UTTAM

47th

Annual Report 2016 - 2017

UTTAM VALUE STEELS LIMITED

BOARD OF DIRECTORS	B L KHANNA	:	CHAIRMAN
	RAJINDER MIGLANI	:	DIRECTOR
	B L KHURANA	:	DIRECTOR
	JAGATH CHANDRA	:	DIRECTOR
	RAJEEV KUMAR	:	DIRECTOR (NOMINEE - IDBI)
	RAJIV MUNJAL	:	WHOLE - TIME DIRECTOR
SR. GENERAL MANAGER & 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

TODARWAL & TODARWAL
CHARTERED ACCOUNTANTS, MUMBAI

INTERNAL AUDITOR

ERNST & YOUNG LLP
CHARTERED ACCOUNTANTS, MUMBAI

REGISTERED OFFICE

4TH FLOOR, 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

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

PLANT LOCATION

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

CONTENTS

	PAGE NOS
NOTICE	2 - 6
DIRECTORS' REPORT	7 - 37
INDEPENDENT AUDITORS' REPORT	38 - 41
BALANCE SHEET AND PROFIT & LOSS ACCOUNT WITH CASH FLOW & NOTES	42 - 65
INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS	66
CONSOLIDATED BALANCE SHEET AND PROFIT & LOSS ACCOUNT WITH CASH FLOW & NOTES	67 - 71

NOTICE

NOTICE is hereby given that the 47TH ANNUAL GENERAL MEETING of the Members of the Uttam Value Steels Limited will be held on Friday 4th August, 2017 at 11.00 a.m. at M C Ghia Hall, 18/20, K. Dubhash Marg, Mumbai – 400 001 to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the following:-
   a) The Audited Financial Statement for the Financial Year ended 31st March, 2017 and the Reports of the Board of Directors and the Auditors Report thereon;
   b) The Audited Consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2017 together with the reports of the Auditors thereon.
2. To appoint a Director in place of Ms. Jagath Chandra, (Din 07147686) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s. VSS Associates, Chartered Accountants, (Registration No. 105787W) as the Statutory Auditor of the Company in place of M/s. Todarwal & Todarwal, Chartered Accountants (Registration No. 111009W) the retiring Statutory Auditors.

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. VSS Associates, Chartered Accountants, (Registration No. 105787W), be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. Todarwal & Todarwal, Chartered Accountants (Registration No. 111009W), the retiring Statutory Auditors, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of Fifty Second Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every Annual General Meeting till the Fifty Second Annual General Meeting, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

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 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 Board of Directors of the Company, to conduct the audit of the Cost records of the Company for the Financial Year ending 31st March, 2018 be paid the Remuneration of ₹ 60,000/- p.a. plus applicable taxes and out of pocket expenses payable.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary proper or expedient to give effect to this Resolutions."

By Order of the Board

For **Uttam Value Steels Limited**

(**Ram Gaud)**

Sr. General Manager & Company Secretary

Registered Office:

4th Floor, Uttam House, 69, P. D' Mello Road,

Mumbai – 400009

CIN:- L27100MH1970PLC014621

Date: 29th April, 2017

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 28th July, 2017 to 4th August, 2017 (both days inclusive) for the purpose of Annual General Meeting for the financial year ended 31st March, 2017.
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 appear 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 Limited, Mumbai and applicable listing Fees have been paid upto date including Financial Year 2017-18.
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 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 the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
12. Electronic copy of the Notice of the 47th 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 Participants(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 47th 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 47th Annual General Meeting and the Annual Report for Financial Year 2016 -2017 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 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 requests 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 Dematerialiased forms as on Benpos Date (Record Date) i.e. 30th June, 2017 will receive 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, M/s. Bigshare Services Pvt. Ltd., (Uttam Value Steels Limited) at E-2/3 Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400072.

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

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

Bigshare Services Pvt. Ltd.

