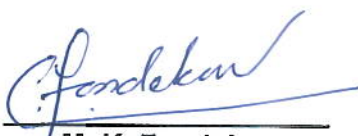





**FORM A**
**Format of covering letter of the annual audit report to be filed with the Stock Exchange**

1.	Name of the company	<b>UNI ABEX ALLOY PRODUCTS LIMITED</b>
2.	Annual financial statements for the year ended	<b>31<sup>st</sup> March, 2014</b>
3.	Type of Audit observation	<b>Unqualified Audit Report</b>
4.	Frequency of observation	<b>N. A.</b>
5.	To be signed by-  • CEO/Managing Director    • CFO       • Auditor of the company          • Audit Committee Chairman	 <b>M. K. Fondekar</b> <b>Executive Director</b>   <b>J. D. Divekar</b> <b>GM- Finance</b>   <b>Mr. S. B. Prabhu Partner</b> <b>Membership No.35296</b> <b>For Ford,Rhodes, Parks &amp; Co. Chartered</b> <b>Accountants</b> <b>Firm Registration No.102860W</b>   <b>H. R. Prasad</b> <b>Chairman of the Meeting of the Audit</b> <b>Committee held on 30.05.2014</b>



A Neterwala Group Company

Factory : Mullabaug, S. V. Road, Thane - 400 610.  
Tel.: +91 22 2584 6800 Fax : +91 22 2584 6900.


# UNIAbex

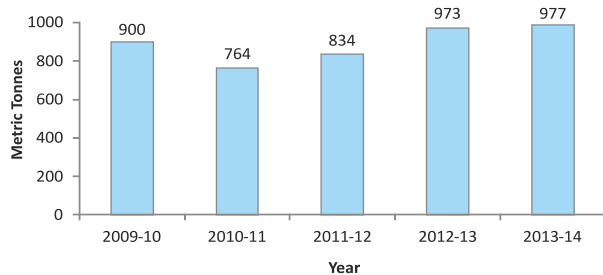


## 41<sup>st</sup> Annual Report 2013 - 2014

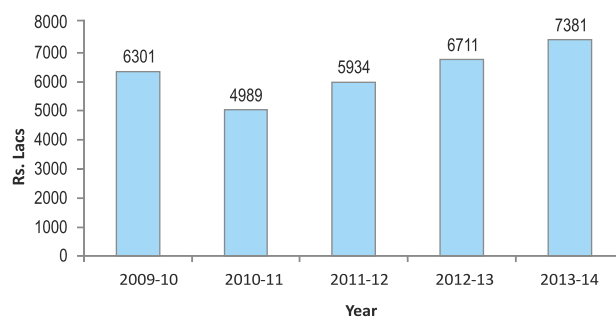
looking up & beyond.....

## PERFORMANCE AT A GLANCE

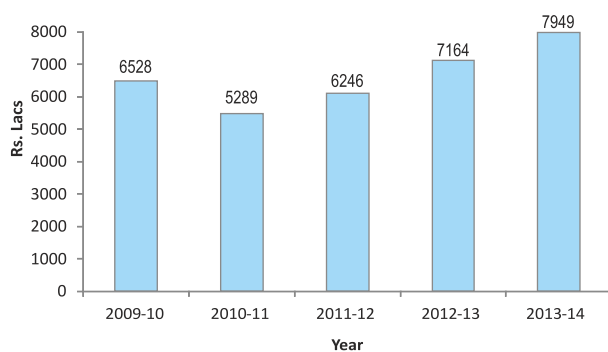
### SALES QUANTITY



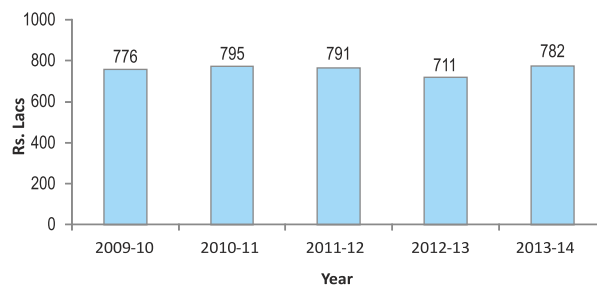
### NET SALES



### TOTAL INCOME



### NET PROFIT





ALLOY PRODUCTS LIMITED  
CIN No.: L27100MH1972PLC015950

## BOARD OF DIRECTORS

F. D. NETERWALA	<i>Chairman</i>
R. B. MEHTA	
K. M. ELAVIA	
H. R. PRASAD	
P. SUBRAHMANYAM	
M. P. BHARUCHA	
F. K. BANATWALLA	
A. F. NETERWALA	(w.e.f. 07/08/2013)
M. K. FONDEKAR	<i>Executive Director</i>

## COMPANY SECRETARY

P. M. LAKHANI	(upto.07/08/2013)
M. S. ASHAR	(w.e.f. 08/08/2013)

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## AUDITORS

Ford, Rhodes, Parks & Co.  
Chartered Accountants

## LEGAL ADVISORS

Bharucha & Partners  
Advocates and Solicitors

## BANKERS

Axis Bank Ltd.  
Zoroastrian Co-operative Bank Ltd.

## REGISTERED OFFICE AND HEAD OFFICE

Liberty Building,  
Sir Vithaldas Thackersey Marg,  
Mumbai - 400 020.  
Tel.: 022 2203 2797  
Website : [www.uniabex.com](http://www.uniabex.com)  
Email : [companysecretary@uniabex.com](mailto:companysecretary@uniabex.com)

## WORKS

Mullabaugh, Swami Vivekanand Road,  
Manpada, Thane - 400 610.

## Dharwad Plant:

Plot No. 583, 584A, Belur Industrial Area,  
Dharwad - 580 011 Karnataka  
Email: [marketing@uniabex.com](mailto:marketing@uniabex.com)

## REGISTRARS AND SHARE TRANSFER AGENTS

Computech Sharecap Ltd.  
147, Mahatma Gandhi Road,  
3<sup>rd</sup> Floor, Above Khyber Restaurant,  
Fort, Mumbai - 400 023.  
Tel. No. : 22635001-02

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<b>AGM</b>	: Wednesday, 20 <sup>th</sup> August, 2014
<b>Time</b>	: 3.00 p.m.
<b>Venue</b>	: M.C. Ghia Hall, Bhogilal Hargovindas Building, 2 <sup>nd</sup> Floor, 18/20, Kaikhushru Dubash Marg, Mumbai-400023

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## BOOK CLOSURE DATES

11<sup>th</sup> August, 2014 to 20<sup>th</sup> August, 2014  
(both days inclusive)

## NOTICE

**NOTICE** is hereby given that the Forty First Annual General Meeting of the Members of UNIABEX ALLOY PRODUCTS LIMITED will be held on Wednesday, the 20th August, 2014 at 3.00 P.M. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai 400 023, to transact with or without modifications as may be permissible the following business:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the Financial Year ended 31st March, 2014 and the Balance Sheet as at 31st March, 2014 and the Reports of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint Messers. Ford, Rhodes, Parks & Co., Chartered Accountants (ICAI Registration No. 102860W) as Statutory Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS:**

4. To appoint Mr. A. F. Neterwala (DIN: 01418744) as a Director and in this regard to consider and, if thought fit, to pass with or without modification/s the following resolution as an Ordinary Resolution:  
 “RESOLVED THAT Mr. A. F. Neterwala (DIN: 01418744) who was appointed a Director of the Company to fill in the casual vacancy caused by the demise of Mr. D. M. Neterwala and who vacates office at this meeting under Section 161 of the Companies Act, 2013 (Corresponding Section 262 of the Companies Act, 1956), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 (Corresponding Section 257 of the Companies Act, 1956), proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company liable to retire by rotation.”
5. To appoint Mr. P. Subrahmanyam (DIN: 01069045) as an Independent Director and in this regard 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, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules prescribed there under and Clause 49 of the Listing Agreement, Mr. P. Subrahmanyam (DIN: 01069045), who was appointed as a Director liable to retire by rotation and whose term expires at 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 an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 46th Annual General Meeting of the Company in the calendar year 2019.”
6. To appoint Mr. H. R. Prasad (DIN: 00133853) as an Independent Director and in this regard 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, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules prescribed there under and Clause 49 of the Listing Agreement, Mr. H. R. Prasad (DIN: 00133853), who was appointed as a Director liable to retire by rotation and whose term expires at 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 an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 46th Annual General Meeting of the Company in the calendar year 2019.”
7. To appoint Mr. K. M. Elavia (DIN: 00003940) as an Independent Director and in this regard 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, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules prescribed there under and Clause 49 of the Listing Agreement, Mr. K. M. Elavia (DIN: 00003940), who was appointed as a Director is liable to retire by rotation in terms of the provisions of the Companies Act 2013 and the rules prescribed there under; the Company in respect of whom

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 an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 46th Annual General Meeting of the Company in the calendar year 2019.”

8. To appoint Mr. M. P. Bharucha (DIN: 00361911) as an Independent Director and in this regard 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, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof for the time being in force) and the rules prescribed there under and Clause 49 of the Listing Agreement, Mr. M. P. Bharucha (DIN: 00361911), who was appointed as a Director is liable to retire by rotation in terms of the provisions of the Companies Act 2013 and the rules prescribed there under; the Company in respect of whom 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 an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 46th Annual General Meeting of the Company in the calendar year 2019.”
9. To appoint Mr. F. K. Banatwalla (DIN: 02670802) as an Independent Director and in this regard 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, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules prescribed there under and Clause 49 of the Listing Agreement, Mr. F. K. Banatwalla (DIN: 02670802), who was appointed as a Director is liable to retire by rotation in terms of the provisions of the Companies Act 2013 and the rules prescribed there under; the Company, in respect of whom 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 an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 46th Annual General Meeting of the Company in the calendar year 2019.”
10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:  
 “RESOLVED THAT in supersession of the Ordinary Resolution adopted at the 40th Annual General Meeting held on 7th August, 2013 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules made there under, the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company’s Bankers in the ordinary course of business, shall not be in excess of Rs.100 Crores (Rupees One Hundred Crores) over and above the aggregate of the paid up share capital and free reserves of the Company at that point of time.”
11. To approve the payment of remuneration to Non-Executive Directors and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:  
 “RESOLVED THAT in supersession of the resolutions previously passed by the Shareholders in this regard and pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules made there under, the Non-Executive Directors of the Company (i.e. Directors other than the Managing Director and/ or the Whole-time Director) be paid, remuneration as commission, in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof, as the Board of Directors may from time to time determine, not exceeding in aggregate 1% of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof;  
 RESOLVED FURTHER THAT the Board of Directors of the Company (including the Nomination and Remuneration Committee of the Board) be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

12. To re-appoint Mr. M. K. Fondekar (DIN: 01089689) as a Whole-time Director designated as Executive Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:  
 “RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the rules made there under, approval of the Company be and is hereby accorded to the re-appointment of Mr. M. K. Fondekar (DIN: 01089689) as a Whole-time Director, designated as Executive Director of the Company, for a period of 6 (Six) months with effect from July 1, 2014 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, as recommended by the Nomination and Remuneration Committee of the Board.  
 “RESOLVED FURTHER THAT the Board including the Nomination and Remuneration Committee of the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”
13. To approve and waive recovery of excess remuneration paid to Mr. M. K. Fondekar (DIN: 01089689) as a Whole-time Director designated as Executive Director and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:  
 “RESOLVED THAT subject to the approval of the Central Government, approval be and is hereby accorded to the Board of Directors of the Company for waiver of recovery of excess remuneration of an amount of Rs. 8.25 lacs paid to Mr. M. K. Fondekar (DIN: 01089689) as a Whole-time Director designated as Executive Director of the Company for the financial year ended 31st March, 2014.

Registered Office:  
 Liberty Building,  
 Sir Vithaldas Thackersey Marg,  
 Mumbai 400 020  
 Date: 11<sup>th</sup> July, 2014

By Order of the Board  
 M. S. Ashar  
 Company Secretary  
 &  
 Compliance Officer

## NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**  
**A person can act as a proxy on behalf of Members not exceeding fifty Members 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 as proxy and such person shall not act as a proxy for any other person or shareholder.**
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. The Company has notified closure of Register of Members and Share Transfer Books from Monday, August 11, 2014 to Wednesday, August 20, 2014 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.

8. The dividend on shares as recommended by the Board of Directors, if declared at the meeting will be paid on and from 10th September, 2014 to Members:
  - (i) In respect of shares held in demat form, on the basis of beneficial ownership as per details furnished by the Depositories, as at the end of the business on 8th August, 2014 and
  - (ii) In respect of shares held in physical form to those Members whose names appear on the Register of Members of the Company as on 20th August, 2014 after giving effect to valid share transfers lodged with the company on or before 8th August, 2014.
9. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Computech Sharecap Limited ("Computech") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
10. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial year 2005-2006 to the Investor Education and Protection Fund (the IEPF) established by the Central Government. The details of unpaid and unclaimed amounts lying with the Company are available on the website of the Ministry of Corporate Affairs.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Computech Sharecap Ltd.
12. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from Computech.
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Computech, for consolidation into a single folio.
14. Non-Resident Indian Members are requested to inform Computech Sharecap Ltd., immediately of:
  - A. Change in their residential status on return to India for permanent settlement.
  - B. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. Any change of particulars including address, bank mandate and nomination for shares held in demat form, should be notified only to the respective Depository Participants where the Member has opened his/her demat account. The Company or its share transfer agent will not act on any direct request from these Members for change of such details. However requests for any change in particulars in respect of shares held in physical form should be sent to the Registrars & Share Transfer Agents of the Company. M/s. Computech Sharecap Limited.
17. RBI vide it's Circular No. DPSS. (CO). EPPD. No.191.04.01.01/2009-2010 dated July 29, 2009 has instructed banks to move to the NECS platform from October 1, 2009.  
 Consequently you are requested to provide your new account number allocated to you after implementation of Core Banking System by your Bank NECS credit to your old account may either be rejected or returned.  
**Please provide to the Share Registrars and Transfer Agents new Bank Account particulars alongwith a copy of the cheque duly cancelled by quoting your reference folio number in case of shares held by you in physical form. In case the shares are in Dematerialised form, you may kindly provide the same to your Depository Participant, so that your future dividend payments can correctly be credited to your new account.**

18. The equity shares of the Company are compulsorily traded in demat form. Members desirous of trading in the shares of the company are requested to get their shares dematerialized.
19. The Company has listed its shares at:
- (1) Bombay Stock Exchange Limited, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001.
  - (2) Delhi Stock Exchange Ltd., DSE House, 3/1, Asaf Ali Road, New Delhi-110 002
- The Annual Listing Fees for these Exchanges have been paid for the financial year 2014-2015.
20. Members desiring any information as regards Accounts are requested to write to the Company, atleast seven days before the date of the meeting so as to enable the Management to keep the information ready.
21. E-Voting:

The Company is pleased to provide E-voting facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically on the resolutions mentioned in the notice of 41<sup>st</sup> Annual General Meeting of the Company dated July 11, 2014 (the AGM Notice). The Company has appointed Mr. Kalidas Vanjpe, Practicing Company Secretary or failing him Mr. Kaushik Jhaveri, Practicing Company Secretary as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The instructions for E-Voting are as under:

