(s) and Senior Management (one level below the Board);
- To help in determining the appropriate size, diversity and composition of the Board
- To recommend to the Board appointment / re-appointment and removal of Directors;
- To frame criteria for determining qualifications, positive attributes and independence of Directors;
- To recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors, the restrictions contained in the Companies Act, 2013 is to be considered);
- To create an evaluation framework for Independent Directors and the Board;
- To provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- To assist in developing a succession plan for the Board;
- To assist the Board in fulfilling responsibilities entrusted from time-to-time;
- Delegation of any of its power to any Member of the Committee or the Compliance Officer.

A. Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non – Executive Directors are paid sitting fees for each meeting of the Board or Committee of Directors attended by them. The total amount of sitting fees paid during the Financial Year 2018-19 was ₹ 1,10,000/-. The Non – Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company.

B. Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairman and Managing Director and Whole-Time Director is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholders of the Company. Payment of remuneration to Executive Directors is governed by the provisions of the Companies Act, 2013 and Rules made there under. The remuneration package of Whole-Time Director, CEO & Director comprises of salary, perquisites, allowances and contributions to Provident funds and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Increments are recommended by Remuneration and Nomination Committee to the Board for their approval.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

Presently, the Company does not have a scheme for grant of stock options or performance linked incentives for its Directors.

C. Details of Remuneration to all the Directors

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 relationships 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 B L Khanna	40000	Nil
2.	Shri B L Khurana	40000	Nil
3.	Ms. Jagath Chandra	20000	Nil
4.	Mr. Arvind Kumar Gupta	10000	Nil
TOTAL		110000	Nil

Uttam Value Steels Limited

b) Executive Directors:

Sr. No.	Name of Directors	Position	All elements of remuneration i.e salary, benefits, allowances, bonus, contributions and perquisites (₹ in Lakhs)
1.	Shri Rajiv Munjal	Director & CEO	37.72

D. Disclosures regarding Directors appointment & re-appointment:

a) Appointment and Resignation of Directors:

During the year Shri Rajeev Kumar - Nominee Director (IDBI Bank Limited) has ceased w.e.f 17th September, 2018, Mr. Arvind Gupta has been appointed as an Independent Non-Executive Director at the meeting of Board held on 6th April, 2018 and resignation letter dated on 14th October, 2019 citing the other commitments, stepped down as a Director of the Company and the same has been noted by the Resolution Professional in their meeting held on 13th November, 2019 and Mr. B. L. Khurana, Independent Non-Executive Director of the Company passed away on 22nd January, 2019.

b) Re-appointment of Directors:

Mr. Rajinder Miglani retire by rotation and being eligible have offered himself for re-appointment. Mr. Brij Lal Khanna has been re-appointed as an Independent Non-Executive Director w.e.f. 1st April, 2019 for the period of five years from 1st April, 2019 to 31st March, 2024.

The Brief profiles of the Directors entitled for appointments/re-appointment are given herein below:-

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 8 Companies of Companies Act, 2013)	Equity Shares held in the Company.
Shri Rajinder Miglani	He is an Industrialist. He is a graduate and having more than 50 years of experience in the Steel Industry.	Industrialist	1. Uttam Galva Steels Limited 2. Uttam Galva Metallics Limited 3. Uttam Galva Ferrous Limited 4. Vibrant Realty & Infrastructure Limited 5. Thespian Lovers International Film Private Limited 6. Paritosa Properties Private Limited 7. M. Visvesvaraya Industrial Research and Development Centre	Nil
Mr. Brij Lal Khanna	He is practicing C.A. with a experience of more than 48 years in the field of Accounting, Auditing and Taxation. He was also a Director on the panel of Board of Industrial and Financial Reconstruction.	Accounts, Audit & Tax	1. Bansal Properties Private Limited 2. Rainbow Denim Limited 3. Rama Petrochemicals Limited 4. Rama Industries Limited	Nil

6. MANAGEMENT DISCUSSION AND ANALYSIS:

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



7. STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

In terms of section 178 of the Companies Act, 2013 and as per the provisions of the Regulation 20 of the SEBI LODR Regulations, the Company has duly constituted Stakeholders' Relationship Committee. Shri Rajinder Miglani, non-executive director is the Chairman of the Stakeholders' Relationship Committee. The meeting of the Stakeholders' Relationship Committee is generally held on weekly basis. This Committee is responsible for:

- the satisfactory redressal of investors' complaints which generally include complaints related to transfer of shares, non-receipt of balance sheet, and non-receipt of declared dividends;
- Recommendation of measures for overall improvement in the quality of investors services.

Pursuant to commencement of the CIR process, the powers of the Board of Directors stand suspended and are exercised by the interim resolution professional or the resolution professional, as the case may be, in accordance with the provisions of the Code. Therefore, no meeting was held during the financial year ending 31st March, 2018. Further, in terms of SEBI LODR Regulations, a company undergoing CIR process is not required to comply with Regulation 20 of the SEBI LODR Regulations dealing with the requirements of constitution, meetings and terms of reference of the stakeholders' relationship committee.

This Committee consists of the following Directors as its members:-

- Shri Rajinder Miglani
- Shri B L Khanna
- Ms. Jagath Chandra

II. Name and Designation of Compliance Officer:

Shri Ram Gaud, Associate Vice President & Company Secretary is the Compliance Officer of the Company.

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

During the Financial Year 2018-2019, the Company has received 29 complaints.

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

Nil

V. Number of pending Complaints:

Nil

8. EQUITY SHARES IN THE SUSPENSE ACCOUNT:

In terms of Schedule V (F) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 the Company reports that there are no Equity Shares lying in the Demat Suspense Account.

9. 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
2015-2016	46 th AGM held on Wednesday the 24 th August, 2016 at 11.00 a.m.	M. C. Ghia Hall, 18/20, K. Dubhash Marg, Mumbai - 400 001.
2016-2017	47 th AGM held on Friday the 4 th August, 2017 at 11.00 a.m.	M. C. Ghia Hall, 18/20, K. Dubhash Marg, Mumbai - 400 001.
2017-2018	48 th AGM held on Friday the 20 th July, 2018 at 11.00 a.m.	M. C. Ghia Hall, 18/20, K. Dubhash Marg, Mumbai - 400 001.

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

Date of AGM	Details of Special Resolution
24 th August, 2016	Re-appointment Shri Rajiv Munjal Whole Time Director for the Period of 3 Years.
4 th August, 2017	NIL
20 th July, 2018	NIL

- III. **Special Resolution passed last year through Postal Ballot: - NO**
- IV. **Special Resolution proposed to be conducted through Postal Ballot: - N.A.**
- V. **Procedure for Postal Ballot: -N.A**
- VI. **Special Resolution and Ordinary Resolution through Postal Ballot : N.A**

10. DISCLOSURES

I. Disclosure on Materially Significant Related Party Transactions

There was one material related party transactions during the year: 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 risks involved in the business.

The Company has formulated the Policy on Materiality of Related Party Transactions to decide the materiality for the related party transaction and to deal with related party transaction. The said Policy has been posted on the website of the Company. Web link is

http://uttamvalue.com/investors/pdf/policies/Policy_materiality_related_party_transaction.pdf

II. Disclosure on Compliance of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015

The Company has complied with all the requirements of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 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.

III. Whistle Blower Policy & Vigil Mechanism:

The Company recognizes the value of transparency and accountability in its administrative and management practices. The Company promotes the ethical behavior in all its business activities. The Whistle blower Policy has been laid down by the Company in view to provide a mechanism for the directors and employees of the Company to approach to the person authorized by the Audit Committee of the Company to report existing/probable violations of laws, rules, regulations or unethical conduct. Each and every employee has access to the Audit committee.

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

IV. Mandatory / Non- Mandatory Requirements:-

During the Financial Year ended 31st March, 2019, the Company has duly complied with all mandatory requirements of Regulations 27 of the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015. The Company will implement other non mandatory requirements as mentioned in Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 as and when needed.

11. MEANS OF COMMUNICATION

I. Quarterly Results:

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board/Resolution Professional ("RP") through the modes specified by the respective stock exchanges.

II. Newspapers wherein results normally published:

Un-audited and Audited Financial Results are published in Business Standard (English) having all India coverage and Mumbai Lakshadweep (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.



12. GENERAL SHAREHOLDERS' INFORMATION

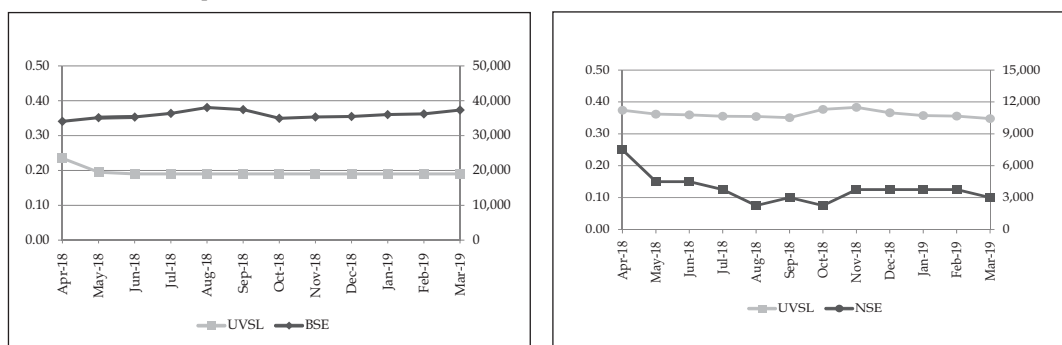
I	Annual General Meeting (Date, Time and Venue)	27 th December, 2019 at 11.00 a.m on Friday at M. C. Ghia Hall, 18/20, K. Dubhash Marg, Mumbai – 400 001	
ii	Financial Year	1 st April, 2018 to 31 st March, 2019	
iii	Date of Book Closure	From 21 st December, 2019 to 27 th December, 2019 (both days inclusive)	
iv	Dividend Payment Date	Not Applicable	
v	Listing on Stock Exchanges and Stock Code	BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code: 500254	National Stock Exchange of India Ltd (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051. Scrip Code: UVSL
vi	Payment of Annual Listing Fee to Stock Exchange	The Company has paid the listing fees of both the Stock Exchanges within the prescribed time.	
vii	Registrar and Share Transfer Agent	M/s. BIGSHARE SERVICES PRIVATE LIMITED (Unit: Uttam Value Steels Limited) 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400059.	
viii	Share Transfer System	Request sent for share transfer in physical form are registered and the Certificates have been duly issued 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.	
ix	Dematerialization of Shares and Liquidity	Nearly 98.96% of total Equity Share Capital is held in dematerialized form with National Securities Depository Limited/ Central Depository Services (India) Limited.	
x	Reminder to the Shareholders	Pursuant to the SEBI Circular No. SEBI/ HO/MIRSD/DOP1/ CIR/P/2018/73 dated 20th April, 2018 and SEBI/HO/MIRSD/ DOS3/CIRP/P/2018/115 dated 16 th July, 2018, The Company have send Three reminders to the Shareholders of the Company vide dated 11 th September 2018, 19 th December, 2018 & 28 th February, 2019.	
xi	Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity	Nil	
xii	Plant Locations	Uttam Nagar, Bhugaon Link Road, Wardha, Maharashtra, India	
xii	Address for correspondence	Registered office : Uttam House, 69, P. D'Mello Road, Mumbai-400009. Email : investor@uttamvalue.com Website : www.uttamvalue.com	

