

અનુભવ મેળવવા સહાય દરમ્યાનમાં પરપણાની મર્યાદા માટે લલીત નરેન્દ્રભાઈ પટેલે કરેલી આગેતર જામીન અરજી એડિશનલ સેશન્સ કે. એસ. પટેલે ૬ માર્ચે દીધી છે. ઉલ્લેખનીય છે કે, પરપણાના સેપ્ટેમ્બર ૨૦૧૮ વધુ સંબંધિત વેસ્ટ કંપનીઓમાં મસત માટે રેકૉર્ડ આધારવામાં આવ્યું હતું. દરમ્યાનમાં પડોસા બાદબ શુભચિંતી શાહ મીનેસ રોસાનશાહ શાહ અને મિનેસા અધિવાસી પટેલે સેશન્સ કોર્ટમાં જામીન અરજી કરી હતી જેમાં

જામીન અરજી કરી હતી જેમાં સ્ટેટ કમ્પેસ્ટી તરફથી કોર્ટને જણાવ્યું હતું કે, નંદેશ્વરી સ્ટીલ વિમિટો માં ટ્રીસ્ટર છે અને ખોટી બીજીંગ કરીને કરોડોની કરચોટી કરી છે. આરોપીની તપાસમાં જરૂર છે.

જામીન આરોપીના મોટર સાઈકલ પર અટકીને તેનું અપહરણ કરી ગયા હતા ત્યારબાદ બાબકાન વિવાદ પાલેલી આરોપી અલગ કુચાર અને કુચટીપ પંચાયતે ૫૦ લાખની ખંડણી માંગી હતી. બીજા જ

વિસનગર કોર્ટ ફાંસી

સારથી-૪ સોફ્ટવેરમાં છે બોગસ લાઈસન્સનો રાજ

અમદાવાદ આરટીઓએ દબાવી દીધેલા ક્રીમાંડમાં ગાંધીન

૨૫ મી ડિસેમ્બર ૨૦૧૮ એટલે કે તાલુકાની રજાના દિવસે રાજ્યભરમાંથી અનેક બોગસ લાઈસન્સની ખોટી રીતે સર્વરમાં એન્ટી એટલે કે બેક લોક કરવા હતા. વાહન વ્યવહારના સારથી-૪ સોફ્ટવેરનો એક અધિકારીનો ઘસવર્ડ મેળવી અનેક લાઈસન્સોની બેકલોક એન્ટી ગેટકાપાઈ કરવામાં આવી હતી. લાઈસન્સમાં વધારાના કલાસ ઉમેરી દેવામાં આવ્યા હતા. લાખો રૂપિયાની ચોકવણી અનેક લાઈસન્સના ટેકાની સંવેદન કરી બોગસ લાઈસન્સ બચાવ્યા હતા. આ ક્રીમાંડ અમદાવાદ આરટીઓ સંબંધિત રાજ્યભરની આરટીઓ કચેરીમાં

થયુ હતું હતા અમદાવાદ આરટીઓએ ક્રીમાંડ દબાવી દીધુ હતું. આખરે મામલો ખસાર આવતા ગાંધીનગરથી અધિકારીઓને ઠપકો આવ્યા આ સંબંધે સાર્થભર કાર્ટમમાં હરિયાદ નોંધાઈ હતી. અમદાવાદ એઆરટીઓ સબોર્ડર બોજીશીલરે સાર્થભર કાર્ટમમાં હરિયાદ નોંધાવી હતી કે, ૨૦૧૦ પછી આરટીઓના તમામ ટેકાની ઓન લાઈન એન્ટી સારથી-૪ સોફ્ટવેરમાં થાય છે. સોફ્ટવેરમાં એન્ટીની ક્રમગીરી ક્લાઈક બરત મકવાણા કરે અને તેની મેન્ટ્રી

Long Time Hair Care

સમોજીત સોલ્યુશન્સ જેટ ફેસીયલ સર્વિસ મેકાપ અને હાથ Problem નું Solution She છે.
8758865354
8238407297

જાહેર
 ડિસ્કોન્ટ સાથે ડિસ્કોન્ટ ગેરવિનયક માટે ૩૨૩૦ (૩૫૯.૦૦) ની ૧-૧૧-૨૦૧૯ નું પેકેટિંગ, અલ્ટીમીટમ મોડેસ્ટ, ૦૫/૦૫/૧૯ મ ડિસ્કા, સમોજીત મહાસુ, ભોજાસુ મગ્ય પહોંચાત તે મગ્યસુ જમાવણી વિવધાલી માં પેસી ૦-૧૪.૦૦ નું ડાઉન, ઓ.સી. જાનલ ડાઉન ઇન્વેસ્ટમેન્ટ ૦૫/૦૫/૧૯ સોલોનો નો વેસ્ટા જમીનના ડાઉન ડોલોરના સર્વિસીકેટલી. કોર્પોરેટ વ્યક્તિ, સંઘ, સંસ્થાનો સોલુશન્સ - સલામતી ડોલ તો તેમણે જા નોંદીસ પ્રેક્ટિસીસ નીચે જણાવેલ સરકારી રજુ. પો. એકી તો સારું જમીન ડોલ ડોલનો કોર્પોરેટ જ (વેઈવ) કરેલ છે. તેમ માની સરકારું જર્મ કરવામાં સમલે વ્યાજવેલ કોર્પોરેટ સોલુશન્સ નર્થિ. જેની જાહેર જલસારે નીચે લેવી.

રેલવે ઈલોહિ
ટેન્ડર નો
 વિનયો નીચે મુજબ છે :-
 સુ. નં. ૧૧ ટેન્ડર નં. ડી-૧૨-એલસીઆઈ
 સુ. નં. ૧૧ ટેન્ડર નં. ડી-૧૨-એલસીઆઈ
 વચન હાથપગના કાર્પેસ સોલોનો ટેન્ડર
 ₹ ૬૭,૩૮,૪૪૩.૩૩/-, ઈમેલ: ₹ ૧,૩૮,૭;
 સુ. નં. ૧૧ ટેન્ડર નં. ડી-૧૨-એલસીઆઈ-૬
 સામાન્યતા સંબંધિત

જાહેર નોટિસ
 ગુજરાત વિજ નિયમન આયોગ, ગાંધીનગર સમગ્ર

નિમ્ન વિનિયમ સંદર્ભમાં,
 માન. ગુજરાત વિજ નિયમન આયોગ સમક્ષ, અરજદારકર્તાઓ ને, શાહ એલોન્ડ લી., સામ સ્ટીલ લી., સેકાલી સ્ટીલ લી., સેકાલી સ્ટીલ લી., RMG એલોન્ડ લી. અને ઈલેક્ટ્રોથર્મ (ઈન્ડિયા) લી. કમ્પા વિજ અધિનિયમન 2003 અને વિજ નિયમન આયોગના Model Year Tariff વિનિયમ 2016 અને નામ અરજીના લાગુ પડતા અન્ય વિનિયમો અનુસાર રાજ્યના મોંઠા ઓઈલોનેક એક્રે માટે ખાસ વિજ દર અંગેની મેન્ટ્રી મેળવવા માટે અનુક્રમે પીટીસન - R1716/2018, 1717/2018, 1718/2018, 1719/2018, 1720/2018, 1725/2018 રજૂ કરેલ છે.

આ સંદર્ભમાં, માન આયોગના તા. 16-2-2019 ના આદેશ મુજબ રસ પરાવતા પસકારોને આથી હાલ કરવામાં આવે છે કે ઉપરોક્ત પીટીસનોના સંદર્ભમાં જો કોઈ વાંચ કે સુચનો રજૂ કરવા ઈચ્છા પરાવતા હોય તો તેઓએ સચિવ ક્ષી, ગુજરાત વિજ નિયમન આયોગ, ઈસ્ટ-૨, બિલ્ડ-૧, ઝોન-૬, બિલ્ડ સિટી, ગાંધીનગર - ૩82385 ને તા. 21-3-2019 સુધીમાં આધારિત પુરાવા સહિત સોનેટનામ્મ પર પાંચ કોપીમાં મોકલી આપવાના રહેશે. જો સુધર ગુજરાતી માટે રસ પરાવતા હોય તો તે મુજબને ઉલ્લેખ પણ કરવાનો રહેશે. સડર વાંચ / સુચનોની રજૂઆતની એક નકલ જે તે અરજદારકર્તાને નિમ્નલિખિત સર-સંખા પર પણ મોકલી આપવાની રહેશે.

ઉપરોક્ત ખાખતમાં રસ પરાવતા પસકારોને પીટીસન નં. 1716/2018, 1717/2018 ની નકલ શાહ એલોન્ડ લી. ની ઓફિસ: 5/1 શ્રીક કાઉસ, પાંચમો માળ, એમ. જે. હાથપેરી પાછળ, આગમ રોડ, અમદાવાદ-૮ ખાતેથી મળી શકશે. સડર પીટીસનોની ઈલેક્ટ્રોનિક નકલ www.ahalloys.com પર પણ ઉપલબ્ધ છે અને,

ઉપરોક્ત ખાખતમાં રસ પરાવતા પસકારોને, પીટીસન નં. 1718/2018, 1719/2018 ની નકલ સેકાલી સ્ટીલ લી. ની ઓફિસ: પ્લોટ નં. 156૩, સોલા-૩૨૩૨ રોડ, સાંજે, ૦૫૦૫: ગાંધીનગર-૩82721 ખાતેથી મળી શકશે. સડર પીટીસનોની ઈલેક્ટ્રોનિક નકલ www.ahalloysteel.com પર પણ ઉપલબ્ધ છે અને,

પીટીસન નં. 1720/2018 ની નકલ RMG એલોન્ડ લી. ની ઓફિસ: પ્લોટ નં. 1, GIDC Industrial Estate, વલ્લિયા રોડ, અગ્રીયા, ભુવચ-૩93110 ખાતેથી મળી શકશે. સડર પીટીસનોની ઈલેક્ટ્રોનિક નકલ www.rmgalloysteel.com પર પણ ઉપલબ્ધ છે અને,

પીટીસન નં. 1725/2018 ની નકલ ઈલેક્ટ્રોથર્મ (ઈન્ડિયા) લી. ની ઓફિસ: A-1, સ્લાયલક એપાર્ટમેન્ટ, સેટેલાઈટ રોડ, સેટેલાઈટ, અમદાવાદ-15 ખાતેથી મળી શકશે. સડર પીટીસનોની ઈલેક્ટ્રોનિક નકલ www.electrotherm.com પર પણ ઉપલબ્ધ છે.

FORM G
INVITATION FOR EXPRESSION OF INTEREST
 (Under Regulation 36A (1) of the Insolvency and Bankruptcy (Insolvency Resolution Process for Corporate Persons) Regulations, 2016)

RELEVANT PARTICULARS	
1 Name Of Corporate Debtor	Win-Stone Industries (India) Private Limited
2 Date Of Incorporation Of Corporate Debtor	19th April, 2011
3 Authority Under Which Corporate Debtor is Incorporated / Registered	Registrar Of Companies - Ahmedabad
4 Corporate Identity Number/ Limited Liability Identification Number Of Corporate Debtor	U28933GJ2011PTC065015
5 Address of The Registered Office And Principal Office (if Any) of Corporate Debtor	Registered Office : S. No. 788/1, Mr. GSPC Gas Terminal, Lakhdirpar Road, Tal. Morbi Ghantu - 363642, Gujarat.
6 Insolvency Commencement Date in Respect of Corporate Debtor	29th October, 2018
7 Date of Invitation of expression of interest	19th February, 2019
8 Eligibility for resolution applicants under section 29(2)(b) of the Code	For Individual/ Firm/LLP/ Body Corporates : i) Net worth as per latest audited

sandesh - 19-2-19

along with undivided proportionate share of "Biteesh (Subsidiary) Co. Operative Housing Society Limited" known as "EARTH AVENUE" constructed on non agricultural land bearing of Final Plot No-802 measuring 2644 Sq.Mtrs of Town Planning Scheme No-3 in lieu of revenue Survey No-54 & 551 of Mouze-Vesapur, Taluka-Vesapur, Registration district Ahmedabad and Sub district at Ahmedabad-11(Vesapur) at present owned and Possessed by Shri Karanlal Mansukhlal Turdiya. Further it is to be state that 1). Original Allotment letter dated-20-09-2001, 2). Original Reg. sale deed No-5638 dated-04-2008 and its Registration receipt, 3). Original Reg. sale deed No-1563 dated-27-02-2009 and its Registration receipt, 4). Original Reg. Agreement to sell No-13638 dated-20-09-2010 and its Registration receipt, 5). Original Reg. sale deed No-14744 dated-20-10-2010 and its Registration receipt & 6). Original Reg. sale deed No-11273 dated-30-09-2011 Registration receipt is not available with him, which is/are mislaid and lost by him and also declared by him that said property is free from all encumbrances and title of the said property is clear and marketable and decided to sell the said Property to Rawal Akshay Hemendrabhai.

This property has been offered by Rawal Akshay Hemendrabhai to IDBI Bank limited as security against the grant the home loan against the said property and in case anybody has any prior charge, lien or an interest of any nature in respect of the said Property and lost of above mentioned original document, should inform about such charge, lien, or interest with sufficient documentary evidence regarding the same to the below mention address within 7 days from the date of this notice failing which it will be constructed that title of the said property in favour of Present owner Shri Karanlal Mansukhlal Turdiya is absolute clear marketable and no party has any lien charge, interest or any claim of whatsoever in the said Property which please Note.

Date - 19-02-2019 Place-Ahmedabad J & D Law Associates
Jignesh B. Patel, Advocate • Devang H. Dave, Advocate
Office: 115, Ground Floor, Basmahwar-II Complex, Opp. Star Bazaar, Satellite, Ahmedabad-380015. (M) 9375809431

PUBLIC NOTICE

BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION

In the matter of Petition No. 1716/2018, 1717/2018, 1718/2018, 1719/2018, 1720/2018, and 1728/2018 filed before the Hon'ble Gujarat Electricity Regulatory Commission under the provisions of the Electricity Act, 2003 read with GERC (Multi-Year Tariff) Regulations, 2018 and other applicable Regulations for approval of tariff dispensation specific to sick industries by Shah Alloys Limited, SAL Steel Limited, Shaifali Steels Limited, Shaifali Rols Limited, RMG Alloy Steel Limited and Electrotherm (India) Ltd respectively.

Pursuant to Hon'ble GERC's Daily Order dated 16.2.2019 in the above referred petitions, it is hereby notified that the persons who are interested in filing their objections/ suggestions to the above Petitions may file the same with the Secretary, Gujarat Electricity Regulatory Commission (GERC) 6th Floor, GIFT ONE, Road - 5 - C, Zone 5, GIFT CITY, Gandhinagar - 382355 with the documents on which they want to rely upon in five sets, duly supported by an affidavit on or before 21.3.2019 and also indicate whether they want to be heard in person. One copy of such submission is required to be sent to respective Petitioners at the below mentioned Registered address of the Petitioners.

For reference of those who are interested, copy of the Petition No. 1716 of 2018 and Petition No. 1717 of 2018 are available at the office of Shah Alloys Limited, 5/1 Shreeji House, 6th Floor, Bahind M.J Library, Ashram Road, Ahmedabad - 08. The electronic copy of the above mentioned Petition is available at the website www.shahalloys.com.

For reference of those who are interested, copy of the Petition No. 1718 of 2018 and Petition No. 1719 of 2018 are available at the office of Shaifali Steels Limited, Block No. 1563, Soja-Kalol Road, Santej, Ta. Kalol, Dist: Gandhinagar-382721. The electronic copy of the above mentioned Petition is available at the website www.shaifalisteelsltd.com

For reference of those who are interested, copy of the Petition No. 1720 of 2018 is available at the office of RMG Alloy Steel Limited, Plot No. 1, GIDC Industrial Estate, Valla Road, Jhagada, Shanuch, Gujarat - 393110. The electronic copy of the above mentioned Petition is available at the website www.rmgalloysteel.com.

For reference of those who are interested, copy of the Petition No. 1728 of 2018 is available at the office of Electrotherm (India) Limited, A - 1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad - 380015. The electronic copy of the above mentioned Petition is available at the website www.electrotherm.com.

DNA

19-2-19 ROAD & BUILDING DEPARTMENT

ONLINE TENDER NOTICE NO : 26 OF 2018-19

1	Name of Work	Providing ELV System of Block - A and of Smrutvan Muslim Bhuj.
2	Estimated Cost Rs. in Lacs	Rs. 40.88 Lacs (1 Works)
3	Last Date of Down Loading	DL 25/02/2019
4	Office Address and Telephone No.	Office of the Executive Engineer, Electrical (R&B) Division, Rajkot C.L.F. Bunglow No. -5, Dr. Yagnik Road, Rajkot Ph. No. (0281) 2465015

MAHITI/RAJ/1608/19



भारत सरकार GOVERNMENT OF INDIA
अंतरिक्ष विभाग DEPARTMENT OF SPACE
अंतरिक्ष उपयोग केंद्र-इस्रो
SPACE APPLICATIONS CENTRE-ISRO
अहमदाबाद AHMEDABAD - 380 015

ई-प्रोक्यूरमेंट सूचना E-Procurement Tender Notice

सं: सेवा स/सि/27/2018-19
No: SAC/PT/27/2018-19

भारत के राष्ट्रपति के लिए और उनकी ओर से, पति, प्रधान, क्व एवं स्टोर, अंतरिक्ष उपयोग केंद्र, अहमदाबाद के लिए ई-निविदा आमंत्रित करते हैं।

For and on behalf of the President of India, Sr. Head, Purchase & Stores, Space Applications Centre, Ahmedabad invites e-tenders for the following.