E-2, Ansa Industrial Estate, Sakivihar Road,

Saki Naka, Andheri (East), Mumbai - 400072

Phone: 022 - 40430200

Email Id: investor@bigshareonline.com

PROCEDURE FOR E-VOTING THROUGH ELECTRONIC MEANS

1. 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 28th July, 2017 (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 47th Annual General Meeting.
2. The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 47th 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.
3. The remote e-voting period commences on 31st July, 2017 (10.00 a.m.) and ends on 3rd August, 2017 (17:00 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 28th July, 2017, 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.
4. 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.
5. The Scrutinizer shall immediately after the conclusion of voting at the ensuning 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 submit not later than 48 hours 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.
6. The Scrutinizer shall submit his report to the Chairman, 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 Bigshares Services Private Limited: www.bigshareonline.com and shall also be communicated to the stock Exchange.

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

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

Step-II: Click on "Shareholders" tab.

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

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

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

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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 8 digits of the sequence 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 sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

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

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

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

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

Step-XVI: 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-XVII: 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-XVIII 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 XIX 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-XX: 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. (XVII) above to cast vote.

b) The voting period begins on 31st July, 2017 at 10.00 am and ends on 3rd August, 2017 at 17.00 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 28th July, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

ITEM No.4

The Board on the recommendations of the Audit Committee in their meeting held on 29th April, 2017 has approved the re-appointment of M/s. Manisha & Associates, Cost Accountants as Cost Auditor to conduct the Cost Audit of the Company for financial Year 2017-18 at the remuneration of ₹ 60000/- (Rupees Sixty Thousand only) plus taxes and reimbursements of out of Pocket expenses on actuals.

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 Shareholders of the Company.

Accordingly, consent of the member is sought for passing the Ordinary Resolutions a set out at item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise, in the resolutions set out in item no. 4 of Notice.

The Board commends the ordinary Resolutions set out at the Item no.4 of the Notice for members approval of the Company.

By Order of the Board

For **Uttam Value Steels Limited**

(**Ram Gaud)**

Sr. General Manager & Company Secretary

Registered Office:

4th Floor, Uttam House, 69, P. D' Mello Road,

Mumbai – 400009

CIN:- L27100MH1970PLC014621

Date: 29th April, 2017

DIRECTORS' REPORT

Your Directors present the Forty Seventh Annual Report on the operations of your Company along with Audited Financial Statement of Accounts for the year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS **(₹ Crores)**

Particular	Standalone		Consolidated	
	2016-2017	2015-2016	2016-2017	2015-2016
Sales (Gross)	3771.90	3998.41	3771.90	3998.41
Other Income	46.11	34.54	46.11	34.54
Total Income	**3818.01**	**4032.95**	**3818.01**	**4032.95**
Profit/(Loss) before Interest, Depreciation, Exceptional Items & Tax	**7.70**	**(145.53)**	**7.70**	**(145.53)**
Less : Finance Charges	258.91	257.37	258.91	257.37
Depreciation	145.38	117.24	145.38	117.24
Exceptional Items	112.65	--	112.65	--
Profit/(Loss) before tax	**(509.24)**	**(520.14)**	**(509.24)**	**(520.14)**
Portion of current year Profit/(Loss) on Investment in Associate	-	-	(1.58)	(1.60)
Net Profit/ (Loss) after Tax	**(509.24)**	**(520.14)**	**(510.82)**	**(521.74)**

PERFORMANCE

The Company achieved a Gross Turnover of ₹3771.90 Crores in 2016-17 as against ₹ 3998.41 Crores in the previous year, showing a declined by 5.67 % over previous year.The operating EBIDTA for the year was ₹ 7.70 Crores as against ₹(145.53) Crores in the previous year showing an increase 105.29%. The Company posted a loss of ₹ 509.24 Crores during the year as against a loss of ₹ 520.14 Crores in the previous year after providing depreciation of ₹ 145.38 Crores (Previous year ₹ 117.24 Crores).

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

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 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, the Board of Directors do not recommend any Dividend on the Equity shares.

TRANSFER TO RESERVE

The Company has incurred loss, during the year under consideration, hence no amount could be transferred to reserves.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES :

The Company does not have any Subsidiary or Joint Venture Company. The Company has Indrajit Power Private Limited as the Associate Company, the details of the same are attached in AOC-1 as **"Annexure -V".**

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.