Uttam Value Steels Limited

xiii. Market Price Data: High, Low of each month during the financial year 2018- 2019

Month	Quotation at Bombay Stock Exchange		Quotation at National Stock Exchange	
	High	Low	High	Low
April 2018	0.28	0.19	0.35	0.15
May 2018	0.20	0.19	0.20	0.10
June 2018	0.19	0.19	0.20	0.10
July 2018	0.19	0.19	0.20	0.05
August 2018	0.19	0.19	0.10	0.05
September 2018	0.19	0.19	0.15	0.05
October 2018	0.19	0.19	0.10	0.05
November 2018	0.19	0.19	0.20	0.05
December 2018	0.19	0.19	0.15	0.10
January 2019	0.19	0.19	0.15	0.10
February 2019	0.19	0.19	0.15	0.10
March 2019	0.19	0.19	0.15	0.05

xiv. Performance in comparison to BSE Sensex NSE NIFTY



xv. Distribution of Shareholding :

The Shareholding distribution of equity shares as on 31st March, 2019 is given here below:

Sr. No.	Nominal Value of Shares (Rupees)	No. of Shareholders	Share Amount	Percentage of Shareholding
1	1-5000	146806	190623971	2.8847
2	5001-10000	8068	67164883	1.0164
3	10001-20000	4500	69749777	1.0555
4	20001-30000	2315	59751952	0.9042
5	30001-40000	975	35437495	0.5363
6	40001-50000	1445	70031264	1.0598
7	50001-100000	2282	185284503	2.8039
8	100001-ABOVE	2719	5930032490	89.7392
	TOTAL	169110	6608076335	100.00



xvi. Commodity price risk or Foreign Exchange Risk and Hedging activities :

NIL

xvii. Code of Conduct:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company which is posted on the website of the Company

All Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis. A declaration to this effect signed by the Managing Director forms part of this Report.

xviii. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of Complaints filed during the financial year 2018-19	NIL
Number of complaints dissolved during the financial year	NIL
Number of pending as on end of the during the financial year	NIL

xix. A Certificate from a Company Secretary in practice has been received stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority.

xx Consolidated payment to Statutory Auditors:

During the year 2018-19, ₹ 7,56,000/- was paid on consolidated basis to Statutory Auditors of the Company and all entities in the network firm/ network entity of which the Statutory Auditor is a part, towards services rendered by them.

xxi. Auditors' Certificate on Corporate Governance:

The Auditors' Certificate on Compliance of Regulation 34(3) and 53(f) and Scheduled V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 relating to Corporate Governance is published as an Annexure to this Report.

xxii. CEO & CFO Certification:

As required by Regulations 34(3) and 53(f) and Scheduled V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, The Director & CEO certification on the financial statements, Cash Flow Statements and internal control Systems for the financial reporting for the period ended 31st March, 2019.

xxiii. Mandatory / Non- Mandatory Requirements:-

During the Financial Year ended 31st March, 2019, the Company has duly complied with all mandatory requirements of Regulation 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Company will implement other non mandatory requirements as mentioned in Regulation 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, at the appropriate time.

DECLARATION

To,
The Members of
Uttam Value Steels Limited,
Mumbai

I, Rajiv Munjal, Director & CEO of Uttam Value Steels Limited, having its Registered Office at 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 Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, (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 Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Rajiv Munjal
Director & CEO

Place: Mumbai
Date: 22nd November, 2019

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, 2019, as stipulated in Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 of the said Company.

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 Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

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. VSS & Associates
Chartered Accountants
Firm Registration No. 105787W

Sanjay Jain
Partner
Membership No. 046565

Place: Mumbai
Date : 22nd November,2019



ANNEXURE – V
Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sr. No	
	Name of the Subsidiary
	Reporting period for the subsidiary concerned, if different from the holding company's reporting period
	Reporting currency
	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.
	Share capital
	Reserves & surplus
	Total assets
	Total Liabilities
	Investments
	Turnover
	Profit before taxation
	Provision for taxation
	Profit after taxation
	Proposed Dividend
	% of shareholding

NOT APPLICABLE

Part “B”: Associates and Joint Venture

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associate Company	Indrajit Power Private Limited
1.	Latest audited Balance Sheet Date	31/03/2019
2.	Shares of Associate held by the company on the year end:	
	Number	6344
	Amount of Investment in Associate	63440
	Extend of Holding %	26%
3	Description of how there is significant influence	Significant influence by way of control of 20% of total Share Capital
4.	Reason why the associate is not consolidated	In the light of the Companies (Accounts) Amendment Rules, 2014, the accounts of the said associate is not required to consolidate
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet (Amt in Lacs)	₹ 7949.37
6.	Profit / Loss for the year (Amt in lacs)	₹ (1092.07)
i.	Considered in Consolidation	Yes
ii.	Not Considered in Consolidation	Not Applicable

Notes:

- The Company do not have any associate or joint venture, which is yet to commence operations.
- The Company has not liquidated or sold any associate or joint venture, during the year under consideration.

Date : 22nd November, 2019
Place: Mumbai

Rajiv Munjal
Director & CEO

**ANNEXURE - VI
FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1 Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NIL (All contracts or arrangement or transaction with related parties at arm's length basis).
2.	Nature of contracts/arrangements/transaction	
3.	Duration of the contracts/arrangements/transaction	
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	
5.	Justification for entering into such contracts or arrangements or transactions'	
6.	Date of approval by the Board	
7.	Amount paid as advances, if any	
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Uttam Galva Metallics Ltd. (Enterprises over which KMP/ Relative have significant influence).
b)	Nature of contracts / arrangements / transaction	Purchase of Pig Iron in Molten Form, Purchase of Coke Oven gas, finance charges & Other Services, Purchase of Skull, Utility & Facility Services provided, Sale of Nitrogen Gas and Oxygen Gas, sale of HR/ GP Sheets & Job work & Others and other fabrication of equipments/ spares Purchase of Misc item.
c)	Duration of the contracts/arrangements/transaction	5 Years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Purchase of Pig Iron in Molten Form, Purchase of Coke Oven gas, finance charges & Other Services, Purchase of Skull, Utility & Facility Services provided, Sale of Nitrogen Gas and Oxygen Gas, sale of HR/ GP Sheets & Job work & Others and other fabrication of equipments/ spares Purchase of Misc item.
e)	Date of approval by the Board	4 th January, 2018
f)	Amount paid as advances, if any	NIL

Date : 22nd November, 2019
Place: Mumbai

Rajiv Munjal
Director & CEO



Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 2019

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

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

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, management representations provided by the Company, its officers, agents and authorized representatives, Insolvency Resolution Professional and based on the draft independent auditors report during the conduct of the Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as per **Annexure I** for the financial year ended on **March 31, 2019** according to the provisions of:

- i) The Companies Act, 2013 (Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- vi) Other sector specific laws as applicable to the Company
 1. Mines and Minerals (Development Regulation) Act, 1957 and other Acts/Rules as applicable to Mining activities;

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

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

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

I further report made by the Company and also on the review of the compliance that, based on the information provided and the representation reports of Company Secretary / Chief Executive Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes

Uttam Value Steels Limited

exist in the Company to monitor and ensure compliance with provisions of applicable general laws, labour laws and environmental laws.

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

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

I further report my observation as follows that:

1. The company has defaulted in repayment of Loan to bank and financial institution and pursuant to the order dated 26th June, 2018, Hon'ble National Company Law Tribunal (NCLT), Mumbai admitted the insolvency application (CP / IB / MH No. 1830 of 2018) to debt resolution process under the Insolvency and Bankruptcy Code, 2016 (IBC). As a consequence, Mr. Rajiv Chakraborty, were appointed in the Company as Interim Resolution Professionals (IRPs).
2. Mr. B.L. Khurana, who was also director in some other company, who has defaulted in filing of Annual Returns and Financial Statements. However for this matter the Management has obtained Legal Opinion from renowned Practicing Company Secretary, who has referred the rule of 'Harmonious Construction' for conflict of provisions between and section 164 (2) and 167 of the act. As per that opinion, Mr. Khurana can continue as Director of the Company, however he ceased to be director with effect from 22nd January, 2019 due to his death.
3. During the period under review only one Board meeting was conducted on 6th April, 2018 as The Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) has admitted the insolvency application (CP / IB / MH No. 1830 of 2018) to debt resolution process under the Insolvency and Bankruptcy Code, 2016 (IBC) and, therefore, the powers of Board of Directors of the Company stand suspended and the

said powers are being exercised by the RP. As a result thereof, Resolution Professional (RP) Convened three meeting during the period under review. It was observed that gap between two meeting was more than 120 days.

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

I further report that

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

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

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

I further report that

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

I further report that

During the audit period there were no specific events / actions having a major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards.

**For JNG & Co.,
Jigarkumar Gandhi**

**Place: Mumbai
Date: 22nd November, 2019**

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

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



ANNEXURE - I

List of documents verified

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

ANNEXURE II

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

Sir

Sub : Secretarial Audit Report for the Financial Year ended on 31st March, 2019

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

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

INDEPENDENT AUDITOR'S REPORT
To the members of M/S. Uttam Value Steels Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of M/S Uttam Value Steels Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the Profit/Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matters

We draw your attention on note 21 to the Standalone Ind AS financial statement where National Company Law Tribunal (NCLT), Mumbai bench, had admitted petition for initiating Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy code, 2016 vide its order dated 26th June, 2018 and appointed Mr. Rajiv Chakraborty as Interim Resolution Professional in terms of IBC and subsequently Mr. Rajiv Chakraborty was confirmed as Resolution Professional in the 1st Committee of Creditors meeting held on 30th July, 2018.

The Company believes that upon implementation of the approved resolution plan, the financial position of the Company shall improve and the financial statements for the year ended March 31, 2019 have been prepared on a going concern basis.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's Response
1	<p>Evaluation of Contingent Liabilities Claims against the company not acknowledged as debts is disclosed in standalone financial statements by the company after careful evaluation of the facts and legal aspects of the matters involved. The outcome of such litigation is uncertain and the position taken by management involves significant judgment and estimation to determine the likelihood and/or timing of cash outflows. (Refer Note 32 to the Standalone Financial Statements)</p>	<p>Our audit procedures include, among others, assessing the appropriateness of the management's judgment in estimating the value of claims against the company not acknowledged as debts as given in the Note 32.</p> <p>We have obtained details of completed tax assessments and demands/claims raised up to 31 March 2019 from management. The company also has material tax positions amounting to ₹ 5.30 crores which includes matter pending before CIT (A). We assessed the completeness of details of these claims through discussion with senior management personnel. We have also reviewed the outcome of the disputed cases at various forums. We have also assessed the appropriateness of presentation of the contingent liabilities in the standalone financial statements.</p>