इच्छुक विक्रेता इसकी ई-पोर्टल वेबसाइट www.eprocure.isro.gov.in से ई-निविदा डाउनलोड कर सकते हैं।

Interested vendors can download e-tenders from ISRO e-procurement www.eprocure.isro.gov.in. The bids are to be submitted online through the e-procurement

क्र.सं. S.N.	निविदा नं. Tender No.	वस्तु विवरण Item Descriptions
01	SAC/DPUR/2018E0514202	Peak Power Meter with Sensors
02	SAC/CPUR/2018E0680502	Wires
03	SAC/CPUR/2018E0683501	SPEC 55 Wires
04	SAC/CPUR/2018E0688901	Non-Qualified High Density D-Type Connector
05	SAC/DPUR/2018E0692101	Programmable Rotary Vane Attenuator
06	SAC/DPUR/2018E0702402	Parallel Gap Bonded
07	SAC/EPUR/2018E0711703	RC for Dispatch of Consignments by Air
08	SAC/HPUR/2018E0725101	Furniture for Lab
09	SAC/CPUR/2018E0747001	Space Grade RWR Resistors
10	SAC/DPUR/2018E0762001	Frequency Distribution Amplifier

नोट/Notes:

- प्रस्तुति की विधि: ऑनलाइन/ Mode of submission: Online
- ईजीपीएस के माध्यम से प्रस्तुत की गई निविदाओं पर कोई निविदा शुल्क लागू नहीं।
No Tender fee shall be applicable for tender submitted through EGPS.
- हार्क/युरिचर/किसी व्यक्ति के माध्यम से भेजे गए प्रस्तावों पर विचार नहीं किया जाय।
Offers sent physically by post/courier/in person will not be considered.
- इन निविदाओं के लिए सुविधित, यदि कोई हुआ तो वेबसाइट पर प्रकाशित किया जाएगा।
Compendium if any against these tenders will be published on website.

Sd/-

प्रधान, क्व एवं स्टोर Sr. Head, Purch

इच्छुक विक्रेताओं से यदि हमारे ई- प्रोक्यूरमेंट पर रजिस्टर नहीं किया है तो वे www.eprocure.isro.gov.in पर स्वयं को रजिस्टर करें।

Interested vendors, if not registered on our e-procurement portal may register themselves at www.eprocure.isro.gov.in

**BEFORE THE GUJARAT ELECTRICITY REGULATORY
COMMISSION GANDHINAGAR**

Case No. 1720 of 2018

IN THE MATTER OF Petition under the provisions of the Electricity Act, 2003 read with GERC (Multi Year Tariff) Regulations, 2016 (Regulation 10.2) and other applicable Regulations of Hon'ble GERC for approval of tariff dispensation specific to sick industries.

AND

RMG Alloy Steel Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Bharuch, Gujarat-393110

.....Petitioner

AND

1. Paschim Gujarat Vij Company Limited
2. Uttar Gujarat Vij Company Limited.
3. Dakshin Gujarat Vij Company Limited.
4. Madhya Gujarat Vij Company Limited
5. Gujarat Urja Vikas Nigam Limited

.....Respondents

The Petitioner above named most respectfully states as under:



The Petitioner above named M/s. RMG Alloy Steel Limited is a company incorporated under the Companies Act, 1956 and having its registered office at Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Bharuch, Gujarat-393110

1. The Respondent No: 1 to 4 (hereinafter referred to as "DisComs") are Distribution Licensees in the State of Gujarat under within the meaning of Section- 2 (17) of the Electricity Act, 2003 and are undertaking Distribution and retail supply of electricity in different geographical region in the State.
2. The Respondent No: 5 (hereinafter referred to as 'GUVNL') is the holding company of Respondent No: 1 to 4 and undertaking purchase of power in bulk and supply to Respondent No: 1 to 4 for onward supply to retail consumers in the State.
3. The Petitioner is having manufacturing unit located at Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Bharuch, Gujarat-393110. The Petitioner is electricity consumers of Respondent No: 3 having contract demand of 20000 KVA supplied at 220 KV voltage level.
4. The petitioner submits that the above unit of the Petitioner was declared as 'Sick Unit' under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985.
5. That by way of present petition, the Petitioner is seeking special tariff dispensation applicable not only in respect of the unit of the Petitioner but for all similarly placed sick units / industries in the State of Gujarat.
6. That in order to understand the scope and purpose of present petition, the Petitioner would like to refer relevant provisions of the Electricity Act 2003 (Act) and GERC (Multi Year Tariff) Regulations, 2016 as under, before making detailed submission.



Section - 62 of the Electricity Act, 2003 read as under:

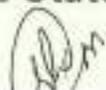
62. (Determination of tariff): --- (1) The Appropriate Commission shall determine the tariff in accordance with the provisions of this Act for -

- (a) supply of electricity by a generating company to a distribution licensee: Provided that the Appropriate Commission may, in case of shortage of supply of electricity, fix the minimum and maximum ceiling of tariff for sale or purchase of electricity in pursuance of an agreement, entered into between a generating company and a licensee or between licensees, for a period not exceeding one year to ensure reasonable prices of electricity;
- (b) transmission of electricity ;
- (c) wheeling of electricity;
- (d) retail sale of electricity:

7. That Regulation 10.2 of GERC (Multi Year Tariff) Regulations 2016 read as under:

Notwithstanding anything contained in these Regulations, the Commission shall have the authority, either suo-motu or on a petition filed by any interested or affected party, to determine the tariff of any Applicant.

8. That in term of the provisions of the Electricity Act, 2003 read with Regulations of Hon'ble Commission, this Hon'ble Commission is empowered to decide and approve the tariff dispensation to the specific class of consumers as sought in the present petition.
9. That in the given circumstances and facts as outlined hereinafter, the Petitioner, by way of present petition, is invoking jurisdiction of Hon'ble Commission requiring for special dispensation / relief in tariff applicable for sick units / industries in the State.



10. It is submitted that in the modern world, the industrial and commercial activities are the backbone of economy giving large amount of employment and revenue to Government. In the present scenario of global recession coupled with economic slowdown, industries are passing through its toughest phase and facing challenges for its survival. In such scenario, it is difficult for the sick industries to compete in the market due to higher power cost as these industries are already facing financial crunch. In given situation, it is respectfully submitted that Hon'ble Commission should play its active role for deciding the special dispensation in tariff for sick units / industries for its revival and survival.
11. It is respectfully submitted that Electricity Act 2003 envisage crucial role to be played by this Hon'ble Commission and plenary powers are given to this Hon'ble Commission under the Act to safeguard interest of consumer like the Petitioner and similarly placed other consumers in the State by making available electricity at the commercially viable rate.
12. It is submitted that the industries in the State are passing through a crucial stage struggling for its survival on account of following amongst other reasons:
- a. It is submitted that the State of Gujarat does not have natural resources and situated far from the States having.
 - b. The industrial tariff for power in the State of Gujarat is comparatively higher and therefore, they could not compete with large units situated in other States having availability of cheaper power.
 - c. That in last several years, the situation has further aggravated due to several other factors such as worldwide recession, dumping of material from China at cheaper rate, cheaper power rates in other States and



thereby supply from such States to the State of Gujarat and other similar factors.

d. The combined effect of all these factors including increase in power cost of DisComs have affected the some industries severely making it completely unviable and sick. At this stage, such sick units cannot survive / revive if some supports, in terms of making available power at affordable rate, are not extended and remedial measures are not initiated on urgent basis.

13. At this stage, the sick industrial units cannot survive / revive if some supports, in terms of making available power at affordable rate, are not extended and remedial measures are not initiated on urgent basis.

14. It is respectfully submitted that there is urgent and utmost need to revive sick industries in the State by proving electricity to sick units at special rates. This would not only benefit to Respondents but also would be benefitted huge number of families who are directly or indirectly dependent on such industries. Revival of sick industries would help in job creation apart from increase in Tax / other income to the Government, increased revenue to DisComs in future and harmony in society etc.

15. In light of above background, the Petitioner crave leave to propose following for granting special tariff dispensation to sick units/ industries:

a. At the outset, the Petitioner would like to make it clear that the Petitioner and similarly placed other sick units / industries do not want any additional gain / concession at the cost of DisComs or do not want additional gain / concession at the cost of other consumers in the State.

b. It is respectfully submitted that in the existing retail tariff structure of the State, cross subsidies is imposed on the



industrial consumers of electricity. By definition, the Cross Subsidies is the mechanism whereby some consumers groups are charged at higher tariff as compared to the cost of power supply to them. The additional revenue so generated from them is used to tide over revenue shortfall from other consumer groups who are charged lower tariff as compared to cost of supply to them. This means that certain categories of consumers who are having enough paying capacity such as industrial / commercial category of consumers are cross subsidizing the vulnerable section of society e.g. agricultural, BPL, residential consumers etc.

- c. In case units / industries become sick, naturally they do not have enough paying capacity and therefore cannot be expected to cross subsidize other category of consumers on the ground of higher paying capacity. Thus, it is unjustified, unreasonable and illogical to impose cross subsidies on the sick industries who are otherwise struggling for its existence and do not have enough paying capacity to cross subsidize others section of society. As such, sick industries itself fall under vulnerable class requiring support from all sides for its revival and survival.
- d. The amount of cross subsidies imposed on industrial category of consumers is quantified by Hon'ble Commission in the recent tariff order dated 31.03.2018 of DisComs (at Para - 8.3 of Chapter- 8 of DGVCL DisCom Order). The Para 8.3 of the order read as under:

8.3 Cross Subsidy Surcharge

The Cross Subsidy Surcharge is based on the formula given in the Tariff Policy as below:

$$S = T - [C / (1 - L/100) + D + R]$$

Where,

- *T is the tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation*

- *C is the per unit weighted average cost of power purchase by the Licensee, including meeting the Renewable Purchase Obligation*
- *D is the aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level*
- *L is the aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level*
- *R is the per unit cost of carrying regulatory assets.*

The Cross Subsidy Surcharge based on the above formula is worked out as shown in the Table below:

Table 8.4: Cross Subsidy Surcharge for FY 2018-19

Sr. No.	Particulars	Units	HT Industry
1	T	Rs/ kWh	7.34
2	C	Rs/ kWh	4.22
3	D	Paise/ kWh	14.61
4	L	%	10%
5	S (Cross Subsidy Surcharge)	Rs/ kWh	2.51

$$S = 7.34 - [4.22/(1-0.10) + (14.61/100) + 0] = 2.51$$

Thus, Cross subsidy surcharge as per Tariff Policy, 2016 works out to Rs. 2.51 /kWh for the four State owned Distribution companies viz. DGVCL, MGVCL, PGVCL and UGVCL.

- From the above, it can be seen that the power purchase cost of DisCom is Rs. 4.22 per unit which also includes charges for transmission of power.
- The tariff of Rs. 7.34 per Unit is applicable to industrial consumers including sick industries as against cost of power purchase of Rs. 4.22 per unit. Here it is relevant to note that sick industries itself is financially vulnerable and cannot take burden of others when these industries itself struggling for their survival and requiring support from all sides.
- This situation is against the principle of natural justice and cannot be the objective of the Electricity Act, 2003.
- In the given circumstances when sick industries are struggling for its survival, as immediate measures, special dispensation may be provided for the sick industries to give relief in tariff atleast charging them at cost of power purchase.



- i. It is submitted that providing power to sick industries at maximum Rs. 4.40 per unit (including demand charges) as against actual tariff of Rs. 7.34 per unit would provide great relief to sick industries in the present situation and would ensure revival of sick industries.
 - j. On power exchange i.e. IEX average cost of energy per unit for the FY 2017-18 is Rs. 3.26 per unit. Therefore even if DisCom buy power from open access, they would earn by supplying power to sick industries at Rs. 4.40 per unit.
16. In the facts and circumstances of case, it would be prudent and reasonable to provide power supply to sick industries at maximum Rs. 4.40 per unit (including demand charges). If power is supplied to sick industries at these rates, there would not be any adverse financial implication to DisComs or for the other consumers in the State. On the other hand, the closing down of operations of sick industries due to unviable electricity tariff may result into (i) creation NPAs, (ii) hampering of infrastructure activities in the State as well as Nation due to loss of production (iii) loss of revenue to DisComs, (iv) loss of revenue to Government, (v) loss of direct / indirect employment.
17. In case, sick industries are supplied power supply at above rate, it would act as tonic and will economize the cost of production and ensure the revival of the industries.
18. The petitioner submits that taking into cognizance of the adverse impact on the economy of the State and society as a whole due to close down of sick units, even State Legislative Assembly is considering to grant special relief to the sick industries.
19. The petitioner would like to further submit that in order to prevent misuse of special tariff dispensation granted to the sick industries as sought hereinabove and to avoid any type ambiguity and for proper implementation of the provisions of



special tariff dispensation. following criteria may be laid down to become eligible for special tariff dispensation by sick units:

- a. The unit is having established in Gujarat for more than 10 years
- b. The unit should be operational condition
- c. The unit should have minimum turnover of Rs. 25 Crores
- d. The unit should have stood registered with BIFR or GBIFR under the cessation of SICA Act

OR

Should be an eligible unit as per Government of Gujarat's Industrial Policy for relief and concession to the viable sick industrial enterprise dated 11.09.2017.

- e. The net worth of unit should stand negative for last three years ending FY 2018
- f. The beneficiary unit will be entitled to get power only upto 30 MW from DisCom under special tariff dispensation.
- g. The special dispensation may be allowed for period of 7 years.

20. The Petitioner submits that providing special tariff dispensation to the sick units is in no way contrary to the provisions of Electricity Act 2003 in any manner, rather it would be in accordance with the provisions of Act/ Regulations.

21. The Petitioner crave leave to add, alter or amend this petition as and when necessary and to urge such other and further grounds at the time of hearing as may be necessary.



1. Prayer:

In the facts and circumstances of the case, it is the prayer of the Petitioner that:

- (a) Hon'ble Commission may please to take on record the above petition, .
- (b) Hon'ble Commission may please to grant the opportunity of being heard to the petitioner,
- (c) Hon'ble Commission may please to approve special dispensation in the tariff for sick industries at maximum Rs. 4.40 per unit (including demand charges).
- (d) During pendency of the Petition, as an interim relief, Hon'ble Commission may please to direct DisCom to charge tariff of Rs. 4.40/unit (including demand charges) from sick units/industries.
- (e) Pass such further order or orders as this Hon'ble Commission may deem just and proper in the circumstances of the case.

- PETITIONER

Declaration:

Declaration that subject matter of the petition has not been raised by the Petitioner before any other competent forum and that no other competent forum is currently seized of the matter or has passed any order in relation thereto.



RMG Alloy Steel Limited

DATE: 9th April, 2018

PLACE: Gandhinagar

**BEFORE THE GUJARAT ELECTRICITY REGULATORY
COMMISSION GANDHINAGAR**

Case No. _____ of 2018

IN THE MATTER OF Petition under the provisions of the Electricity Act, 2003 read with GERC (Multi Year Tariff) Regulations, 2016 (Regulation 10.2) and other applicable Regulations of Hon'ble GERC for approval of tariff dispensation specific to sick industries.

AND

RMG Alloy Steel Limited
Plot No.1, GIDC Industrial Estate,
Valia Road, Jhagadia,
Bharuch, Gujarat-393110

.....Petitioner

AND

1. Paschim Gujarat Vij Company Limited
2. Uttar Gujarat Vij Company Limited.
3. Dakshin Gujarat Vij Company Limited.
4. Madhya Gujarat Vij Company Limited
5. Gujarat Urja Vikas Nigam Limited

.....Respondents



Regi No. 2
Page No. 85
Serial No. 1346
Date 9/4/2018

Ila B. Kantaria
ILA B. KANTARIA
NOTARY
GOVT. OF GUJARAT



AFFIDAVIT

I, Shalin Agrawal son of Radheshyam Agrawal aged about 42 years resident of B-402, Devpreet Apartment, Nr. Bodakdev Post Office, Vastrapur, Ahmedabad-54 do hereby solemnly affirm and state as under:

1. I am the Sr. General Manager of the RMG Alloy Steel Limited and I am well conversant with the facts of the case an able to depose to the present affidavit.
2. I have gone through the contents of the accompanying Petition and I say that the contents stated therein are based on the records of the Petitioner maintained in the normal course of business.

Shalin

DEPONENT

VERIFICATION:

I, the deponent above named do hereby verify that the contents of my above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.

Verified at Gandhinagar on this 9th day of April 2018.



Shalin

DEPONENT



IDENTIFIED BY ME

R. Kantaria
ADVOCATE / PERSON
NAME :
ADD.....

SOLEMNLY AFFIRMED
BEFORE ME

Ila B. Kantaria
ILA B. KANTARIA
NOTARY
GOVT. OF GUJARAT
D-9/4/2018



o/c

13

HAND DELIVERY

10th May 2018

The Secretary,
Gujarat Electricity Regulatory Commission
6th Floor, GIFT ONE,
Road 5C, Zone 5, GIFT City,
Gandhinagar,
Gujarat - 382355

Sub: Petition under the provisions of the Electricity Act, 2003 read with GERC (Multi Year Tariff) Regulations, 2016 (Regulation 10.2) and other applicable Regulations of Hon'ble GERC for approval of tariff dispensation specific to sick industries

Ref: Your letter dated 1st May 2018 registering the petition vide no. 1720/2018

Dear Sir,

RMG Alloys Limited has requested the Hon'ble GERC for approval of tariff dispensation specific to sick industries and our subject petition has been registered vide petition no. 1720/2018.

RMG Alloys Limited being a sick unit, we would request to place our petition before the Hon'ble Commission at the earliest.

We shall be thankful for a favour in this regard.

Thanking you,

Yours faithfully,

for RMG Alloys Limited.