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
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"> <li>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.</li> <li>In case the folio 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.</li> </ul>
DOB#	<p>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.</p>
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> <ul style="list-style-type: none"> <li>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 <b>the number of shares held by you as on the cut off date in the Dividend Bank details field.</b></li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (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.
- (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.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
  - (B) The voting period begins on 11<sup>th</sup> August 2014 at 9.30 a.m. and ends on 13<sup>th</sup> August 2014 at 6.00 p.m. 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 11<sup>th</sup> July 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (C) 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](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
22. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is as under:

Name	<b>Mr. A. F. Neterwala</b>	<b>Mr. P. Subrahmanyam</b>	<b>Mr. H. R. Prasad</b>
Date of Birth & Age	7 <sup>th</sup> May, 1985 - 29 years	15 <sup>th</sup> July, 1940 - 74 years	1 <sup>st</sup> November, 1934 -80 years
Appointed on	7 <sup>th</sup> August, 2013	27 <sup>th</sup> October, 2005	29 <sup>th</sup> June, 2001
Qualifications	B.Sc.,- Hons (International Management).from Manchester – U.K.	M.A. (Economics), Madras University, B.L., Madras University, M.Sc. (Social Planning), university of Wales, Swansea, U.K., Member of Indian Admn Services (I.A.S.)	Graduate in Electrical Engineering from the University of Madras. He studied as Fulbright Scholar at the Massachusetts Institute of Technology and Harvard Business School and graduated with a Master of Science Degree in Management from the MIT Sloan School of Management.
Expertise in specific	Experience in Engineering and Management.	Administration, Finance & General Management	Wide experience in Engineering and Management.
Directorships held in other Companies	Mcphar International Pvt. Ltd. Netel (India) Ltd. Neteron Technologies Pvt. Ltd. Neterwala Consulting & Consulting Services Ltd. Oil Field Instrumentation (India) Pvt. Ltd. Uni Deritend Ltd. Uni Klinger Ltd. Uni Tritech (India) Pvt. Ltd. Uni Tritech Ltd. (UK) Uni VTL Precision Pvt. Ltd.	Netel (India) Ltd. Uni Deritend Ltd.	Gabriel India Ltd. Uni Deritend Ltd.
Memberships/ Chairmanships of Board/Committees of public companies.	<b>Audit Committee – Member</b> Uni Klinger Ltd.	<b>Audit Committee - Member</b> Netel (India) Ltd.	<b>Audit Committee -Chairman</b> Uni Deritend Ltd.
Equity shareholding in the Company	NIL	NIL	NIL

Name	<b>Mr. K. M. Elavia</b>	<b>Mr. M. P. Bharucha</b>	<b>Mr. F. K. Banatwalla</b>
Date of Birth & Age	9 <sup>th</sup> April, 1946-68 years	29 <sup>th</sup> October, 1948- 66 years	19 <sup>th</sup> April, 1949 - 65 years
Appointed on—	27 <sup>th</sup> May, 2001.	1 <sup>st</sup> February, 2011	29 <sup>th</sup> May, 2012
Qualifications	B. Com., (Hons), FCA	L.L.B. Solicitor, High Court, Mumbai Solicitor, Supreme Court of England and Wales Solicitor, High Court Hong Kong	B. Com L.L.B. CAIIB (I)
Expertise in specific	Audit & Review and Corporate Financial (Business Valuations, Mergers and Acquisitions, Financial Restructuring, Foreign Direct Investment etc.)	All respects of Corporate Law including in respect of matters covered by Companies Act, FEMA, Arbitration Act, SEBI Act and allied Statutes.	Wide experience in Finance and Banking.
Directorships held in other Companies	Allcargo Logistics Ltd. Goa Carbon Ltd. Dai-Ichi Karkaria Ltd. Godrej & Boyce Mfg. Co. Ltd. Grindwell Norton Ltd. DCB Bank Ltd. Godrej Industries Ltd. Tata Asset Management Ltd. Uni VTL Precision Pvt. Ltd. Wonder Space Properties Pvt. Ltd.	CyberTech Systems & Softwares Ltd. Lucid Colloids Ltd. Oil Field Instrumentation (India) Pvt. Ltd.	Bullows India Pvt. Ltd. Bullows Paint Equipments Pvt. Ltd. Clover Infotech Pvt. Ltd. Clover Realty & Infrastructure Pvt. Ltd. Gramos Chemicals India India Pvt. Ltd. Josts Engineering Co. Ltd. Oil Field Instrumentation (India) Pvt. Ltd. Sameera Developers Pvt. Ltd. Simmonds Marshall Ltd. Worthwhile Properties Pvt. Ltd.
Membership/ Chairmanships of Board/Committees of public Companies.	<b>Audit Committee - Chairman</b> Allcargo Logistics Ltd. Godrej & Boyce Mfg. Co. Ltd. Grindwell Norton Ltd. DCB Bank Ltd. <b>Member of Audit Committee</b> Dai-Ichi Karkaria Ltd. Goa Carbon Ltd. Tata Asset Management Ltd. <b>Stakeholders' Committee</b> Godrej & Boyce Mfg. Co. Ltd.	-	<b>Audit Committee - Chairman</b> Josts Engineering Co. Ltd.
Equity shareholding in the Company	Nil	Nil	Nil

**23. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by enabling paperless compliance by the Company and by its Circulars dated April 21, 2011 and April 29, 2011 stated that service of notice/documents including Annual Reports can be sent by e-mail to its members. To support this initiative, Members are requested to register their e-mail addresses along with Client ID/ Folio Number with “companysecretary@uniabex.com”. The e-mail address so registered would be deemed to be the registered e-mail address for serving notice/documents including those**

**covered under Section 219 of the Companies Act, 1956. The Notice of Annual General Meeting and the copies of Audited Financial Statements, Directors' Report, Auditors' Report, etc. will also be displayed on the Company's Website: [www.uniabex.com](http://www.uniabex.com) and other requirements of the aforesaid Circulars will be duly complied with.**

### **STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")**

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

#### **Item No. 4:**

Mr. A. F. Neterwala who was appointed as a Director on 7th August, 2013 to fill in the casual vacancy caused due to demise of Mr. D. M. Neterwala in terms of the Companies Act, 1956 and Articles of Association of the Company vacates office at this Annual General Meeting pursuant to the provisions of Section 161 of the Companies Act, 2013 (Corresponding Section 262 of the Companies Act, 1956), as Mr. D. M. Neterwala, in whose place he was appointed, would have retired by rotation at this meeting.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. A. F. Neterwala for the office of Director of the Company.

Mr. A. F. Neterwala is not disqualified from being appointed as a Director in terms of Section 164 of the Act. He holds NIL equity shares in the Company.

Brief resume of Mr. A. F. Neterwala, 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 Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Notes forming part of the Notice.

Copy of the draft letter for appointment of Mr. A. F. Neterwala, setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Board recommends the said resolution for the approval of the members. Besides Mr. A. F. Neterwala who is interested in this resolution as it relates to his appointment, Mr. F. D. Neterwala is also deemed to be interested as relative of Mr. A. F. Neterwala.

#### **Item No. 5 to 9:**

Mr. P. Subrahmanyam, Mr. H. R. Prasad, Mr. K. M. Elavia, Mr. M. P. Bharucha and Mr. F. K. Banatwalla are Non – Executive Independent Directors of the Company and have held the positions as such for more than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a Listed Company.

It is proposed to appoint Mr. P. Subrahmanyam, Mr. H. R. Prasad, Mr. K. M. Elavia, Mr. M. P. Bharucha and Mr. F. K. Banatwalla as Non Executive Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for a term of 5 (Five) consecutive years up to the conclusion of the 46th Annual General Meeting of the Company in the calendar year 2019.

Mr. P. Subrahmanyam, Mr. H. R. Prasad, Mr. K. M. Elavia, Mr. M. P. Bharucha and Mr. F. K. Banatwalla are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from Members alongwith the deposit of requisite amounts under Section 160 of the Act proposing the candidatures of each of Mr. P. Subrahmanyam, Mr. H. R. Prasad, Mr. K. M. Elavia, Mr. M. P. Bharucha and Mr. F. K. Banatwalla for the office of Directors of the Company.

The Company has also received declarations from Mr. P. Subrahmanyam, Mr. H. R. Prasad, Mr. K. M. Elavia, Mr. M. P. Bharucha and Mr. F. K. Banatwalla that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. P. Subrahmanyam, Mr. H. R. Prasad, Mr. K. M. Elavia, Mr. M. P. Bharucha and Mr. F. K. Banatwalla fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Mr. P. Subrahmanyam, Mr. H. R. Prasad, Mr. K. M. Elavia, Mr. M. P. Bharucha and Mr. F. K. Banatwalla

are independent of the management.

Brief resume of Mr. P. Subrahmanyam, Mr. H. R. Prasad, Mr. K. M. Elavia, Mr. M. P. Bharucha and Mr. F. K. Banatwalla, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Notes forming part of the Notice.

Copy of the draft letters for respective appointments of Mr. P. Subrahmanyam, Mr. H. R. Prasad, Mr. K. M. Elavia, Mr. M. P. Bharucha and Mr. F. K. Banatwalla as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. P. Subrahmanyam, Mr. H. R. Prasad, Mr. K. M. Elavia, Mr. M. P. Bharucha and Mr. F. K. Banatwalla are interested in the resolutions set out respectively at Item Nos. 5 to 9 of the Notice with regard to their respective appointments.

The relatives of Mr. P. Subrahmanyam, Mr. H. R. Prasad, Mr. K. M. Elavia, Mr. M. P. Bharucha and Mr. F. K. Banatwalla may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 to 9 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolutions set out at Item Nos. 5 to 9 of the Notice for approval by the shareholders.

#### **Item No. 10:**

The Members of the Company at the 40th Annual General Meeting of the Company held on 7th August, 2013 approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 the limit of borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 100 Crores (Rupees One Hundred Crores). Out of the above limits, the Company had availed a Term Loan of 30.73 Crores as on 31st March, 2014.

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 10 of the Notice, to enable the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto Rs. 100 Crores (Rupees One Hundred Crores) in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 10.

The Board recommends the Ordinary Resolutions set out at Item Nos. 5 to 9 of the Notice for approval by the shareholders.

#### **Item No. 11:**

Under the Companies Act, 2013 (the Act) Directors have been entrusted with new responsibilities to make their role more objective and purposeful. Keeping in view the enhanced role, responsibilities and duties of the Non Executive Directors, it is considered appropriate that the remuneration payable to the Directors by the Company should be commensurate with their increased role, responsibilities and duties.

Section 197 of the Act provides for payment of remuneration to the Non Executive Directors as under:

- (i) Payment of remuneration to more than one managing director / whole-time director shall not exceed 10% of the net profits of the Company to all such directors; and
- (ii) Payment of remuneration to directors who are neither managing directors nor whole-time directors (that is Non-Executive Directors) shall not exceed 1% of the net profits of the Company."

The Board of Directors of the Company have, subject to the approval of members of the Company, proposed to remunerate the Non Executive Directors as under:

The Non-Executive Directors (i.e. Directors other than the Managing Director and the Whole-time Director) may be paid remuneration not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Act 2013.

The said remuneration to Non-Executive Directors shall be in addition to the sitting fee payable to them for attending meetings of the Board and Committees thereof.

Save and except all the Non-Executive Directors of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 11 of the Notice.

The Board recommends the Special Resolution set out at Item No. 11 of the Notice for approval by the shareholders.

#### **Item No. 12**

The Board of Directors of the Company (the 'Board'), at its meeting held on May 30, 2014 has, subject to the approval of members, re-appointed Mr. M. K. Fondekar as Whole-time Director, designated as Executive Director, for a period of 6 (six) months from the expiry of his present term on June 30, 2014, at the remuneration recommended by the Nomination & Remuneration Committee of the Board and approved by the Board.

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr. M. K. Fondekar as Whole-time Director, designated as Executive Director, in terms of the applicable provisions of the Act.

Principal terms of re-appointment of and remuneration payable to Mr. M. K. Fondekar are as under:

1. Remuneration:
 

Basic Salary:	Rs. 3,60,000/- per month
Personal Allowance:	Rs. 42,500 /- per month
House Rent Allowance:	Rs. 1,44,000/- per month
2. Utility & Other Allowance: House Maintenance and Repairs Allowance, reimbursement of expenses or allowance for utilities such as gas, electricity, water, furnishings etc. the aggregate value of such allowance/ reimbursement restricted to an amount equal to Annual Salary. The allowances/perquisites shall be valued as per Income Tax Rules as applicable.
3. Medical Allowances / Reimbursement Premium: The Executive Director and his family would be entitled towards reimbursement of medical expenses or as medical allowances, subject to the ceiling of Rs.39,600/- per annum. He will be also reimbursed maximum of Rs. 24,000/- per annum towards premium for Mediclaim Policy for him and his family.
4. Leave Travel Allowance: One month's basic salary per annum i.e. Rs.3,60,000/- in accordance with LTA Rules as specified by the Company.
5. Provident Fund and Gratuity: Company's contribution to Provident Fund and Gratuity, the aggregate amount of contributions limited to the extent these are not taxable under the Income Tax Act, 1961.
6. Performance Linked Incentive, as may be decided by the Board from time to time.
7. Other Benefits:
  - A. Leave and leave encashment as per the rules specified by the Company.
  - B. Provision of car with chauffeur/ reimbursement of chauffeur expenses and maintenance & running expenses.
  - C. Telephone at residence and cellular phone to be provided by the Company and not to be considered a perquisite. Personal long distance calls to be billed to the Executive Director.
  - D. Subscription fees of maximum two clubs. This will not include admission or life membership.
  - E. Premium on personal accident policy as per the rules of the Company.
8. Other terms: The Executive Director shall not be entitled to receive sitting fees for attending meetings of the Board or Committee/s thereof. He will not be liable to retire by rotation.

#### **General:**

The Whole-time Director will perform his respective duties with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all

respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and the functions of the Whole-time Director will be under the overall authority of the Board of Directors.

The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.

The Whole-time Director shall adhere to the Company's Code of Conduct & Ethics for Directors and Management Personnel.

The office of the Whole-time Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.

Mr. M. K. Fondekar satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. M. K. Fondekar under Section 190 of the Act.

Mr. M. K. Fondekar is an eminent Metallurgist having more than 40 years of experience in the field. He is a Life Member of Indian Institute of Metals and he is serving as a Director on the Boards of Universal Ferro & Allied Chemicals Ltd. Uni Deritend Ltd. and Uni Klinger Ltd. He has worked in various capacities like Project superintendent, Works Manager, General Manager and Chief Executive.

Mr. M. K. Fondekar is interested in the resolution set out at Item No. 12 of the Notice, which pertain to his reappointments and remuneration payable to him.

The relatives of Mr. M. K. Fondekar may be deemed to be interested in the resolution set out at Item Nos. 12 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in this Resolution.

The Board recommends the Ordinary Resolutions set out at Item No.12 of the Notice for approval by the Members.