		<p>Conclusion We agree with the management's evaluation and none of the items as reported under contingent liabilities require any provision to be created.</p>		
2	<p>Evaluation of Exceptional Items The company has recognized diminution in investments due to long term reduction in the net realizable value of investments. Further, the company has recognized provision created on advances to creditors and amounts receivable from debtors to the statement of profit and loss since after several attempts of recovery, the company considers that these amounts are no longer recoverable. (Refer note No. 1 (zc) of the standalone financial statements)</p>	<p>Our audit procedures include, among others, assessing the appropriateness of the management's judgment in estimating the amounts recognized in Profit and Loss. We have also assessed the appropriateness of presentation of these exceptional items in the standalone financial statements in accordance with requirements of Ind AS. Conclusion We agree with the management's evaluation.</p>		<p>a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. (Refer to Notes 1 (d) to the Standalone Financial Statements)</p>
3	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard) The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over</p>	<p>We assessed the entities process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: 1. Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</p>		<p>2. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. 3. Tested the relevant information technology systems' access and management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. 4. Selected a sample of continuing and new contracts and performed the following procedures: a) Read, analyzed and identified the distinct performance obligations in these contracts. b) Compared these performance obligations with that identified and recorded by the company c) Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trends of collections and disputes.</p>

		<p>d) In respect of samples relating to fixed-price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested the access and change management controls relating to these systems.</p> <p>e) Sample of revenues dis-aggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.</p> <p>f) Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</p> <p>g) We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>Conclusion Our audit procedures did not identify any material exceptions.</p>		<p>4 Reclassification of Preference Shares as Financial Liability</p> <p>Preference Shares were re-classified to Financial Liability from Equity as per Ind AS 32 (Financial Instruments: Presentation and Disclosure)</p> <p>(Refer to Notes 13 to the Standalone Financial Statements)</p>	<p>Considering the appropriateness of presentation of Preference Shares in the Standalone financial statements in accordance with requirements of Ind AS 32 (Financial Instruments: Presentation and Disclosure), they were reclassified as a financial liability.</p> <p>As per para 18(a) of Ind AS 32 "a preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability."</p> <p>Conclusion The treatment is in concurrence with applicable Ind AS and we agree with the management's reclassification.</p>
				<p>5 Redemption of Preference Shares</p> <p>As at 31 March 2019, the carrying amount of Preference Shares is 9.33 Crores . These preference shares are liable for redemption with a premium of 11.50 % in 6(six) annual instalments commencing from financial year 2016 on the pre-condition that shares shall not 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.</p>	<p>We have verified the terms and conditions present in the agreement with the preference shareholders.</p> <p>Conclusion: We agree with the observation.</p>



	Consequently due to inadequacy of profits no preference share have been redeemed and are yet outstanding and liable for redemption. Refer Note 13 to the accompanying standalone financial statements	
6	<p>Recoverability of Subsidy under IPS Subsidy (Mega Incentive) As at March 31, 2019, current assets includes Receivables under IPS Subsidy (Mega Incentive) relating to VAT and GST recoverable amounting to Rs 99.39 crores.</p> <p>(Refer Note 9& 25 of Standalone Financial Statements)</p>	<p>We have obtained applications made towards claim under IPS. We assessed the completeness of details of these claims through discussion with senior management personnel. We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability.</p> <p>Conclusion We agree with management's evaluation.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated. We conclude that there is no material misstatement of this other information and therefore, we have nothing to report in this regard.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole

are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Annexure - A to Independent Auditor's Report

The 'Annexure A' referred to in Independent Auditor's Report to the Members of the Company on the Financial Statements for the year ended 31st March 2019, we report that:

- | | |
|--|---|
| <p>(i) (a) According to the information and explanation given to us and based on the records produced before us, we are of the opinion that the Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.</p> <p>(b) According to the information and explanation given to us, fixed assets were physically verified by the management according to a designed plan 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.</p> <p>(c) According to the information and explanation given to us and based on the records produced before us, the title deeds of immovable properties are held in the name of the company.</p> <p>(ii) According to the information and explanation given to us Inventory has been physically verified by the management during the year. No material discrepancies were noticed that would have an impact over the Financial Statements.</p> <p>(iii) According to the information and explanation given to us, the Company has not granted any unsecured loans during the year. Hence this clause is not applicable to the Company.</p> <p>(iv) According to the information and explanation given to us, we are of the opinion that in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.</p> <p>(v) According to the information and explanation given to us, the company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the rules framed there under.</p> <p>(vi) According to the information and explanation given to us, the Company has maintained cost records as specified by the Central Government under sub-section (1) of section 148 of the Act</p> <p>(vii) (a) According to the books and records as produced and audited by us in accordance with generally accepted auditing practices in India and also Management representations, undisputed statutory dues in respect of Provident fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth tax, Service tax, Custom duty, Excise duty, Value Added Tax, Cess and other statutory dues, if any, applicable to it, has been regularly deposited with the appropriate authorities.</p> <p>(b) According to the information and explanation given to us and the record produced before us, the disputed amount payable in case of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax or cess are as per 'Annexure I' attached.</p> | <p>(viii) According to the information and explanation given to us and based on the records before us, the company has defaulted in repayment of dues to financial institutions and banks as per 'Annexure II' attached.</p> <p>(ix) According to the information and explanation given to us and the record produced before us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or by way of any term loan during the year.\</p> <p>(x) During the course of our examination of the books of account carried in accordance with the generally accepted auditing standards in India, we have neither come across any instance of fraud by the Company or on the company by its officers or employees, either noticed or reported during the year, nor have we been informed of such case by the Management.</p> <p>(xi) According to the information and explanation given to us and the record produced before us, managerial remuneration has been paid during the year as per the provisions of section 197 read with Schedule V to the Act.</p> <p>(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as specified in the Nidhi Rules, 2014. Hence the provision of this clause is not applicable to the company.</p> <p>(xiii) According to the information and explanation given to us and the record produced before us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Financial Statements, as required by the applicable Indian Accounting Standards.</p> <p>(xiv) According to the information and explanation given to us and the record produced before us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence the provision of this clause is not applicable to the company.</p> <p>(xv) As per the information and explanation given to us and the record produced before us, the company has not entered into any non-cash transactions with directors or persons connected to its directors. Hence provision of Section 192 of the Companies Act, 2013 are not applicable to the company.</p> <p>(xvi) The company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.</p> |
|--|---|

For VSS & Associates
Chartered Accountants
(ICAI Regn No. 105787W)

Sanjay Jain
Partner
(Membership No. 046565)

Place : Mumbai
Date : 08.05.2019

Annexure – B to the Independent Auditors’ Report

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

We have audited the internal financial controls over financial reporting of Uttam Value Steels Limited (“the Company”) as of 31st March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For VSS & Associates
Chartered Accountants
(ICAI Regn No. 105787W)

Sanjay Jain
Partner
(Membership No. 046565)

Place : Mumbai
Date : 08.05.2019



ANNEXURE I

Name of the Statute	Nature of Dues	Amount (₹ in lacs)	Forum where dispute is pending
The Central Excise Act, 1944	Central Excise	42.65	Assistant Commissioner
	Central Excise	65.86	Commissioner
	Central Excise	5.42	High Court
	Central Excise	34.02	Supreme Court
Income Tax Act, 1961	Income Tax	19,042.03	High Court
	Income Tax	2,726.46	CIT (A)
Sales Tax	Sales Tax	532.87	High Court
	Sales Tax	68.00	MSTT-Mumbai

ANNEXURE II

(₹ in crores)

Particulars	Repayment on demand (TL)	Interest Repayable on demand (TL)	Due but not paid (LC)	Interest due but not paid (LC)	Default Since		
					TL	INT. TL	LC
I D B I Bank Ltd.	85.79	11.85	-	-	Mar-16	Mar-16	
SBI Bank	121.18	29.69	191.42	41.88	June-16	June-16	July 16
Corporation Bank	55.57	18.65	60.37	14.93	Jan-16	Jan-16	Apr-16
Canara Bank	56.39	18.63	120.67	50.93	Mar-16	Jan-16	Mar-16
Andhra Bank	57.31	20.55	92.22	28.79	Feb-16	Feb-16	Feb-16
Allahabad Bank	41.30	12.64	73.70	19.05	Mar-16	Mar-16	June-16
Indian Overseas Bank	22.00	6.91	133.75	37.67	Nov-15	Mar-16	Apr-16
Oriental Bank of Commerce	13.82	4.58	76.75	25.58	Mar-16	Mar-16	Feb-16
Punjab National Bank	32.78	8.66	201.88	46.43	Mar-16	Mar-16	Mar-16
Union Bank	32.93	10.63	99.18	29.84	Dec-15	Jan-16	Mar-16
Vijaya Bank	10.91	3.65	28.05	9.54	Apr-16	Apr-16	Mar-16
Bank of Baroda	76.65	25.56	72.30	19.80	May-16	Mar-16	Mar-16
TOTAL	606.63	172.00	1,150.29	324.44	-	-	-

Uttam Value Steels Limited

BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in Crores)

Sr. No.	Particulars	Notes	As at 31st March, 2019	As at 31st March, 2018
	ASSETS			
	I. NON CURRENT ASSETS			
(a)	Property, Plant & Equipment	2	2,271.00	2,386.74
(b)	Financial Assets	3		
(i)	Investments	3(i)	15.97	17.57
(ii)	Trade receivables	3(ii)	-	57.86
(c)	Other Non Current Assets	4	172.58	610.49
			2,459.55	3,072.66
	II. CURRENT ASSETS			
(a)	Inventories	5	115.19	162.65
(b)	Financial Assets			
(i)	Trade receivables	6	137.21	77.50
(ii)	Cash & cash equivalents	7	5.47	2.54
(iii)	Bank Balance other than (ii) above	8	7.08	5.75
(iv)	Other Financial Assets	9	148.85	106.23
(c)	Other Current Assets	10	23.02	27.47
			436.82	382.14
	TOTAL		2,896.37	3,454.80
	I. EQUITY & LIABILITIES			
	EQUITY			
(a)	Equity Share Capital	11	660.81	660.81
(b)	Other Equity	12	(2,363.01)	(1,736.09)
			(1,702.20)	(1,075.28)
	II. NON CURRENT LIABILITIES			
(a)	Financial Liabilities			
(i)	Borrowings	13	246.22	270.94
(ii)	Trade payables	14	506.67	510.20
(iii)	Other Financial Liabilities	15	1,106.73	1,110.44
(b)	Other Non-current liabilities	16	2.12	29.18
(c)	Long Term Provisions	17	34.69	33.17
(d)	Deffered Tax Liabilities (Net)	18	28.65	28.65
			1,925.08	1,982.58
	III. CURRENT LIABILITIES			
(a)	Financial Liabilities			
(i)	Borrowings	19	1,150.29	1,152.50
(ii)	Trade payables	20	391.71	332.19
(iii)	Other Financial Liabilities	21	1,103.07	1,015.25
(b)	Other current liabilities	22	26.20	45.80
(c)	Provisions	23	2.22	1.76
			2,673.49	2,547.50
	TOTAL		2,896.37	3,454.80
	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 **VSS & ASSOCIATES**

ICAI Firm Registration No. 105787W

Chartered Accountants

Taken on Record

For Uttam Value Steels Ltd.