Shalin Agrawal
Authorized Signatory



Certificate No. 20004218 TS09 ISO/TS 16949:2009
Certificate No. 20004218 QMS ISO 9001:2008
CIN : L27100GJ1980PL020038

Corporate Office: B/S, Trade World, Kamla Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013.
Tel: +91-22-266136000 / 24908000 Fax: +91-22-24908020 www.mgalloysteel.com

Registered Office & Works: Plot No.1, G.I.D.C. Industrial Estate, Jhagadia - Vaits Road, Jhagadia Dist. Bharuch - 393 110.
Gujarat, (INDIA) Tel: +91-2645-618700 Fax: +91-2645-226841

GUJARAT URJA VIKAS NIGAM LIMITED

Sardar Patel Vidyut Bhavan, Race Course, Vadodara 390007

Phone (0265) (Direct): 2324754 PBX : (0265) 2310582-88
Fax (0265) 2342643 2337916, 2338164

Web : www.guvnl.com
CIN U40109GJ29045GC046195

Ref.No.: GUVNL/COM/557

Date: 17/05/2018

To
The Secretary
Gujarat Electricity Regulatory Commission
6th Floor, GIFT ONE,
Road 5-C, Zone- 5,
Gandhinagar - 382 355

By FAX 079 -23602360, 2054/55

Sub: GUVNL's preliminary reply in the matter of petition no. 1720 of 2017 filed by M/s RMG Alloy Steel limited for approval of tariff dispensations specific to sick industries.

Dear Sir,

Please find enclosed herewith GUVNL's preliminary reply on affidavit (original plus four) in the matter of petition no. 1720/2017 filed by M/s RMG Alloy Steel limited for approval of tariff dispensations specific to sick industries in the State of Gujarat

In this regard, GUVNL's reply on the same is enclosed herewith

Thanking you,

Yours faithfully

(K. P. Jangid)
General Manager (COM)

Encl: As above

Copy to:

RMG Alloy Steel Limited,
Plot No 1, GIDC Industrial Estate,
Valia Road, Jhagadia
Bharuch, Gujarat - 393 110

14

Regd. No: 080
Date: 4/12/2018



BEFORE THE HONBLE GUJARAT ELECTRICITY
REGULATORY COMMISSION AHMEDABAD

Petition No 1720 of 2018

Filing No:

IN THE MATTER OF

Various Petitions under section 44(1) of the
Electricity Act, 2003 read with Regulation
10.1 of Gujarat Electricity Regulatory
Commission, Gujarat and Business
Regulation 2004 awaiting Review of the
order of Honble Commission dated 7th April
2017 in Case No. 115000511 filed for The use
of 11 KV 2010-11 and determination of tariff for
FY 2018-19 of GEDCO under 517
tariffcode.

NOTARY

NOTARY

NOTARY

NOTARY

AND

RMG Alloy Steel Limited
Plot No. 1 GIDC Industrial Estate
Vajia Road Jhagadia
Bharuch Gujarat - 393 110

NOTARY

PETITIONER

AND

Various Petitions under section 44(1) of the

RESPONDENTS

Date: 04th June, 2018

To,
The Secretary,
Gujarat Electricity Regulatory Commission
6th Floor, GIFT ONE,
Road 5C, Zone 5, GIFT City,
Gandhinagar,
Gujarat – 382355

Sub: Rejoinder in Petition No: 1720 of 2018

Dear Sir,

In continuation to above subject, 5 (five) copies of our rejoinder as mentioned above, along with soft copy (CD) is submitted herewith.

It is requested to apprise the Hon'ble Commission accordingly.

This for your kind information please.

With regards,

Yours faithfully,

For, RMG ALLOY STEEL LIMITED

Shalin Agrawal

Sr. GM



Authorized Signatory



Encl: Five copies of our rejoinder along with soft copy (CD)

CC To: The GM (Com), GUVNL, Sardar Patel Vidyut Bhavan, Race Course, Vadodara – 390007



Certificate No. 20004218 ISO 9001:2008
Certificate No. 20004218 ISO 14001:2004
CN: L2710RGJ1980PLC000358

Corporate Office: B/9, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 0
Tel: +91-22-26613600 / 24908000 Fax: +91-22-24908020 www.rmgalloysteel.com
Registered Office & Works: Plot No.1, G.I.D.C. Industrial Estate, Jhagadia - Vata Road, Jhagadia Dist, Bharuch - 393 11
Gujarat (INDIA) Tel: +91-2645-619700 Fax: +91-2645-228841

**BEFORE THE GUJARAT ELECTRICITY
REGULATORY
COMMISSION GANDHINAGAR**

Case No. 1720 of 2018

IN THE MATTER OF Petition under the provisions of the Electricity Act, 2003 read with GERC (Multi Year Tariff) Regulations, 2016 (Regulation 10.2) and other applicable Regulations of Hon'ble GERC for approval of tariff dispensation specific to sick industries.

AND

RMG Alloy Steel Limited, a company incorporated under the companies Act, 1956 and having its registered office at Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Bharuch, Gujarat-393110.

.....Petitioner

AND

Gujarat Urja Vikas Nigam Limited & Others

.....Respondents



(Signature)



**The Rejoinder submission to the reply filed by Gujarat Urja
Vikas Nigam Limited – Respondent No: 5:**

1. The Petitioner above named has filed the present petition before this Hon'ble Commission seeking approval of tariff dispensation specific to sick industries namely charging to sick industries at the cost of power purchase without imposing cross subsidies.
2. The Respondent No:5 has filed reply to the petition. The Petitioner by way of present submission is filing rejoinder to the reply filed by Respondent -5, Gujarat Urja Vikas Nigam Limited.
3. That save as otherwise, all the contentions and statement made in the reply submission of the Respondent No.5 are denied.
4. It is stated that the Respondent No: 5 has filed its reply in a casual and routine manner without appreciating the facts and circumstances requiring tariff dispensation to sick industries and without dealing with specific relief sought by the Petitioner.
5. It is not denied that there is urgent and utmost need to revive sick industries in the State by providing electricity to sick units at special rates. It is also not denied that survival of sick industries would not only benefit to Respondents but also would be benefitted to huge number of families who are directly or indirectly dependent on



such industries. Revival of sick industries would help in job creation apart from increase in Tax / other income to the Government, increased revenue to Discoms in future and harmony in society etc.

6. That in the facts and circumstances of case as enumerated in the memo of the Petition, the Petitioner has sought tariff dispensation specific to the sick industries without impacting financials of the DISCOMs and at the same time to avert closing down of operations of sick industries due to unviable electricity tariff.
7. That the Petitioner has given justifications, rationales and made out proper case for granting special tariff dispensation to sick industries by this Hon'ble Commission in accordance with the provisions of the Electricity Act 2003 read with Multi Year Tariff Regulations framed by this Hon'ble Commission. The contents of the petition are not repeated for the sake of brevity but the same may be read as part of this rejoinder submission.
8. In light of above submission, the para wise rejoinder to the reply filed by the Respondent No: 5 are as under:

Paras 1 to 6

Contents of paras 1 to 6 as stated is wrong and denied. It is wrong and denied that the present petition is falling within scope of review of Tariff Order dated 31.3.2018 passed by this Hon'ble Commission or Tariff Order dated 31.3.2018 would need to be reviewed for allowing prayer made by the



Petitioner for tariff dispensation to sick industries. The Respondent No: 5 seek to mislead this Hon'ble Commission by considering the scope of present petition as Review Petition.

It is vehemently denied that the Petitioner is indirectly seeking review of Order dated 31.3.2018 or the prayer can only be allowed upon undertaking the review of said order. The Petition is very clear and filed with specific reference to applicable provisions of the Electricity Act 2003 and Multi Year Tariff Regulations framed by this Hon'ble Commission. By no stretch of imagination, it can be said that the Petition is falling within scope of review of Order dated 31.3.2018 or the said order would be reviewed for allowing tariff dispensation to sick industries as prayed in the Petition. Under the Electricity Act 2003, this Hon'ble Commission has full authority and power to decide prayer made in the Petition. There is no whisper in the petition which gives misbelieve that the petition has been filed for review of Order dated 31.3.2018 or the prayer can only be allowed upon undertaking the review of said order. The Petitioner craves to refer provisions of the Electricity Act 2003 and regulations of Hon'ble Commission to understand the scope of present petition and prayer made therein.

Para 7

Content of para 7 as stated is wrong and denied. It is wrong and denied that the regulations 10.2 of Mutli year Tariff



Regulations is applicable only in case of fresh determination of tariff either on account of expiry of period for which tariff was determined or the tariff for particular consumers/class of consumers is not available/ determined by Hon'ble Commission. Such interpretation of Respondent No: 5 is wrong and without any basis. The Regulation 10.2 is very clear in this regard providing that *notwithstanding anything contained in these Regulations, the Commission shall have the authority, either suo-motu or on a petition filed by any interested or affected party, to determine the tariff of any Applicant.*

As per Regulation 10.2 read with the provisions of the Electricity Act 2003, this Hon'ble Commission has full authority to determine or modify or vary the tariff or to create or modify or add any tariff category or sub-category. It is submitted that as per the provisions of regulations and the Electricity Act 2003, this Hon'ble Commission has exclusive jurisdiction to entertain the present petition and decide on the prayer made therein.

Para 8

Content of para 8 as stated is wrong and denied. It is wrong and denied that as per the provisions of Multi Year Tariff Regulations, this Hon'ble Commission cannot grant the relief as sought by the Petitioner or granting of relief to the Petitioner and similarly placed other sick industries would lead to under-recovery of approved revenue of DisComs and increase in tariff of other consumers. It may be appreciated that the Petitioner and similarly placed other sick units do not want any





additional gain or concession at the cost of DisComs or do not want additional gain / concession at the cost of other consumers in the State. In the given circumstances when the sick industries are struggling for its survival, as an immediate measure, the Petitioner and similarly placed other sick industries is seeking relief in tariff atleast charging them at cost of power purchase without imposing cross subsidies. Hon'ble Commission has full authority and jurisdiction to decide on such relief. It is submitted that as per the provisions of Multi Year Tariff Regulations, the ARR of DisComs is subject to True up and therefore it is wrong that there would be any adverse impact on DisComs or there would be any gap in ARR. Without prejudice to above, it is to state that as compared to large sum of ARR of DisComs, the relief to the sick industries would be miniature and will not much impact the financials of DisComs or tariff of other consumers in the State. On the other hand, closer down of sick industries due to unviable tariff would lead to loss of complete revenue to DisComs apart from other socio-economic issues such as (i) creation NPAs, (ii) hampering of infrastructure activities in the State as well as Nation due to loss of production (iii) loss of revenue to Government, (iv) loss of direct / indirect employment etc. On the contrary, due to loss of revenue on account of closer of industries would lead to gap in ARR of DisComs and increase in tariff of other consumers. In case, the special tariff dispensation to sick industries is provided atleast charging at cost of power purchase would avert such adverse situation and would also be in the benefit of DisComs as well as other consumers.

**Para 9**

Content of para 9 as stated is wrong and denied. It is stated that criteria suggested by the Petitioner for applicability of special tariff dispensation is in accordance with the provisions of the Electricity Act 2003. It is submitted that the criteria suggested by the Petitioner is with a view to prevent misuse of special tariff dispensation granted to the sick industries and for proper implementation. The said suggestion made by the Petitioner is not contrary to any provision of the Act or the Regulations.

Para 10 & 11

It is stated that there is no merit in the reply filed by the Respondent No:5. Hon'ble Commission is requested to decide the petition in terms of prayer of the Petitioner.


PETITIONER

DATE: 4th JUNE, 2018

PLACE: GANDHINAGAR.

**BEFORE THE GUJARAT ELECTRICITY
REGULATORY
COMMISSION GANDHINAGAR**

Case No1720 f 2018

IN THE MATTER OF Petition under the provisions of the Electricity Act, 2003 read with GERC (Multi Year Tariff) Regulations, 2016 (Regulation 10.2) and other applicable Regulations of Hon'ble GERC for approval of tariff dispensation specific to sick industries.

AND

RMG Alloy Steel Limited, a company incorporated under the companies Act,1956 and having its registered office at Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Bharuch, Gujarat-393110.

.....Petitioner

AND

Gujarat Urja Vikas Nigam Limited & others

.....Respondents





AFFIDAVIT

I, Shalin Agrawal son of Radheshyam Agrawal aged about 42 years resident of B-402, Devpreet Apartment, Nr. Bodakdev Post office, Vastrapur, Ahmedabad-54 do hereby solemnly affirm and state as under:

1. I am the Sr. General Manager of the Petitioner above named and am well conversant with the facts of the case an able to depose to the present affidavit.
2. I have gone through the contents of the accompanying Petition and I say that the contents stated therein are based on the records of the Petitioner maintained in the normal course of business.

DEPONENT

VERIFICATION:

I, the deponent above named do hereby verify that the contents of my above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.

Verified at Gandhinagar on this 9th Day of June 2018.

DEPONENT

SOLEMNLY AFFIRMED
BEFORE ME

B. B. KANTARIA
NOTARY
GOVT. OF GUJARAT
D. 4/6/2018

Regl No. 2
Page No. 202
Serial No. 2926
Date 4/6/2018

B. B. KANTARIA
NOTARY
GOVT. OF GUJARAT



IDENTIFIED BY ME

ADVOCATE / LEGAL
NAME : Abhish
ADD.

BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
AHMEDABAD

27

Petition No: 1720 of 2018

IN THE MATTER OF

Petition under the provisions of the Electricity Act
2003 read with GERC (Multi Year Tariff
Regulations, 2016 (Regulator 102) and other
applicable Regulations of Hon'ble Commission for
approval of tariff dispensation specific to such
industries.

AND

IN THE MATTER OF

RMG Alloy Steel Limited,
Plot No. 1, GIDC Industrial Estate,
Vaha Road, Chagadia,
Bharuch, Gujarat - 393 112

AND

Petitioner

IN THE MATTER OF

Gujarat Loha Vikas Nigam Limited & Ors.

Respondents

ADDITIONAL SUBMISSION ON BEHALF OF RESPONDENT NO. 5.

SUBMISSION:

1 The Petitioner above named has filed the present petition before the Hon'ble Commission under the provisions of the Electricity Act, 2003 read with GERC (Multi Year Tariff) Regulations, 2014 (Regulation 10.2) and other applicable Regulations of Hon'ble Commission for approval of tariff dispensation specific to such industries...



The matter was listed for hearing before Hon'ble Commission on 8.08.2018. Pursuant to the hearing held on 8.08.2018, by way of additional affidavits, the Respondent is filing the present submission.

2 It is humbly submitted that the Respondent do not have objection in case Hon'ble Commission decide the present petition and allow tariff dispensation specific to such industries provided full recovery of full ARR of Distribution Licensees is assured.

4 Hon'ble Commission is requested to consider the above submission of the Respondent while deciding the petition and prayer made thereof.


GUJARAT URJA VIKAS NIGAM LIMITED
RESPONDENT

DATED: 16/08/2018
PLACE: Vadodra

BEFORE THE HON'BLE GUJARAT ELECTRICITY REGULATORY COMMISSION AHMEDABAD

19

Petition No 1720 of 2018

Regd. No. : 35590
Date : 14/6/2018
H. J. ZALA NOTARY

Filing No:
IN THE MATTER OF

Petition under the provisions of the Electricity Act, 2003 read with CERC (Muir Year Tariff) Regulations, 2016 (Regulation 10.2) and other applicable Regulations of Hon'ble Commission for approval of tariff dispensation specific to six industries

AND

RMG Alloy Steel Limited,
Plot No. 1, GIDC Industrial Estate,
Vaha Road, Bhagadia,
Bharuch, Gujarat - 393 110

PETITIONER

AND

Gujarat Infrastar Nigam Limited & Others

RESPONDENT

Affidavit

I, Hetal Kumar Patel, S/o. Hasmukhnagar Patel, aged 38 years, working in Commerce Department, GUVNL, S.F. Patel Vidyalaya Bhawan, Race Course, Vadodara 390 015 do solemnly affirm and say as follows

- I am Junior Engineer (Commerce) of the Gujarat Infrastar Nigam Ltd. The Respondent in the above matter and I am duly authorized by the said Respondent to make this affidavit.
- I have gone through the contents of the Reply of the Respondent to the Petition and I say that the contents mentioned therein are based on the records of the Respondent maintained in the normal course of business and believed by me to be true.

[Signature]
DEPONENT

VERIFICATION:

I, the deponent above named do hereby verify that the contents of my above affidavit are true to my knowledge, no part of it is false and nothing material has been concealed there from.

Verified at Vadodara on this 14th Day of June 2018

My Commission Expires
on 04/07/2018
H. J. ZALA
NOTARY (Gujarat, India)

[Signature]
DEPONENT



[Signature]
H. J. ZALA



RMG ALLOY STEEL LIMITED

o/c

R

Date: 25th June, 2018

To,
The Secretary,
Gujarat Electricity Regulatory Commission
6th Floor, GIFT ONE,
Road 3C, Zone 5, GIFT City,
Gandhinagar,
Gujarat - 382355

Sub: Additional Affidavit in Petition No. 1720 of 2018 →
Ref: Hon'ble Commission's daily order dated 20/06/2018 →

Dear Sir,

In continuation to Hon'ble Commission's daily order under reference, we herewith submit 5 (five) copies of our additional affidavit, along with soft copy (CD).

It is requested to apprise the Hon'ble Commission accordingly.

This for your kind information please.