**Item No. 13:**

During the financial year 2013-14, Mr. M. K. Fondekar (DIN: 01089689) as a Whole-time Director designated as Executive Director, was entitled to remuneration and perquisites as approved by the Members of the Company at their 40th Annual General Meeting of the Company held on 7th August, 2013. The actual amount of remuneration and perquisites paid to Mr. M. K. Fondekar during the financial year 2013-14 was Rs. 74.18 lacs. which exceeds the prescribed limit as specified in Sections 198 and 349 of the Companies Act, 1956 and all other applicable provisions of the Companies Act, 1956 by Rs. 8.25 lacs, the approval of the Members is sought for waiver of the excess remuneration. The waiver of excess remuneration paid is also subject to the approval of Central Government.

Mr. M. K. Fondekar is interested in the resolution set out at Item No. 13 of the Notice, which pertain to his payment and waiver of excess remuneration paid to him.

The relatives of Mr. M. K. Fondekar may be deemed to be interested in the resolution set out at Item Nos. 13 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

The Board recommends the Special Resolution set out at Item No. 13 of the Notice for approval by the shareholders.

Registered Office:  
Liberty Building,  
Sir Vithaldas Thackersey Marg,  
Mumbai 400 020

Date: 11<sup>th</sup> July, 2014

By Order of the Board  
Milind Ashar  
Company Secretary  
&  
Compliance Officer

## DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting herewith their Forty First Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2014.

### OPERATIONS AND FINANCIAL RESULTS

#### SUMMARY OF FINANCIAL RESULTS

		₹ lacs
<b>Particulars</b>	<b>2013-14</b>	<b>2012-13</b>
<b>Revenue From Operations (Gross)</b>	<b>8241.01</b>	<b>7608.44</b>
Less: Excise Duty & Sales Tax	587.08	671.45
<b>Revenue From Operations (Net)</b>	<b>7653.93</b>	<b>6936.98</b>
Add: Other income	295.89	227.06
<b>Total Revenue</b>	<b>7949.82</b>	<b>7164.04</b>
<b>Profit before Depreciation</b>	<b>1488.07</b>	<b>1191.65</b>
Less: Depreciation	308.18	128.08
<b>Profit Before Tax</b>	<b>1179.89</b>	<b>1063.57</b>
Less: Provision for Income Tax	348.00	365.00
Add: Income Tax adjustment for previous years	1.36	(7.16)
Add: Deferred Tax adjustment	(51.53)	19.56
<b>Profit After Tax</b>	<b>781.72</b>	<b>710.97</b>
Balance brought forward	3735.61	3179.95
<b>Profit Available for Appropriation</b>	<b>4517.33</b>	<b>3890.92</b>
Proposed Dividend on Equity Shares	118.50	69.10
Dividend Tax on the above	20.14	11.21
Transferred to General Reserve	80.00	75.00
<b>Surplus Carried to Balance Sheet</b>	<b>4298.69</b>	<b>3735.61</b>

#### DIVIDEND

The Board of Directors of the Company have recommended a dividend of ₹6.00/- per Equity Share of nominal value of ₹10 each (i.e. 60%) for the financial year ended March 31, 2014 as against 35% paid for the previous year. The total outgo towards dividend on equity shares together with dividend distribution tax amounts to ₹138.64 Lacs.

#### OPERATIONS

Despite recessionary trends in the domestic economy for the greater part of the year under review, higher inflation and lower GDP growth your Company has been able to show growth in the top line through its efforts in acquiring new customers in Europe. The latter part of the year saw improved sentiments in Europe and American markets helping your company to improve its export performance. The turnover for the year including exports was higher by 11%, compared to the previous year mainly contributed by exports and sustained market share with the OEM (Original Equipment Manufacturer) customers. The PBIDT for the year is ₹18.08 Crs as against ₹13.10 Crs of the previous year.

#### PROSPECTS

Your company's sustained efforts on acquiring new customers are yielding results with new business flowing from overseas OEMs which shows good future potential. The installation of a new stable government augurs well for the

industrial sentiment. This is expected to bring the domestic sectors out of the sluggishness and is expected to have a positive effect on our business.

### **DHARWAD PROJECT**

The Company's plant at Dharwad has been commissioned and commercial production has commenced. The Company has taken a small step by starting an in-house machine shop at this facility which would help reduce its dependence on the outsourced services and improve its delivery performance besides building internal machining capabilities. Consequent to the Commissioning of state of art Dharwad facility, Company's capabilities to cater to the requirements of the niche markets and customers is considerably enhanced which will help Company to target businesses which hitherto it was not able to do.

### **QUALITY MANAGEMENT**

The Company's commitment to high standards of quality and on time delivery continues against competitive price pressures. Company's operations are certified for ISO 9001:2008 and the Quality Management System at the new facility at Dharwad also will be certified in the current fiscal.

### **ENVIRONMENT, HEALTH AND SAFETY**

The Company is committed to the highest level of safety, health and environment for all its stake holders - employees, customers, vendors, business associates and neighborhood. Company's operations were certified according to ISO 14001 and OHSAS 18001. We have planned to get similar certification for Dharwad unit in the current fiscal year.

### **HUMAN RESOURCE MANAGEMENT**

Focused H.R. initiatives are being taken for training and development. The relations between the employees and the management continue to remain cordial.

### **DIRECTORS**

Mr. A. F. Neterwala was appointed as a Director by the Board, in the vacancy caused by the demise of Mr. D. M. Neterwala on 7th August, 2013, in terms of Section 262 of the Companies Act, 1956. The Company has received Notice from a Member pursuant to the provisions of Section 160 of the Companies Act, 2013 (Corresponding Section 257 of the Companies Act, 1956) proposing the appointment of Mr. A. F. Neterwala at the ensuing Annual General Meeting.

In terms of the relevant provisions of Articles of Association of the Company, and the Companies Act, 1956 Mr. P. Subrahmanyam and Mr. H. R. Prasad retire by rotation and being eligible, offer themselves for reappointment. Pursuant to the provisions of Section 149 (10) of the Companies Act, 2013 their reappointment is proposed for a period of 5 years, and they will not be liable to retire by rotation during their tenure.

In terms of the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act 2013 and the rules prescribed there under, the non-retiring Independent Directors shall be appointed within 12 months from 1st April 2014. To comply with these provisions Mr. K. M. Elavia, Mr. M. P. Bharucha and Mr. F. K. Banatwalla, Independent Directors are proposed to be appointed for a period of 5 (Five) years and would not be liable to retire by rotation.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors, based on the representations received from the Operating Management, confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (ii) In consultation with the Statutory Auditors, appropriate accounting policies have been followed and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profit for year ended on that date;
- (iii) To the best of their knowledge and ability, proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the applicable provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, if any;
- (iv) The annual accounts have been prepared on a going concern basis.

**INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956.**

The information required to be given under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees Rules), 1975 as amended. However in terms of section 219 (1) (b) (iv) of the Companies Act 1956, the Annual Report is circulated to members excluding the aforesaid information. Any member interested to obtain the said information may write to the Company Secretary at the Registered Office of the Company.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO**

The particulars as required to be disclosed pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors), Rules, 1988 are given in Annexure – I forming a part of this Report and Note No. 33 & 34 of “Notes to the Financial Statements”.

**CORPORATE GOVERNANCE**

In terms of the Listing Agreement, Management Discussion & Analysis Report is annexed and forms part of the Annual Report. A report on Corporate Governance along with the Auditors’ Certificate on its compliance is also annexed which is forming part of the Annual Report.

**STATUTORY AUDITORS**

The Members are requested to appoint the Auditors for the current year and fix their remuneration. Messrs. Ford, Rhodes, Parks & Co., Chartered Accountants, Mumbai, the existing Auditors of the Company have furnished the Certificate of their eligibility for reappointment under Section 141 of the Companies Act, 2013. (Corresponding Section 224 of the Companies Act, 1956).

**SECRETARIAL AUDITOR**

The provisions of Section 204 of the Companies Act, 2013 read with Section 134 (3) of the Companies Act, 2013, mandates Secretarial Audit of the Company to be done from the financial year commencing on and after 1st April, 2014 by a Company Secretary in Practice which is required to be annexed with the Board Report for the financial year 2014-15 onwards. The Board has therefore considered and appointed M/s. Kaushik M. Jhaveri & Co. Company Secretary in practice as Secretarial Auditor for the financial year 2014-15.

**APPRECIATION**

Your Directors place on record their appreciation of the continued support, cooperation and assistance from our shareholders, customers, suppliers, employees and employees’ union and other business associates including various agencies of the Central and State Governments and Bankers.

On Behalf of the Board of Directors  
F. D. Neterwala  
Chairman

Mumbai, 30<sup>th</sup> May, 2014.

## ANNEXURE – I

PARTICULARS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORTS OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2014.

### A. CONSERVATION OF ENERGY:

#### a) Energy conservation measures taken:

Energy conservation is being pursued with considerable focus and commitment by the Management through improved operational and maintenance practices. Steps taken by the Company in this direction are as under:

- Improvement of efficiency of melting operations for optimum furnace utilization.
- Maintaining Power Factor to near unity.
- Translucent roofing sheets for the factory and electronic ballast for the lights in factory & offices to reduce power consumption on lights.
- Measuring, monitoring and managing of power consumption at various consumption points and corrective action to ensure minimum wastage.
- Awareness amongst employees about the need to conserve energy.

#### b) Additional investments & proposals, if any, being implemented for reduction of consumption of Energy:

- Replacement of old equipments with new energy efficient equipments.

#### c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- The above measures will result in energy savings and consequent decrease in cost of production.

### B. TECHNOLOGY ABSORPTION:

#### Research & Development (R & D)

#### 1) Specific areas in which R & D carried out by the Company:

Development of heat, wear and corrosion resistant alloys for new applications.

#### 2) Benefits derived as a result of above R & D:

Research and Development work has helped in increasing the range & quality of products and business volumes coupled with cost control.

#### 3) Future plan of action:

Development of proprietary alloys for special heat, wear and corrosion resistant applications.

#### 4) Expenditure on R & D:

i) Capital Expenditure :	₹ Nil
ii) Recurring Expenditure :	₹ 63.40 lakhs
iii) Total Expenditure :	₹ 63.40 lakhs
iv) Total R & D Expenditure as a percentage of total turnover:	0.80%

#### 5) Technology absorption, adaptation and innovation:

The in-house R & D department is recognised by the Government of India, Department of Science & Technology. The technology is continually upgraded to meet the demanding market conditions. Quality of products manufactured by this Company is well appreciated by the user industries including overseas customers.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars with regard to Foreign Exchange Earnings and Outgo are set out in Note No. 32, 33, 34 and 45 in Notes to the financial statements.

## FORM – A

### Form for disclosure of particulars with respect to conservation of energy

#### (A) Power and Fuel Consumption

	Current Year (2013-14)	Previous Year (2012-13)
<b>1. Electricity</b>		
(a) Purchased Units (KWH)	4,156,010	3,765,000
Total Amount (₹)	40,881,790	34,554,032
Rate / Unit (₹ / KWH)	9.84	9.18
(b) Own Generation		
(i) Through Diesel Generator Unit	2,932	2,400
Unit per Litre of Diesel Oil	5.33	4.62
Cost / Unit	11.08	10.29
(ii) Through Steam Tubing / Generators Units	Not Applicable	Not Applicable
Unit per Litre of Fuel / Oil / Gas Cost / Unit		
<b>2. Coal (Specify Quality and where used)</b>		
Quantity (Tonnes)		
Total Cost	Not Applicable	Not Applicable
Average Rate		
<b>3. Light Diesel Oil</b>		
Quantity (K Litres)	278	214
Total Amount (₹)	15,874,700	11,792,893
Average rate (₹ / K Litre)	57,103	55,215

#### (B) Consumption per unit of production

Electricity KWH / tonne		Light Diesel Oil Litres / tonne	
Current Year 2013-2014	Previous Year 2012-2013	Current Year 2013-2014	Previous Year 2012-2013
4212	3843	282	218

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The continuing Global and Domestic demand recession for Capital Goods Sector during major part of the year adversely impacted the markets and the economy at large; however the last quarter of the year saw some revival in the American and European economy which showed some hope for the industry. The Company's business and output was also impacted in the first half of the year because of the subcontractors inability to meet their obligation of supplies due to agitations regarding Local Body Tax issues and stoppage of work at their end.

Iron & Steel industry in India was impacted by the scarcity of raw material due to restriction on mining activities in Several States. This was further aggravated by the slowdown in demand of steel in the domestic market. Consequently, Company's performance in this sector also got adversely impacted. In the Petroleum and Engineering business segments the Company's efforts are yielding results and we have made in-roads with some orders from Indian and also overseas companies for Reformer Tubes.

In these difficult times, it is a matter of immense satisfaction to report that the efforts of your Company to diversify into other domestic business segments coupled with identifying overseas customers, helped increase our exports substantially and with favorable exchange rates we were able to also increase our PBIDT besides offsetting the substantial reduction in the domestic business. Growth in exports by 52 % over last year, more than offset the drop in domestic sales due to the sluggish Indian Economy. The Company has not only emerged unscathed by the slowdown but even bettered its turnover by about 11 % compared to the preceding year.

### THREATS AND OPPORTUNITES

The slowdown in the domestic industry coupled with high inflation continuing unabated, and, intense competition for market share and the ageing of the Company's productive assets are threats that loom large. These very threats, when viewed positively, create a heightened sense of fast forward initiatives. The Company is responding proactively by (i) developing overseas customers (ii) working with global original equipment manufacturers (iii) working with project consultants in the steel segment (iv) pursuing orders for high alloy high integrity sand castings and (v) augmenting the manufacturing capacity and capability by putting on stream new state of the art manufacturing facility at Dharwad.

### OUTLOOK

With the focus on maintenance, replacement and overhaul requirements in domestic industry and identification of new opportunities in the export business in Europe, which is now showing growing optimism, the outlook for the year 2014-15 is positive. The Industrial and Manufacturing sectors are looking expectantly to the new Government at the Centre, to take concrete steps for revival of growth which is expected to have a positive effect on our business sectors.

### RISK & CONCERNS

The Company, like all business entities in the Country, is exposed to business and economic risks arising out of slow down, and inflationary price spiral, especially in prices of fuel, energy and inputs. The forecast of El Nino impact and resultant inadequate monsoon in the Indian subcontinent could hurt the overall demand and in turn the economy.

The Board of Directors is informed about the risk assessment and risk mitigating measures. The Executive Management has an adequately defined framework in place for risk management.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company continues to augment the Standard Operating Procedures covering the business operations with inbuilt system of internal checks and balances. These procedures ensure that the transactions are properly authorized, validated and reported, apart from safeguarding the assets of the Company. The Company's operating procedures are supplemented by well-documented policies and records. The Internal Auditors conduct audit of all the aspects of the business to assess effectiveness of existing control systems, adherence to the management instructions and policies and compliance with laws and regulations of the Country.

The Audit Committee headed by a Chairman, who is an Independent Director, meet quarterly with the Management, Internal and Statutory Auditors to review the internal audit reports and address exceptions, if any.

### FINANCIAL PERFORMANCE

#### Financial Performance:

Total Income (net sales and other income) for the year at ₹ 7950 Lacs is higher by 11 % than ₹ 7164 Lacs of the previous year.