Sanjay Jain
Partner
Membership No : 046565

Rajiv Chakraborty
Resolutions Professional
IP Reg No.: IBBI/PA-001/IP-P00602/2017-18/11053

Rajiv Munjal
Director & CEO
DIN 05195651

Place: Mumbai
Date : 8th May, 2019

R. P. Gupta
Chief Financial Officer

Ram Gaud
Associate VP & Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

₹ in Crores)

Sr. No.	Particulars	Notes	For the year ended 31st March 2019	For the year ended 31st March 2018
	Continuing operations			
	Income			
I	Revenue from operations (gross)	24	2,467.33	2,704.21
II	Other income	25	70.56	74.13
III	Total revenue (I+II)		2,537.89	2,778.34
	IV Expenses			
(a)	Cost of raw material consumed	26	1,676.02	1,747.57
(b)	Purchase of traded goods		-	14.30
(c)	Changes in inventories of Finished goods, Work-in-progress and Stock-in-Trade	27	29.52	214.57
(d)	Excise Duty on Sales		-	67.95
(e)	Employee benefits expense	28	66.99	71.13
(f)	Other expenses	29	711.29	751.77
(g)	Depreciation and amortization expense	30	114.61	137.54
(h)	Finance costs	31	65.89	239.33
	Total Expenses		2,664.32	3,244.16
V	Profit/(Loss) before exceptional items and tax		(126.43)	(465.82)
	Exceptional items		501.11	-
VI	Profit/(Loss) before tax		(627.54)	(465.82)
VII	Tax expenses			
	Current tax		-	-
	Deferred tax		-	-
	Total tax expenses		-	-
VIII	Profit/(Loss) for the year (VI-VII)		(627.54)	(465.82)
	Other Comprehensive Income/(Expenses) - Net of Tax			
	Item that will be reclassified subsequently to the statement of Profit and Loss		-	-
	Income Tax on items that will be reclassified subsequently to the statement of profit and loss		-	-
	Item that will not be reclassified subsequently to the statement of Profit and Loss			
	a) Changes in Revaluation Surplus		-	152.66
	b) Re-measurements of the defined benefit plans		0.62	(0.93)
	Income Tax on items that will not be reclassified subsequently to the statement of profit and loss		-	(28.65)
	Total Comprehensive Income for the year		(626.92)	(342.74)
	Earnings per equity share [nominal value of share ₹ 1 (₹ 1)]			
	Basic & Diluted (before Exceptional items)		₹(0.19)	₹(0.70)
	Basic & Diluted (after Exceptional items)		₹(0.19)	₹(0.70)
	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 **VSS & ASSOCIATES**

ICAI Firm Registration No. 105787W

Chartered Accountants

Taken on Record

For Uttam Value Steels Ltd.

Sanjay Jain
Partner
Membership No : 046565

Rajiv Chakraborty
Resolutions Professional
IP Reg No.: IBBI/IPA-001/IP-P00602/2017-18/11053

Rajiv Munjal
Director & CEO
DIN 05195651

Place: Mumbai
Date : 8th May, 2019

R. P. Gupta
Chief Financial Officer

Ram Gaud
Associate VP & Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax	(627.54)	(465.82)
Adjustment for:		
Depreciation and amortization expenses	114.61	137.54
Adjustment for Other Comprehensive Income	0.62	(0.93)
Loss on Fixed Assets Sold/Discarded (Net)	0.71	-
Consumption of Stores/Spares (Discarded FA used)	0.43	-
Diminution in the value of investment	1.60	
Interest Income	(1.03)	(0.34)
Interest & Finance Charges	65.89	239.33
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(444.71)	(90.22)
Movements in Working Capital		
Adjustments for :		
(Increase) / Decrease in Trade and Other receivables	397.88	170.73
(Increase) / Decrease in Inventories	47.46	200.69
Increase / (Decrease) in Trade Payable and other liabilities	11.30	(100.02)
CASH GENERATED FROM/(USED IN) OPERATIONS (A)	11.93	181.18
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(0.00)	(0.43)
Interest Received	1.03	0.34
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES (B)	1.03	(0.09)
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Receipts/(Repayment) of Long term borrowings	1.46	53.36
Receipts/(Repayment) of other Long term Financial liabilities	(3.71)	(308.28)
Receipts/(Repayment) of Short term borrowing (Net)	(2.20)	24.33
Interest and Finance Charges	(4.25)	(1.88)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES (C)	(8.70)	(232.47)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	4.26	(51.38)
Cash and cash equivalent at the beginning of the Year	8.29	59.67
Cash and cash equivalent at the end of the Year	12.55	8.29

As per our report of even date
For **VSS & ASSOCIATES**
ICAI Firm Registration No. 105787W
Chartered Accountants

Taken on Record

For Uttam Value Steels Ltd.

Sanjay Jain
Partner
Membership No : 046565

Rajiv Chakraborty
Resolutions Professional
IP Reg No.: IBBI/IPA-001/IP-P00602/2017-18/11053

Rajiv Munjal
Director & CEO
DIN 05195651

Place: Mumbai
Date : 8th May, 2019

R. P. Gupta
Chief Financial Officer

Ram Gaud
Associate VP & Company Secretary



STATEMENT OF CHANGES IN OTHER EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	Retained Earning	Revaluation Reserve	Total
Balance as at 1st April 2017	(1,393.34)	-	(1,393.34)
Profit for the Year	(465.82)	-	(465.82)
Deffered Tax	-	-	-
Other Comprehensive Income	(0.93)	124.00	123.08
Total Comprehensive Income	(466.75)	124.00	(342.74)
Balance as at 31st March 2018	(1,860.09)	124.00	(1,736.09)
Balance as at 1st April 2018	(1,860.09)	124.00	(1,736.09)
Profit for the Year	(627.54)	-	(627.54)
Deffered Tax	-	-	-
Other Comprehensive Income	0.62	-	0.62
Total Comprehensive Income	(626.92)	-	(626.92)
Balance as at 31st March 2019	(2,487.01)	124.00	(2,363.01)

As per our report of even date
For **VSS & ASSOCIATES**
ICAI Firm Registration No. 105787W
Chartered Accountants

Taken on Record

For Uttam Value Steels Ltd.

Sanjay Jain
Partner
Membership No : 046565

Rajiv Chakraborty
Resolutions Professional
IP Reg No.: IBB1/IPA-001/IP-P00602/2017-18/11053

Rajiv Munjal
Director & CEO
DIN 05195651

Place: Mumbai
Date : 8th May, 2019

R. P. Gupta
Chief Financial Officer

Ram Gaud
Associate VP & Company Secretary

Notes to Standalone Financial Statements for the year ended 31st March 2019.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

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

(b) Basis of Preparation of Accounts

The financial statements are prepared under the historical cost convention, except for certain financial instruments, and Land, which are measured at fair values at the end of reporting period, as explained in accounting policies below. Historical cost is generally based on fair value of the consideration given in exchange for goods and services. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Further, insurance & other claims, on the ground of prudence or uncertainty in realisation, are accounted for as and when accepted / received. The Company accrues individual items of Income/Expenses above ₹ 5000/- per item. The accounting policies adopted in the preparation of financial statements are consistent with those used in the previous year.

(c) Use of Estimates & Judgements

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

Impairment of Investments

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

Useful lives of property, plant and equipment

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

d) Revenue Recognition

The Company identifies contract with customers based on the provisions of Ind AS 115 - Revenue from contracts with Customers. An entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised goods or services (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

e) Cost Recognition

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

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

f) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

g) Dividend

Dividend income is recognized when right to receive payment is established.

h) Intangible Assets

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.



i) Lease Rentals

Lease rentals are expensed with reference to lease terms.

j) Foreign Currency Transactions

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

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. Forward exchange contracts entered into, to hedge foreign currency risk of an existing asset/ liability.

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

k) Custom duty

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

l) Custom duty benefit

Customs 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.

m) Borrowing Cost

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

n) Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of profit and loss over the expected useful lives of the assets concerned. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

o) The Treatment of expenditure during construction period

All expenditure 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.

p) Property, plant and equipment

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

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

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

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

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

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

q) Fair value measurement

The Company reviews the fair value of Land with sufficient frequency to ensure that the carrying amount does not differ materially from its fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant absorbable inputs and minimizing the use of un-absorbable inputs. External valuers are appointed for valuing land. The selection criteria for these valuers include market knowledge, reputation, independence and whether professional standards are maintained.

r) 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 year
- ii) Debenture Issue Expenses : Debenture Issue expenditure is amortized over the period of 10 years.
- iii) Deferred Revenue Expenses : Deferred Revenue expenses are amortized over a period of 5 years.

s) 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.

t) Impairment of assets

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

u) Investment in Associates:

Investment in associates are recognised at cost. The company provides for any permanent diminution, if any, in value of such investment.

v) 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 material cost plus labour and other appropriate portion of production and administrative overheads and depreciation
- iv) Finished Goods/Traded Goods : At lower of cost and market value.
- v) Finished Goods at the end of trial run : At net realizable value.
- vi) Scrap material : At net realizable value.
- vii) 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.



w) **Employee Benefits:**

Short term employee benefits

Short Term employee benefits such as salaries, wages, bonus etc, are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Long term employee benefits

The liability towards Gratuity & Leave Encashment is not funded. The present value of these defined benefit obligations are ascertained by an independent actuarial valuation as per the requirement of Ind-AS 19- Employee Benefits. The liability recognized in the balance sheet is the present value of the defined benefit obligations on the balance sheet date. The current service cost, interest earned on opening present value of defined benefit plan & net actuarial gain & losses except gratuity have been recognised in profit & loss A/c. Actuarial gains and losses through re-measurements of net defined benefit of Gratuity is recognised in other comprehensive income.

x) **Income Taxes**

Income Tax expenses comprises current tax expense and the net changes in the deferred tax asset or liability during the year. Current & deferred taxes are recognised in the statement of Profit & Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current & deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current Income Taxes

Income tax expense is the aggregate amount of Current tax. Current tax is the amount of income tax determined to be payable in respect of taxable income for an accounting period or computed on the basis of the provisions of Section 115JB of Income Tax Act, 1961 by way of minimum alternate tax at the prescribed percentage on the adjusted book profits of a year, when Income Tax Liability under the normal method of tax payable basis works out either a lower amount or nil amount compared to the tax liability u/s 115JA

Deferred Tax

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

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

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

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

y) **Earning per share**

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

The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit/ (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

z) Accounting for Provisions, Contigent Liabilities & Contigent Assets

In conformity with Ind-AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', issued by the ICAI. A provision is recognised when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contigent liabilities are not recognized in the financial statements. A contigent asset is neither recognised nor disclosed in financial statements.

za) Financial Instruments

Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

Cash & Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial liabilities.

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of Financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial liability.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Brorrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged or cancelled.

Redeemable preference shares are classified as borrowings under financial liabilities. The premium payable on these preference shares are recongnised as contigent liability.

zb) 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.

zc) Exceptional items comprise provision for old advances, receivables and investment, which are doubtful of recovery, and aggregate ₹ 439.68 Crs. ₹ 59.83 Crs. and ₹ 1.60 Cr. respectively.

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

ze) Insolvency Resolution Process (IRP) Cost

IRP Cost incurred during the year 31.3.2019.

Particulars	Amt. in Cr.
Fees to Resolution Professional*	0.16
Advisor to RP*	2.44
Counsel to RP*	0.28
Other Professional Fees*	0.14
COC Meeting Costs	0.02
Other IRP Cost (incl. Print Advertisement, E-voting charges, insurance, Security Charges etc.)	0.52
Total IRP Cost	3.57

* incl. of out of pocket exps.

zf) The company has entered into Long term Utility and Facility service agreement dated 31st March 2016, with Uttam Galva Mettalics Ltd. and has received interest free security deposit of ₹ 113.68 Crs (P.Y.₹116.74 Crs.)

zg) Considering that the CIRP has been initiated w.e.f. June 26, 2018, interest on bank borrowings has not been provided for the quarter ended September 30, 2018, December 31, 2018 and March 31, 2019.