The Indian economy is currently poised for its next wave of growth supported by the recent reforms launched by the government, showing a tremendous opportunity for the steel industry to grow exponentially. The Indian Steel market has witnessed growth in the export segment. Steel Exports from Indian market have grown by 150% in January 2017 as compared to January 2016. The growth rate of Indian Domestic steel consumption has reduced to 3.4% in 2016-17 from 4.2% in 2015-16, the decrease in growth has been on account of demonetisation drive initiated on November 8, 2016.The demand driven by rising infrastructure development, growing demand for automotive, construction, housing and ground transportation, special steels in engineering industries

such as power generation, petrochemicals and fertilizers is expected to continue through 2017-18.

The Indian steel sector enjoys advantages of domestic availability of raw materials and cheap labor. Iron ore is also available in abundant quantities, though the continued mining restrictions have put a strain on its availability as well as price. This abundance has been providing a major cost advantage to the domestic steel industry.

World steel forecasts that global steel demand will increase by 1.3% in 2017, following growth of 1.0% in 2016. In 2018, it is forecast that global steel demand will grow by 0.9%.

World crude steel production reached 1,628.5 million tonnes (Mt) for the year 2016, up by 0.8% compared to 2015. Crude steel production decreased in Europe, the Americas and Africa. Crude steel production increased in the CIS, the Middle East, Asia and Oceania.

Annual production for Asia was 1,125.1 Mt of crude steel in 2016, an increase of 1.6% compared to 2015. China's crude steel production in 2016 reached 808.4 Mt, up by 1.2% on 2015. China's share of world crude steel production increased from 49.4% in 2015 to 49.6% in 2016. India's crude steel production for 2016 was 95.6 Mt, up by 7.4% on 2015.

Government Initiatives

National Steel Policy 2017 was approved on 3rd May 2017 with a vision to create a technologically advance and globally competitive steel industry that promotes economic growth. It aspires to achieve 300MT of steel making capacity by 2030. This would translate into additional investment of ₹ 10 lakh Crore by 2030-31. The policy seeks to increase consumption of steel and major segments are infrastructure, automobiles and housing. New Steel Policy seeks to increase per capita steel consumption to the level of 160 Kgs by 2030 from existing level of around 60 Kg.

Steel Ministry will facilitate R&D in the 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. Ministry through policy measures will ensure availability of raw materials like Iron ore, Coking coal and non-coking coal, Natural gas etc. at competitive rates.

With the roll out of the National Steel Policy-2017, it is envisaged that the industry will be steered in creating an environment for promoting domestic steel and thereby ensuring a scenario where production meets the anticipated pace of growth in consumption, through a technologically advanced and globally competitive steel industry. This will be facilitated by Ministry of Steel, in coordination with relevant Ministries, as may be required.

To accomplish PM's vision of 'Make in India' Policy for providing preference to domestically manufactured Iron & Steel products in Government procurement was approved on 3rd May,17.The policy is envisaged to promote growth and development of domestic steel Industry and reduce the inclination to use, low quality low cost imported steel in Government funded projects. It shall be the responsibility of every Government Agency to ensure implementation of the policy.

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 is poised to become the 2nd largest steel producing country after China over the next two years, as the country's steelmakers continue to add capacities. The country's steel ministry is framing a new steel policy to increase the capacity of steel production to 300 million tonne by 2030.

There is a huge scope for Indian steel makers due to the country's low per capita steel consumption and positive future outlook due to increase in consumption from construction, automobile and railways sectors. The ambitious infrastructure projects and the thrust in manufacturing through the "Make in India" campaign are steps in the right direction. The plan for smart cities, improved road and rail connectivity by building highways, bridges and dedicated freight and superfast rail corridors have huge potential to spur domestic steel demand. But the increase in demand for steel is still struggling to keep pace with the rise in capacity. For the first time in 3 years, India was a net exporter of steel. Our country's steel exports grew by 150% to 0.75 million tons, while there has been a decline in imports by 46% to 0.49 million tons. The present Central Government is entering into its 2nd half of its tenure and is speeding up multiple infrastructure projects which will push up the steel demand of the country.