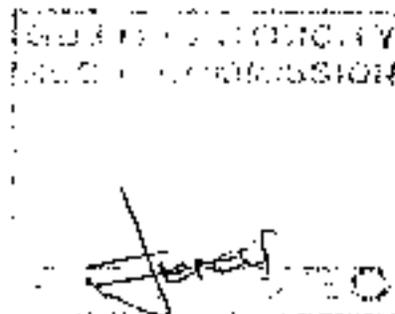
With regards,

Yours faithfully,

For, RMG ALLOY STEEL LIMITED



Authorized Signatory,



Encl: Five copies of our additional affidavit along with soft copy (CD)



Certificate No. 200642010001 ISO 9001:2008
Certificate No. 200642010001 ISO 14001:2004
Class: 17166/01/0001/0001

Corporate Office: 195, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Para (Washi, Mumbai) - 400 011
Tel: +91-22-26619600 / 21908020 Fax: +91-22-26908023 www.rmgalloysteel.com
Registered Office & Works: Plot No 1, GIFT, Industrial Estate - Jhagadia - Valli Road, Jhagadia Dist. Bhavnagar - 365 110
Gujarat. (INDIA) Tel: +91-2645-019700 Fax: +91-2645-220841

**BEFORE THE GUJARAT ELECTRICITY REGULATORY
COMMISSION GANDHINAGAR**

Case No. 1720 of 2018

IN THE MATTER OF Petition under the provisions of the Electricity Act, 2003 read with GERC (Multi Year Tariff) Regulations, 2016 (Regulation 10.2) and other applicable Regulations of Hon'ble GERC for approval of tariff dispensation specific to sick industries.

AND

RMG Alloy Steel Limited, a company incorporated under the companies Act, 1956 and having its registered office at Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Bharuch, Gujarat- 393110.

.....Petitioner



AND

1. Paschim Gujarat Vij Company Limited
2. Uttar Gujarat Vij Company Limited.
3. Dakshin Gujarat Vij Company Limited.
4. Madhya Gujarat Vij Company Limited
5. Gujarat Urja Vikas Nigam Limited

.....Respondents

The Additional Affidavit on behalf of the Petitioner above name in compliance of Hon'ble Commission's daily order dated: 20.06.2018

[Signature]



That the Petitioner above named has filed the instant petition before this Hon'ble Commission seeking approval of tariff dispensation specific to sick industries namely charging to sick industries at the cost of power purchase without imposing cross subsidies.

2. That the Petitioner is filing instance affidavit in compliance to Hon'ble Commission's daily order dated 20.06.2018.
3. In regard to directive given at Para 6 of Daily Order dated 20.06.2018 for submission of copy of Government of Gujarat's Notification declaring the Petitioner as sick unit along with a copy of Government Resolution, the copy of the same is annexed herewith at **ANNEXURE- A**.
4. In regard to directive given for submission of copy of last three years' audited financial statements of the Petitioner Company, the copy of the same is annexed herewith at **ANNEXURE- B (Copy)**.
5. That in the facts and circumstances of the case, Hon'ble Commission is requested to decide the petition at the earliest in terms of prayer made in the Petition.


PETITIONER

DATE: 27th June, 2018

PLACE: Gandhinagar





**BEFORE THE GUJARAT ELECTRICITY REGULATORY
COMMISSION GANDHINAGAR**

Case No. 1720 of 2018

IN THE MATTER OF Petition under the provisions of the Electricity Act, 2003 read with GERC (Multi Year Tariff) Regulations, 2016 (Regulation 10.2) and other applicable Regulations of Hon'ble GERC for approval of tariff dispensation specific to sick industries.

AND

RMG Alloy Steel Limited, a company incorporated under the companies Act, 1956 and having its registered office at Plot No.1, GIDC Industrial Estate, Valla Road, Jnagadia, Bharuch, Gujarat- 393110.

.....Petitioner

AND

1. Paschim Gujarat Vj Company Limited
2. Uttar Gujarat Vj Company Limited.
3. Dakshin Gujarat Vj Company Limited.
4. Madhya Gujarat Vj Company Limited
5. Gujarat Urja Vikas Nigam Limited

.....Respondents

[Handwritten signature]

RPAD

No. IC/IM/VSIIE/SUReg/2018/1442818
 Industries Commissionerate,
 Block No.1/2, 3rd Floor,
 Udyog Bhavan, Gandhinagar.
www.ic.gujarat.gov.in
 E-mail: icim@gujarat.gov.in
 Date: 22/06/2018.

Read: Industries & Mines Department GR No. MIS/10/2015/702426/P Dt. 11/09/2017

Large Sick Industrial Enterprise Registration under Scheme for relief and Concessions to the viable Sick Industrial Enterprises

M/s RMG Alloy Steel Limited, Dist: Bharuch is hereby granted Viable Sick Industrial Enterprise Registration with the following particulars.

1. Registration No. & Date : No.SU/LARGE/010 Dt. 22/06/2018.
 2. Name & Address : M/s RMG Alloy Steel Limited,
Trade World-B Wing, 9th Floor,
Kamala City, Senapati Bapat Marg,
Lower Parel (West), Mumbai.
 - (a) Address of the factory : M/s RMG Alloy Steel Limited,
Plot No. 1, G:DC Industrial Estate,
Valia Road, Jhagadia, Dist. Bharuch.
 - (b) Address for correspondence : M/s RMG Alloy Steel Limited,
Trade World-B Wing, 9th Floor,
Kamala City, Senapati Bapat Marg,
Lower Parel (West), Mumbai.
 3. Products manufactured : Steel, Seamless Pipes
 4. Investment in Plant and machinery (As per Balance Sheet of year 2015-16) : Rs.31525/- Lacs
 5. SIA Registration No. & Date : No.462/SIA/IMO/93/dated 18/02/1993
- 1 This registration is issued under Industries & Mines Department Resolution No. MIS/10/2015/ 702426/P dated: 11/09/2017.

2. This registration will not make the enterprise automatically entitled for relief and concessions as sick enterprise under GR No. MIS/10/2015/702426-F dated 11/09/2017.
3. This registration is subject to fulfillment of eligibility criteria and terms and conditions of above mentioned GR dated 11/09/2017.
4. Benefit of Net SGST Incentive on eligible additional fixed investment and availment of unutilized sales tax incentive will be decided after finalization of modalities by State Government as per GR No. GST/10/2017/2218/CH dated 03/10/2017. Government decision on this clause will be final and binding to the company.

(As approved by IC)



Addl. Industries Commissioner (SP)

To.

M/s RMG Alloy Steel Limited,
Trade World-B Wing, 9th Floor,
Kamala City, Senapati Bapat Marg,
Lower Parel (West), Mumbai.

Copy forwarded with compliments to.

- (1) Collector of Electricity Duty,
Udyog Bhavan, Block No. 18, 7th Floor,
Sector-11, Gandhinagar.
- (2) Add. Commissioner of State Tax (Adm),
State Tax department,
Rajya Kai Bhavan,
Ashram Road,
Ahmedabad-380 009.
- (3) Joint Secretary,
Industries & Mines Department,
Block No.5, Third Floor,
Sardar Bhavan, New Sachivalaya,
Gandhinagar

**"Scheme for relief and concessions to the
viable Sick Industrial Enterprises"**

GOVERNMENT OF GUJARAT
Industries and Mines Department
G.R.No: MIS/10/2015/702426/P
Schivalaya, Gandhinagar,
DL 11/9/2017

- Read: (1) Gujarat Industrial Policy 2015
(2) I. & M. D. G. R. No. BFR/(HPC)/102003/3537/P, Dt. 12-05-2004
(3) I. & M. D. G. R. No. BFR/(HPC)/102009/435690/P, Dt. 15-07-2010
(4) I. & M. D. G. R. No. SSL-102014-924840-CH, DL 19-01-2015
(5) I. & M. D. G. R. No: MIS/10/2015/702426/P Dt. 28-07-2016

1.0 Preamble:

Gujarat contributes more than 7.5 percent to India's GDP and 18 percent to India's fixed capital. More than 10% of the country's factories are in Gujarat while its manufacturing sector contributes 28% to its GSDP. Besides a robust primary economy, Gujarat is also one of the most industrialized states with dominance in many industry sectors. However, there are some sick enterprises out of large number of manufacturing enterprises in the state.

Sick enterprises lead to problems like unemployment, revenue loss to State and Central Government and increase in non-productive assets. Sickness is due to various reasons like obsolete product or technology, poor management, financial and marketing problems etc. This needs support from financial institutions, Government and from owners for converting non-productive assets to productive assets.

State Government earlier vide G.R. dated 12/05/2004 and 15/07/2010 had introduced Schemes for relief to the sick industrial companies registered with the BIFR/GBIFR. Under these schemes, number of sick enterprises has taken advantage for rehabilitation of their units. As the time limit of these existing schemes are over, it was under consideration of State Government to give relief and concessions to viable sick MSMEs and large enterprises for converting their non-productive assets into productive assets.

The State Government has introduced new Industrial Policy in January 2015 with aim of comprehensive social and economic development. Under the New Industrial Policy 2015, Government of Gujarat has issued a G.R. read at [4] above, announcing a scheme for registration of sick Micro, Small and Medium Enterprises (MSME) and also the assistance for preparing Diagnostic Report/ Draft Rehabilitation Scheme (DRS) to sick MSMEs.



In view of the above context and representation of number of sick units, Chamber of Commerce & Industry and Industries Associations for relief and concessions, state Government vide Resolution dated 28/07/2016 issued a scheme for relief and concessions to the viable Sick Industrial Enterprises registered with BIFR or GBIFR.

Subsequent to issuance of this GR, vide notification issued by Ministry of Finance (Department of Financial Services), New Delhi dated 25-11-2016, the Sick Industrial Companies (Special Provisions), Act, 1985, has been repealed from 1st December, 2016. BIFR & AAIFR stand dissolved with effect from that date. Considering this, it was under consideration for modification of the GR dated 28/07/2016.

2.0 Resolution:

Government is pleased to introduce modified scheme for Rehabilitation of sick enterprises with grant of relief and concessions to the Sick viable industrial enterprises fulfilling the criteria for registration as sick enterprise.

3.0 The Scheme:

The Scheme shall be known as "Scheme for relief and concessions to the viable Sick Industrial Enterprises."

4.0 Time limit for application:

To avail benefit under this scheme, the sick industrial enterprise shall have to apply within two years from the date of issue of this GR.

5.0 Definition:

- 1) "Competent authority" shall mean Additional Chief Secretary/ Principal Secretary, Industries and Mines Department, Industries Commissioner / Commissioner (MSME) as the case may be.
- 2) "Sick enterprise" shall mean an industrial enterprise which has been fulfilling the criteria for registration as sick enterprise.
- 3) "Outstanding dues" means the dues accrued up to 31st March of the financial year preceding the date of application submitted under this scheme, and payable towards State taxes and other dues of the State Government (royalties, electricity duty, water charges levied by the state departments) and also dues payable to GIC, GSFC, GIDC, GUVNL & companies under it (formerly known as GEB), GMB, GWSSB and GWL.
- 4) Net Worth: In case of a limited company, net worth means the sum total of paid up capital and free reserves. In case of a partnership/propriety concern net worth means the sum total of partners' /proprietor's capital and free reserves.
Free Reserves: Means all reserves created out of profit and share premium account but does not include reserves created out of revaluation of assets, written back depreciation under amalgamation provisions.

- 5) **Bank:** Means any public sector bank, District Co-operative Bank, Urban Co-operative Bank and any other bank which is a scheduled bank in terms of the second schedule to the Reserve Bank of India Act.
- 6) **Financial Institution:** Means Industrial Finance Corporation of India, Industrial Investment Bank of India, Small Industries Development Bank of India, Gujarat Industrial Investment Corporation Ltd., Gujarat State Financial Corporation or other institution which is authorized under any law to advance term loans to industrial enterprises.
- 7) **Viable Sick Enterprises:** (a) For Micro, Small and Medium industrial enterprise means an enterprise having EM Part II acknowledgement under MSME Act/Udyog Adhar (b) for Large Industrial enterprise means an enterprise having SIA registration / or any Licence/ Registration issued by competent authority and (c) Industrial enterprise fulfilling the criteria of registration as sick enterprise and is technically feasible and economically viable as per Draft Rehabilitation Scheme (DRS)/ Techno Economic Viability (TEV) report from State/ Central Financial Institutions, Gujarat Industrial and Technical Consultancy Organization Limited (GITCO), Nationalized Banks or their Associates.
- 8) **State Government:** Means the Government of Gujarat.
- 9) **Relief and Concessions:** Means relief and concessions declared under this GR specifically as per paragraph 7.0.
- 10) **Net VAT:** Means the tax including Additional Tax paid on sale of product after adjusting the tax credit of tax, including Additional Tax on purchases, under Gujarat Value Added Tax Act, 2003.

6.0 Eligibility:

I. Micro, Small and Medium industrial enterprise

Any Micro, Small and Medium industrial enterprise registered under MSME Act having EM Part II / Udyog Adhar acknowledgement and fulfilling the following criteria of a sick enterprise will be eligible.

- a) There is erosion in the net worth due to accumulated losses to the extent of 50 percent of its net worth during the previous accounting year.
- b) The enterprise has been in commercial production for at least two years.

II. Large industrial enterprise

Any Large industrial enterprise fulfilling the following criteria of a sick industrial enterprise will be eligible.

- a) The enterprise should have SIA registration/ or any Licence/ Registration issued by competent authority.
- b) There is erosion in the net worth due to accumulated losses to the extent of 50 percent of its net worth, during the previous accounting year.
- c) The enterprise should be incorporated before 5 years and has been in commercial production for at least two years.

- III. Units becoming sick on account of willful mismanagement, willful default, unauthorized diversion of funds, disputes among partners / promoters, etc. should not be classified as sick units and accordingly should not be eligible for any reliefs and concessions. In such cases steps should be taken for recovery of bank's dues. The declaration of a borrower as a willful defaulter should be done strictly in accordance with the extant RBI guidelines.
- IV. The sick enterprise which has availed benefit of OTS under previous scheme of the State Government vide G.R. dated 12/05/2004 or 15/07/2010 would not be eligible for Settlement of Dues mentioned in para 7.1 under this scheme.
- V. The cases that have applied under G.R. dated 12/05/2004 and/ or 15/07/2010 but have not yet been sanctioned shall be eligible for relief and concessions under the respective schemes. However, option will be available to such cases to opt under this scheme subject to fulfillment of eligibility criteria under this scheme.
- VI. The cases that have been sanctioned relief and concessions under G.R. vide G.R. dated 12/05/2004 or 15/07/2010 but not availed the benefit under the respective scheme will be eligible for relief and concessions under this scheme subject to fulfillment of eligibility criteria under this scheme.

7.0 Relief and concessions:-

7.1 Settlement of Dues:

- 7.1.1 A sick enterprise, which is required to make payment of any outstanding dues under this scheme may give option to make payment of such outstanding dues in the manner stipulated below:

Option	Period during which amount of outstanding dues shall be paid	Down Payment	Relief
(1)	(2)	(3)	(4)
1	If a sick enterprise makes entire payment of all the outstanding principal dues and expenses incurred by the concerned government office(s) within 6 months of the sanction letter.	10%	Remission of the entire amount of interest, penal interest and penalty.
2	If a sick enterprise makes entire payment of all the outstanding principal dues and expenses incurred by the concerned government office(s), within 24 months of the sanction letter. In such case, the sick industrial enterprise will be required to pay simple interest @ 9 % on the outstanding principal dues and expenses incurred by the concerned government office(s) payable from the date of sanction letter issued under this	10%	Remission of entire amount of interest, penal interest and penalty.

	Scheme		
--	--------	--	--

- 7.1.2 The amount of down payment payable by the sick enterprise shall be paid within one month of the issue of sanction letter under option 1 and within two months under option 2. The Down Payment is required to be made with reference to principal outstanding dues and recoverable expenses incurred by the concerned government office(s).
- 7.1.3 The enterprise shall pay the remaining amount (i.e. after excluding the amount of Down Payment) of principal outstanding dues and expenses incurred by the concerned government office(s), along with interest payable (under option 2) in equal and monthly installments commencing in the month subsequent to the month in which Down Payment is made and in the remaining months within the time period prescribed in paragraph 7.1.1 above. The simple interest (under option 2) shall be charged on reducing balance of the outstanding settlement dues.
- 7.1.4 If the enterprise fails to make Down payment / subsequent payment as stipulated above in paragraphs 7.1.2 and 7.1.3, Industries Commissioner/Commissioner(MSME) as the case may be, would be the competent authority to condone such delayed period for payment within the period already approved by competent committee with simple interest at the rate of 11% p.a. on the amount of delayed payment for the period of delay.
- 7.1.5 If the enterprise fails to make Down payment / subsequent payments within the stipulated period, ACS/ PS (I&M) would be the competent authority to condone the delayed period for a maximum of 12 months with 11% p.a. simple interest on such delayed period under all payment options. However, only that sick enterprise which has made payment of atleast 50% of settlement amount as per sanction letter would be eligible for such condoning.
- 7.1.6 The payment as per the sanction letter shall be made in an escrow account opened by GIDC for the purpose. In the event of payment not being made within the stipulated time period as mentioned in paragraph 7.1.2 to 7.1.5 above, as also non fulfillment of various compliances stipulated in the sanction letter, the amount so paid under the scheme in Escrow account shall be forfeited and shall be transferred to the respective nodal departments and will be adjusted towards their overdue.

7.2 Reimbursement of electricity duty:

- 7.2.1 The eligible sick enterprise will be entitled to reimbursement of electricity duty paid for 3 years @ 100% reimbursement for first year, 75% for second year and 50% for third year, after issuance of sanction letter or commencement of production, whichever is later. The reimbursement shall be made within 60 days from the last date of the calendar quarter, subject to fulfillment of compliances.
- 7.2.2 The eligible sick enterprise classified as Labour Intensive units would be eligible to get reimbursement of electricity duty for an additional period of one year @50% of electricity duty paid. The list of Labour Intensive Industries/sectors shall be notified separately for the purpose of this GR by the State Government (i.e.3+1 year).