2. Property, Plant & Equipment

(₹ in Crores)

Sr. No.	Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As at 01.04.2018	Additions during the Year	Discarded/ Sold/ Transfer	As at 31.03.2019	As at 01.04.2018	For the year	Sold/ Discarded	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
(a)	TANGIBLE ASSETS										
1	Land	285.98	-	-	285.98	-	-	-	285.98	285.98	
2	Building	59.90	-	-	59.90	28.48	2.31	-	30.79	29.11	31.42
3	Plant & Machinery	4342.97	-	3.34	4339.63	2375.30	102.70	2.20	2475.80	1863.83	1967.67
4	Computers	3.31	-	-	3.31	2.89	0.10	-	2.99	0.32	0.41
5	Office Equipment	2.76	-	-	2.76	2.51	0.07	-	2.58	0.18	0.24
6	Furniture & Fixtures	0.56	-	-	0.56	0.34	0.05	-	0.39	0.17	0.22
7	Motor Vehicles	0.48	-	-	0.48	0.31	0.05	-	0.37	0.11	0.17
8	Railway Siding	154.91	-	-	154.91	54.28	9.33	-	63.61	91.30	100.63
	Total	4850.87	-	3.34	4847.53	2464.11	114.61	2.20	2576.53	2271.00	2386.74
	Previous Year	4697.78	153.08	-	4850.87	2326.56	137.54	-	2464.12	2386.74	-

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

3. Financial Assets

3(i) Non-Current Investments

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Investments (valued at cost)		
Unquoted equity instrument		
Investment in fully paid equity shares		
(a) Associate Company		
6344 (6344) Equity shares of ₹ 10 each fully paid-up in Indrajit Power Private limited	15.87	15.87
(b) Other Companies		
16,00,000 (16,00,000) Equity shares of ₹ 10 each fully paid-up in Aura Minerals Private Limited.	1.60	1.60
39,960 (39,960) Equity shares of ₹ 25 each fully paid-up in Punjab & Maharashtra Co-op Bank Ltd.	0.10	0.10
Less :- Provision for Diminution in value of Investments of Aura Minerals Pvt. Ltd.	1.60	-
Total	15.97	17.57

3(ii) Trade Receivables

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured Trade Receivables	119.22	117.22
Less : Provision for Bad & Doubtful Debts	119.22	59.36
Total	-	57.86

Uttam Value Steels Limited

4. Other Non Current Assets

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Capital Advances		
Considered good	-	-
Considered doubtful	277.45	277.45
	277.45	277.45
Less: Provision for doubtful advances	277.45	69.36
	(A)	208.09
Deposits		
Security deposits	1.17	2.56
	(B)	2.56
Loan and advances to related parties		
Considered good (LSIL)	164.06	164.06
Considered doubtful	-	-
	164.06	164.06
Less: Provision for doubtful advances	-	-
	(C)	164.06
Advances recoverable in cash or kind		
Considered good	6.74	19.08
Considered doubtful	303.05	285.80
	309.78	304.88
Less: Provision for doubtful advances	303.05	71.45
	(D)	6.74
Other loans and advances		
Prepaid expenses	0.61	2.35
	(E)	0.61
Total (A+B+C+D+E)	172.58	610.49

5. Inventories

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Raw materials	8.09	17.42
Work-in-progress	12.03	26.74
Finished goods	34.65	46.13
Traded goods	-	1.26
Stores and spares	56.23	64.82
Scrap & Byproducts	4.19	6.28
Total	115.19	162.65

6. Trade Receivables

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Unsecured & Considered good Trade Receivables	137.21	77.53
Less : Provision for Bad & Doubtful Debts	-	0.03
Total	137.21	77.50



7. Cash and cash equivalents

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Balances with banks:		
- On current accounts	5.39	2.46
Cash on hand	0.08	0.08
Total	5.47	2.54

8. Other Balances with Banks

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Other bank balances		
Balance Held as Margin Money	7.08	5.75
Total	7.08	5.75

* Amount held in Margin / fixed deposits accounts with banks, is also having lien for guarantee's provided.

9. Other Financial Assets

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Mega Subsidy Receivable	99.39	58.10
Interest accrued on fixed deposit	0.14	0.06
Export Incentive receivable	0.02	0.23
Deferred GST Receivable	49.30	47.84
Total	148.85	106.23

10. Other Current Assets

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Advances recoverable in cash or kind		
Considered good	10.29	16.15
Considered doubtful	-	-
	10.29	16.15
Less: Provision for doubtful advances	-	-
(A)	10.29	16.15
Other loans and advances		
Advance tax and tax deducted at source	4.26	2.39
Income Tax Paid (Demand)	5.30	5.30
Prepaid expenses	0.97	0.82
Other recoverables	1.70	1.47
Balances with Statutory / Government authorities		
(i) VAT Receivable	0.08	1.12
(ii) GST Receivable	0.42	0.22
(B)	12.73	11.32
Total (A+B)	23.02	27.47

11. Equity Share Capital

(₹ in Crores)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Authorized Share Capital 1500,00,00,000 (1500,00,00,000) Equity Shares of ₹ 1 each (P.Y. ₹1 each)	1,500.00	1,500.00
Issued, Subscribed and fully paid-up shares 660,80,76,335(660,80,76,335) Equity shares of ₹ 1 each	660.81	660.81
Total	660.81	660.81

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year.

Particulars	As at 31st March 2019		As at 31st March 2018	
	(Nos.)	(₹ in Crores)	(Nos.)	(₹ in Crores)
Equity Shares				
At the beginning of the Year (₹1 each)	6,608,076,335	660.81	6,608,076,335	660.81
Outstanding at the end of the Year	6,608,076,335	660.81	6,608,076,335	660.81

(b) Terms and Rights attached to equity shares

The company has only one class of shares having a par value at ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share.

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

Name of Shareholder	As at 31st March 2019		As at 31st March 2018	
	(Nos.)	(% holding in the class)	(Nos.)	(% holding in the class)
Equity shares of ₹ 1 each fully paid (P.Y. ₹ 1 each)				
Firstindia Infrastructure Private Limited	2,118,187,345	32.05%	2,118,187,345	32.05%
Metallurgical Engineering and Equipments Ltd	929,173,815	14.06%	929,173,815	14.06%
Shree Global Tradefin Ltd.	-	-	696,698,156	10.54%
IDBI Bank Limited	627,084,684	9.49%	658,084,684	9.96%
Metal Industrial Pte Ltd	-	-	480,034,893	7.26%

12. Other Equity

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Revaluation Reserve		
Other Comprehensive Income	124.00	124.00
	124.00	124.00
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	(1,860.09)	(1,393.34)
Add: Profit/(Loss) for the Year	(626.92)	(466.75)
Net deficit in the statement of profit and loss	(2,487.01)	(1,860.09)
Total	(2,363.01)	(1,736.09)



13 Borrowings

(₹ in Crores)

Particulars	Non-current portion		Current maturities	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
Term Loans (Secured)				
Rupee loan from banks	-	26.18	-	16.35
Deferred Payment Liabilities (Unsecured)				
Sales Tax Deferral	236.89	235.43	-	-
Total	236.89	261.61	-	16.35
The above amount includes				
Secured borrowings	-	26.18	-	16.35
Unsecured borrowings	236.89	235.43	-	-
Amount disclosed under the head "other current liabilities" (Note No 21.)	-	-	-	(16.35)
Total (A)	236.89	261.61	-	-

Particulars	As at 31st March 2019	As at 31st March 2018
Authorized Share Capital		
50,00,00,000 (50,00,00,000) Cumulative Redeemable Preference Shares of ₹ 10 each	500.00	500.00
Issued, subscribed and fully paid-up shares		
93,25,420 (93,25,420) Redeemable Preference Shares of ₹ 10 each fully paid up	9.33	9.33
Total (B)	9.33	9.33
Total (A+B)	246.22	270.94

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year.

Particulars	As at 31st March 2019		As at 31st March 2018	
	(Nos.)	(₹ in Crores)	(Nos.)	(₹ in Crores)
Redeemable Preference shares				
At the beginning of the Year	9,325,420	9.33	9,325,420	9.33
Outstanding at the end of the Year	9,325,420	9.33	9,325,420	9.33

(b) 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.

(c) Sales tax deferral is interest free and payable in seven equal annual installments commencing 18 years from collecting year.

Amount Due	(₹ in Crores)
Less than Five Year	1.80
More than Five Year	235.09
Total	236.89

Uttam Value Steels Limited

14. Trade payables

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Other than Acceptances	506.67	510.20
Total	506.67	510.20

15. Other Financial Liabilities

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Deposit Received From Related Party (UGML)	113.68	116.74
Advances from customer - Related Party (UGSL)	993.05	993.70
Total	1,106.73	1,110.44

16. Other Non Current Liabilities

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Advances from customers	2.12	29.18
Total	2.12	29.18

17. Provisions

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Provision for employee benefits		
Provision for gratuity	28.77	27.40
Provision for leave benefits	5.92	5.77
Total	34.69	33.17

18. Deferred Tax Liabilities (Net)

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Deferred Tax Liability	28.65	28.65
Total	28.65	28.65

19. Borrowings

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Working Capital Loan from Banks (Secured)*	1,150.29	1,152.50
Total	1,150.29	1,152.50

* The company has received recall notices from bank for the entire amount

Charge : Working Capital Non-fund based limits are secured by way of 1st hypothecation charge on entire current assets of the company on pari passu basis with all the lenders and 2nd pari passu charge on all fixed assets of the company both present & future.

Working Capital Loan from Bank is net of ₹80.62 Crs. Penal Interest.



(₹ in Crores)

Particulars	TL PRINCIPAL Due but not paid (DEMAND)	TL INTEREST Due but not paid (DEMAND)	W.C. PRINCIPAL Due but not paid (DEMAND)	W.C. INTEREST Due but not paid (DEMAND)	DEFAULT SINCE			DEMAND NOTICE DATE
					TL	INT. TL	W.C	
IDBI Bank Ltd.	85.79	11.85	-	-	Mar-16	Mar-16		22-12-2017
SBI Bank	121.18	29.69	191.42	41.88	June-16	June-16	July 16	15-03-2018
Corporation Bank	55.57	18.65	60.37	14.93	Jan-16	Jan-16	Apr-16	28-12-2017
Canara Bank	56.39	18.63	120.67	50.93	Mar-16	Jan-16	Mar-16	19-03-2018
Andhra Bank	57.31	20.55	92.22	28.79	Feb-16	Feb-16	Feb-16	14-03-2018
Allahabad Bank	41.30	12.64	73.70	19.05	Mar-16	Mar-16	June-16	17-03-2018
Indian Overseas Bank	22.00	6.91	133.75	37.67	Nov-15	Mar-16	Apr-16	14-03-2018
Oriental Bank of Commerce	13.82	4.58	76.75	25.58	Mar-16	Mar-16	Feb-16	29-12-2017
Punjab National Bank	32.78	8.66	201.88	46.43	Mar-16	Mar-16	Mar-16	18-03-2018
Union Bank	32.93	10.63	99.18	29.84	Dec-15	Jan-16	Mar-16	19-03-2018
Vijaya Bank	10.91	3.65	28.05	9.54	Apr-16	Apr-16	Mar-16	14-03-2018
Bank of Baroda	76.65	25.56	72.30	19.80	May-16	Mar-16	Mar-16	03-04-2018
TOTAL	606.63	172.00	1,150.29	324.44				

20. Trade payables

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Micro, Small and Medium Enterprises	10.14	4.99
Acceptances	-	22.86
Other than Acceptances	381.57	304.34
Total	391.71	332.19

21. Other Financial Liabilities

(₹ in Crores)

Particulars	As at 31st March 2019	As at 31st March 2018
Current maturities of long-term borrowings (Note No. 13)	-	16.35
Installment due but not paid	-	34.12
Interest due but not Paid on Term Loan	-	22.87
Loan Repayable on Demand - Term Loan*	606.63	529.99
Interest Repayable on Demand - Term Loan*	172.00	128.58
Interest on Working Capital Loan due but not paid	324.44	283.34
Total	1,103.07	1,015.25

*The company has received recall notices from bank for the entire amount"

Details of default as per note no 19.