#### Human Resources:

The HRD policies are continuously being upgraded to keep pace with development. Learning and Development at all levels are encouraged and professional services are taken for the Organization Development and Succession Planning. This is complemented by efforts to provide a conducive work culture and ambience. As at 31st March, 2014, the total number of employees on the roll of the Company stood at 149.

### CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report are forward looking statements and are based upon the data available with the Company. Certain assumptions on the economic outlook of the country, government policies, and political developments within and outside the Country. The Management is not in a position to guarantee the accuracy of the assumptions and the projected performance of the Company in future. It is, therefore cautioned that the actual results may differ from those expressed or implied herein.

## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2014.

### Company's Philosophy on Corporate Governance

**UNI ABEX ALLOY PRODUCTS LIMITED'S (UA)** follows best practices of Corporate Governance by adopting Corporate Governance Policies and Code of Conduct as is the norms for all constituent Companies of the Neterwala Group. These policies prescribe a set of systems and processes guided by the core principles of transparency in disclosures, accountable compliances ethical conduct and the commitment to promote the interest of all stakeholders. The Policies and Code are reviewed periodically to ensure their relevance and responsiveness to the needs of the stakeholders and also to benchmark them against the best practices followed nationally and globally. The Company ensures that the Management controls various business related risks through a properly defined framework for Risk Management.

UA's Governance practices go beyond the mere letter of Statutory and Regulatory Compliance Requirement The Company ensure robust and ethical conduct of business practices and it ensures transparency, accountability, professionalism, and responsible leadership at the Board, as also at the Management and Operative levels and the Objective of its management and employees is to manufacture high quality products which create value that can be sustained over long term for its Stakeholders.

UA's management believes in compliance with all applicable laws which are the pillars of good governance. Your Company has complied with the requirements of Corporate Governance as laid down under Clause 49 of the Listing Agreement with the Stock Exchanges.

### Governance framework

UA's Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the management to those within the given framework thereby bringing about an enabling environment for value creation through profitable and longterm sustainable growth model.

The business principles are in harmony with the code of conduct, supported by a robust ERP system and strict Standard Operating Procedures laid and developed in line with the relevant rules and regulations. The Company's strong commitment to follow a highly disciplined approach to its business model gives it a distinct corporate personality. The Company's Management places considerable emphasis on compliance aimed at providing good governance.

The Company produces static, centrifugal castings and assemblies in heat and corrosion resistant alloys. Manufacturing quality alloy products is its prime focus. As a leader in alloy steel castings for decanters and reformer tubes, the company has made a significant contribution to various industries in the last four decades.

### 1. COMPANY STRUCTURE

The Company has a total strength of 149 permanent employees as on 31st March, 2014 comprising of

Managers-	26
Officers -	51
Staff -	16
Workers -	56

### 2. BOARD OF DIRECTORS

In accordance with the law; the Board of Directors is the apex management body of the Company. The Board acts as the nerve centre of the organization. In addition to reviewing and approving specific corporate policies and actions as required by law (e.g., declaration of dividends and approval of accounts) it is actively involved in reviewing and guiding corporate strategy and major plans of action, monitoring implementation of plans and corporate performance, ensuring the integrity of the Company's accounting and financial reporting systems and over viewing compliance with all applicable legislations to the business.

#### 2.1 COMPOSITION

The Board's composition is as per the Provisions of the Companies Act , SEBI regulations and requirements of Clause 49 of the Listing Agreement. The Board of Directors comprises of a Non-Executive Chairman, an Executive Director and 7 other Non-Executives Directors. Out of the 8 Non-Executive Directors, 5 are Independent Directors.

Name of Director	Category	DIN	No. of other Directorships		No. of Outside Committees	
			Public	Private	Member	Chairman
Mr. D. M. Neterwala (Expired on 31.05.2013)	Promoter Non-Executive Director Chairman-Emeritus	-	-	-	-	-
Mr. F. D. Neterwala	Promoter Non-Executive Chairman	00008332	7	9	4	-
Mr. R. B. Mehta	Promoter Non-Executive	00057570	-	2	-	-
Mr. K. M. Elavia	Independent and Non-Executive	00003940	8	2	3	4
Mr. H. R. Prasad	Independent and Non-Executive	00133853	2	-	-	2
Mr. P. Subrahmanyam	Independent and Non-Executive	01069045	2	-	1	-
Mr. M. P. Bharucha	Independent and Non-Executive	00361911	2	1	-	-
Mr. M. K. Fondekar	Executive Director	01089689	3	-	-	-
Mr. F. K. Banatwalla	Independent and Non-Executive	02670802	2	10	-	1
Mr. A. F. Neterwala (Appointed w.e.f. 07.08.2013 in casual vacancy caused due to demise of Mr. D. M. Neterwala)	Promoter Non-Executive	01418744	4	5	1	-

None of the Directors of the Board is a member of more than ten Committees and Chairman of more than five Committees as per Clause 49(IV)(B) of the Listing Agreement, across all Companies in which he is a Director.

## 2.2 MEETINGS

During the period from 1st April, 2013 to 31st March, 2014, Five Meetings of the Board were held as under:

- 30<sup>th</sup> May, 2013
- 7<sup>th</sup> August, 2013
- 27<sup>th</sup> September, 2013
- 13<sup>th</sup> November, 2013
- 13<sup>th</sup> February, 2014

Attendance of Directors at Board Meetings and at the 40th Annual General Meeting held on 7th August, 2013 and details of sitting fees/commission paid to the Directors for the period under review are as follows:

Name of Director	No of Board Meetings		Sitting fees paid ₹.	Attendance at the last AGM	Commission Paid ₹.
	Held	Attended			
Mr. D. M. Neterwala *	5	0	NIL	-	-
Mr. F. D. Neterwala	5	5	30,000	Yes	1,69,923
Mr. R. B. Mehta	5	4	24,000	Yes	84,016
Mr. K. M. Elavia	5	3	18,000	Yes	49,454
Mr. H. R. Prasad	5	4	24,000	Yes	44,422
Mr. P. Subrahmanyam	5	4	24,000	No	44,422
Mr. M. P. Bharucha	5	3	18,000	Yes	27,596
Mr. M. K. Fondekar §	5	5	NIL	Yes	NIL
Mr. F. K. Banatwalla	5	5	30,000	Yes	50,319
Mr. A. F. Neterwala %	5	4	24,000	Yes	29,850

\* Mr. D. M. Neterwala expired on 31st May, 2013.

\$ Mr. M. K. Fondekar is not entitled to Commission and Sitting Fees, being an Executive Director.

% Mr. A. F. Neterwala was appointed as a Director w. e. f. 07.08.2013 in the casual vacancy due to demise of Mr. D. M. Neterwala.

## 2.3 BOARD PROCEDURE

The meetings of the Board of Directors are scheduled well in advance, in terms of the Annual Calendar and are generally held at the Registered Office of the Company. A detailed agenda is prepared and circulated to the Directors in advance of each meeting. This enables the Board to discharge its responsibilities effectively and take well deliberated and informed decisions. The draft minutes of the Board and Audit Committee Meetings approved by the Chairman of the Meetings are circulated to all the Directors. The information generally provided to the Board for its consideration and approvals include:

- Minutes of the preceding meetings of Board and Audit Committees;
- Confirmation of Circular Resolutions, if any
- Quarterly, half yearly and annual financial results of the Company and performance report on its business segments;
- Annual budget and performance targets;
- Appointment of statutory, cost and internal auditors;
- Appointment of key management personnel;
- Issues relating to shareholders – such as issue of duplicate share certificates, etc.;
- Review of foreign exchange exposures and exchange rate movement, if material;
- Contracts in which Director(s) are interested or deemed to be interested;
- Defaults in payment of statutory dues, if any;
- Matters requiring statutory/board approvals;
- Status on compliance of any regulatory or statutory nature or listing requirement;
- Issue/revocation of Powers of Attorney;
- General disclosure of interest.
- Compliance of Various laws and Accounting Standards;
- Any remarks/ observances/ findings made by the Statutory and Internal Auditors of the Company;
- Development in respect of human resources;
- Making of loans and investment of surplus funds;
- Status of business risk exposures, its management and mitigation;
- Execution of bank/stock/mortgage documents/authority for opening/operations of banking accounts.
- All policy related matters.

## 3. COMMITTEES OF THE BOARD

The Company follows procedures and practices in conformity with the code of Corporate Governance and in terms thereof, the Board has constituted the following committees:

### I. Audit Committee:

The Audit Committee Members as at March 31, 2014 comprised of:

Name of Director	Category
Mr. K. M. Elavia*	Chairman & Independent Director
Mr. F. D. Neterwala	Promoter – Non Executive Director
Mr. H. R. Prasad	Independent Director
Mr. P. Subrahmanyam*	Independent Director
Mr. F. K. Banatwalla #	Independent Director

\* To comply with the provisions of the Companies Act, 2013, Mr. K. M. Elavia, Independent Director and Chairman of the Audit Committee resigned as the Chairman of the Audit Committee wef 13.02.2014

# Mr. F. K. Banatwalla, an Independent Director on the Board was appointed as the Chairman of the Audit Committee in place of Mr. Elavia who vacated the office of the Chairman at the conclusion of the Audit Committee Meeting held on 13.02.2014.

Mr. Parag M. Lakhani, relinquished his office as the Company Secretary from the close of business on 07.08.2013.

Mr. Milind Ashar, was appointed as the Company Secretary and Compliance Officer of the Company wef 08.08.2013.

The Company Secretary of the Company is the Secretary to the Audit Committee. The terms of reference of this committee cover the matters as listed under clause 49 of the Listing Agreement with the Stock Exchange.

The details of meetings of the Committees of the Board held during the year 2013-2014 and the attendance there at are as follows:

**5 Meetings of the Audit Committee were held on:**

- 30th May, 2013
- 7th August, 2013
- 27th September, 2013
- 13th November, 2013
- 13th February, 2014

**Attendance at the Audit Committee Meetings**

Name of Director	No of Audit Committee Meetings		Total Sitting fees paid
	Held	Attended	₹
Mr. K.M. Elavia*	5	3	15,000
Mr. F. D. Neterwala	5	5	25,000
Mr. H. R. Prasad	5	4	20,000
Mr. P. Subrahmanyam	5	4	20,000
Mr. F. K. Banatwalla #	5	5	25,000

\* Mr. K. M. Elavia, Independent Director and Chairman of the Audit Committee resigned as the Chairman of the Audit Committee wef 13.02.2014 to comply with the provisions of the Companies Act, 2013 and SEBI Regulations applicable to Listed entities,

# Mr. F. K. Banatwalla, Independent Director was appointed as the Chairman of the Audit Committee in place of Mr. Elavia who vacated the office of the Chairman at the conclusion of the Audit Committee Meeting on 13.02.2014.

**Sitting Fees:**

The Company paid to the Directors ₹ 6000/- as sitting fees for attending each meeting of the Board and ₹ 5000/- for attending each meeting of the Audit Committee.

**II. Nomination and Remuneration Committee (previously known as Remuneration Committee):**

A Committee of Directors comprising of Mr. K. M. Elavia, Mr. R. B. Mehta and Mr. P. Subrahmanyam, all Independent Directors has been reconstructed as Nomination and Remuneration Committee (previously known as Remuneration Committee) for the purpose of recommending of the Executive Director, Senior Executives' remuneration / revision / merit increment and related matters. No sitting fees are payable for the meetings of this committee.

**III. Stakeholders Relationship Committee (previously known as Shareholders' / Investors' Grievances Committee):**

The composition of the Stakeholders Relationship Committee (previously known as Shareholders' / Investors' Grievances Committee) as at March 31, 2014 is as under:

Name of the Director	Category
Mr. D. M. Neterwala*	Non-Executive Director
Mr. F. D. Neterwala	Non-Executive Director
Mr. R. B. Mehta	Non-Executive Director
Mr. A. F. Neterwala%	Non-Executive Director

\* Mr. D. M. Neterwala expired on 31st May, 2013.

% Mr. A. F. Neterwala was appointed as a Director w. e. f. 07.08.2013 in casual vacancy caused due to demise of Mr. D. M. Neterwala, was made the member of this committee.

The Committee meets as often as necessary. No sitting fees are payable for the meetings of this committee. In accordance with the authority granted by the Board/Share Transfer Committee, Mr. Milind Ashar, Company Secretary & Compliance Officer (Secretary to the Committee) deals with the following matters concerning shareholders, on fortnightly basis.

- Transfer/Transmission of physical shares
- Split/Sub-division, consolidation and duplicate share certificates of physical shares as approved by the Board. Re-materialisation of Shares.

M/s. Computech Sharecap Ltd., the Registrar and Share Transfer Agents, deal with all matters related to shares, whether physical or in demat form and dividends.

The communications received from the shareholders are generally pertaining to change of address, non-receipt of dividend warrants, annual reports, bank mandates, revalidation of dividend warrant/consolidation/split/remat /transmission of shares etc. these have been addressed and redressed to the satisfaction of the shareholders by Registrar & Share Transfer Agents.

There was neither any unattended nor pending investor grievance as on 31st March, 2014.

The Board has consented to the understanding that complaints of non-receipt of Dividend and Annual Reports are not to be treated as complaints under Clause 49 (G)(iii), as the Company's liability is discharged when the relevant articles are posted at the last known address of the investor. However as an investor friendly measure. all such cases, the letters received from the investors are being serviced promptly in addition to the responsibility under clause 49 of the Listing Agreement,

The Company has engaged the services of a practicing Company Secretary to independently verify and audit the share transfer records and Register of Members every quarter at the office of the Registrar & Share Transfer Agents. No materially significant non-compliance from the established procedures is reported by them.

#### 4. DETAILS OF ANNUAL GENERAL MEETINGS

The last three Annual General Meetings were held as under:

Financial year	Date	Time	Location
2010-2011	25.8.2011	3.00 P.M.	M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K.Dubash Marg, Mumbai-400 023
2011-2012	23.8.2012	3.00 P.M.	- do -
2012-2013	07.08.2013	3.00 P. M.	- do -

No Ordinary or Special Resolution was passed through Postal Ballot.

**For the Financial year 2013-2014 the Annual General Meeting of the Company will be held on Wednesday, 20<sup>th</sup> August, 2014 at 3.00 P. M. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai - 400 023.**

#### 5. DISCLOSURES

- a. The Company did not have any related party transaction which may have potential conflict with the interest of the Company at large. However, related party transactions have been disclosed under Note No.36 to the accounts for the year under review.
- b. There were no instances of non-compliance and no penalties/strictures have been imposed/passed by Stock Exchange, SEBI or any other statutory authority during last three years on any matter related to the capital markets.

- c. For the financial year 2013-2014, there is **no audit** qualification in the Company's financial statements.

## 6. MEANS OF COMMUNICATION

- The quarterly, half yearly and full year results are taken on record by the Board of Directors and submitted to the Stock Exchanges in terms of the requirements of Clause 41 of the Listing Agreement and are published in 'Free Press Journal' and 'Nav Shakti' newspapers.
- The financial results are displayed on the Company's Website viz: [www.uniabex.com](http://www.uniabex.com)
- The Management Discussion and Analysis Report is attached with the Directors' Report in this 41<sup>st</sup> Annual Report of the Company posted to the Shareholders.