R/m

- 7.2.3 Eligible Micro, Small and Medium enterprise would get reimbursement of electricity duty for an additional period of one year @ 50% of electricity duty paid. (i.e. 3+1 year) and (3+2 years, if it is labour intensive and Micro, Small and Medium enterprise).
- 7.2.4 The benefit of reimbursement of electricity duty shall be available only if the electricity is purchased from a State Government owned electricity / power distribution licensee. An industrial unit generating power from its captive power plant or getting it from non-government owned power plant through open access will not be eligible for reimbursement of electricity duty.
- 7.2.5 The benefit of reimbursement of electricity duty paid shall be available only till such time as the enterprise continues under the same management as on the date of issue of sanction letter under this GR.
- 7.3 Incentive for additional fixed capital investment made by eligible sick enterprises:**
- 7.3.1 If the existing promoter / management of a sick enterprise infuse fresh capital for revival of the unit, then 75% of the amount of such additional fixed capital investment shall be eligible for reimbursement of Net VAT to the extent of 75%.
- 7.3.2 The infusion of such additional fixed capital investment shall be as per the DRS/ TEV report. Such infusion of additional investment should not be less than 10% of gross block of the unit as per the balance sheet as on the 31st of March of the immediately preceding financial year.
- 7.3.3 The eligible fixed capital investment should have been made within 18 months from the date of submission of DRS / TEV report or from the date of sanction letter issued under the scheme.
- 7.3.4 The eligible Net VAT reimbursement shall be availed within 5 years from the date of sanction of relief under the scheme or commencement of production, whichever is later.
- 7.3.5 Net VAT reimbursement will be available on total production including production from existing machinery.
- 7.3.6 The benefit of reimbursement of Net VAT shall be available only till such time as the enterprise continues under the same management as on the date of sanction of relief and concessions under this GR.
- 7.4 Incentive for fixed capital investment made by eligible sick enterprise for generation of renewable energy for captive use:**
- 7.4.1 If the existing promoter / management of a sick enterprise make fixed capital investment for generation of renewable energy for captive use, 75% of the capital expenditure on such investment shall be eligible for reimbursement @ 75% of Net VAT paid. The benefit of Net VAT reimbursement shall have to be utilized within 5 years from the date of commencement of power generation from such plant.
- 7.4.2 The benefit of reimbursement of Net VAT shall be available only till such time as the enterprise continues under the same management as on the date of sanction of relief and concessions under this GR.

7.5 Relief and Concession to eligible sick enterprise to avail unutilized Sales Tax/ VAT incentive under any earlier Incentive Scheme and Kutch Package 2001 of the State Government:

7.5.1 Eligible sick enterprise that has availed incentive under any earlier Incentive Scheme and/or Kutch Package 2001 of the State Government, and has not availed fully the incentive amount eligible under the respective scheme, would be entitled to avail 75% of the balance unutilized incentive already approved under the respective scheme, within a further period of 75% of the eligible period approved under the respective incentive scheme, from the date of sanction of relief under this GR or commencement of production, whichever is later.

7.5.2 The benefit to avail the balance unutilized Sales Tax or VAT incentive, as applicable, shall be available only till such time as the enterprise continues under the same management as on the date of sanction of relief and concessions under this GR.

7.5.3 The benefit to avail the balance unutilized Sales Tax/ VAT incentive shall be subject to:

- a) Atleast 25% of sanctioned Sales Tax/ VAT incentive has been availed prior to application under this scheme.
- b) The benefit shall be available subject to clearance of other Government dues pending, if any.

7.6 Entitlement by sick enterprise to avail electricity supply through Open Access:

A sick industrial enterprise getting relief and concessions under this scheme shall be entitled to source power from any supplier including open access as per the provisions of Open Access Regulation of GERC.

8.0 Sick enterprise taken over by new promoter/ management:

8.1 Sick enterprise taken over by a new Promoter/ Management would be eligible for relief and concessions available to sick enterprise as mentioned in paragraphs 7.1, 7.2, 7.3, 7.4, 7.5 and 7.6 under this scheme.

8.2 This benefit will be available only if there is a distinct change of management in the real sense.

8.3 The benefit in paragraphs 7.2, 7.3, 7.4, 7.5 and 7.6 under the scheme shall be available only till such time as the enterprise continues under the same management as on the date of sanction of relief and concessions under this GR.

9.0 Procedure:

1. The applicant enterprise shall have to apply to the office of the Industries Commissioner/ Commissioner(MSME) as the case may be, in a prescribed application form with required details for availing reliefs and concessions. Such application should be accompanied by a proposed rehabilitation scheme that envisages repayment of dues to the banks/financial institutions, if any, as well as outstanding dues of the State Government, State PSUs. Further, the application should

- be accompanied by the audited accounts of the enterprise for the preceding three years; with the auditor's remarks duly complied with.
2. Registration to Micro, Small and Medium Enterprises fulfilling the criteria for registration mentioned in the GR, will be given by the office of the MSME Commissioner.
 3. Registration to Large Enterprises fulfilling the criteria for registration mentioned in the GR, will be given by the Industries Commissioner.
 4. The cases having total outstanding dues upto Rs.10 crore will be decided by a committee chaired by the Industries Commissioner/Commissioner(MSME) as the case may be, as mentioned in paragraph 10.1 of this G.R.
 5. The cases having total outstanding dues above Rs.10 crore upto Rs.25 crore will be decided by a committee chaired by Additional Chief Secretary/ Principal Secretary (Industries & Mines department), as mentioned in paragraph 10.2 of this G.R.
 6. The cases having total outstanding dues above Rs.25 crore and up to Rs 50 crore will be decided by a committee chaired by the Chief Secretary, as mentioned in paragraph 10.3 of this G.R.
 7. The cases having total outstanding dues above Rs. 50 crore will be decided by a High Power Committee (HPC) chaired by the Hon'ble Chief Minister, as mentioned in paragraph 10.4 of this G.R.
 8. An application for relief and concession received under this scheme, not specifically falling under paragraphs 9.4 to 9.7 above, shall be decided by the Committee chaired by Chief Secretary as mentioned in paragraph 10.3 of this G.R.
 9. The cases to be placed before High Power Committee will first be placed before the committee chaired by Chief Secretary for examination and recommendation to HPC.

10.9 Competent Committee:

10.1 Committee headed by Industries Commissioner / Commissioner(MSME) as the case may be:

1. Industries Commissioner / Commissioner (MSME)	Chairman
2. Managing Director, G.S.F.C.	Member
3. VC & MD, GIDC	Member
4. Special Commissioner, Commercial Tax	Member
5. Commissioner, Electricity Duty	Member
6. Joint/Deputy Secretary, Finance Dept.	Member
7. Joint/ Dy. Secretary, Industries & Mines department	Member
8. General Manager, Dena bank & Chairman, SLBC cell	Member
9. Representative of Gujarat Chamber of Commerce & Industry	Member
10. Representative of GSSIF	Member
11. Representative of Laghu Udyog Bharati	Member
12. Add. Jt. Commissioner of Industries	Member Secretary

- 10.2 Committee headed by Addl. Chief Secretary/ Principal Secretary (IMD):**
- | | | |
|----|--|------------------|
| 1. | Add. Chief Secretary / Principal Secretary (IMD) | Chairman |
| 2. | Secretary Expenditure, Finance Dept. | Member |
| 3. | Secretary of concerned Department/s | Member |
| 4. | VC & MD, GIDC | Member |
| 5. | Industries Commissioner/Commissioner(MSME)
as the case may be | Member |
| 6. | Addl. Industries Commissioner | Member Secretary |
- 10.3 Committee headed by Chief Secretary (CS):**
- | | | |
|----|--|------------------|
| 1. | Chief Secretary | Chairman |
| 2. | Add. Chief Secretary / Principal Secretary, Finance Dept. | Member |
| 3. | Add. Chief Secretary / Principal Secretary (IMD) | Member |
| 4. | Secretary of concerned Department/s | Member |
| 5. | Industries Commissioner/Commissioner(MSME)
as the case may be | Member Secretary |
- 10.4 High Power Committee:**
- | | | |
|----|--|------------------|
| 1. | Hon. Chief Minister | Chairman |
| 2. | Hon. Finance Minister | Member |
| 3. | Hon. Industries Minister | Member |
| 4. | Chief Secretary | Member |
| 5. | Addl. Chief Secretary/ Principal Secretary, Finance Dept. | Member |
| 6. | Addl. Chief Secretary/ Principal Secretary, Ind. & Mines Dept. | Member |
| 7. | Industries Commissioner/Commissioner(MSME)
as the case may be | Member Secretary |

The Chairman of the above committees may call any officer as deemed necessary from other departments.

11.1 Conditions for availing VAT incentive under Paragraph 7.3, 7.4 & 7.5:

1. Sick enterprise eligible for reimbursement of Net VAT shall be considered as a normal dealer under the Gujarat Value Added Tax Act, 2003 and the rules made there under. The incentive shall be available in the form of reimbursement only.
2. Eligible sick enterprise will be allowed reimbursement of net VAT paid to the extent of rates as outlined under paragraph 7.3.1 and 7.4.1 of this resolution.
3. Eligible sick enterprise shall manufacture the goods on its own for which it is eligible for incentive
4. Eligible sick enterprise shall remain in production during the incentive period.
5. Eligible sick enterprise shall have to make e-payment and submit e-returns.
6. VAT Concessions are available only upto 30-6-2017. In the GST regime, necessary modifications will be made as may be decided by the State Government and the decision of the state government shall be final.

11.2 Other Terms and Conditions:

- 1) The dues certified by the concerned department/office and approved by respective committee under the scheme would be considered for relief and concessions. Any revision in the outstanding dues made by department/office before approval of the respective committee would be considered under this scheme.
- 2) In case of any increase in outstanding dues other than approved by the competent committee, due to assessment, audit, appeal, revision or for any other reason, the enterprise shall abide by the same.
- 3) In case of any question of interpretation or clarification relating to this GR, the decision of the committee chaired by the Chief Secretary will be final and binding to all.
- 4) The relief and concessions expected from the Government of Gujarat should be critical and need based for the revival of the company.
- 5) The relief and concessions mentioned in this GR shall not be automatically available to a sick enterprise, but shall be considered on the merits of each individual case.
- 6) Industries Commissioner /Commissioner (MSME) as the case may be, will prescribe application form, check list and such other documents necessary for applying, processing and sanctioning of reliefs and concessions under this scheme.
- 7) The working unit shall be kept under observation for one year, during which period the unit shall have to pay all the current dues regularly. In case of a closed unit, it shall be kept under observation for one year after restarting the production, during which period the unit shall have to pay all the current dues regularly. If unit sanctioned relief and concessions under this scheme, fails thereafter to pay the current dues, the relief and concession sanctioned under this scheme shall be liable to be cancelled.
- 8) The concerned department of the State Government, or State PSUs or other offices under it, participating in this rehabilitation programme of sick enterprise, shall take necessary action for implementation of the scheme, as decided by the respective committee.
- 9) The industrial enterprise who has already applied for relief and concessions under GR dated 28/07/2016, such application will be automatically considered under this GR.

12.0 Budget provision:

The expenditure on this account will be met from the sanctioned grant of the respective financial year under the following budget head:

- | | | |
|----|----------------|---|
| 1. | Demand No | 49 (Plan) |
| 2. | Major Head | 2852 (Cottage and Small Industries) |
| 3. | Sub-Major Head | 80 (General) |
| 4. | Minor Head | 800 Other expenditure |
| 5. | Sub Minor Head | (25) IND-6, Rehabilitation programmes for Sick Industries |

This issues with the concurrence of Finance Department dated 6.9.2017 on this department file of even number.

By order and in the name of Governor of Gujarat.

B. S. Mehta
 (B.S.Mehta)
 Joint Secretary
 Industries and Mines Department

To,

1. Secretary to H.E. The Governor *
2. PS to All Ministers
3. Principal Secretary to Hon.CM
4. Under Secretary to Chief Secretary
5. All Departments, Sachivalaya, Gandhinagar
 (with a request to inform all the concerned under their departments)
6. All Heads of Departments/Boards/Corporations/Institutions under Industries & Mines Department
7. Industries Commissioner, Gandhinagar
8. Commissioner (MSME), Gandhinagar
9. All DICs
10. Commissioner of Commercial Tax, Ashram Road, Ahmedabad
11. Accountant General, Ahmedabad/Rajkot *
12. Pay and Accounts Officer, Ahmedabad/ Gandhinagar
13. All branches of Industries & Mines Department
14. All leading Financial Institutions / Banks/ Industries' Associations (through Industries Commissioner)
15. Jt.C.I.O. Industries & Mines Department for uploading on website
16. Select file

*By letter

RMG ALLOY STEEL LIMITED

(Formerly known as “Remi Metals Gujarat Limited”)

**33RD ANNUAL REPORT
2014 - 2015**

RMG ALLOY STEEL LIMITED

(Formerly known as "Remi Metals Gujarat Limited")

CIN:L27100GJ1993PLC020358

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Atul Desai	-	Chairman
	Mr. Abhishek Mandawewala	-	Director
	Mr. Anuj Burakia	-	Whole-time Director
	Mr. Ashok Jain		
	Mr. Hanuman Kanodia		
	Mr. V S Iyer		
	Mrs. Amita Karia		
COMPANY SECRETARY	Mr. Nilesh Javker		
AUDITORS	M/S. Chaturvedi & Shah., Nariman Point, Mumbai – 400 021		
BANKERS	Bank of Baroda Lakshmi Vilas Bank Andhra Bank Federal Bank Corporation Bank		
FACTORY & REGISTERED OFFICE	Plot No. 1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat		
LISTING OF SHARES	THE BOMBAY STOCK EXCHANGE LTD, MUMBAI Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001.		
CORPORATE OFFICE	B/9, Trade world, Kamala mills compound, S.B.Marg, Lower Parel Mumbai – 400013, Tel: 022-66136000/24908000, Fax: 022-24908020 E-mail: allcompanysecretaryofrmgl@welspun.com Website:www.rmgalloysteel.com		
R & T AGENT	M/s. Bigshare Services Private Limited Unit : RMG Alloy Steel Limited E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki naka, Andheri (E), Mumbai - 400072 Email - investor@bigshareonline.com Tele. No.: +91-022-40430200 Fax No. : +91-22-28475207		

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NOTICE

To,
The Members

NOTICE is hereby given that the 33rd Annual General Meeting of RMG Alloy Steel Limited (Formerly known as Remi Metals Gujarat Limited) will be held at its Registered Office, Plot No.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, in the state of Gujarat on Wednesday, 30th September, 2015, at 12.30 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015 and the Audited Profit and Loss Account for the year ended on that date.
2. To appoint a Director in place of Mr. V S Iyer who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Hanuman Kanodia who retires by rotation, and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration No.101720W), as the Statutory Auditors of the Company to hold office from the conclusion of 33rd Annual General Meeting until the conclusion of the 34th Annual General Meeting to be held for the financial year 2015-16 on such remuneration as may be determined by the Board of Directors."

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Kiran J. Mehta & Co. the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016, at a remuneration of Rs.30,000/- be and is ratified"
6. 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, 152,160,161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mrs. Amita Karia who has been appointed as an additional independent director by the Board of Directors and in respect of whom the Company has received notice from a member proposing her appointment, be and is hereby appointed as an independent director of the Company for two years with effect from 31st March 2015 to 30th March, 2017. "
7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"Resolved that pursuant to the provisions of Sections 152,161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Anuj Burakia who has been appointed as an additional director by the Board of Directors and in respect of whom the Company has received notice from a member proposing his appointment, be and is hereby appointed as a director of the Company. "
8. To consider and if thought fit to pass with or without modification(s), following resolution as a Special Resolution:
"RESOLVED THAT subject to the approval of Central Government, if required and pursuant to Section 196,197 and other applicable provisions of and Schedule V to the Companies Act, 2013 , Mr. Anuj Burakia, be and is hereby appointed as a Whole time director of the Company for a period of three years with effect from 29th July, 2015 on a remuneration of Rs. 10,00,000 /- per annum inclusive of all perquisites, allowances and gratuity with a power to the Board of Directors to increase remuneration upto 25% of the last drawn remuneration every year with effect from 1st July of the financial year commencing from the financial year 2016".

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“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to issue letter of appointment, a draft whereof is placed before this meeting and do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this Resolution.”

“RESOLVED FURTHER THAT where in any financial year closing after 31st March, 2015, the Company has no profits or its profits are inadequate, the Company do pay to Mr. Anuj Burakia remuneration as mentioned in the aforesaid resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to alter and vary the terms and conditions to the said appointment to the extent the Board may consider appropriate and as may be agreed to between the Board and Mr. Anuj Burakia.”

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

“RESOLVED THAT pursuant to the provisions of Sections 13, 61 and all other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder as may be amended from time to time and the Articles of Association of the Company, and the regulations/guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable, the approval of the members be and is hereby granted to increase the authorized share capital of the Company from the existing Rs.120,00,00,000 (Rupees One Hundred Twenty Crores Only) divided into 11,00,00,000 (Eleven Crores only) Equity Shares of Rs.6/- (Rupees Six Only) each , 5,40,00,000 (Five Crores Forty Lacs) Preference shares of Rs.10 (Rupees Ten only) each to 130,00,00,000 (Rupees One Hundred Thirty Crores Only) divided into 11,00,00,000 (Eleven Crores only) Equity Shares of Rs.6/- (Rupees Six Only) each , 6,40,00,000 (Six Crores Forty Lacs) Preference shares of Rs.10 (Rupees Ten only) each.”

RESOLVED FURTHER THAT pursuant to the applicable provisions of the Act, the existing Clause V of Memorandum of Association of the Company is hereby repealed and replaced as follows:

“V. (A) The Authorised Share Capital of the Company is Rs. 130,00,00,000/- (Rupees One Hundred Thirty Crores Only) divided into 11,00,00,000 (Eleven Crores) Equity Shares of Rs. 6/- (Rupees Six Only) each, 6,40,00,000 (Six crores Forty Lacs) Preference Shares of Rs. 10/- (Rupees Ten Only) each, with power to increase or reduce the capital for the time being and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, cumulative, convertible, preference, guaranteed, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, alter, modify, amalgamate or abrogate any such rights, privileges or conditions in such a manner as may for the time being be provided for by the Articles of Association of the Company or by the law in force for the time being.