On 26th June, 2018, Hon'ble National Company Law Tribunal (NCLT), Mumbai bench, had admitted the petition for initiating Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 (IBC) vide its Order dated 26th June, 2018 and appointed Mr. Rajiv Chakraborty as the Interim Resolution Professional in terms of the IBC and subsequently Mr. Rajiv Chakraborty was confirmed as the Resolution Professional (RP) in the 1st Committee of Creditors (COC) meeting held on 30th July, 2018.

Charge for IDBI Bank : The loan is secured by way of first pari-passu charge on company's immovable properties both present and future and by way of second pari-passu charge on company's movable properties both present and future.

Charge for other Banks : The Term Loan facilities are secured by way of 1st charge on all fixed assets of the company both present & future at pari passu basis with all lenders and 2nd pari passu charge on entire current assets of the company and also personal guarantee of Mr. Rajendra Miglani, Mr. Anuj R. Miglani, & Mr. Ankit Miglani.

Uttam Value Steels Limited

22. Other Current Liabilities

(₹ in Crores)

Particulars	As at	
	31st March 2019	31st March 2018
Trade and other deposits	0.80	0.75
Advances from customers	9.75	28.21
Statutory Dues	6.89	10.12
Expenses Payable	6.89	6.46
Employee related liabilities	1.87	0.26
Total	26.20	45.80

23. Provisions

(₹ in Crores)

Particulars	As at	
	31st March 2019	31st March 2018
Provision for employee benefits		
Provision for gratuity	1.92	1.50
Provision for leave benefits	0.30	0.26
Total	2.22	1.76

24. Revenue from operations

(₹ in Crores)

Particulars	For the year ended	
	31st March 2019	31st March 2018
Revenue from operations		
Sale of products		
Finished goods	2,360.11	2,455.83
Traded goods	-	69.54
	2,360.11	2,525.37
Other operating revenue		
Saleable Scrap & By products sale	103.50	123.35
Export Benefits	0.19	0.02
Sales Participation Fees	0.52	-
Job work charges	3.01	55.47
Revenue from operations (gross)	2,467.33	2,704.21
Less: Excise duty	-	67.95
Revenue from operations (net)	2,467.33	2,636.26

Sales includes captive consumption of ₹1.73 Crores (previous year ₹2.04 crores) out of which ₹1.73 Crores (previous year ₹2.04 crores) charged to expenses & Nil (previous year Nil) to capital work in progress, at cost.

Detail of Products Sold

(₹ in Crores)

Particulars	For the year ended	
	31st March 2019	31st March 2018
Products		
Hot Rolled Coils/ Slab	1,344.69	1,189.29
Galvanised Coils/ Sheets	932.55	1,213.17
Trading Sales	-	69.54
Others	82.87	53.37
Total	2,360.11	2,525.37



25. Other Income

(₹ in Crores)

Particulars	For the year ended	
	31st March 2019	31st March 2018
Interest Income on		
Bank deposits	1.03	0.33
From Customers and others	2.98	3.12
	4.01	3.45
Mega subsidy	44.27	50.12
Miscellaneous Income	22.28	20.56
Total	70.56	74.13

26. Cost of Raw Material Consumed

(₹ in Crores)

Particulars	For the year ended	
	31st March 2019	31st March 2018
Cost of Raw Material Consumed	1,676.02	1,747.57
Total	1,676.02	1,747.57

Detail of Raw Materials Consumed

(₹ in Crores)

Particulars	For the year ended	
	31st March 2019	31st March 2018
Pig Iron / Hot Metal	1,351.48	1,340.64
Direct reduced iron	226.80	233.62
HR Coil	-	28.81
Scrap	12.47	9.40
Zinc	84.11	132.88
Others	1.15	2.22
Total	1,676.02	1,747.57

27. Changes in Inventories of Finished goods, Work-in-progress and Stock in trade.

(₹ in Crores)

Particulars	For the year ended	
	31st March 2019	31st March 2018
Inventories at the end of the year		
Finished goods	38.85	52.41
[Including saleable scrap & byproduct ₹ 4.19 crs (₹ 6.28 crs)]		
Work-in-progress	12.03	26.74
Stock in trade	-	1.25
	50.88	80.40
Inventories at the beginning of the year		
Finished goods	52.41	99.46
[Including saleable scrap & byproduct ₹ 6.28 crs (₹ 5.30 crs)]		
Work-in-progress	26.74	34.03
Stock in trade	1.25	172.46
	80.40	305.95
Net (Increase)/ Decrease in Stock	29.52	225.55
Excise duty on account of Increase / (Decrease) on stock of Finished goods	-	(10.98)
Total (Increase)/ Decrease in Stock	29.52	214.57

Uttam Value Steels Limited

Detail of Inventory			(₹ in Crores)
Particulars	31st March 2019	31st March 2018	
Work-in-Progress			
Slabs	3.45	17.85	
HR products	4.92	6.64	
CR products	3.66	2.25	
	12.03	26.74	
Finished Goods*			
HR products	24.34	30.53	
GP products	10.32	15.61	
	34.66	46.14	

* excluding scrap & by product

28. Employee Benefit Expenses

Particulars	For the year ended	
	31st March 2019	31st March 2018
Salaries, wages and bonus	56.48	60.76
Contribution to provident and other fund	4.42	4.72
Gratuity & leave encashment expenses	4.73	4.14
Staff welfare /workmen expenses	1.00	1.15
Managerial Remuneration	0.36	0.36
Total	66.99	71.13

29. Other Expenses

Particulars	For the year ended	
	31st March 2019	31st March 2018
Manufacturing Expenses		
Consumption of stores and spare parts	322.15	253.74
Power Charges	225.29	232.55
Fuel & Gases Charges	56.97	58.78
Other Expenses of Production	28.61	26.24
Repairs and Maintenance:		
Plant and machinery	10.77	6.88
Buildings	0.02	0.03
Others	0.44	0.48
Total - Manufacturing Expenses	644.25	578.70
Selling and Distribution Expenses		
Other Selling Expenses	8.24	96.86
Freight and forwarding charges (net)	39.31	26.65
Commission and Brokerage (full figure P.Y. ₹25792.00)	-	0.00
Total - Selling and Distribution Expenses	47.55	123.51
Administration Expenses		
Rent	0.44	0.27
Rates and Taxes	0.42	0.71
Insurance	2.52	4.42
Legal & Professional Charges	2.55	6.57
CIRP Related Expenses	3.57	-
Directors' Sitting Fees	0.01	0.02
Payment to Auditor (Refer details below)	0.09	0.10
Loss on sale of Fixed Assets (net)	0.71	-
Travelling & Conveyance Expenses	0.94	1.62
Swacha Bharat Cess Paid	-	0.13
Loss on Exchange Rates	0.21	0.02
Provision against unsecured advances	-	28.16
Miscellaneous Expenses	8.03	7.54
Total - Administration Expenses	19.49	49.56
Total - Other Expenses	711.29	751.77



Payment to Auditor (₹ in Crores)

Particulars	For the year ended	
	31st March 2019	31st March 2018
As Auditor:		
Audit fee	0.06	0.07
Tax audit fee	0.03	0.03
In Other Capacity:		
Reimbursement of Expenses (Full figure current year: ₹ 27,614.00 P.Y. 13,790)	0.00	0.00
Total	0.09	0.10

30. Depreciation and Amortisation Expenses (₹ in Crores)

Particulars	For the year ended	
	31st March 2019	31st March 2018
Depreciation of Tangible Assets (Details in Note 2)	114.61	137.54
Total	114.61	137.54

31. Finance Costs (₹ in Crores)

Particulars	For the year ended	
	31st March 2019	31st March 2018
Interest Expense :		
On Term Loans	20.54	79.31
Others	42.79	157.30
Other Borrowing Costs :		
Bill Discounting Charges (net)	2.36	0.22
Bank & Finance Processing Charges	0.20	2.48
Others(Full figure current year: ₹ 4,393.00)	0.00	0.02
Total	65.89	239.33

32. Contingent Liabilities and Commitments (₹ in Crores)

	As at 31st March 2019	As at 31st March 2018
CONTINGENT LIABILITIES		
A) Claims against the company / disputed liabilities not acknowledged as Debts		
- Show cause notices under hearing in respect of excise duty which is disputed by the company	1.48	2.63
- Income tax demand, disputed by the company	217.68	27.26
- Sales Tax Liability	6.01	6.01
- Others claims not acknowledged as debts	0.16	0.28
B) Guarantees		
- Guarantees issued by the Company's banker on behalf of the company. This includes expired Bank guarantees	3.28	3.08
C) Other money for which the company is contingently liable		
- Debit Note for power pending for approval	11.38	-
- Premium payable on redemption of Preference Shares	1.07	1.07

33. Employee benefits

The Company operates on 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 employee 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.

Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the IND AS 19, the details of which are as follows:

a) Net employee benefit expense recognized during the period (₹ in Crores)

	Leave Encashment		Gratuity	
	Current Year	Previous year	Current Year	Previous year
Expenses/(Income) to be recognised through P&L				
i) Current Services Cost	0.31	(0.09)	1.71	1.71
ii) Interest Cost	0.47	0.45	2.24	1.93
iii) Net actuarial (Gain)/Loss recognized during the year (₹ -29995)	(0.00)	0.14		
iv) Expenses included in 'employee benefit expense'	0.78	0.50	3.95	3.64
v) Net Actuarial (Gain)/Loss recognized during the year through OCI			(0.62)	0.93

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

	Leave Encashment		Gratuity	
	Current Year	Previous year	Current Year	Previous year
i) Opening Defined benefit obligation plan	6.02	6.05	28.90	25.66
Expenses/(Income) to be recognised through P&L				
ii) Current Services Cost	0.31	(0.09)	1.71	1.71
iii) Interest on obligation	0.47	0.45	2.24	1.93
iv) Net actuarial (Gain)/Loss recognized during the year (₹ -29995)	(0.00)	0.14		
Remeasurement of net defined benefit liability/asset to be recognised through OCI				
v) Net actuarial (Gain)/Loss recognized during the year			(0.62)	0.93
vi) Benefits paid	(0.58)	(0.53)	(1.54)	(1.33)
vii) Closing Defined benefit obligation plan	6.22	6.02	30.69	28.90

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

	31st March 2019	31st March 2018
i) Discounting rate	7.5% Per Annum	7.75% Per Annum
ii) Escalation of salary	8.00% Per Annum	8.00% Per Annum
iii) Withdrawal rate	1%	1%
iv) Mortality rate	Indian Assured Lives (2006-08) Ultimate Mortality Rates	Indian Assured Lives (2006-08) Ultimate Mortality Rates
v) Retirement Age	60 Years	60 Years

34. Earning per share (EPS)

Particulars		Current Year	Previous Year
The following reflects the profit and share data used in the basic and diluted EPS computations:			
Profit/(Loss) before exceptional items and tax	₹ in Crores	(126.43)	(465.82)
Profit/(Loss) for the year after Tax	₹ in Crores	(627.54)	(465.82)
Weighted average number of equity shares in calculating basic and diluted EPS	Nos	6,608,076,335	6,608,076,335
Basic earning per share before exceptional items	₹	(0.19)	(0.70)
Diluted earning per share after exceptional items	₹	(0.95)	(0.70)
Nominal value of equity shares	₹	1.00	1.00



35. Forward Contracts and Unhedged Foreign Currency Exposure

The year end Foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below.

