



UTTAM

29th

Annual Report 2013 - 2014

UTTAM GALVA STEELS LIMITED

**BOARD OF DIRECTORS**

RAJINDER MIGLANI	:	CHAIRMAN
O P GAHROTRA	:	INDEPENDENT DIRECTOR
D L RAWAL	:	INDEPENDENT DIRECTOR
S T PARIKH	:	INDEPENDENT DIRECTOR
SWARNA PRABHA SUKUMAR	:	DIRECTOR (NOMINEE – LIC)
ANUJ R MIGLANI	:	MANAGING DIRECTOR
ANKIT MIGLANI	:	DY. MANAGING DIRECTOR
GURSHARAN SINGH SAWHNEY	:	DIRECTOR (FINANCE) & GROUP CFO
S G TUDEKAR	:	DIRECTOR (WORKS)

**SR. VICE PRESIDENT &
COMPANY SECRETARY**

R AGRAWAL

WORKING CAPITAL BANKERS

STATE BANK OF INDIA
CANARA BANK
PUNJAB NATIONAL BANK
UNION BANK OF INDIA
IDBI BANK LIMITED
BANK OF BARODA
INDIAN OVERSEAS BANK
ICICI BANK LIMITED
PUNJAB & MAHARASHTRA CO-OPERATIVE BANK LIMITED

STATUTORY AUDITORS

M/S. PRAKKASH MUNI & ASSOCIATES
CHARTERED ACCOUNTANTS
MUMBAI

INTERNAL AUDITORS

M/S. K. S. AIYAR & CO.
CHARTERED ACCOUNTANTS
MUMBAI

CORPORATE IDENTITY NO. (CIN)

L27104MH1985PLC035806

REGISTERED OFFICE

UTTAM HOUSE,
69, P. D'MELLO ROAD,
MUMBAI : 400 009
E-MAIL : shares@uttamgalva.com
WEBSITE: www.uttamgalva.com

OTHER OFFICES / BRANCHES

- KEONJHAR, ODISHA
- PUNE
- NEW DELHI
- BANGALORE
- CHENNAI
- HYDERABAD
- AHMEDABAD
- INDORE

WORKS

KHOPOLI – PEN ROAD, DONVAT
DIST : RAIGAD – MAHARASHTRA

KHOPOLI – PALI ROAD, DAHIVALI
DIST : RAIGAD – MAHARASHTRA

TALOJA – 12, MIDC
DIST : RAIGAD – MAHARASHTRA

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VISION, MISSION AND VALUES

VISION

Become the world's favoured
flat steel products brand

MISSION

To consistently provide quality steel
products ensuring customer delight

VALUES

Integrity : Honouring all commitments

Value for Time : Business at supersonic speed

Ethics : Ethical business practices with all stakeholders

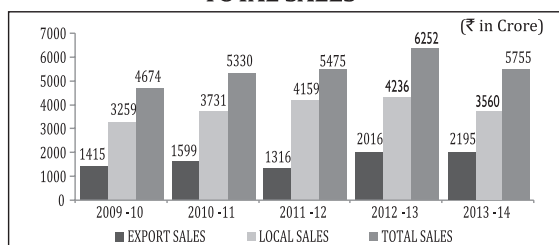


5 YEARS' FINANCIAL HIGHLIGHTS

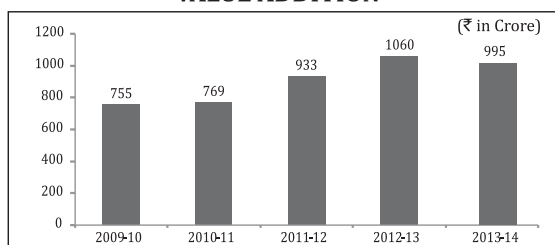
₹ in Crore

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

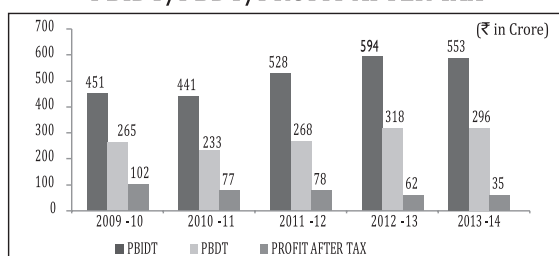
TOTAL SALES



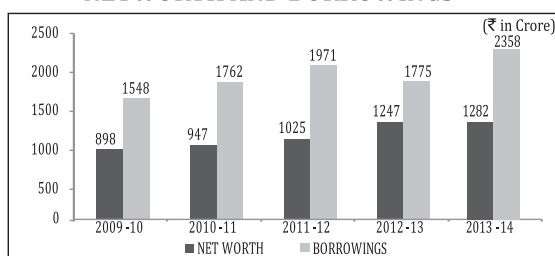
VALUE ADDITION



PBDT/PBDT/PROFIT AFTER TAX



NETWORTH AND BORROWINGS



NOTICE

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

ORDINARY BUSINESS:

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

SPECIAL BUSINESS:

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

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

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

PART A

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

PART B

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

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

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

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

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

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

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



“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Gursharan Singh Sawhney (DIN 02339467), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 30th May, 2014 pursuant to the provisions of Section 161(1) of the Companies Act, 2013, and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company”.

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

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

(a) Remuneration:

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

b) Perquisites

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

PART A

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

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

PART B

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

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

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

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

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

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

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

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force)

read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Shri S T Parikh (DIN 00941756), Director of the Company whose period of office is liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Shri O P Gahrotra (DIN 00936696), Director of the Company whose period of office is liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Shri D L Rawal (DIN 00955797), Director of the Company whose period of office is liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term upto 31st March, 2019."

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

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

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Manisha & Associates, Cost Accountant, Firm Registration No. 000321 as Cost Auditor appointed by the Board of Directors of the Company, to conduct the cost audit for Steel and Power division of the Company for the financial year 2014-2015 and be paid the remuneration of ₹ 1,50,000/- (Rupees One Lakhs Fifty Thousand only) plus taxes and reimbursement of out-of-pocket expenses on actuals.

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

R Agrawal
Sr. Vice President & Company Secretary

Registered Office:

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

Date: 30th May, 2014

NOTES:

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

INSTRUCTIONS FOR ELECTRONIC VOTING (E-VOTING)

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

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

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

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

Steps for e-voting:

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

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