(B) The Company is having minimum paid up capital of Rs.5,00,000/- (Rupees Five Lac only) or such higher paid up capital as may be prescribed under the Section 2 (71) of the Companies Act , 2013.”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

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

“RESOLVED THAT pursuant to Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 (The Act), Article No. 3 of Articles of the Association of the Company be and is hereby altered by –

- i. substituting first Para starting from “ The Authorised share capital” and ending before the word “ with power to” as mentioned below:

The Authorised Share Capital of the Company is Rs. 130,00,00,000/- (Rupees One Hundred Thirty Crores Only) divided into 11,00,00,000 (Eleven Crores) Equity Shares of Rs. 6/- (Rupees Six Only) each, 6,40,00,000 (Six Crores Forty Lacs) Preference Shares of Rs. 10/- (Rupees Ten Only) each.

“RESOLVED THAT pursuant to Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 (The Act), Article No. 3 A as mentioned below be added after Article no. 3 of Articles of the Association of the Company :

- 3 A The Company is having minimum paid up capital of Rs.5,00,000/- (Rupees Five Lac only) or such higher paid up capital as may be prescribed under the Section 2 (71) Of the Companies Act, 2013.”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

RMG ALLOY STEEL LIMITED
(Formerly known as "REMI METALS GUJARAT LIMITED")

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

"RESOLVED THAT pursuant to Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 9 of the companies (share capital and debentures) Rule 2014 and regulations as may be applicable in view of the nature of the transaction concerned, provisions in the Memorandum of Association and Articles of Association of the Company, the consent, approval and sanction of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any committee constituted by the Board) to issue and allot 92,00,000 12% Redeemable Preference shares of Rs.10 each at a premium of Rs.25/- per shares aggregating to Rs. 32,20,00,000/- (Rupees Thirty Two crores Twenty Lacs only) in one or more tranches to the Promoter/Co-promoter/ Strategic Investor/associate companies of promoter/co-promoter/co-promoter, on the terms as prescribed hereunder :

- a) The priority with respect to payment of dividend or repayment of capital vis a vis equity shares: -
 - Payment of Dividend or repayment of capital in case of Preference shares shall have priority over Equity shares;
- b) The participation in surplus fund-
 - Nil
- c) The participation in surplus assets and profits on winding-up which may remain after the entire capital has been repaid-
 - Nil;
- d) the payment of dividend on cumulative or non-cumulative basis-
 - payment of dividend on cumulative basis;
- e) the conversion of preference shares into equity shares:
 - Not convertible
- f) the voting rights-
 - No voting rights;
- g) the redemption of preference shares-
 - Preference shares are redeemable at a premium of Rs.25/- per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment.

By Order of the Board

Place: Mumbai

Date: 8th July, 2015

Director

NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.**
2. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
4. 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.
5. Members are requested to bring their attendance slip along with their copy of Annual report to the meeting.
6. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

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7. The Register of Members of the Company will remain closed from Tuesday 22nd September, 2015 to Thursday 24th September, 2015, both days inclusive.
8. All correspondence pertaining to Equity Shares should be forwarded to the Company's Registrar and Share Transfer Agent M/s. Bigshare Service Pvt. Ltd. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072 and are also requested to immediately inform their change of address, change of e-mail address or consolidation of folios, if any, to the Company's said Share Transfer Agent.
9. Members holding shares in dematerialized form are requested to intimate immediately any change pertaining to their bank details, Electronic Clearing Service (ECS), mandates, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s. Bigshare Service Pvt. Ltd to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Bigshare Service Pvt. Ltd, Registrars and Transfer Agents.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository participants and members holding shares in physical form can submit their PAN details to the Company.
11. The Company will send full Annual Reports in electronic mode to its Members who have registered their e-mail addresses for the purpose. Those shareholders who have not got their email address registered or wish to update a fresh email address may do so by submitting the attached E-mail Registration-Cum Consent Form to the Company or the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other documents in electronic form at the said e-mail address.
12. The shareholders who wish to nominate, any person to whom his securities shall vest in the event of his death may do so by submitting the attached nomination Form to the Company or the Registrar and Transfer Agent of the Company. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation.
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 M/s. Bigshare Service Pvt. Ltd, Registrars and Transfer Agent, for consolidation into a single folio.
14. The Notice for the Annual general meeting and the Annual Report will be available for inspection at the Registered Office of the Company on all working days between 10:00 a.m. to 12:00 noon upto the date of Annual General Meeting. The Notice shall also be available on the Company's website at: www.rmgalloysteel.com.
15. The businesses mentioned in this Notice may be transacted through electronic voting system, the process and manner and such other details are as under:
 - a. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 33rd Annual general meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL). The e-voting facility is available at the link <https://www.evoting.nsdl.com>

The electronic voting particulars are set out below:

EVEN (E-voting event number)	User ID	Password / PIN

The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
9.00 a.m. 27th September, 2015	5.00 p.m. 29th September, 2015

Please read the instructions printed overleaf before exercising the vote.

These details and instructions form integral part of the Notice for the Annual General Meeting to be held on 30th September, 2015.

INSTRUCTIONS FOR E-VOTING

Members are requested to follow the instructions below to cast their vote through e-voting:

- I. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
 - a. i. Open the e-mail and also open PDF file namely “RMGASL e-voting of AGM.pdf” with your Client ID or Folio No.as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - b. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - c. Click on Shareholder – Login.
 - d. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - e. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - f. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - g. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - h. Select “EVEN” (E-Voting Event Number) of RMG Alloy Steel Limited for and EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period..
 - i. Now you are ready for e-voting as Cast Vote page opens.
 - j. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted. Upon confirmation, the message “Vote cast successfully” will be displayed. Kindly note that vote once cast cannot be modified.
 - k. Upon confirmation, the message “Vote cast successfully” will be displayed.
 - l. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - m. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to almakhija_cs@yahoo.co.in, with a copy marked to evoting@nsdl.co.in.
 - n. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com.
 - o. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2015.
- A. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):
 - a. Initial password is provided in the enclosed Attendance slip: EVEN (E-Voting Event Number), user ID and password.
 - b. Please follow all steps from Sl. No. (a) to Sl. No. (j) above, to cast vote.
- B. In case of any queries you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the “downloads” section of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in or send e-mail to the Company at allcompanysecretaryofrmgl@welspun.com or Registrar & Share Transfer Agent or call on toll free no.: 1800-222-990.
- C. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

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- D. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
- E. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- F. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- G. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper
- H. Mr. A. L. Makhija, Company Secretaries (Membership No. 5087) has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- I. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility
- J. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- K. The Results declared along with the report of the Scrutinizer shall be placed on the Company's website www.rmgalloysteel.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
- L. The remote e-voting period commences on 27th September, 2015 at 9.00 a.m. and end on 29th September, 2015 at 5.00 p.m. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

By order of the Board

Place: Mumbai
Date: 8th July, 2015

Nilesh Javker
Company Secretary

Registered Office of the Company:

Plot No.1, G.I.D.C Industrial Estate, Valia Road,
Jhagadia, Dist: Bharuch, Gujarat
Corporate Identity Number: L27100GJ1993PLC020358
Phone: 91 2645 619700, Fax: 91 2645 619800,
E-mail: allcompanysecretaryofrmgl@welspun.com ,
Website: www.rmgalloysteel.com

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION AS REQUIRED PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

ITEM NO. 5

The Board, on the recommendation of the audit committee, has approved the appointment of M/s. Kiran J. Mehta & Co., Cost auditors to conduct the audit of cost records of the Company for the financial year ending March 31, 2016 at a remuneration of Rs.30,000/-p.a.

Pursuant to the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to M/s. Kiran J. Mehta & Co , Cost auditors for the financial year ending March 31, 2016

None of the key managerial personnel or directors of the Company or their relatives have any interest or concern in the proposed resolution.

Shareholders' approval is sought by way of ordinary resolution proposed under Item no.5 of the accompanying Notice.

ITEM NO. 6

Mrs. Amita Karia is a Company secretary of a limited company with experience of 5 years.

Board of directors of the Company at their meeting held on 31st March 2015 has opined that Mrs. Amita Karia fulfills all conditions for appointment as an independent director specified in Companies act 2013 particularly Section 149(6) read with rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules and regulations; board at their meeting held on 31.03.2015 has appointed her as an independent director for a period of two years from 31st March 2015 to 30th March 2017 subject to approval of shareholders.

She does not hold any share in the Company.

None of the key managerial personnel or directors of the Company or their relatives except Mrs. Amita Karia herself may be deemed to be concerned or interested in this resolution

ITEM NO. 7 and 8

Board of Directors at their meeting held on 28th May 2015 decided to appoint Mr. Anuj Burakia as an additional director as mentioned in resolution no.7. He has been appointed as a whole time director with effect from 29th July, 2015 by the Board of directors at their meeting held on 8th July 2015 on remuneration as mentioned in resolution no.8.

Mr. Anuj Burakia, aged 35 years is a qualified Chartered Accountant having experience of about 12 years in steel industry. He headed Welspun Steel Limited (WSL) since 2008 and was executive director of WSL for last four years.

A copy of draft letter pertaining to his appointment is kept open for inspection of members at the registered office of the Company on any working day of the Company between 11.00 a.m. and 1.00 p.m. upto the date of this Annual General Meeting.

None of the Directors of the Company except Mr. Anuj Burakia himself is in any way concerned or interested in the said resolution.

Information pursuant to Schedule V of the Companies Act, 2013

GENERAL INFORMATION:

- 1) Nature of industry – Steel
- 2) Financial performance based on given indicators –

(Rs. in Lacs)

Particulars	2014-15	2013-14
Sales and other income	34533	41871
Profit/(Loss) before Interest, Depreciation and exceptional items	244	267
Interest and Financial charges	4988	4970
Depreciation and Amortization	1177	2228
Profit/ (Loss) before exceptional items and tax	(5921)	(6931)
Exceptional items	2259	3519
Profit/(Loss) before tax	(3662)	(3412)

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INFORMATION ABOUT THE APPOINTEE:

1) **Background details:**

- 2) Mr. Anuj Burakia, aged 35 years is a qualified Chartered Accountant having experience of about 12 years in steel industry. He had been involved with various businesses activities including pipe and plate business. He headed Welspun Steel Limited (WSL) since 2008 and was executive director of WSL for last four years.

3) **Past remuneration:**

Rs. 74,87,502/- per annum inclusive of all perquisites and benefits

3) **Job profile and his suitability:**

Mr. Burakia is in the steel industry since about 12 years and he is having a great insight relating to the steel industry. Currently he is heading the overall business activities of Company.

4) **Remuneration proposed:**

Rs. 10, 00,000 /- per annum inclusive of all perquisites and allowances with a power to the Board of Directors to increase remuneration upto 25% of the last drawn remuneration every year with effect from 1st July of the financial year commencing from the financial year 2016.

5) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:**

Looking to his education, experience in the field of pipe, plate and steel, size of the company, the proposed remuneration is justified to retain the managerial person.

6) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:**

He is not related directly or indirectly with the managerial personnel. Further, he has no pecuniary relationship with the Company except as a whole time director of the Company. He does not hold any equity shares of the Company.

OTHER INFORMATION:

1) **Reasons of loss or inadequate profits**

The Company is a sick company. The Company suffered losses due to less utilization of Plant capacity in view of poor demand of steel.

2) **Steps taken or proposed to be taken for improvement**

The Company has appointed BOB Capital Markets Ltd to carry out viability study & to structure Corrective action plan (CAP) for the Company. The exercise is done to structure a viable rectification plan for the Company to overcome the current stress.

3) **Expected increase in productivity and profits in measurable terms**

The Company expects to utilize the Plant's capacity to the maximum extent and the losses may be contained if steps are taken to reduce burden of interest

ITEM NO. 9 to 11

Increase in authorised share capital , alteration of clause V, alteration of article 3 and addition of article 3 A of articles of association as mentioned in resolution no. 9 and 10 are necessary for issue of preference shares as mentioned in item no. 11 and hence resolutions

The Company is registered as a sick company under Sick Industrial Companies Act (SICA) 1985. BIFR has stipulated while sanctioning scheme of revival in their scheme dtd. 23.09.2008 that any shortfall in cash flow shall be sourced through promoters. A Joint Lenders' Forum had proposed a viable corrective action plan (CAP) to bring the Company out of its current stressed situation. Promoters are required to infuse fund of Rs. 20.00 crores immediately and further infusion Rs. 12 Crores at a later stage for funding of existing planed Capex / future Capex plan. Corrective action plan as proposed by Joint Lenders' Forum is kept at the Registered Office of the Company on all working days between 10:00 a.m. to 12:00 noon upto the date of Annual General Meeting.

RMG ALLOY STEEL LIMITED
(Formerly known as “REMI METALS GUJARAT LIMITED”)

Information as required under rule 9 of the companies (Share capital and debentures) rules 2014 are mentioned below:

- a) the size of the issue and number of preference shares to be issued and nominal value of each share :
- 92,00,000 12% Cumulative Redeemable Preference shares of Rs.10/- each at premium of Rs.25/- per share aggregating to Rs.32,20,00,000;
- b) the nature of such shares i.e. cumulative or non - cumulative, participating or non-participating , convertible or non – convertible:-
- Cumulative, Non-participating, non-convertible;
- c) the objectives of the issue:
- Promoters contribution to fund Corrective Action Plan as suggested by Joint Lenders’ Forum
- d) the manner of issue of shares:-
- to promoter/ co-promoter/strategic investor/Associate companies of promoter/co-promoter/strategic investor on preferential basis;
- e) the price at which such shares are proposed to be issued:-
- shares shall be issued at a face value of Rs.10/- each per share at a premium of Rs.25/- per share;
- f) the basis on which the price has been arrived at:-
- Based on the price at which preference shares were allotted earlier on 11th February 2014.
- g) the terms of issue, including terms and rate of dividend on each share, etc.:-
- i. Dividend shall be payable on cumulative basis at 12% p.a on paid-up value of shares;
- ii. Redeemable as per the terms mentioned below.
- h) the terms of redemption, the manner and modes of redemption:-
- Preference shares are redeemable at a premium of Rs.25/- per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment;
- i. the current shareholding pattern of the company as produced below:

Particulars	Equity shares as on 30.06.2015	
	No. of shares	% to total shares
Promoter and promoter group	9,46,18,859	87.26
Financial institutions/FIIs/Mutual fund	40,681	0.04
Public	1,37,76,300	12.70
Total	10,84,35,840	100.00

- j. the expected dilution in equity share capital upon conversion of preference shares. the terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion: -
- Preference shares are not convertible, terms of redemption and premium on redemption are mentioned above in para (h).

Pursuant to rule 9 of the companies (share capital and debentures) Rule 2014, approval of shareholders is necessary by passing a special resolution.

Shareholders’ approval is sought by way of –

- i. ordinary resolution for increase in authorised share capital and alteration of clause V of Memorandum of Association as mentioned in item no. 9
- ii. Special Resolution for alteration of Article 3, addition of Article 3 A as proposed in item no.10
- iii. Special Resolution for issue of preference shares as proposed in item no. 11 of the accompanying Notice.

None of the key managerial personnel or directors of the Company or their relatives have any interest or concern in the proposed resolutions mentioned in item no. 9 to 11.

By Order of the Board

Place: Mumbai
Date: 8th July, 2015

Director

DIRECTORS' REPORT

To,
The Members,
RMG Alloy Steel Limited,

Your Directors are pleased to present the Thirty-Third Annual Report together with Audited Statement of Accounts of the Company for the year ended 31st March 2015.

I. FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	2014-15	2013-14
Sales and other income	34533	41871
Profit/(Loss) before Interest, Depreciation and exceptional items	244	267
Interest and Financial charges	4988	4970
Depreciation and Amortization	1177	2228
Profit/ (Loss) before exceptional items and tax	(5921)	(6931)
Exceptional items	2259	3519
Profit/(Loss) before tax	(3662)	(3412)

OPERATIONS

Performance of Alloy Steel and Seamless Tubes of the Company was as under:

Particulars	2014-15			2013-14		
	Production (Tones)	Sales (Qty M.T.)	Gross Sales (Rs.in Lacs)	Production (Tones)	Sales (Qty M.T.)	Gross Sales (Rs.in Lac)
Steel	58183	59147	36980	75702	75844	45605
Seamless pipes	11	11	1077	419	873	902

The Company has lost production for 24 days in October 2014 due to breakdown in transformer. Entire steel industry is operating at 30-40% capacity.

The Company concentrates on niche market since our competitors manufacturing facilities are based on blast furnace which has low cost of production as compared to our facilities which is based on electrical furnace. The management concentrates on product mix which give more margin, some of the products are now approved by Original Equipment Manufacturers (OEM) and some of the OEM has recommended to their suppliers (forger companies) to buy products from the Company.

Value addition in Spheroidization will increase our tonnages from existing & new customers with higher contributions. Production of high margin & high value added category of steel is already started & will enhance our overall earnings. The Product known as AISI O-1 is used in the Pharma industry

The Company has appointed BOB Capital Markets Ltd to carry out viability study & to structure Corrective action plan (CAP) for the Company. The exercise is done to structure a viable rectification plan for the Company to overcome the current stress. As per the scheme, Rupee Term Loan of Rs. 145 Crores is approved by the consortium banks & Working capital limits will be reduced by Rs. 95 Crores.