	Foreign Currency			
	Yen	US Dollars	EURO	CAN Dollars
Current Year				
Trade payables - Foreign currency (full figures)	-	569,954	14,086	-
Trade payables - ₹ in crs	-	3.94	0.11	-
Trade receivables - Foreign currency (full figures)	-	404,830	165,000	-
Trade receivables - ₹ In crs	-	2.80	1.28	-
Previous Year				
Trade payables - Foreign currency (full figures)	-	598,321	14,086	25,861
Trade payables - ₹ in crs	-	3.89	0.11	0.13
Trade receivables - Foreign currency (full figures)	1,964,500	143,324	-	-
Trade receivables - ₹ In crs	0.12	0.93	-	-

36. Related Party Disclosures

A. Parties with whom the Company has entered into transactions during the year where control exists:

i) Key Management Personnel :	Mr. Rajiv Munjal Mr. R. P. Gupta Mr. Ram Gaud
ii) Enterprise over which key management personnel /share holders /relatives have significant influence.	Uttam Galva Metallics Limited. Uttam Galva Steels Limited. Sainath Trading Company Private Limited. Kredence Multi Trading Limited. Grow well Mercantile Private Limited. Evergreen Tradeplace Private Limited Archisha Steels Pvt. Ltd. Barclays Exports Pvt. Ltd. Lloyds Steel Industries Ltd.
iii) Associate	Indrajit Power Private Limited.
iv) Resolution Professional	Mr. Rajiv Chakraborty

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

1. In relation to the statement of profit and loss

(₹ in Crores)

	Nature of relationship	For the year ended 31st March 2019	For the year ended 31st March 2018
Purchase of Goods/Services etc			
Uttam Galva Metallics Limited	Enterprises over which Key Management personnel/shareholder/ relatives have significant influence.	1,626.47	1,629.28
Uttam Galva Steels Limited		1.71	1.73
Kredence Multi Trading Limited (P.Y. Full Figure ₹10350/-)		-	0.00
Indrajit Power Private Limited		204.00	194.89
Total		1,832.18	1,825.90

Uttam Value Steels Limited

	Nature of relationship	For the year ended 31st March 2019	For the year ended 31st March 2018	
Sale of Goods / Service				
Uttam Galva Metallica Limited	Enterprises over which Key Management personnel/shareholder/relatives have significant influence.	56.31	280.95	
Uttam Galva Steels Limited		0.21	76.28	
Kredence Multi Trading Limited		0.19	-	
Grow well Mercantile Private Limited		-	2.07	
Evergreen Tradeplace Private Limited		-	54.32	
Archisha Steels Pvt. Ltd.		-	3.99	
Barclays Exports Pvt. Ltd.		-	0.11	
Indrajit Power Private Limited		Associate	4.69	18.27
Total			61.40	435.98
Rent				
Sainath Trading Company Private Limited	Enterprises over which Key Management personnel/shareholder/relatives have significant influence.	0.47	0.28	
Total		0.47	0.28	
Remuneration *				
Mr. Rajiv Munjal	Key Management Personnel	0.38	0.38	
Mr. R. P. Gupta		0.47	0.43	
Mr. Ram Gaud		0.26	0.25	
Total		1.11	1.07	

Transaction with Resolution Professional

Professional fees**		As at 31st March 2019	As at 31st March 2018
Mr. Rajiv Chakraborty	Resolution Professional	0.16	-
Total		0.16	-

	As at 31st March 2019	As at 31st March 2018
Balance outstanding as at the period end - Debit		
Lloyds Steel Industries Ltd.	164.06	164.06
Balance outstanding as at the period end - Credit		
Uttam Galva Metallica Limited (Incl. Deposit)	438.25	394.69
Uttam Galva Steels Limited	994.85	993.70
Indrajit Power Private Limited	4.89	15.32
Sainath Trading Company Private Limited	0.43	0.03
Resolution Professional	0.03	-

* The remuneration to the Key Managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

** Professional fees is inclusive of out of pocket expenses & excluding GST.

37. Previous years figures have been regrouped and recast wherever necessary



INDEPENDENT AUDITOR'S REPORT

To The Members Of M/s Uttam Value Steels Limited Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS Financial Statements of M/s Uttam Value Steels Limited (hereinafter referred to as "the Company") and its associate (collectively referred to as 'the Group') which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss, (the consolidated statement of changes in equity) and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2019, of consolidated profit/loss, (consolidated changes in equity) and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

We draw your attention on note 21 to the Standalone Ind AS financial statement where National Company Law Tribunal (NCLT), Mumbai bench, had admitted petition for initiating Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy code, 2016 vide its order dated 26th June, 2018 and appointed Mr. Rajiv Chakraborty as Interim Resolution Professional in terms of IBC and subsequently Mr. Rajiv Chakraborty was confirmed as Resolution Professional in the 1st Committee of Creditors meeting held on 30th July, 2018. The Company believes that

upon implementation of the approved resolution plan, the financial position of the said company shall improve and the consolidated financial statements for the year ended March 31, 2019 have been prepared on a going concern basis.

Other Matters

We did not audit the financial statements / financial information of its associate, whose financial statements / financial information reflect total assets of ₹ 567.44 Crores as at 31st March, 2019, total revenues of ₹ 259.32 Crores and net cash inflows amounting to ₹ 1.12 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditors.

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the company's annual report but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. We conclude that there is a no material misstatement of this other information and therefore, we have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's management and Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors/management of the companies included in the Group and of its associates entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Management/Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/management of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 1) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 2) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its associate company which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 4) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- 5) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.



Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

a) As required by Section 143(3) of the Act, we report, to the extent applicable, that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Company has no branch office and hence the company is not required to conduct audit under section 143 (8) of the Act;

d) The Balance Sheet, the Statement of Profit and Loss(including Other Comprehensive Income), the Cash flow statement, and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

e) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014;

f) On the basis of the written representations received from the directors as on 31st March, 2019 and taken on record by the Resolution Professional, none of the directors are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

g) Resolution process (CIRP) is initiated against the Company and the powers of the Board are suspended during the CIRP.

h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Group has disclosed the impact of pending litigations on its financial position in Notes to the Standalone Financial Statements of the respective entities.

ii) The Group has not entered into any long term contracts including derivative contracts hence this clause is not applicable.

iii) During the year, no amounts were required to be transferred to the Investor Education and protection Fund by the Group. The question of delay in transferring such sums does not arise.

For VSS & Associates
Chartered Accountants
(ICAI Regn No. 105787W)

Sanjay Jain
Partner

Place : Mumbai
Date : 08.05.2019

(Membership No. 046565)

Annexure – A to the Independent Auditors’ Report

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

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31st March 2019, we have audited the internal financial controls over financial reporting of Uttam Value Steels Ltd (“the Company”) and its associate (collectively referred to as ‘the Group’), comprising the Consolidated Balance Sheet as at 31 March 2019.

Management’s Responsibility for Internal Financial Controls

The respective Management and Board of Directors of the Company and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, after considering audit reports of the auditors of respective entities the Company and its associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For VSS & Associates
Chartered Accountants
(ICAI Regn No. 105787W)

Sanjay Jain
Partner
(Membership No. 046565)

Place : Mumbai
Date : 08.05.2019



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in Crores)

Sr. No.	Particulars	Notes	As at 31st March, 2019	As at 31st March, 2018
	ASSETS			
I.	NON CURRENT ASSETS			
(a)	Property, Plant & Equipment		2,271.00	2,386.74
(b)	Financial Assets		-	-
(i)	Investments	2	79.41	83.85
(ii)	Trade receivables		-	57.86
(c)	Other Non Current Assets		172.58	610.49
			2,522.99	3,138.94
II.	CURRENT ASSETS			
(a)	Inventories		115.19	162.65
(b)	Financial Assets			
(i)	Trade receivables		137.21	77.50
(ii)	Cash & cash equivalents		5.47	2.54
(iii)	Bank Balance other than (ii) above		7.08	5.75
(iv)	Other Financial Assets		148.85	106.23
(c)	Other Current Assets		23.02	27.47
			436.82	382.13
	TOTAL		2,959.81	3,521.07
I.	EQUITY & LIABILITIES			
	EQUITY			
(a)	Equity Share Capital		660.81	660.81
(b)	Other Equity	3	(2,299.57)	(1,669.81)
			(1,638.76)	(1,009.00)
II.	NON CURRENT LIABILITIES			
(a)	Financial Liabilities			
(i)	Borrowings		246.22	270.94
(ii)	Trade payables		506.67	510.20
(iii)	Other Financial Liabilities		1,106.73	1,110.44
(b)	Other Non-current liabilities		2.12	29.18
(c)	Long Term Provisions		34.69	33.17
(d)	Deffered Tax Liabilities (Net)		28.65	28.65
			1,925.08	1,982.58
III.	CURRENT LIABILITIES			
(a)	Financial Liabilities			
(i)	Borrowings		1,150.29	1,152.50
(ii)	Trade payables		391.71	332.19
(iii)	Other Financial Liabilities		1,103.07	1,015.25
(b)	Other current liabilities		26.20	45.80
(c)	Provisions		2.22	1.76
			2,673.49	2,547.49
	TOTAL		2,959.81	3,521.07
	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 **VSS & ASSOCIATES**

ICAI Firm Registration No. 105787W

Chartered Accountants

Taken on Record

For Uttam Value Steels Ltd.