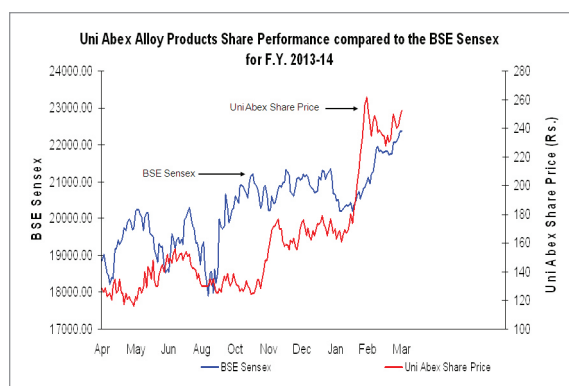
## 7. GENERAL SHAREHOLDER INFORMATION

<b>Annual General Meeting</b>	
Date	20 <sup>th</sup> August, 2014
Time	3.00 P.M.
Venue	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 023.

<b>Financial Calendar</b>	<b>Financial Year April to March</b>
First Quarter Results	By 14 <sup>th</sup> of August, 2014 ( With Limited Review)
Half Yearly Results	By 14 <sup>th</sup> of November, 2014 ( With Limited Review)
Third Quarter Results	By 14 <sup>th</sup> of February, 2015 ( With Limited Review)
Unaudited/Audited Results for the year ending 31 <sup>st</sup> March, 2015	By 30 <sup>th</sup> of May, 2015
Registrars & Transfer Agents	M/s. Computech Sharecap Ltd. 147, Mahatma Gandhi Road, 3rd Floor, Above Khyber Restaurant, Fort, Mumbai- 400023 Tel: 22635001/02 Email: <a href="mailto:helpdesk@computechsharecap.com">helpdesk@computechsharecap.com</a>
Dates of Book Closure	on 11 <sup>st</sup> August – 20 <sup>th</sup> August, 2014
Dividend Payout Date	on and from 10 <sup>th</sup> September, 2014
Listing on Stock Exchanges	Bombay Stock Exchange Limited, Mumbai The Delhi Stock Exchange Association Ltd.
Stock Code -	
Bombay Stock Exchange, Mumbai	504605
The Delhi Stock Exchange, Delhi	21029
Demat ISIN Number for N.S.D.L. & C. D. S.L.	ISIN - INE361D01012
Corporate Identity No. (CIN)	L27100MH1972PLC015950

## 8. THE MONTHLY HIGH AND LOW QUOTATIONS OF SHARES TRADED ON THE STOCK EXCHANGE MUMBAI ARE AS FOLLOWS:

Sr. No.	Month	High ₹.	Low ₹.
1	April, 2013	135.00	117.00
2	May, 2013	143.90	115.25
3	June, 2013	152.05	126.00
4	July, 2013	157.40	135.15
5	August, 2013	141.80	125.15
6	September, 2013	139.00	125.00
7	October, 2013	139.30	124.65
8	November, 2013	178.00	123.00
9	December, 2013	182.90	154.00
10	January, 2014	185.65	159.05
11	February, 2014	274.50	161.00
12	March, 2014	256.80	225.20



## 9. SHARE TRANSFER SYSTEM

Shares in physical forms are processed by the Registrars and Share Transfer Agents within 7-15 days from the date of receipt. If the documents are complete in all respects they are forwarded to the Company for approval of the Shareholders' / Investors' Grievance Committee. The Committee approves the same within 15 days of receipt from the Registrars and returns to the Registrars for onward transmission to the concerned shareholder/s.

**88.04 %** of total Equity Capital is held in dematerialised form with NSDL and CDSL as on 31st March, 2014.

## 10. DISTRIBUTION OF SHAREHOLDINGS AS ON 31<sup>ST</sup> MARCH, 2014

No of Equity Shares	No of Shareholders	% of Shareholders	No of Shares held	% of Shareholding
1 – 500	7376	98.10	411513	20.84
501 – 1,000	80	1.06	64781	3.28
1,001 – 2,000	35	0.47	48709	2.47
2,001 – 3,000	8	0.11	22153	1.12
3,001 – 4,000	2	0.03	7145	0.36
4,001 – 5,000	4	0.05	17941	0.91
5,001 – 10,000	6	0.08	42024	2.13
10,001 and above	8	0.11	1360734	68.90
<b>Total</b>	<b>7519</b>	<b>100.00</b>	<b>1975000</b>	<b>100.00</b>

CATEGORY	No of Shares held	Percentage of shareholding
<b>PROMOTERS' HOLDING</b>		
1. Promoters		
- Indian Promoters	1251327	63.36 %
- Foreign Promoters	0	0.00 %
<b>Sub-Total</b>	<b>1251327</b>	<b>63.36 %</b>
<b>NON-PROMOTERS' HOLDING</b>		
2. Institutional Investors		
a. Mutual Funds & UTI	100	0.01 %
b. Banks, Financial Institution, Insurance Companies, Central, State Govt. Institution Non-Govt Institutions	506	0.03 %
c. Foreign Institutional Investors	0	0.00 %
<b>Sub-Total</b>	<b>606</b>	<b>0.03 %</b>
3. Others		
a. Private Corporate Bodies	90493	4.58%
b. Indian Public	628611	31.83%
c. NRIs/OCBs	3963	0.20%
d. Independent Directors & Relatives	-	-
e. Present Employees	-	-
f. Any Other	0	0.00 %-
<b>Sub-Total</b>	<b>723067</b>	<b>36.61 %</b>
<b>GRAND TOTAL</b>	<b>1975000</b>	<b>100.00 %</b>

- 11. PLANT LOCATION:**
1. Mullabaugh, Swami Vivekanand Road, Manpada, Thane - 400 610
  2. Plot NO:583, Belur Industrial Area, Belur, Dharwad Karnataka – 580 111

## 12. ADDRESS FOR CORRESPONDENCE:

Shareholders may correspond for all matters relating to the transfer / unpaid dividend/ duplicate share certificates / Procedure for dematerialisation of shares and any other query relating to shares of the Company with:

M/s. Computech Sharecap Ltd., 147, Mahatma Gandhi Road, 3<sup>rd</sup> Floor, Above Khyber Restaurant, Fort, Mumbai-400 023. Tel: 22635001 / 2 - Fax: 22635005 - E-mail: helpdesk@computechsharecap.com

## **DECLARATION**

I, Mohan Krishna Fondekar, Executive Director of Uni Abex Alloy Products Ltd., hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the code of conduct for the year ended March 31, 2014.

M. K. Fondekar  
Executive Director  
Uni Abex Alloy Products Ltd.

Thane  
May 30, 2014.

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## **CEO / CFO CERTIFICATION**

As required by sub clause V of Clause 49 of the Listing Agreement with the Stock Exchanges, we have certified to the Board that for the financial year ended 31st March, 2014, the Company has complied with the requirements of the said sub clause.

For Uni Abex Alloy Products Ltd.

Thane  
May 30, 2014.

M.K. Fondekar  
Executive Director

J.D. Divekar  
General Manager Finance

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## **AUDITORS REPORT ON CORPORATE GOVERNANCE** **To the Shareholders of Uni Abex Alloy Products Ltd.**

We have examined the compliance of conditions of Corporate Governance by Uni Abex Alloy Products Ltd. for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For Ford, Rhodes, Parks & Co.  
Chartered Accountants  
Firm's Registration No. 102860W  
Shrikant Prabhu  
Partner  
Membership No.35296

Mumbai, 30<sup>th</sup> May, 2014.

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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNI ABEX ALLOY PRODUCTS LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of Uni Abex Alloy Products Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statement

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

- 2, As required by section 227(3) of the Act, we report that:
- a. We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act;
  - e. On the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

Place : Mumbai  
Mumbai, 30<sup>th</sup> May, 2014.

For Ford, Rhodes, Parks & Co.  
Chartered Accountants  
Firm's Registration No. 102860W  
Shrikant Prabhu  
Partner  
Membership No.35296

## ANNEXURE TO THE AUDITORS' REPORT

### (Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements')

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 (the Act), and on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of the audit, we further report that: -

1.
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - (b) The fixed assets of the Company have been physically verified by the management during the year as per the programme for physical verification of fixed assets. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its business.
  - (c) During the year, the Company has not disposed off a substantial part of fixed assets so as to affect the going concern status of the Company.
2.
  - (a) The stock of finished goods, raw materials, stores and spare parts have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) The Company has maintained proper records of inventory and the discrepancies between the physical inventory and the book records noticed on physical verification were not material and have been properly dealt with in the books of accounts.
3. The Company has not granted or taken any loans, secured or unsecured, to / from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have neither been informed nor have we observed any continuing failure to correct major weaknesses in internal control system.
5.
  - a) On the basis of our examination of the books of account and based on the information and explanations provided by the management, we are of the opinion that the particulars of contract and arrangements that need to be entered into the register in pursuance of Section 301 of the Act have been so entered in the said register.
  - b) In our opinion and according to the information and explanation given to us, the aforesaid transactions in pursuance of contracts and arrangements aggregating in value during the year to more than five lakhs rupees in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices.
6. The Company has not accepted any deposits from the public within the meaning of the provisions of Sections 58A, 58AA or any relevant provisions of the Act.
7. The Company has an internal audit system, which in our opinion, is commensurate with its size and nature of its business.
8. The Central Government has prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956, in respect of the products manufactured by the Company. We have broadly reviewed the books of account maintained by the Company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
9.
  - a) According to the information and explanations given to us by management and on the basis of the examination of the books of account carried out by us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues, wherever applicable, with the appropriate authorities. There were no undisputed arrears of statutory dues outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us by the management and the records of the Company examined by us, there were no disputed dues in respect of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited as on 31st March, 2014 except as stated below:

	Nature of dues	Period	Amount (₹ In Lacs)	Forum where dispute is pending
1.	Sales Tax	(F.Y.1997-98, F.Y. 1999-00, F.Y.2001-02 to 2004-05)	524.10	Dy. Commissioner / Jt. Commissioner of Sales Tax Appeals
2.	Excise Duty	(F.Y.1995-96, 1997-98 F.Y.2002-03 to 2003-04, F.Y.2005-06 to 2011-12)	233.84	Dy. Commissioner of Central Excise
3.	Excise Duty	(F.Y. 2001-02, F.Y. 2003-04 to 2009-10)	21.02	Customs, Excise, ServiceTax Appellate Tribunal

10. The Company does not have any accumulated losses as at 31st March, 2014, nor has it incurred any cash loss during the financial year ended on that date and in the immediately preceding financial year
11. The Company has not defaulted in repayment of dues to the bank during the year. The Company did not have any dues payable to financial institutions or to debenture holders during the year.
12. As per the books and records of the Company examined by us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. Clause (xiii) of the Order is not applicable, as the Company is not a chit fund company or nidhi / mutual benefit fund / society.
14. The Company has not dealt or traded in shares, securities, debentures or other investments during the year.
15. According to the information given to us and as per the records examined by us, the Company has not given any guarantee for the loans taken by others from banks or financial institutions during the year.
16. In our opinion, and according to the information and explanations given to us, the term loan have been applied, on an overall basis, for the purposes for which they were obtained
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. According to the information and explanations given to us by the management and on the basis of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have we been informed of any instance of material fraud on or by the Company, either noticed or reported during the year, nor have we been informed of any such case by the management.

For Ford, Rhodes, Parks & Co.  
Chartered Accountants  
Firm's Registration No. 102860W  
Shrikant Prabhu  
Partner  
Membership No.35296

Place : Mumbai  
Mumbai, 30<sup>th</sup> May, 2014.

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2014

	Note	As at 31/03/2014	₹ lacs As at 31/03/2013
<b>EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share capital	3	197.46	197.39
(b) Reserves and surplus	4	<u>5,279.72</u>	<u>4,636.62</u>
		<b>5,477.18</b>	<b>4,834.01</b>
<b>2. Non-current Liabilities</b>			
(a) Long-term borrowings	5	2,323.27	1,900.63
(b) Long-term provisions	6	52.19	26.92
(c) Deferred tax liabilities (net)		<u>4.28</u>	<u>-</u>
		<b>2,379.74</b>	<b>1,927.55</b>
<b>3. Current Liabilities</b>			
(a) Short-term borrowings	7	1,483.69	1,936.66
(b) Trade payables		1,074.36	593.97
(c) Other current liabilities	8	1,084.39	418.88
(d) Short-term provisions	9	<u>159.02</u>	<u>168.98</u>
		<b>3,801.46</b>	<b>3,118.49</b>
<b>Total</b>		<b>11,658.38</b>	<b>9,880.05</b>
<b>ASSETS</b>			
<b>1. Non-current Assets</b>			
(a) Fixed assets	10		
Tangible assets		4,729.55	750.76
Intangible assets		29.82	56.81
Capital work-in-progress		133.90	2,793.13
(b) Non-current investments	11	790.29	724.81
(c) Deferred tax assets (net)		-	47.25
(d) Long-term loans and advances	12	91.28	71.01
(e) Other non-current assets	13	<u>-</u>	<u>-</u>
		<b>5,774.84</b>	<b>4,443.77</b>
<b>2. Current Assets</b>			
(a) Current investments	14	0.51	0.48
(b) Inventories	15	1,550.10	1,277.11
(c) Trade receivables	16	1,728.83	1,607.98
(d) Cash and bank balances	17	1,838.43	2,136.71
(e) Short-term loans and advances	18	473.21	256.10
(f) Other current assets	19	<u>292.46</u>	<u>157.90</u>
		<b>5,883.54</b>	<b>5,436.28</b>
<b>Total</b>		<b>11,658.38</b>	<b>9,880.05</b>

## Notes to the financial statements

1 to 47

As per our report of even date  
For Ford, Rhodes, Parks & Co  
Chartered Accountants  
Firm's Registration No. 102860W  
SHRIKANT PRABHU  
Partner  
Membership No.35296  
Mumbai, 30<sup>th</sup> May, 2014.

F. D. NETERWALA  
Chairman  
  
M. K. FONDEKAR  
Executive Director

K. M. ELAVIA  
M. P. BHARUCHA  
A. F. NETERWALA  
H. R. PRASAD  
R. B. MEHTA  
P. SUBRAHMANYAM  
Directors

J. D. DIVEKAR  
G. M. - Finance

M. S. ASHAR  
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

		₹ lacs	
	Note	For the year ended 31/03/2014	For the year ended 31/03/2013
<b>Income:</b>			
Revenue from operations (gross)	20	8,241.01	7,608.43
Less: Excise duty and sales tax		<u>587.08</u>	<u>671.45</u>
Revenue from operations (net)		7653.93	6,936.98
Other income	21	295.89	227.06
<b>Total Revenue</b>		<b><u>7,949.82</u></b>	<b><u>7,164.04</u></b>
<b>Expenses:</b>			
Cost of materials consumed		3,082.99	2,772.04
Changes in inventories of finished goods and work-in-progress	22	(275.31)	375.37
Employee benefits expense	23	897.72	825.28
Finance costs	24	318.54	117.98
Depreciation and amortization expense		308.18	128.08
Other expenses	25	2,437.81	1,881.72
<b>Total Expenses</b>		<b><u>6,769.93</u></b>	<b><u>6,100.47</u></b>
<b>Profit before tax</b>		<b>1,179.89</b>	<b>1,063.57</b>
Tax expense:			
Current tax		348.00	365.00
Deferred tax		51.53	(19.56)
Prior year tax adjustment		(1.36)	7.16
<b>Profit after tax</b>		<b><u>781.72</u></b>	<b><u>710.97</u></b>
<b>Earning per equity share</b>	39		
Basic (₹)		39.58	36.00
Diluted (₹)		39.58	36.00
<b>Notes to the financial statements</b>	1 to 47		

As per our report of even date  
For Ford, Rhodes, Parks & Co  
Chartered Accountants  
Firm's Registration No. 102860W  
SHRIKANT PRABHU  
Partner  
Membership No.35296  
Mumbai, 30<sup>th</sup> May, 2014.