II. DIRECTORS' RESPONSIBILITY STATEMENT

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March 2015 and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

III. DISCLOSURE AS REQUIRED UNDER THE COMPANIES ACT 2013:

- a. Mr. Atul Desai, Mr. Ashok Jain and Mrs. Amita Karia, the independent directors have given declaration that they meet the criteria of independent directors as provided in sub section 6 of Section 149 of the Companies act 2013.
- b. Nomination and Remuneration committee (NRC) at their meeting held on 27th May 2014 approved and recommended policy relating to criteria for determining qualifications, positive attributes and independence of directors, the remuneration for the directors, key managerial personnel and other employees; the Board of directors approved the said policy as recommended by NRC at its meeting held on 27th May 2014.
- c. NRC at their meeting held on 10th February, 2015 laid down criteria for the evaluation of Board of directors. Evaluation of directors consisted of two parts i.e. quantitative data and qualitative data. The instruments was so designed that only ticks is required with no provision for descriptions, name of the directors who has evaluated was not disclosed. Evaluation took place in March 2015 and the same was discussed by the Board of directors and took remedial action at its meeting held on 31st March 2015. (Rules 8 (4) under Chapter 9 of the Companies (Accounts) Rules, 2014)
- d. Meeting of Board of directors were conducted five times during the financial year 2014-15, the details of which are given in the Corporate Governance Report.
- e. The Company does not have any subsidiary company.
- f. Ratio of remuneration of Mr. Shashank Chaturvedi, executive director who was upto 12th November 2014 to the median employee’s remuneration and other details as may be prescribed – Section 197 (12)
 - (i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year- 37.69 times
 - (ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year- No increment during the year
 - (iii) the percentage increase in the median remuneration of employees in the financial year- No increment during the year
 - (iv) the number of permanent employees on the rolls of company- 501
 - (v) the explanation on the relationship between average increase in remuneration and company performance - No increment during the year
 - (vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company- Remuneration not linked to performance of the Company

(vii)	31/03/2014	31/03/2015	Variation
Market capitalization	28.19	29.49	1.30
P/E ratio	-0.83	-0.81	0.02
Market price per share	2.6	2.72	0.12
EPS	(3.65)	(3.90)	(0.25)

- (viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration- No increment during the year
- (ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company- remuneration not related to performance of the Company

- (x) the key parameters for any variable component of remuneration availed by the directors- no variable component of remuneration availed by the director
 - (xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year- nil; and
 - (xii) affirmation that the remuneration is as per the remuneration policy of the company.
- g. Details of arrangement entered into with Welspun Steel Limited under section 189 (related party) is mention in form AOC-2 as mentioned below under Rule 8 (2) of the Companies (Accounts) Rules, 2014

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies

(Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis – No such transactions.
 2. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) Name(s) of the related party and nature of relationship – Welspun Steel Limited
 - (b) Nature of contracts/arrangements/transactions – Purchase of DRI/ sponge iron lumps, sale of stores materials
 - (c) Duration of the contracts / arrangements/transactions – 01.04.2014-31.03.2015
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:

Purchases of DRI/ sponge iron lumps from Welspun Steel Limited for Rs. 1253.37 lacs and sale of stores materials/spares for Rs. 1.28 lacs during the period from 01.04.2014-31.03.2015 are at a market price and on Arm's length basis.

All material transactions entered with the related party is carried out in the ordinary course of the business.
 - (e) Date(s) of approval by the Board, if any: Board of directors at their meeting held on 10.11.2014, 10.02.2015 and 28.05.2015 approved the said transactions;
 - (f) Amount paid as advances, if any: nil
- i. Particulars of loans, guarantees or investments under section 186.
- The Company has not made investment nor given loan or provide any guarantee for repayment of loan under section 186 of the act
- j. Details of establishment of vigil mechanism for directors and employees Clause 49(II)(F) of Listing agreement.
- The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees and no persons has been denied access to the Audit Committee.

IV. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo required pursuant to Rule 8(3) of the Companies (Accounts) Rules, 2014 are reproduced herewith:

A. Conservation of Energy

- (i) Steps taken or impact on conservation of energy.
 - > In ingot soaking pit hot charging practice adopted and heating cycles optimized.
Impact : Natural Gas (fuel) consumption reduced from 120 m3 / ton to 100 m3 / ton.
 - > In walking hearth furnace modification done for stroke length change for input sizes of 150 mm & 198 mm.
Impact : For 50 to 60 Round campaign natural gas consumption reduced from 90 m3 / ton to 75 m3 / ton.
- (ii) Planned Capexes on following areas :
 - > Dust & fume extraction system to be provided with VVF drive.
 - > Vertical hydraulic (water) pumps to be changed to horizontal pumps.
 - > Capacitor bank replaced for improving power factor from 0.994 to 0.997.

B. Technology Absorption

i and ii

Efforts made towards technology absorption and the benefits derived therefrom

- > Annealing furnaces added for development of hot die steel H11, H13.
- > Producer Gas Plant commissioned for fuel cost reduction of Rs. 18 to 20 Lacs per month.
- > Mechanization of round ingot grinding facility for product improvement has been done.

iii. There is no import technology

iv. The expenditure incurred on Research and Development- nil

Foreign exchange earnings and Outgo-

Foreign exchange earnings

FOB value of exports Rs.87 Lacs (nil)

Foreign exchange Outgo

Imports on CIF basis/expenditure in foreign currency : Rs. 2529 Lacs (Rs.3097 Lacs)

V. DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. V S Iyer and Mr. Hanuman Kanodia, Directors of the Company retire by rotation at the 33rd Annual General Meeting and being eligible have offered themselves for reappointment. Mrs. Amita Karia is appointed as a woman independent director by the Board of directors at their meeting held on 31st March, 2015 for a period of two years.

Mr. Anuj Burakia has been appointed as an additional director by the Board of directors at its meeting held on 28th May 2015 and holds office upto the date of ensuing 33rd Annual General Meeting. The Company has received a Notice from a member proposing him as a director of the Company. He also has been appointed as a whole time director of the Company with effect from 29th July, 2015 by the Board of Directors.

Board has recommended re-appointment of the aforesaid retiring directors, appointment of woman Independent director and additional director/whole time director.

Mr. Sanjay Kukreja, AVP (Commercial) has been appointed as a CFO by the Board of Directors at its meeting held on 10th February 2015.

Mr. Nilesh Javker has been appointed as a Company secretary and compliance officer of the Company w.e.f 27th May 2015.

VI. AUDIT COMMITTEE

The Audit Committee consists of the following 4 Non-Executive Directors

- | | |
|-----------------------------|-------------------------|
| a. Mr. Atul Desai | - Chairman, independent |
| b. Mr. Abhishek Mandawewala | - Member |
| c. Mr. Ashok Jain | - Member, independent |
| d. Mrs. Amita Karia | - Member, independent |

VII. DEPOSITS

The Company has not accepted any deposit within the meaning of the Chapter V to Companies Act 2013. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under report.

VIII. AUDITORS

Your Company's Auditors, M/s. Chaturvedi & Shah, Chartered Accountants were re-appointed for the period of three years till the conclusion of 35th Annual General meeting by the members at 32nd Annual General Meeting of the Company held on 29th September 2014. Members are requested to ratify their appointment from the conclusion of 33rd Annual General Meeting to the conclusion of 34th Annual General Meeting.

IX. CORPORATE GOVERNANCE

A separate report on Corporate Governance is annexed hereto as a part of this Report. Management Discussion and Analysis Statement is separately given in the Annual Report. A certificate from the Mr. A. L. Makhija, Practising Company Secretary regarding compliance of conditions of Corporate Governance as prescribed under Clause 49 of the Listing Agreement is attached to this report.

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X. AUDITORS' REPORT

References drawn by the Auditors' in their report are self-explanatory.

Please refer to Auditors' Observations/ qualifications and in relation thereto the Board of directors' state as under:

- i) We refer to Note no. 1 (a) of "Annexure to Independent Auditor's Report" stating that the Company is in the process of updating its fixed asset register showing full particulars including quantitative details and situation of fixed assets and state that fixed asset register is being updated showing full particulars including quantitative details and situation of fixed assets.

XI. SECRETARIAL AUDIT REPORT

A Secretarial Audit Report given by Mr. A L Makhija, a practising company secretary is herewith annexed.

As regard observation of the Report, we state that-

- i. The Company was in search for executive director after the resignation of Mr. Shashank Chaturvedi, the executive director with effect from 12th November 2014 and the Board of directors at their meeting held on 8th July 2015 has appointed Mr. Anuj Burakia as a whole time director and Occupier under the Factories Act, 1948 with effect from 29th July, 2015. .
- ii. The Company has appointed Mr. Nilesh Javker as the Company Secretary and Compliance officer w.e.f 27th May 2015.

XII. RISK MANAGEMENT POLICY

Board of Directors at their meeting held on 10th February 2015 considered and approved risk management policy and identified the major risk in severe competition in finished goods from local as well as international market

XIII. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTOR (CLAUSE 49 OF LISTING AGREEMENT)

The details of familiarization program (for independent directors) is disclosed on the Company's website and a web link thereto is <http://www.rmgalloysteel.com/userfiles/file/RMG%20Familiarisation%20policy.pdf>

XIV. CODE OF CONDUCT

The Company has Code of Conduct for Board members and senior management personnel. A copy of the Code has been put on the Company's website for information of all the members of the Board and management personnel.

All Board members and senior management personnel have affirmed compliance of the same.

XV. PARTICULARS OF EMPLOYEES

Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is herewith attached.

XVI. ACKNOWLEDGEMENT

Your Directors take this opportunity to express gratitude for valuable assistance and co-operation extended to the Company by Financial Institutions, Commercial Banks and other authorities. Your directors also wish to place on record their sincere appreciation of the dedicated services, hard work, solidarity and profuse support by all the employees of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Mumbai,
Date: 8-07-2015

Abhishek Mandawewala
Director

Ashok Jain
Director

Form No. MGT – 9

EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i. CIN :- L27100GJ1983PLC020358
- ii. Registration Date : December 29, 1980
- iii. Name of the Company : RMG Alloy Steel Limited
- iv. Category / Sub Category of the Company: Public Limited Company
- v. Address of the Registered office and contact details:
Plot No.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat - 393110;
Contact Tele: +91 2645-619700; Fax:+91 2645 619800 Email: allcompanysecretaryofrmgl@welspun.com
- vi. Whether listed company: Yes. The Bombay Stock Exchange Limited
- vii. Name, address and contact details of Registrar and Transfer Agent, if any.
M/s. Bigshare Services Private Limited
Unit : RMG Alloy Steel Limited
E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki naka, Andheri (E), Mumbai - 400072
Email - investor@bigshareonline.com
Tele. No.: +91-022-40430200
Fax No. : +91-22-28475207

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

- Steel & Steel products such as Rolled Products

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Name And Address Of The Company	CIN / GLN	Holding / Subsidiary / Associate	% Of Shares Held	Applicable Section
W S Alloy Holding Limited (demerged from Welspun Steel Ltd w.e.f. 9-05-2015 pursuant to High Court order dated 23rd February 2015 with)	U27109GJ2004PLC044249	Associate	39.88	2(6)

IV. SHARE HOLDING PATTERN (equity share capital break-up as percentage of Total Equity)

i. Category-wise shareholding – Refer Annexure A

ii. Shareholding of Promoters

Sl. No	Shareholder's name	Shareholding as on 01.04.2014			Shareholding as on 31.03.2015			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
A	Individuals / HUF (Promoters)							
1	Vishwambarlal C Saraf	916	0.00	0.00	916	0.00	0.00	0.00
2	Rajendra C Saraf	501	0.00	0.00	501	0.00	0.00	0.00
3	Minakshi R Saraf	151	0.00	0.00	151	0.00	0.00	0.00
4	Vishwambar C Saraf	230	0.00	0.00	230	0.00	0.00	0.00
5	Vandana V.Saraf	1	0.00	0.00	1	0.00	0.00	0.00
6	Vishwambar C Saraf	125	0.00	0.00	125	0.00	0.00	0.00
7	Rishabh R Saraf	40	0.00	0.00	40	0.00	0.00	0.00
8	Anupama Kasera	20	0.00	0.00	20	0.00	0.00	0.00
		1984.00	0.00	0.00	1984.00	0.00	0.00	0.00

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Sl. No	Shareholder's name	Shareholding as on 01.04.2014			Shareholding as on 31.03.2015			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
B	Promoter Group Companies							
1	Rajendra Finance Pvt. Ltd.	2,460,520	2.27	0.00	2,460,520	2.27	0.00	0.00
2	Bajrang Finance Ltd	10	0.00	0.00	10	0.00	0.00	0.00
3	Remi Securities Limited	2,313,600	2.13	0.00	2,313,600	2.13	0.00	0.00
4	Kuber Kamal Industrial Investments Ltd	2,313,617	2.13	0.00	2,313,617	2.13	0.00	0.00
5	Calplus Trading Pvt Ltd	6,114,390	5.64	0.00	6,114,390	5.64	0.00	0.00
6	Magnificent Trading Pvt Ltd	7,012,334	6.47	0.00	7,012,334	6.47	0.00	0.00
7	Remi Finance and Investment Pvt. Ltd.	2,460,000	2.27	0.00	2,460,000	2.27	0.00	0.00
8	Vishwakarma Jobworks Limited	2,556,545	2.36	0.00	2,556,545	2.36	0.00	0.00
9	Vayudoot Trading Limited	1,995,492	1.84	0.00	1,995,492	1.84	0.00	0.00
		27,226,508	25.11	0.00	27,226,508	25.11	0.00	0.00
C	Co-promoter							
1	Widescreen Holdings Pvt. Ltd.	24,143,333	22.27	0.00	24,143,333	22.27	0.00	0.00
D	Strategic Investor							
1	Welspun Steel Ltd	43,247,034	39.88	0.00	43,247,034	39.88	0.00	0.00
	Grand total	94,618,859	87.26	0.00	94,618,859	87.26	0.00	0.00

iii. Change in Promoters' shareholding (please specify, if there is no change) – No change in promoters'/Co-promoter/ strategic investor shareholding during the year.

iv. Shareholding pattern of top ten shareholders (other than Directors and Promoters):

Sr. no.	Name of the shareholders	Shareholding as on (1-04-2014)		Change in shareholding (No of shares)	shareholding as on (31-03-2015)	
		No. of shares	% of total shares of the company	Increase/ Decrease	No. of shares	% of total shares of the company
1	STRESSED ASSETS STABILIZATION FUND	1000000	0.92	0.00	1000000	0.92
2	PINKY VENTURES PRIVATE LIMITED	990918	0.91	6432.00	997350	0.92
3	SHAUNAK JAGDISH SHAH	470741	0.43	0.00	470741	0.43
4	ASHKARAN JAIN	399000	0.37	2000.00	401000	0.37
5	JAGDISH AMRITLAL SHAH	244388	0.23	0.00	244388	0.23
6	I TENABLE INDIA LIMITED	143200	0.13	0.00	143200	0.13
7	MUKESH SHARMA	137300	0.13	0.00	137300	0.13
8	KALI RAM GUPTA	123854	0.11	0.00	123854	0.11
9	RAJENDRA KANAKARAJ MEHTA	123000	0.11	0.00	123000	0.11
10	SHAKUNTLA GUPTA	112552	0.10	1678.00	114230	0.11

RMG ALLOY STEEL LIMITED
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v. Shareholding of Directors and Key Managerial Personnel (KMP) :

Sl. No	Shareholder's name Name of the Director and KMP	Shareholding as on 1-04-2015		Change in Shareholding	Shareholding as on 31-03-2015	
		No. of shares	% of total shares of the company	Increase/Decrease	No. of shares	% of total shares of the company
	Directors					
1	Mr. Atul Desai	-	-	-	-	-
2	Mr. Ashok Jain	-	-	-	-	-
3	Mr. Abhishek Mandawewala	-	-	-	-	-
4	Mr. V S Iyer	01	0.00	-	01	0.00
5	Mr. Hanuman Kanodia	500	0.00	-	500	0.00
6	Ms. Amita Karia	0	0.00	-	0	0
	KMP					
1	Sanjay Kukreja	-	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

Rs in Lacs

	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness as on 01-04-2014				
i. Principal Amount	17,215	0	0	17,215
ii. Interest due but not paid	269	0	0	269
iii. Interest accrued but not due	0	0	0	0
Total (i + ii + iii)	17,484	0	0	17,484
change in indebtedness during the financial year.				
* Addition	1,500	1,900	0	3,400
* Reduction	637	0	0	637
Net change	863	1,900	0	2,763
Indebtedness as on 31-03-2015				
i. Principal Amount	18,078	1,900	0	19,978
ii. Interest due but not paid	364	0	0	364
iii. Interest accrued but not due	0	43	0	43
Total (i+ii+iii)	18,442	1,943	0	20,385

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

A. Remuneration to Mr. Shashank Chaturvedi, Executive director upto 12-11-2014

Sr. No.	Particulars of Remuneration	Whole time director
1	Gross Salary	
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act 1961.	52,14,436
b)	Value of perquisites u/s. 17(2) Income Tax Act, 1961	46,067
c)	Profits in lieu of salary under section 17(3) Income Tax Act, 1961	0
d)	Others, please specify	0
	Total (A)	52,60,503
	Ceiling as per the Act.	Remuneration approved by Central Government pursuant to letter dated 6th December 2013

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B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Mr. Atul Desai	Mr. Ashok Jain	Mr. V. S. Iyer	Mr. Hanuman Kanodia	Total
1.	Independent Directors					
	* Fee for attending board committee meetings	149000	133000	40000	48000	370000
	* Commission	0	0	0	0	
	* Others, please specify	0	0	0	0	
	Total (1)	149000	133000	40000	48000	370000
2.	Other Non Executive Directors					
	* Fee for attending board committee meetings	0	0	0	0	
	* Commission	0	0	0	0	
	* Others, please specify	0	0	0	0	
	Total (2)	0	0	0	0	
	Total (B) = (1 + 2)	149000	133000	40000	48000	370000
	Total sitting fees	149000	133000	40000	48000	370000
	Overall Ceiling as per the Act.	Managerial remuneration was approved by Central Government pursuant to letter dated 6th December 2013. Sitting fees not included in overall ceiling as per the Act				

Sr. No.	Particulars of Remuneration (with effect from 8th August 2014)	Mr. Sanjay Kukreja, CFO
1	Gross Salary	
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1389861
b)	Value of perquisites u/s. 17(2) Income Tax Act, 1961	Nil
c)	Profits in lieu of salary under section 17(3) Income Tax Act, 1961	Nil
2	Stock Option	Nil
3	Sweat Equity	Nil
4	Commission	Nil
	- As % of profit	Nil
	- Others, specify	Nil
5	Others, please specify	Nil
	Total	1389861

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES : NIL

ANNEXURE ‘B’

ANNEXURE TO THE DIRECTORS’ REPORT

I) INFORMATION UNDER SECTION 134 OF THE COMPANIES ACT, 2013 AND FORMING PART OF THE DIRECTORS’ REPORT.