Sanjay Jain
Partner
Membership No : 046565

Rajiv Chakraborty
Resolutions Professional
IP Reg No.: IBBI/IPA-001/IP-P00602/2017-18/11053

Rajiv Munjal
Director & CEO
DIN 05195651

Place: Mumbai
Date : 8th May, 2019

R. P. Gupta
Chief Financial Officer

Ram Gaud
Associate VP & Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Sr. No.	Particulars	Notes	For the year ended 31st March 2019	For the year ended 31st March 2018
	Continuing operations			
	Income			
I	Revenue from operations (gross)		2,467.33	2,704.21
II	Other income		70.56	74.13
III	Total revenue (I+II)		2,537.89	2,778.34
	IV Expenses			
(a)	Cost of raw material consumed		1,676.02	1,747.57
(b)	Purchase of traded goods		-	14.30
(c)	Changes in inventories of Finished goods, Work-in-progress and Stock-in-Trade		29.52	214.57
(d)	Excise Duty on Sales		-	67.95
(e)	Employee benefits expense		66.99	71.13
(f)	Other expenses		711.29	751.77
(g)	Depreciation and amortization expense		114.61	137.54
(h)	Finance costs		65.89	239.33
	Total Expenses		2,664.32	3,244.16
V	Profit/(Loss) before exceptional items and tax		(126.43)	(465.82)
	Exceptional items		501.11	-
VI	Profit/(Loss) before tax		(627.54)	(465.82)
VII	Tax expenses			
	Current tax		-	-
	Deferred tax		-	-
	Total tax expense		-	-
	Share of Profit/(Loss) of Associate		(2.84)	(0.69)
VIII	Profit/(Loss) for the year (VI-VII)		(630.38)	(466.51)
	Other Comprehensive Income/(Expenses) - Net of Tax			
	Item that will be reclassified subsequently to the statement of Profit and Loss		-	-
	Income Tax on items that will be reclassified subsequently to the statement of profit and loss		-	-
	Item that will not be reclassified subsequently to the statement of Profit and Loss			
	a) Changes in Revaluation Surplus		-	152.66
	b) Re-measurements of the defined benefit plans		0.62	(0.93)
	Income Tax on items that will not be reclassified subsequently to the statement of profit and loss		-	(28.65)
	Total Comprehensive Income for the period		(629.76)	(343.43)
	Earnings per equity share [nominal value of share ₹ 1 (₹ 1)]			
	Basic & Diluted (before Exceptional items)		₹(0.19)	₹(0.70)
	Basic & Diluted (after Exceptional items)		₹(0.95)	₹(0.71)
	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 **VSS & ASSOCIATES**

ICAI Firm Registration No. 105787W

Chartered Accountants

Taken on Record

For Uttam Value Steels Ltd.

Sanjay Jain

Partner

Membership No : 046565

Rajiv Chakraborty

Resolutions Professional

IP Reg No.: IBBI/IPA-001/IP-P00602/2017-18/11053

Rajiv Munjal

Director & CEO

DIN 05195651

Place: Mumbai

Date : 8th May, 2019

R. P. Gupta

Chief Financial Officer

Ram Gaud

Associate VP & Company Secretary


CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Crores)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before Tax	(630.38)	(466.51)
Adjustment For :		
Depreciation and amortization expenses	114.61	137.54
Adjustment for Other Comprehensive Income	0.62	(0.93)
Loss on Fixed Assets Sold/Discarded (Net)	0.71	-
Consumption of Stores/Spares (Discarded FA used)	0.43	-
Diminution in the value of investment	1.60	
Interest Income	(1.03)	(0.34)
Interest & Finance Charges	65.89	239.33
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(447.55)	(90.90)
Adjustments for :		
(Increase) / Decrease in Trade and Other receivables	397.88	170.73
(Increase) / Decrease in Inventories	47.46	200.69
Increase / (Decrease) in Trade Payable and other liabilities	11.30	(100.02)
CASH GENERATED FROM / (USED IN) OPERATIONS (A)	9.09	180.50
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(0.00)	(0.43)
Investment in Associates	2.84	0.68
Interest Received	1.03	0.34
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	3.87	0.59
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Receipts/(Repayment) of Long term borrowings	1.46	53.36
Receipts/(Repayment) of other Long term Financial liabilities	(3.71)	(308.28)
Receipts/(Repayment) of Short term borrowing (Net)	(2.20)	24.33
Interest and Finance Charges	(4.25)	(1.88)
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	(8.70)	(232.47)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	4.26	(51.38)
Cash and cash equivalent at the beginning of the Year	8.29	59.67
Cash and cash equivalent at the end of the Year	12.55	8.29

As per our report of even date
For **VSS & ASSOCIATES**
ICAI Firm Registration No. 105787W
Chartered Accountants

Taken on Record

For Uttam Value Steels Ltd.

Sanjay Jain
Partner
Membership No : 046565

Rajiv Chakraborty
Resolutions Professional
IP Reg No.: IBB/1PA-001/IP-P00602/2017-18/11053

Rajiv Munjal
Director & CEO
DIN 05195651

Place: Mumbai
Date : 8th May, 2019

R. P. Gupta
Chief Financial Officer

Ram Gaud
Associate VP & Company Secretary

**CONSOLIDATED STATEMENT OF CHANGES IN OTHER EQUITY FOR THE PERIOD
ENDED 31ST MARCH, 2018**

(₹ in Crores)			
Particulars	Retained Earning	Revaluation Reserve	Total
Balance as at 1st April 2017	(1,326.38)	-	(1,326.38)
Profit for the Year	(466.51)		(466.51)
Deffered Tax	-	-	-
Other Comprehensive Income	(0.93)	124.00	123.08
Total Comprehensive Income	(467.43)	124.00	(343.43)
Balance as at 31st March 2018	(1,793.81)	124.00	(1,669.81)
Balance as at 1st April 2018	(1,793.81)	124.00	(1,669.81)
Profit for the Year	(630.38)		(630.38)
Deffered Tax	-	-	-
Other Comprehensive Income	0.62	-	0.62
Total Comprehensive Income	(629.76)	-	(629.76)
Balance as at 31st March 2019	(2,423.57)	124.00	(2,299.57)

As per our report of even date
For **VSS & ASSOCIATES**
ICAI Firm Registration No. 105787W
Chartered Accountants

Taken on Record

For Uttam Value Steels Ltd.

Sanjay Jain
Partner
Membership No : 046565

Rajiv Chakraborty
Resolutions Professional
IP Reg No.: IBBI/IPA-001/IP-P00602/2017-18/11053

Rajiv Munjal
Director & CEO
DIN 05195651

Place: Mumbai
Date : 8th May, 2019

R. P. Gupta
Chief Financial Officer

Ram Gaud
Associate VP & Company Secretary



Consolidated Notes to Financial Statements for the year ended 31st March 2019.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of Accounts

These consolidated financial statements have been prepared to comply with the Ind AS, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

(b) Principles of Consolidation

- i. Investment in Associates Companies has been accounted under the equity method as per Ind AS 28 - "Accounting for Investments in Associates in Consolidated Financial Statements".
- ii. The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the Consolidated financial statements as Goodwill or Capital Reserve, as the case may be.

(c) Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's Consolidated financial statements.

2 Non-Current Investments

(₹ in Crores)

	As at 31st March 2019	As at 31st March 2018
Investments (valued at cost)		
Unquoted equity instrument		
Investment in fully paid equity shares		
(a) Associate Company#	79.31	82.14
(b) Other Companies		
16,00,000 (16,00,000) Equity shares of ₹ 10 each fully paid-up in Aura Minerals Private Limited.	1.60	1.60
39,960 (39,960) Equity shares of ₹ 25 each fully paid-up in Punjab & Maharashtra Co-op Bank Ltd.	0.10	0.10
Less :- Provision for Diminution in value of Investments of Aura Minerals Pvt. Ltd.	1.60	-
Total	79.41	83.85

Includes Profit of ₹. 66.28 crs. from date of acquiring till 31st March, 2018 & Loss of ₹ 2.84 Crs. For the current year.

3. Other Equity

(₹ in Crores)

	As at 31st March 2019	As at 31st March 2018
Revaluation Reserve		
Other Comprehensive Income	124.00	124.00
	124.00	124.00
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	(1,793.81)	(1,326.38)
Add: Profit/(Loss) for the Year	(629.76)	(467.43)
Net deficit in the statement of profit and loss	(2,423.57)	(1,793.81)
Total	(2,299.57)	(1,669.81)

Uttam Value Steels Limited

4. Significant Enterprises consolidated as Associates in accordance with Ind AS 28.

Name of the Enterprises	Country of Incorporation	Proportion of ownership interest
Indrajit Power Private Limited	India	26%

5. Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Associates.

Name of the Enterprises	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated net assets	Amount (₹ in Crore)	As % of Consolidated profit or loss	Amount (₹ in Crore)
Associates (Investments as per equity method)				
Indrajit Power Private Limited	-1.26%	20.67	0.45%	(2.84)

6. Statement containing salient features of the Financial Statement of Associate Companies and Joint Ventures

FORM AOC 1

Part "B" : Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate

(₹ in Crores)

Sr. No.	Name of the Associate	Latest audited Balance Sheet Date	Share of Associate held by the company at the year end			Description of how there is significant influence	Reasons why the associate is not consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit/Loss for the year	
			No.	Amount of Investment in Associate	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
1	Indrajit Power Pvt. Ltd.	31.03.2019	6344	15.87	26%	UVSL holding more than 20% in the company	N.A.	20.67	(2.84)	-

UTTAM VALUE STEELS LIMITED

Registered office: Uttam House, 69, P. D'Mello Road, Mumbai: 400 009.
Tel. No. 022 66563500, Fax No.: 022 23485025, CIN: L27100MH1970PLC014621
Website: www.uttamvalue.com, E-Mail:investor@uttamvalue.com

Form No. MGT-11 PROXY FORM

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

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

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

Name : _____

Address : _____

E-mail Id : _____

Signature: _____ or failing him

Name : _____

Address : _____

E-mail Id : _____

Signature: _____ or failing him

Name : _____

Address : _____

E-mail Id : _____

Signature: _____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 49th Annual General Meeting of Uttam Value Steels Limited to be held on the 27th day of December, 2019 at 11.00 a.m. on Friday at M C Ghia Hall, 18/20, K. Dubhash Marg, Mumbai- 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1 (a)	Adoption of Audited Stand-alone Financial Statements for the year ended 31 st March, 2019.
(b)	Adoption of Audited Consolidated Financial Statements for the year ended 31 st March, 2019.
2	Re-appointment of Shri Rajinder Miglani (DIN: 00286788) who retires by rotation and being eligible, offers himself for reappointment.
3	Ratification for Appointment of M/s. VSS & Associates, Chartered Accountants as Statutory Auditor of the Company.
Special Business	
4	Re-Appointment of Shri B L Khanna (DIN: 00841927) as an Independent Director of the Company.
5	Approval of the remuneration of the Cost Auditor for the financial year 2019-20.

Signed this..... day of..... 2019

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- Please complete all details including details of member(s) before submission.

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 sent to him by post free of cost at the address registered with the Company.

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

-----Cut here-----

REGISTRATION FORM FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

Bigshare Services Pvt. Ltd.

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis Makwana Road,
Marol, Andheri East, Mumbai 400059
Phone: 022 - 62638200
Email Id: investor@bigshareonline.com

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: Uttam House, 69, P. D'Mello Road, Mumbai: 400 009.
Tel. No. 022 66563500, Fax No.: 022 23485025, CIN: L27100MH1970PLC014621
Website: www.uttamvalue.com, E-Mail: investor@uttamvalue.com

ATTENDANCE SLIP (To be presented at the entrance)

49th Annual General Meeting of Uttam Value Steels Limited to be held on the 27th day of December, 2019 at 11.00 a.m. on Friday at M C Ghia Hall, 18/20, K. Dubhash Marg, Mumbai - 400 001.

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

I/ We, hereby record my/ our attendance at the 49th Annual General Meeting at 11.00 a.m. on Friday, 27th December, 2019 at M C Ghia Hall, 18/20, K Dubhash Marg, Mumbai- 400001.

Signature of Shareholder or Proxy _____

E-mail address _____

Note:

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

-----Cut here-----



If undelivered please return to:

BIGSHARE SERVICES PRIVATE LIMITED

(UNIT : Uttam Value Steels Limited)

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis Makwana Road,

Marol, Andheri East, Mumbai 400059

Phone: 022 - 62638200

Email Id: investor@bigshareonline.com