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G. M. - Finance

M. S. ASHAR  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

₹ lacs

PARTICULARS	As at 31/03/2014	As at 31/03/2013
<b>A Cash Flow From Operating Activities</b>		
Profit Before Tax	1,179.89	1,063.57
Adjusted for:		
Depreciation	308.18	128.08
Provision for doubtful debt / advances	6.02	-
Dividend Received	(1.57)	(8.33)
Interest Expenses	318.54	117.98
(Profit) / Loss on sale on Investments	(38.18)	(0.46)
(Profit) / Loss on sale of Fixed Assets	(0.06)	(1.23)
	<u>592.93</u>	<u>236.04</u>
	1,772.82	1,299.61
Adjustment For :		
Trade and other Receivables	(480.11)	(311.10)
Inventories	(272.99)	352.54
Trade Payables & Other current liabilities	576.96	545.13
Cash Generated From Operations	<u>1,596.68</u>	<u>1,886.18</u>
Direct Taxes	(412.47)	(360.30)
	<u>(412.47)</u>	<u>(360.30)</u>
<b>Net Cash From Operating Activities</b>	<b>1,184.21</b>	<b>1,525.88</b>
<b>B Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(1,783.55)	(2,704.25)
Sale of Fixed Assets	2.88	1.34
Purchase of Investments	(303.01)	(420.48)
Sale of Investments	275.68	128.80
Dividend received	1.57	8.33
	<u>(1,806.43)</u>	<u>(2,986.26)</u>
<b>Net Cash Used In Investing Activities</b>	<b>(1,806.43)</b>	<b>(2,986.26)</b>
<b>C Cash Flow From Financing Activities</b>		
Interest Paid	(317.48)	(117.98)
Proceeds / (Repayment) of term loan (Net)	1,171.58	1,900.63
Increase/ (Decrease) in Cash Credit with Bank	(452.97)	595.85
Call money Received on Equity share	0.07	-
Dividend paid on Equity Shares (Incl. Dividend Tax)	(77.26)	(76.09)
	<u>323.94</u>	<u>2,302.41</u>
<b>Net Cash (Used In) / From Financing Activities</b>	<b>323.94</b>	<b>2,302.41</b>
<b>Net Increase / (Decrease) in Cash And Cash Equivalent (A+B+C)</b>	<b>(298.28)</b>	<b>842.03</b>
Cash and Cash Equivalents (Opening Balance)	2,136.71	1,294.68
Cash and Cash Equivalents (Closing Balance)	1,838.43	2,136.71

As per our report of even date  
For Ford, Rhodes, Parks & Co  
Chartered Accountants  
Firm's Registration No. 102860W  
SHRIKANT PRABHU  
Partner  
Membership No.35296  
Mumbai, 30<sup>th</sup> May, 2014.

F. D. NETERWALA  
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R. B. MEHTA  
P. SUBRAHMANYAM  
Directors

M. S. ASHAR  
Company Secretary

## Notes to the Financial Statements

### For the year ended 31<sup>st</sup> March, 2014

#### 1. Corporate Information

The company produces static, centrifugal castings and assemblies in heat and corrosion resistant alloys and is a leader in alloy steel castings for decanters and reformer tubes. Manufacturing quality alloy products is its prime focus. The Company has its registered office at Liberty Building, Sir Vithaldas Thakersey Marg, Mumbai and its plant at Thane and also set up Greenfield project at Dharwad which is operational from November, 2013.

#### 2. Significant Accounting Policies

##### i) Method Of Accounting

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements are prepared under historical cost convention on an accrual basis and are in accordance with the requirements of the Companies Act, 1956. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

##### ii) Use of estimates

The preparation of financial statements, in conformity with Indian GAAP, requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

##### iii) Revenue Recognition

###### a) Sale of goods

Sales figures are net of excise duty and other statutory levies. For the purpose of presentation, excise duty and sales tax are reduced from gross sales to arrive at net sales. Sale of scrap is included in Sales. Export benefits in the nature of DEPB Licenses, focus product scheme benefit and duty drawback benefits are accounted on accrual basis and included in Other Income.

###### b) Sale of services

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

##### iv) Fixed Assets & Depreciation / Amortisation

###### a) Tangible assets

All fixed assets are stated at cost of acquisition less accumulated depreciation / amortisation. Depreciation on tangible assets is provided on the written down value method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956, except on moulds. Cost of moulds which are not recoverable from customers are capitalised and amortised over a period of thirty six months which is the estimated useful life of the mould. Cost of Moulds which are recoverable from customers are charged off in the year in which it is billed to the customers.

###### b) Intangible Assets

Intangible assets comprising of Computer Software and Commercial rights are amortised over a period of five years which is the estimated useful life of these intangible assets.

###### c) Capital work-in-progress

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

###### d) Impairment of assets

Impairment in carrying value of fixed assets, if any, is recognized and provided for.

##### v) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of a qualifying long-term asset

are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

**vi) Investments**

Long-term investments are stated at cost. Diminution other than temporary in the value thereof is recognized and provided. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

**vii) Foreign Currency Transactions**

- a ) Foreign currency transactions are recorded at the exchange rates prevailing at the date of transaction. The difference between the actual rate of settlement and the rate used for booking the transaction is charged or credited to the Statement of Profit and Loss as Exchange fluctuation loss / gain.
- b ) Foreign currency current assets and current liabilities outstanding at the year-end are translated at the year-end exchange rate and the unrealized gain or loss is recognized in the Statement of Profit and Loss. In case of forward exchange contracts premium paid on forward contracts recognised over the life of the contract.
- c ) Pursuant to notification issued by the Ministry of Corporate Affairs on 29 December, 2011, exchange difference arising on reporting of Long term foreign currency loan at the rate prevailing at the close of the year, in so far as they relate to acquisition of depreciable capital asset is added to or deducted from the cost of the asset and is depreciated over the balance life of the asset.

**viii) Inventories**

Inventories are valued at the lower of cost and net realizable value, except for stores, spares and loose tools, which are valued at cost. Work-in-progress and finished goods include appropriate proportion of overheads. Cost includes excise duty in respect of finished goods.

**ix) Employee Benefits**

Employee benefits include provident fund, gratuity fund, leave encashment and long service awards.

**a ) Defined Contribution Plans**

The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense as it fall due based on the amount of contribution required to be made.

**b ) Defined benefit plans**

For defined benefit plans in the form of gratuity fund and leave encashment, the cost of providing benefits is determined with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

**x) Taxes on income**

Provision for taxation has been made on the basis of the income tax laws and rules applicable for the relevant assessment years. Deferred tax asset or liability is recognized for timing difference between the profit as per financial statements and profit offered for income tax, based on the tax rates that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which they can be realized.

**xi) Provisions and contingencies**

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. A disclosure for contingent liability is made when there is a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

	₹ lacs	
	<u>3/31/2014</u>	<u>3/31/2013</u>
<b>3. Share Capital</b>		
<b>Authorised share capital</b>		
<b>Equity share capital</b>		
30,00,000 Equity shares of ₹ 10 each	300.00	300.00
<b>Preference share capital</b>		
2,00,000 10% redeemable cumulative preference shares of ₹100 each	200.00	200.00
	<u><b>500.00</b></u>	<u><b>500.00</b></u>
<b>Issued and subscribed</b>		
19,73,500 (previous year 19,72,450) Equity shares of ₹ 10 each fully paid-up	197.35	197.24
Nil (previous year 925) Equity shares of ₹ 10 each, ₹ 7.50 per share paid-up	-	0.07
1,500 (previous year 1,625) Equity shares of ₹ 10 each, ₹ 7.50 (previous year ₹ 5.00) per share paid-up	0.11	0.08
	<u><b>197.46</b></u>	<u><b>197.39</b></u>

**a) Terms / rights attached to equity shares**

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to dividend proposed by the Board of Directors and approved by the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**b) Details of shares held by each shareholder holding more than 5% shares**

Name of shareholder	<u>No of shares</u>	<u>Face value</u>	<u>% of holding</u>
Chemicals & Ferro Alloys Pvt. Ltd.	155800 (155800)	₹10	7.89% (7.89%)
Unitel Finance & Investments Pvt. Ltd.	817500 (817500)	₹10	41.39% (41.39%)
Universal Ferro & Allied Chemicals Ltd.	270000 (270000)	₹10	13.67% (13.67%)

Figures in brackets are for previous year.

**4. Reserves and Surplus****Capital redemption reserve**

As per last balance sheet	25.00	25.00
Closing Balance	<u><b>25.00</b></u>	<u><b>25.00</b></u>

**Securities premium reserve**

As per last balance sheet	265.63	265.63
Closing Balance	<u><b>265.63</b></u>	<u><b>265.63</b></u>

**General reserve**

As per last balance sheet	610.40	535.40
Add : Transferred from surplus in statement of profit and loss	80.00	75.00
Closing Balance	<u><b>690.40</b></u>	<u><b>610.40</b></u>

	₹ lacs	
	3/31/2014	3/31/2013
<b>Surplus in statement of profit and loss</b>		
As per last balance sheet	3,735.61	3,179.96
Add : Profit for the year	781.72	710.97
	<u>4,517.33</u>	<u>3,890.93</u>
Less: Appropriations :		
Proposed equity dividend - ₹ 6.00 per share (previous year ₹ 3.50 per share)	118.50	69.13
Tax on proposed equity dividend	20.14	11.21
Transferred to general reserve	<u>80.00</u>	<u>75.00</u>
Total appropriations	<u>218.64</u>	<u>155.34</u>
<b>Net surplus in statement of profit and loss</b>	<b><u>4,298.69</u></b>	<b><u>3,735.59</u></b>
<b>Total reserves and surplus</b>	<b><u>5,279.72</u></b>	<b><u>4,636.62</u></b>
<b>5. Long-term Borrowings</b>		
(Secured)		
Term Loan from Axis Bank Ltd.	2,322.21	1,900.63
Interest accrued on above Term Loan	1.06	-
	<u>2,323.27</u>	<u>1,900.63</u>
The above term loan is secured by first exclusive charge over entire movable and immovable fixed assets of the Company at Dharwad project including equitable mortgage of factory land and building (to be created out of this term loan)		
The loan is also secured by collateral securities of:		
(1) First hypothecation charge on entire movable fixed assets other than vehicles of the Company.		
(2) Extension of equitable mortgage on factory land and building at Thane plant.		
(3) Second charge by way of entire current assets of the Company. The term loan is repayable in equal 48 monthly installments of ₹ 62.50 lacs after April, 2014. The above loans included foreign currency term loan amounting to ₹ 2047.83 lacs (previous year Nil)		
<b>6. Long-term Provisions</b>		
Provision for employee benefits	<u>52.19</u>	<u>26.92</u>
	<u>52.19</u>	<u>26.92</u>
<b>7. Short-term Borrowings</b>		
(Secured)		
Cash credit from banks	<u>1,483.69</u>	<u>1,936.66</u>
	<u>1,483.69</u>	<u>1,936.66</u>
Out of the above, cash credit amounting to ₹ 1483.69 (Previous year ₹ 1672.25 lacs) are secured by hypothecation charge on stocks, book debts, other current assets and all movable fixed assets (other than vehicles) of the Company, present and future, and by equitable mortgage on factory land and building. The balance cash credit amounting to ₹ Nil (previous year ₹ 264.41 lacs) is secured against term deposits.		
<b>8. Other Current Liabilities</b>		
i) Current Maturities of Long Term Debt	750.00	-
ii) Unclaimed dividend	20.11	17.03
iii) Advances from customers	74.42	47.49
iv) Employee related liabilities	33.03	48.40
v) Statutory dues	80.47	20.41
vi) Creditors for capital goods	30.73	217.39
vii) Others	<u>95.63</u>	<u>68.16</u>
	<u>1,084.39</u>	<u>418.88</u>
<b>9. Short-term Provisions</b>		
Provision for employee benefits	19.52	47.33
Other provisions:		
(i) For taxation (net of advance tax)	0.86	41.31
(ii) Proposed dividend	118.50	69.13
(iii) Tax on proposed dividend	<u>20.14</u>	<u>11.21</u>
	<u>159.02</u>	<u>168.98</u>

**10. Fixed Assets**

(₹ lacs)

Description	Gross Block			Depreciation / Amortisation				Net Block	
	Cost as at 1 <sup>st</sup> April, 2013	Additions	Deductions	Cost as at 31 <sup>st</sup> March, 2014	Upto 31 <sup>st</sup> March, 2013	For the year	Deduction/ adjustments	Closing WDV as at 31 <sup>st</sup> March, 2014	Closing WDV as at 31 <sup>st</sup> March, 2013
<b>TANGIBLE ASSETS</b>									
Freehold Land and Site	9.83	-	-	9.83	-	-	-	9.83	9.83
Leasehold Land	401.50	-	-	401.50	-	-	-	401.50	401.50
Roads	17.77	-	-	17.77	9.67	0.41	-	7.69	8.10
Buildings	160.94	2,340.90	-	2,501.84	117.66	98.84	-	2,285.34	43.28
Pipelines	1.98	-	-	1.98	1.90	0.01	-	0.07	0.08
Plant and Machinery	785.71	1,379.71	-	2,165.42	634.24	104.78	-	1,426.40	151.47
Electrical Installation	47.35	499.08	-	546.43	35.87	29.50	-	481.06	11.48
Airconditioning Equipment	8.22	4.12	-	12.34	5.11	0.65	-	6.58	3.11
Computers	66.74	5.11	-	71.85	62.46	2.16	0.02	7.25	4.28
Furniture and Fixtures	39.45	12.72	-	52.17	26.44	2.77	-	22.96	13.01
Office and Factory Equipment	22.38	2.91	-	25.29	12.78	1.37	0.01	11.15	9.60
Motor Cars	85.48	-	21.06	64.42	48.06	9.20	18.22	25.38	37.42
Mould and Mould Boxes	127.78	18.25	-	146.03	70.18	31.51	-	44.34	57.60
	<b>1,775.13</b>	<b>4,262.80</b>	<b>21.06</b>	<b>6,016.87</b>	<b>1,024.37</b>	<b>281.20</b>	<b>18.23</b>	<b>4,729.55</b>	<b>750.76</b>
<b>INTANGIBLE ASSETS</b>									
Computer Software	86.62	-	-	86.62	71.29	10.29	0.01	5.03	15.33
Commercial Rights	83.48	-	-	83.48	42.00	16.69	-	24.79	41.48
Technical Know-how	15.00	-	-	15.00	15.00	-	-	-	-
	<b>185.10</b>	<b>-</b>	<b>-</b>	<b>185.10</b>	<b>128.29</b>	<b>26.98</b>	<b>0.01</b>	<b>29.82</b>	<b>56.81</b>
<b>TOTAL CURRENT YEAR</b>	<b>1,960.23</b>	<b>4,262.80</b>	<b>21.06</b>	<b>6,201.97</b>	<b>1,152.66</b>	<b>308.18</b>	<b>18.24</b>	<b>4,759.37</b>	<b>807.57</b>
<b>TOTAL PREVIOUS YEAR</b>	<b>1,916.93</b>	<b>44.64</b>	<b>1.34</b>	<b>1,960.23</b>	<b>1,025.37</b>	<b>128.08</b>	<b>0.79</b>	<b>1,152.66</b>	
<b>CAPITAL WORK-IN-PROGRESS</b>								<b>133.90</b>	<b>2,793.13</b>
								<b>4893.27</b>	<b>3,600.70</b>

- a) The Company jointly owns 50% of a motor car with Uni Deritend Ltd. in which Company's share is of gross value of ₹ 29.08 lacs, accumulated depreciation ₹ 16.93 lacs and wdv ₹ 12.15 lacs as on 31<sup>st</sup> March, 2014.
- b) The Company jointly owns 20% of computer software with group companies having gross value ₹ 3.15 lacs, accumulated depreciation ₹ 2.83 lacs and wdv ₹ 0.32 lacs as on 31<sup>st</sup> March, 2014..
- c) Leasehold land represents lease hold interest in land at Dharwad conveyed by Karnataka Industrial Area Development Board for a period of 10 years, to be transferred to the lessee (the Company) at the end of such period (or extension thereof ) on fulfillment of all lease terms and conditions. Consequently, the leasehold land is not amortized.

	<u>3/31/2014</u>	<u>3/31/2013</u>
₹ lacs		
<b>11. Non-current Investments</b>		
<b>(Non-trade, at cost)</b>		
<b>Investments in equity instruments- Unquoted</b>		
Development Credit Bank Ltd.		
1,000 Equity shares of ₹10 each fully paid up	0.10	0.10
200 Equity shares of ₹40 each fully paid up	<u>0.08</u>	<u>0.08</u>
	0.18	0.18
The Zoroastrian Co-operative Bank Ltd.		
4,000 Equity shares of ₹25 each fully paid up	<u>1.00</u>	<u>1.00</u>
	<u><b>1.18</b></u>	<u><b>1.18</b></u>
<b>Investments in mutual funds- Quoted</b>		
10,00,000 (previous year 10,00,000 ) Units of Reliance Fixed Horizon Fund-XXI	100.00	100.00
2,848 (prev. year 2,848) Bonds of Power Finance Corpn Ltd.- Face value ₹1000 each	28.48	28.48
Nil (previous year 10,00,000) Units of Sundaram Fixed Term Plan CF Growth	-	100.00
Nil (previous year 7,50,000) Units of Birla Sunlife Fixed Term Plan Series EO Growth	-	75.00
74,795.434 (previous year 74795.434) Units of HDFC Income fund Growth	20.00	20.00
332317.92 (previous year 8,86,181.114 ) Units of Reliance Income Fund - Growth Plan - Bonds Option Bonds (IF-BP)ISIN:INF204K01CM9	37.50	100.00
7,10,432.089 (previous year 7,10,432.089 ) Units of IDFC Dynamic Bond Fund- Growth - Regular Plan	100.00	100.00
2,95,275.835 (previous year 2,95,275.835) Units of Kotak Bond Plan A Growth Scheme	100.00	100.00
3,43,813.928 (previous year 3,43,813.928 ) Units of L028G SBI Magnum Income Fund - Regular Plan - Growth	100.00	100.00
10,000 (previous year Nil) Units of Investement-Rural Electrification Corp Ltd	100.00	-
8,49,779 (previous year Nil) Units of Birla Sunlife Dynamic Bond Fund	84.98	-
4,66,680.924 (previous year Nil ) Units of Reliance Saving Fund	78.00	-
4,00,000.000 (previous year Nil ) Units of Birla Fixed term KA(415-D)	<u>40.00</u>	<u>-</u>
	<u><b>788.96</b></u>	<u><b>723.48</b></u>
<b>Other Investments- Unquoted</b>		
National Saving Certificates	<u>0.15</u>	<u>0.15</u>
	<u><b>790.29</b></u>	<u><b>724.81</b></u>

a) Cost and market value of investments

	<u>2014</u>		<u>2013</u>	
	Cost	Market value	Cost	Market value
	₹	₹	₹	₹
Quoted	788.96	813.38	723.48	727.75
Unquoted	1.33	-	1.33	-
<b>12. Long-term Loans and Advances</b>				
<b>(Unsecured, considered good)</b>				
Capital advances			6.64	13.32
Security deposits			40.06	38.49
Advance tax (net of provisions)			<u>44.58</u>	<u>19.20</u>
			<u><b>91.28</b></u>	<u><b>71.01</b></u>

		<u>3/31/2014</u>	<u>₹ lacs</u> <u>3/31/2013</u>	
<b>13. Other non-current assets</b>				
DEPB license entitlements	4.34	-	-	
Less Provision for doubtful receivable	<u>4.34</u>	<u>-</u>	<u>-</u>	
		<u>-</u>	<u>-</u>	
<b>14. Current Investments</b>				
<b>(Non-trade, at lower of cost or market value)</b>				
<b>Investments in mutual funds-Quoted</b>				
5,100.950 (previous year 4,781.502) Units of BNP Paribas Short term Income Fund		0.51	0.48	
		<u><b>0.51</b></u>	<u><b>0.48</b></u>	
a) Cost and market value of investments				
	<u>2014</u>	<u>2013</u>		
	Cost	Market value	Cost	Market value
	₹	₹	₹	₹
Quoted	0.51	0.51	0.48	0.48
Unquoted	-	-	-	-
<b>15. Inventories</b>				
Raw materials		335.25	334.67	
Work-in-progress		1,060.61	776.52	
Finished goods		94.82	103.60	
Stores and spares		59.42	62.32	
		<u><b>1,550.10</b></u>	<u><b>1,277.11</b></u>	
<b>16. Trade Receivables</b>				
<b>(Unsecured, considered good)</b>				
Debts overdue for more than six months		83.22	17.65	
Other debts considered good		1,645.61	1,590.33	
		<u><b>1,728.83</b></u>	<u><b>1,607.98</b></u>	
<b>17. Cash and Bank Balances</b>				
<b>Cash and cash equivalents</b>				
Balances with banks				
Current accounts		82.61	231.97	
Unpaid dividend account		20.11	17.04	
Cash on hand		0.85	1.42	
		<u><b>103.57</b></u>	<u><b>250.43</b></u>	
<b>Other bank balances</b>				
Deposit accounts (original maturity period of twelve months or less)		1,724.24	1,875.66	
Margin money deposits (original maturity period of twelve months or less)		10.62	10.62	
		<u><b>1,734.86</b></u>	<u><b>1,886.28</b></u>	
		<u><b>1,838.43</b></u>	<u><b>2,136.71</b></u>	

			₹ lacs
	<b>3/31/2014</b>		<b>3/31/2013</b>
<b>18. Short-term Loans and Advances</b>			
<b>(Unsecured, considered good Services)</b>			
Loans and advances to related parties			-
Neterwala Consulting & Corporate services Ltd.	8.32		
Uni klinger India Ltd	2.14		2.49
Advances to supplier	56.03	7.07	
Less : provision for doubtful advance	<u>1.68</u>	<u>-</u>	<u>7.07</u>
Loans and advances to employees	3.27		2.15
Balances with statutory authorities	164.49		7.20
Sales tax, excise refund / set off recoverable	206.39		201.20
Others	34.25		35.99
	<b><u>473.21</u></b>		<b><u>256.10</u></b>
<b>19. Other Current Assets</b>			
Interest accrued	76.98		6.29
DEPB license entitlements	20.57		30.97
Duty drawback entitlements	30.31		26.46
FPS licenses entitlements	149.21		94.18
Other Receivable	15.39		-
	<b><u>292.46</u></b>		<b><u>157.90</u></b>
<b>20. Revenue from Operations</b>			
Sale of products - Gross ( see note 28)	7,968.52		7,382.03
Less: Excise duty and sales tax	<u>587.08</u>		<u>671.45</u>
	<b><u>7,381.44</u></b>		<b><u>6,710.58</u></b>
Other operating revenues:			
Mould cost and Miscellaneous recoveries on Sales	136.98		72.01
Export benefits	134.95		152.42
Others	0.56		1.97
	<b><u>272.49</u></b>		<b><u>226.40</u></b>
	<b><u>7,653.93</u></b>		<b><u>6,936.98</u></b>
<b>21. Other Income</b>			
Interest income			
On bank deposit accounts [TDS ₹ 12.59 lacs (Previous Year : ₹ 10.92 lacs)]	166.05		159.15
On security deposits [TDS ₹ 0.14 lacs (Previous Year : ₹ 0.13 lacs)]	2.00		1.83
On Investement in mutual funds	6.74		2.74
On others	1.32		0.08
	<b><u>176.11</u></b>		<b><u>163.80</u></b>
Dividend income			
From current investments	1.42		8.18
From non current investments	0.15		0.15
Net gain on sale of investments	38.19		0.46
Net gain on foreign currency fluctuations	68.51		30.90
Credit balances/provisions no longer required written back	1.82		8.87
Profit on sale of fixed assets	0.06		1.23
Profit on sale of raw materials	-		0.57
Decrease in excise duty provision on inventory	1.34		-
Miscellaneous receipts	8.29		12.90
	<b><u>295.89</u></b>		<b><u>227.06</u></b>

		₹ lacs
	<u>3/31/2014</u>	<u>3/31/2013</u>
<b>22. Changes in inventory of WIP and Finished Goods (Increase)/Decrease in WIP and Finished Goods</b>		
<b>Opening Stock</b>		
Work-in-progress	776.52	1,159.20
Finished goods	103.60	96.29
	<u><b>880.12</b></u>	<u><b>1,255.49</b></u>
<b>Closing stock</b>		
Work-in-progress	1,060.61	776.52
Finished goods	94.82	103.60
	<u><b>1,155.43</b></u>	<u><b>880.12</b></u>
	<u><b>(275.31)</b></u>	<u><b>375.37</b></u>
<b>23. Employee Benefits Expense</b>		
Salaries and wages	726.87	671.82
Contribution to provident and other funds	76.43	72.87
Staff welfare expenses	94.42	80.59
	<u><b>897.72</b></u>	<u><b>825.28</b></u>
<b>24. Finance Costs</b>		
Interest expense	298.81	107.09
Other borrowing costs	19.73	10.89
	<u><b>318.54</b></u>	<u><b>117.98</b></u>
<b>25. Other Expenses</b>		
Consumption of stores and spare parts	380.24	278.30
Consumption of tools	13.12	9.96
Power and fuel	530.08	465.43
Rent	1.34	1.30
Repairs to buildings	2.91	0.41
Repairs to machinery	30.45	18.07
Other repairs	14.65	18.47
Insurance	9.72	8.36
Rates and Taxes	76.84	18.41
Water charges	12.76	11.68
Freight and forwarding	162.01	126.20
Sub-contracting charges	618.74	548.68
Directors' fees and commission	8.04	6.83
Commission	61.54	44.99
Travelling expenses	33.85	11.42
Postage, telegram, telephone charges	7.98	7.60
Liquidated damages	10.71	9.50
Legal and profesional fees	28.73	20.69
Export documentaion charges	52.62	22.03
Testing charges	16.57	12.99
Provision for doubtful debts / Advance	6.02	-
Increase in excise duty provision on inventory	-	3.92
Business support services	144.59	117.02
Bank charges	12.43	13.06
Miscellaneous expenses	201.87	106.40
	<u><b>2,437.81</b></u>	<u><b>1,881.72</b></u>

**26. Capital Commitments:**

Estimated amount of contracts on capital account not provided for (net of advances) ₹ 36.79 lacs (Previous year ₹ 1128.47 lacs).

**27. Contingent Liabilities not provided for:**

- i) Product Warranties – Amount not ascertainable.
- ii) Show cause notices received from Excise Authorities under dispute – ₹ 260.64 lacs (Previous year ₹ 85.35 lacs).
- iii) Sales Tax demands under dispute – ₹ 516.79 lacs (Previous year ₹ 454.14 lacs).
- iv) Guarantees given on behalf of the Company by Bank – ₹ 78.35 lacs (Previous year ₹ 72.75 lacs).
- v) Open Letter of Credit ₹ 273.34 lacs (Previous year ₹ 102.48 lacs).

**28. Information relating to opening and closing stocks of each class of goods produced and sales in respect of each class of finished goods:**

Class of Goods manufactured	Opening stock of finished goods (Excl. Excise Duty)	Sales	Closing Stock (Excl. Excise Duty)
	₹ lacs	₹ lacs	₹ lacs
1. High alloy Steel casting (Heat Resistant & Stainless steel)	8.04 (0.37)	183.41 (140.88)	18.74 (8.04)
2. Centrifugally cast Alloy Steel Tubes & Fabrications	80.05 (84.33)	6672.84 (6,040.85)	61.79 (80.05)
	88.09 (84.70)	6856.25 (6,181.73)	80.53 (88.09)

Figures for the previous year are shown in brackets.

**29. The net sales for the year 2013-14, as per statement of Profit and Loss, includes sale of scrap of ₹ 525.19 lacs. (previous year – ₹ 528.85 lacs)****30. The excise duty and sales tax recovered from customers is shown as a deduction from the gross turnover in the Statement of Profit and Loss. Increase / decrease in the excise duty provision between opening and closing stock of finished goods is shown under other expenses / other income in the Statement of Profit and Loss. The excise duty recovered during the year and deducted from gross turnover amounted to ₹ 431.02 lacs (previous year ₹ 499.64 lacs).****31. Consumption of:**

	Raw Materials and Assembly Materials		Stores & Spares, Tools and other consumables	
	%	(₹. Lacs)	%	(₹. Lacs)
Indigenous	77 (75)	2363.23 (2072.46)	93 (89)	365.84 (236.95)
Imported	23 (25)	719.76 (699.57)	7 (11)	27.52 (30.50)
	100 (100)	3082.99 (2772.03)	100 (100)	393.36 (267.45)

Figures for the previous years are shown in brackets.

		₹ lacs
	<u>3/31/2014</u>	<u>3/31/2013</u>
<b>32. C.I.F Value of imports</b>		
Raw materials and assembly materials	756.01	682.82
Stores, spare parts and other consumables	23.89	23.58
Capital Goods	111.14	92.46
<b>33. Expenditure in foreign currency (accrual basis)</b>		
Commission on exports	54.05	40.57
Foreign Travel	15.53	3.46
<b>34. Earnings in foreign currency (accrual basis)</b>		
Export of goods calculated on F.O.B basis	3846.55	2,535.82
<b>35 Auditor's remuneration (exclusive of service tax) included in Miscellaneous Expenses</b>		
Statutory audit fees	3.00	2.50
Other Services	1.50	0.75
Out of pocket expenses	0.12	0.11

**36. Related Party Disclosures:**

I) List of related parties with whom transactions have taken place during the year or where balances are outstanding and their relationship:

a) Associates:

- i. Uni Deritend Ltd.
- ii. Universal Ferro & Allied Chemicals Ltd.
- iii. Netel India Ltd.
- iv. Neteron Technologies Pvt. Ltd.
- v. Anosh Finance & Investment Ltd.
- vi. Neterwala Consulting & Corporate Services Ltd.
- vii. Uni Klinger Ltd.

b) Key Managerial Personnel: Shri F. D. Neterwala - Chairman  
Shri M. K. Fondekar – Executive Director

II) Summary of transactions during the year and outstanding balances with the above related parties are as follows:

(₹ Lacs)					
Nature of Transactions		Transactions for the year ended 31 <sup>st</sup> March		Balances as at 31 <sup>st</sup> March	
		2014	2013	2014	2013
I	<b>Associates</b>				
	<b><u>Income:</u></b>				
	Rent Income-Uni Klinger Ltd.	3.90	3.50		
	Recovery of Legal & Sec. Services-Neterwala Consulting & Corporate Services Ltd.	14.83	19.79		
	<b><u>Expenses:</u></b>				
	Share of E.R.P. Cost Incurred – Neterson Technologies Pvt. Ltd.	4.21	4.38		
	Uni Deritend Ltd.	18.71	1.27		
	Purchase of Capital Assets – Uni Deritend Ltd.	3.83	0.00		
	Uni Klinger Ltd.	0.00	0.12		
	Business Support Services – Neterwala Consulting & Corporate Services Ltd.	143.21	129.79		
	Anosh Finance & Investment Ltd.	1.25	1.34		
	Other Expenditure – Netel (India) Ltd.	0.11	1.70		
	Universal Ferro & Allied Chemicals Ltd.	0.13	0.14		
	Uni Deritend Ltd.	0.75	0.32		
II	<b>Key Managerial Personnel – Remuneration to Key Managerial Personnel (Including commission)</b>				
	F.D. Neterwala	1.70	1.60		
	M.K. Fondekar	74.18	56.81		
I	<b><u>Year end balances:</u></b>				
	Associates :				
	Receivables			10.46	2.49
	Payables			1.92	1.61
II	<b>Key Managerial Personnel :</b>				
	Payables			1.70	1.60

37. The dominant source and nature of risk and return associated with the products manufactured by the Company not being significantly different, both product wise and geographically, the Company has a single business segment. Consequently segmental information as required under Accounting Standard No. 17 on 'Segment Reporting' has not been given.
38. In the absence of necessary information with the Company relating to the registration status of suppliers under Micro, Small and Medium Enterprises Development Act, 2006, the information required under the said Act could not be compiled and disclosed.

**39. Earnings Per Share (EPS):**

	<u>2013-14</u>	<u>2012-13</u>
A) Profit attributable to Equity Shareholders (₹ lacs)	781.72	710.97
B) Number of Equity Shares outstanding during the year	19,75,000	19,75,000
C) Nominal value of Equity Shares ( ₹)	10.00	10.00
D) Basic/diluted Earnings Per Share ( ₹) (A/B)	39.58	36.00

**40. Disclosure Pursuant to Accounting Standard – 15 “Employee Benefits”****a. Employee Benefits:**

The following are treated as expense towards defined contribution plan in accordance with Accounting Standard – 15 (Revised). The expenses debited to the Statement of Profit and Loss are:

	<u>2013-14</u>	<u>2012-13</u>
Provident Fund	34.68	33.24

- b. Leave entitlement benefits of employees has been treated as Long Term Employee Benefits as per provisions of Accounting Standard 15 (Revised) and the reduction in provision for the year ₹ 1.27 lacs is credited to the Statement of Profit and Loss. (Previous Year ₹ 15.10 lacs debited )

**c. Details of Defined Benefit Plan of Gratuity are as under:**

- i) For the purpose of arriving at the liability on going concern basis, Projected Unit Credit Method has been used. The other actuarial assumptions for Gratuity Plan and are as under:

Withdrawal rate	1 % P.A.	1 % P.A.
Future rate of salary increment	5 % P.A.	5 % P.A.
Discounting rate	8.0 % P.A.	8.0 % P.A.

**ii) Changes in the Benefit Obligations.**

	<u>2013-14</u>	<u>2012-13</u>
Actuarial Value of the Projected Benefit Obligation (PBO) (Opening Balance)	157.34	139.89
Interest Cost for the year	12.59	11.19
Service Cost for the year	4.76	8.76
Benefits Paid during the year	(28.27)	(24.29)
Actuarial (Gain) / Loss on obligations	39.54	21.78
PBO for the year ended 31 <sup>st</sup> March	185.95	157.34

## iii) Table showing changes in the Plan Assets

	<u>2013-14</u>	<u>2012-13</u>
Fair value of plan assets at the beginning of the year	118.98	121.44
Actual return on plan assets including bank interest for the year	10.55	9.92
Employer's contributions for the year	47.14	11.84
Benefits paid during the year	(28.27)	(24.29)
Bank Balance as on 31 <sup>st</sup> March		
Plan Assets as at 31 <sup>st</sup> March	148.40	118.98

## iv) Amounts recognized in the Balance Sheet:

Present value of the obligation as on 31 <sup>st</sup> March	185.95	157.34
Fair value of plan assets as at the end of the year	148.86	118.98
Unfunded Liability at the end of the year	37.09	38.36
Unrecognized actuarial gain/loss	Nil	Nil
Unfunded liability recognized in Balance Sheet as Asset	37.09	38.36

## v) Expense recognized in the Statement of Profit and Loss

Interest cost for the year	12.59	11.19
Service cost for the year	4.75	8.76
Actual Return on Plan Assets	10.55	9.92
Actuarial (Gain) /Loss	39.54	21.78
Net cost recognized in the Statement of Profit and Loss	46.33	31.82

41. Subsequent to the Balance Sheet date, the Company offered Voluntary Retirement Scheme to the Unionised category of the employees. Eighty employees opted for the VRS and ₹ 594.47 lacs was paid towards VRS compensation.

42. Deferred tax asset (net) shown in the balance sheet arises on account of reversible timing differences in respect of:

Deferred Tax Asset :

Expenses covered u/s 43 B of Income Tax Act	31.17	34.48
Depreciation Differential	-	12.77
	<u>31.17</u>	<u>47.25</u>

Deferred Tax Liability :

Depreciation differential	35.45	-
Net Deferred Tax Assets / (Liabilities)	<u>(04.28)</u>	<u>47.25</u>

43. Interest expense shown in note 24 – 'Finance Cost' is net of ₹ 156.23 lacs (previous year ₹ 121.13) being interest costs capitalised in respect of Dharwad project.

44. Pursuant to notification issued by the Ministry of Corporate Affairs on 29th December, 2011, Foreign exchange fluctuation loss of ₹ 45.77 lacs arising due to restatement of long term foreign currency loan at the exchange rate prevailing at the close of the year has been capitalised. The said loan was availed for acquisition of depreciable capital assets.

45. The Company's Foreign Currency exposure as at the year-end not hedged by any derivative instrument is as follows:

	<u>31/03/2014</u>	<u>31/03/2014</u>	<u>31/03/2013</u>	<u>31/03/2013</u>
	Foreign Currency in Lacs	₹. Lacs	Foreign Currency in Lacs	₹. Lacs
Receivables	Euro – 10.52	851.50	Euro – 6.98	479.64
-do-	USD – 0.17	10.29	USD – 0.93	49.82
Payable	Euro – 25.47	2130.01	Euro - 0.80	57.81
-do-	USD – 4.37	265.39	USD – 2.93	161.62

46. Remuneration to Executive Director included in employee benefit expenses is in excess of the limits prescribed under section 309 read together with section 198 and 349 of the Companies Act, 1956 by ₹ 8.25 lacs. The excess remuneration is subject to the approval of Central Government for which the Company is in the process of making an application.

47. Previous year figures have been regrouped / reclassified wherever necessary to confirm to the current year's presentation.

As per our report of even date  
For Ford, Rhodes, Parks & Co  
Chartered Accountants  
Firm's Registration No. 102860W  
SHRIKANT PRABHU  
Partner  
Membership No.35296  
Mumbai, 30<sup>th</sup> May, 2014.

F. D. NETERWALA  
Chairman

M. K. FONDEKAR  
Executive Director

J. D. DIVEKAR  
G. M. - Finance

K. M. ELAVIA  
M. P. BHARUCHA  
A. F. NETERWALA  
H. R. PRASAD  
R. B. MEHTA  
P. SUBRAHMANYAM  
Directors

M. S. ASHAR  
Company Secretary

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**UNI ABEX ALLOY PRODUCTS LIMITED**
**CIN No.: L27100MH1972PLC015950**

Registered Office: Liberty Building, Sir Vithaldas Thackersey Marg, Mumbai - 400 020.

**ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING**
**ANNUAL GENERAL MEETING – WEDNESDAY, 20TH AUGUST, 2014 AT 3.00 P. M.**
**Folio No/DPID & Client ID:**
**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Forty First Annual General Meeting of the Company at M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai- 400 023 on **Wednesday, 20th August, 2014**.

\_\_\_\_\_  
First / Sole holder/ Proxy

\_\_\_\_\_  
Second holder/ Proxy

\_\_\_\_\_  
Third holder/ Proxy

**Notes:**

1. Registration will start at 2.30 P. M. And close at 3.00 P. M. on the day of Annual General Meeting (AGM).
2. There will be separate entrance for AGM at the M. C. Ghia Hall, The Members are, therefore, requested to co-operate and use only the AGM entrance and not any other entrance.
3. There will be no parking facility opposite to Hall. The Members are requested to park their vehicle at the BMC parking area.
4. The Members are required to produce their duly signed Attendance Slips and get their coupon from the registration counter.
5. The Members are informed that in case of joint holders attending the meeting, only such joint holder whose name appear in the chronological order in the Demat Account/Folio will be entitle to vote.
6. This attendance slip is valid only in case shares are held on the date of the AGM.
7. The Members who have received Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit duly filled in Attendance Slip at the registration counter to attend the AGM.

**Electronic Voting (e-voting):**

8. The Company is pleased to offer the option of e-voting facility to the Members. The Members shall have the option to vote either through e-voting or in person at the Annual General Meeting. The voting period will commence at 9.30 A.M. on Monday, 11th August, 2014 and will end 6.00 P.M. on Wednesday, 13th August, 2014. The Members desiring to exercise e-voting option may refer to the detailed procedure on electronic voting provided in the Notice of the AGM.

**UNI ABEX ALLOY PRODUCTS LIMITED**
**CIN No.: L27100MH1972PLC015950**

Registered Office: Liberty Building, Sir Vithaldas Thackersey Marg, Mumbai - 400 020.

**PROXY FORM**

Form No. MGT-11

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

CIN : **L27100MH1972PLC015950**  
Name of the Company : **UNI ABEX ALLOY PRODUCTS LIMITED**  
Registered office : **Liberty Building, Sir Vithaldas Thackersey Marg, Mumbai - 400 020**  
Name of the member (s) : \_\_\_\_\_  
Registered address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_  
Folio No/client ID No : \_\_\_\_\_

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

(1) Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him  
(2) Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him  
(3) Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_ Signature : \_\_\_\_\_

As may/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 41<sup>st</sup> Annual General Meeting of the Company, to be held on the **Wednesday, 20th August, 2014 at 3.00 P. M.** At M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai- 400 023 and at any adjournment thereof in respect of such resolution as are indicated below:

Ordinary Business;	Special Business:
1. Adoption of Financial statements for the year ended 31 <sup>st</sup> March, 2014 and the Directors' and Auditors' Reports thereon.	4. Appointment of Mr. A. F. Neterwala As a Director in Casual Vacancy.
2. Declaration of Dividend on Equity Shares.	5. Appointment of Mr. P. Subrahmanyam As an Independent Director.
3. Re-appointment of M/s. Ford, Rhodes, Parks & Co, Chartered accountants, Statutory Auditors of the Company and to fix their remuneration.	6. Appointment of Mr. H. R. Prasad As an Independent Director.
	7. Appointment of Mr. K. M. Elavia As an Independent Director.
	8. Appointment of Mr. M. P. Bharucha As an Independent Director.
	9. Appointment of Mr. F. K. Banatwalla As an Independent Director.
	10. Borrow monies in excess of aggregate of Paid up Capital and Free Reserves upto Rs. 100 Crores.
	11. Payment of Commission to Non Executive Directors of the Company upto 1% of Net Profits of the Company.
	12. Re-appointment and terms of remuneration of Mr. M. K. Fondekar as Wholetime Director designated as Executive Director.
	13. Waiver of recovery of excess remuneration of an amount of Rs. 8.25 lacs paid to Mr. M. K. Fondekar as a Whole-time Director designated as Executive Director of the Company for Financial ended 31 <sup>st</sup> March, 2014.

Signed this \_\_\_\_\_ day \_\_\_\_\_ of 2014

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of Proxy holder (s)

Affix  
revenue  
stamp of  
Rs. 1

**Note:**

- 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.

## Financial Highlights

(₹ in lacs)

Years	2009-10	2010-11	2011-12	2012-13	2013-14
Sales & Other Income	6,528.42	5,281.73	6,245.51	7,164.04	7,949.82
Profit Before Interest, Depreciation & Tax	1,413.94	1,353.54	1,387.36	1,309.63	1,806.61
Net profit after Tax for the year	775.67	794.63	791.32	710.97	781.72
Share Capital : Equity	197.39	197.39	197.39	197.39	197.46
Reserves and Surplus	2,564.45	3,295.00	4,005.98	4,636.62	5,279.72
Shareholders' Funds	2,761.84	3,492.39	4,203.37	4,834.01	5,477.18
Loan Funds	1,056.49	1,251.58	1,340.81	3,837.29	4,556.96
Total Capital Employed	3,818.33	4,743.97	5,544.19	8,671.30	10,034.14
Gross Block	1,746.54	1,815.97	2,269.02	4,753.35	6,335.87
Depreciation	920.68	885.21	1,025.38	1,152.66	1442.60
Net Block	825.86	930.76	1,243.66	3,600.70	4,893.27
Net Current Assets	2,883.85	3,596.59	3,839.26	4,298.08	2,082.08
EPS (in ₹) Equity	39.27	40.23	40.07	36.00	39.58
Return on Shareholders' funds	28%	23%	19%	15%	14%
No. of Shareholders	7692	8003	7919	7683	7519
Dividend %	25.00%	28.00%	35.00%	35.00%	60.00%*

\* If approved by the members.

*Dharwad Factory*



*Thane Factory*



If undelivered please return to :  
**UNI ABEX ALLOY PRODUCTS LIMITED**  
Liberty Building, Sir Vithaldas Thakersey Marg, Mumbai - 400 020.