REMUNERATION OF RS. 60, 00,000 PER ANNUM OR MORE RECEIVED BY EMPLOYEE THROUGH OUT THE YEAR: NIL

REMUNERATION OF RS. 5, 00,000 PER MONTH OR MORE RECEIVED BY EMPLOYEE FOR A PART OF THE YEAR:

Name	Designation/ Nature of duties	Remuneration received	Educational Qualification	Experience in years	Date of Commencement of employment	Age	Last employment before joining the Company
1	2	3	4	5	6	7	8
Mr. Shashank Chaturvedi	Executive Director	52,60,503 (Till Nov 2014 only)	CA	24 years	1st July, 2009	54 Years	Sea Tech Services Ltd.

Notes:

1. Gross remuneration comprises salary & allowances.
2. The nature of employment is contractual.
3. Above mentioned employee is not a relative of any Directors of the Company.

MANAGEMENT AND DISCUSSION ANALYSIS

A) INDUSTRY STRUCTURE, SCENARIO & DEVELOPMENT

The prolonged slowdown that set off in 2011-12 and has continued unabated into the current year has severely dented the revenue growth and profitability of Indian component manufacturers. Tier 2 and tier 3 suppliers and those dependent on the commercial vehicles segment have been key casualties. But, renewed optimism and expectations of a turnaround in our economy following the election of a stable government at the Centre have restored hopes of a recovery in auto sector demand.

The Indian steel industry is headed for a period of overcapacity with additional supply coming onstream in the next fiscal likely to exceed any improvement in demand. The result may be continuing price and margin pressures for Indian steelmakers who are already under pressure due to slowing domestic demand and cheaper imports. Fiscal 2016 will see nearly 9 million tonnes (mt) in fresh capacity added to the existing capacity of about 95 mt.

Steel imports from China nearly trebled during April 14-Jan 15 to over 29 lakh tonnes (LT), the country had imported 10.88 LT steel comprising 6.46 LT carbon steel and 441.70 LT alloy/stainless variety during the entire 2013-14 fiscal.

The construction, automobile and white goods industries will attract a high demand for steel over the next decade. Vast opportunities exist where the unique properties of steel are critical. This could result in a much larger market penetration. Global steel demand over the next decade will largely depend on the emerging economies

With increased government's focus on infrastructure and housing sectors, India's steel demand is likely to grow faster than production. While steel production continued to face intense pressure due to the lack of raw materials - iron ore and coal - linkage, its consumption will grow sustainably.

Almost all domestic steel makers are raising capacities, expecting a rise in consumption in the near future even as the ongoing difficulties due to subdued demand and rising imports are likely to persist for some more time. From the present installed capacity of around 100 million tonnes per annum, India aims to treble capacity to 300 mtpa by 2025-26 using greenfield as well as brownfield routes, entailing a whopping investment of USD 200 billion.

With the steel and mines minister announcing the setting up of four new steel plants in different states, experts say the steel sector will get a significant boost with an addition of 24 million tonnes capacity. If our GDP growth outstrips China, as is expected next year onwards, and as "Make in India" takes off, there is certainly room for additional capacity.

Acknowledging that India's "infrastructure does not match our growth ambitions", the finance minister announced heavy investment in building roads, railways, and other infrastructure projects. Road infrastructure will receive an outlay of 14,031 crores Rupees (US\$2.26 billion), while railways will get 10,050 crores Rupees (US\$1.62 billion). A new National Investment and Infrastructure Fund will also be set up and receive 20,000 crore Rupees (US\$3.23 billion) annually.

These investments are expected to drive economic growth and attract investment in the country and could also prove to be a game-changer for the industry.

B) OPPORTUNITY & THREATS

Demand of steel in global market mostly depends upon growth of infrastructure in China, India and other developing countries. Increase in price of steel and coking coal affects competitiveness of Indian end users of steel. Further, increase in competition affect margin of profits. Increase in imports of steel at cheap price from China affects local supplier of steel manufacturers.

The Company concentrates in Niche market. The Company shall concentrates Aerospace, Defense, Railway, Drilling, Yellow Good, Oil & Gas (Export), Turbine, Wind Energy, Machine/Ship Building, Gear Development, Engines, Open Die Forgers etc.

The Company is taking various steps to utilize its existing capacity to the maximum extent.

C) SEGMENTWISE AND PRODUCTWISE PERFORMANCE

Product wise performance is given in Directors Report under heading operations.

D) RISK & CONCERNS

Additional capacity being generated for production of Alloy Steel in India and import of steel from China caused pressure on sales & margin.

However the Company expects to mitigate the impact of risks and concerns since the Company concentrates on niche products.

E) INTERNAL CONTROL SYSTEM

The Company employs adequate and effective system of internal control systems that provide for:-

- i) security of the asset
- ii) efficient management information system
- iii) compliance with all laws and regulations
- iv) Compliance with all standard system and quality standards.

F) INDUSTRIAL RELATIONS & HUMAN RESOURCES

Human resource is the key factor for the success of any organization. Your Company places considerable emphasis on continuous enhancement of skills and performance of human resources across the organization.

G) DISCUSSION & FINACIAL PERFORMANCE

REVENUE

Revenue details are discussed in Directors Report.

H) FUTURISTIC STATEMENT

Company's performance as expressed or implied could differ materially due to economic conditions affecting demand/ supply and price condition in the domestic & overseas markets, changes in the Government regulations, tax laws & other incidental factors.

For and on behalf of the Board of Directors

Mumbai,
Date: 8th July, 2015

Abhishek Mandawewala
Director

Ashok Jain
Director

CORPORATE GOVERNANCE - CLAUSE 49 OF THE LISTING AGREEMENT

1. Company's Philosophy

RMG Alloy Steel Limited (Formerly known as "Remi Metals Gujarat Limited") believes that for a company to succeed on a sustained basis, it must maintain global standards of corporate conduct towards its employees, shareholders, consumers and society.

The primary objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness.

2. Board of Directors

a. Composition and Category of directors:

Details of composition of the existing Board of Directors as on 31st March 2015 are given below:

Sr. No.	Name of Director	Category	No. of Shares Held	Attendance Particulars		Directorship in other public limited companies	Committee Chairmanship/ membership in other public limited companies
				Last Annual General Meeting	Board Meeting		
1	Mr. Atul Desai	I,NE,C	Nil	Yes	5	8	3C/5M
2	Mr. Abhishek Mandawewala	SI,NE	Nil	No	1	1	1M
3	Mr. Shashank Chaturvedi (upto 12.11.2014)	E	Nil	No	2	-	-
4	Mr. Ashok Jain	I, NE	Nil	No	5	2	-
5	Mr. Hanuman Kanodia	NP	500	No	5	1	-
6	Mr. V.S.Iyer	NP	01	No	4	1	-
7	Ms. Amita Karia (w.e.f. 31.03.2015)	I,W	Nil	No	0	0	-

Abbreviations:

P = Promoter, E = Executive Director, NE = Non Executive Director, I = Independent Non Executive, S = Shareholder, C = Chairman, M = Member, SI= Strategic Investor, NP=Nominee of promoter director, W=Woman Director.

b. Number of Board meetings held, dates of which Board Meetings held:

During the year 2014-15, the Board of Directors met five times on the following dates: -27.05.2014, 12.08.2014, 10.11.2014, 10.02.2015 and 31.03.2015.

3. AUDIT COMMITTEE

Terms of reference:

The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under clause 49 of the Listing Agreement.

Composition:

The Audit Committee consists of the following 4 Non-Executive Directors as on 31.03.2015.

Mr. Atul Desai	- Chairman (Independent)
Mr. Abhishek Mandawewala	- Member
Mr. Ashok Jain	- Member (Independent)
Mrs. Amita Karia (w.e.f. 31.03.2015)	- Member (Independent)

Meetings and attendance during the year:

Four meetings of Audit Committee of Board of Directors were held on 27.05.2014, 12.8.2014, 10.11.2014 and 10.02.2015. The details of Attendance of Members of audit committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/2014 to 31/03/2015)
1	Mr. Atul Desai	Chairman	4
2	Mr. Abhishek Mandawewala	Member	1
3	Mr. Ashok Jain	Member	4
4	Mrs. Amita Karia w.e.f 31.03.2015	Member	0

4. NOMINATION AND REMUNERATION COMMITTEE

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing “Remuneration Committee” as the “Nomination and Remuneration Committee”.

Terms of Reference

The terms of reference stipulated by the Board of Directors to the Nomination and remuneration committee are as contained under clause 49 of the Listing Agreement.

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Ashok Jain, an Independent Director, has been appointed as Chairman of this Committee.

The composition of the Nomination and Remuneration committee of the Board of Directors of the Company is as follows:

Mr. Ashok Jain	- Chairman (Independent)
Mr. Abhishek Mandawewala	- Member
Mr. Atul Desai	- Member (Independent)
Mrs. Amita Karia	- Member (Independent)

Three Nomination and Remuneration Committee meetings were held during the financial year i.e. on 27.05.2014, 10.02.2015 and 31.03.2015.

Remuneration policy

Nomination and Remuneration committee (NRC) at their meeting held on 27th May 2014 approved and recommended policy relating to criteria for determining qualifications, positive attributes and independence of directors, the remuneration for the directors, key Managerial Personnel (KMP) and other employees, formulation of criteria for evaluation of independent directors and the Board, policy on Board diversity; the Board of directors approved the said policy as recommended by NRC at its meeting held on 27th May 2014;

Nomination and remuneration policy is reproduced as under:

1. Objective of the Committee:

The Company believes that individuals associated with the Company are its most important asset and it can achieve its vision of becoming a global leader with support of directors and employees. While achieving Company’s growth, the Company is committed to fulfill the aspirations of our Customers, Employees and Shareholders.

2. Constitution of Nomination and Remuneration Committee:

Nomination and Remuneration Committee shall be constituted by the Board of Directors and its members shall be selected from amongst the directors serving on the Board of Directors.

The Board may induct or remove any member of the Committee at its sole discretion.

3. Role and responsibility:

The Committee shall focus on recommending, persons who may be appointed as directors, KMP and senior management officials, to the Board of Directors. The Committee shall also scan performance of directors, KMP and senior management and recommend their removal if the performance is found unsatisfactory. The Board may mandate duties as it may deem fit from time to time.

4. Identification of persons who may be appointed as directors:

The Committee shall identify persons who may be appointed as directors of the Company and recommend their appointment to the Board of Directors in this regard. While recommending appointment of any such persons as directors the Committee shall consider following aspects:

- a. Business of the Company,
- b. Strength, weakness, opportunity and threats to Company's business,
- c. Existing composition of the Board of Directors,
- d. Diversity in background of existing directors,
- e. Background, skills, expertise and qualification possessed by persons being considered,
- f. Specific requirements under Companies Act, 2013, standard listing agreement and any other laws as to composition of the Board.

5. Recommending appointment of Independent Directors

The Committee shall regularly review composition of the Board of Directors and recommend appointment of persons who may be qualified to be Independent Directors pursuant to provisions of section 149(6) of the companies act 2013

Apart from being 'Independent', such candidate should be eligible worthy to be appointed as directors based on criteria mentioned below:

An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

6. Appointment of Key Managerial Personnel and senior management personnel

The Committee shall review organization structure. It shall identify persons who may be appointed as Key Managerial Personnel or as a part of senior management. While recommending appointment of any such candidate, the Committee shall consider expectations of the role of the position being considered, qualification, skill, expertise, background, human qualities such as abilities to perform as a part of a team, emotional quotient, etc.

7. Remuneration of directors, Independent Directors, KMPs, senior management personnel

The Committee shall recommend the remuneration payable to directors, Independent Directors, KMPs, senior management personnel. The Committee shall consider top industry indicators, requirements of role, qualification and experience of candidate, challenges specific to the Company and such other matters as the Committee may deem fit. The Committee shall consider that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate individuals of the quality required to run the Company successfully. The remuneration must motivate individuals to achieve benchmarks which must be aligned to the vision of the Company.

8. Evaluation of performance

The Committee shall screen and evaluate performance of Non-independent directors, Independent Directors, KMPs, senior management personnel, various committees of the Board. Evaluation of performance should provide both positive and negative aspects of performance. The Committee will suggest areas of improvement, if any. The Committee will co-ordinate the process of self-evaluation of the Board. During such process, the Committee shall review performance of the Company, deliberations at the Board meetings, impact of the decisions, etc.

9. Powers:

The Committee may seek support of advisors from within the Company or from outside. It may seek such reasonable support as it may deem fit. The Company shall facilitate functioning of the Committee.

10. Meetings of Nomination and Remuneration committee

The Committee shall meet at least once a year. It may have additional meetings as it may require or as may be directed by the Board.

11. Evaluation Criteria

The Nomination and Remuneration committee has laid down criteria for performance evaluation of Board, its committees, independent directors, non-independent directors and Chairperson to comply provisions of Sections 134(3)(p), 149(8) and 178(2) of the Companies Act, 2013 and Clause 49(II)(B)(5) and (6) of the Listing Agreement as follows:

The guideline for the board evaluation policy and the process to implement it was that it should be :-

- i. Simple with ease to understand and handle the instruments to be used for this purpose;
- ii. Able to meet the statutory requirements; and
- iii. Having accent on improvement of the performance of the board, its committees and the directors, instead of being judgmental in nature.
- iv. The Nomination and Remuneration Committee of the board would formulate the criteria for the evaluation and generally oversee the process.

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- v. The evaluation of individual directors would have two parts, viz., (a) quantitative data in the form of number of meetings of the board and committees attended as against the total number of such meetings held, and (b) qualitative data coming out of the process of filling in a questionnaire by the directors, which would be subjective, by its very nature.
- vi. In order to induce the respondents to give their frank views, the instruments would be so designed that only ticks would be required, with no provision for description and the directors would not be required to identify themselves below the filled in questionnaire.
- vii. The result of the evaluation would be discussed threadbare by the Board and remedial action taken.
- viii. In case of individual directors’ performance falling below a threshold, there would be a provision for individual counseling by the Chairman of the Company.

e. Meeting of Independent directors

The independent directors of the Company shall hold at least one meeting in a year without the attendance of non-independent directors and members of management. The meeting of Independent directors was held on 31 March 2015 and the following points were discussed:

- reviewed the performance of non-independent directors and the Board as a whole;
- reviewed the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- assessed the quality, quantity and timeliness of flow of information between the Company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

a. Details of remuneration paid to Mr. Shashank Chaturvedi, Executive director upto 12.11.2014:

(Amt. in Rs.)

Particulars	Mr. Shashank Chaturvedi (Executive Director) (upto 12.11.2014)
Basic	17,40,589
HRA/ Rent free accommodation	5,22,177
Bonus/ Exgratia	1,44,990
Other benefits	28,52,747
Total	52,60,503
notice period	1 month
service contract	—

b. Criteria of making payments to non-executive directors:

The Company pays sitting fees to non-executive directors for attending meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Finance committee, Stakeholder Relationship Committee, Independent Directors committee, postal ballot etc.,. Details of the same are mentioned below

Name of Director	Total Sitting Fees Paid for attending meetings for the year 2014-15
Mr. Ashok Jain	133000/-
Mr. Atul Manubhai Desai	149000/-
Mr. Hanuman Kanodia	48000/-
Mr. V.S. Iyer	40000/-

There are no pecuniary relationships or transactions with the non-executive directors vis-a-vis the Company.

No. of Shares held by Non – Executive Directors are as follows:

Sr. No.	Non-Executive Directors	No. of Equity shares held
01	Mr. Atul Desai	Nil
02	Mr. Abhishek Mandawewala	Nil
03	Mr. V S Iyer	01
04	Mr. Hanuman Kanodia	500
05	Mr. Ashok Jain	Nil
06	Mrs. Amita Karia	Nil

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5. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders and Investors' Grievance Committee" as the "Stakeholders' Relationship Committee". The terms of reference stipulated by the Board of Directors to the Stakeholders' Relationship Committee are as contained under clause 49 of the Listing Agreement.

Other details of Stakeholders Relationship Committee are as follows:

- Name of non-executive director heading the committee: Mr. Atul Desai, Chairman
- Name and designation of compliance officer: Nil
- Composition and details of attendance of members of the Committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/14 to 31/03/15)
1.	Mr. Atul Desai	Chairman	7
2.	Mr. Abhishek Mandawewala	Member	7
3.	Mr. Shashank Chaturvedi (upto 12.11.2014)	Member	4
4.	Mr. Ashok Jain (w.e.f. 10.11.2014)	Member	0

- No. of meetings held:

Seven meetings of Stakeholders Relationship Committee were held on 04.04.2014, 11.07.2014, 05.09.2014, 12.09.2014, 10.11.2014, 19.12.2014 and 23.01.2015.

- Number of shareholders complaints/ requests received so far during the year:

Break up and number of complaints/ requests received under different category is given hereunder:

Sr. no.	Category	No. of complaints Recd
1	Non receipt of annual report	2
2	Non receipt of dividend warrant	3
3	Non receipt of remat rejection documents	1
4	Non receipt of share certificate after transfer	2
5	Non receipt of Exchange Share Certificate	8
6	Complaint through BSE	1
7	Non receipt of demat rejection documents	3
	Total Complaints Recd	20

All the complaints/ requests received during the year under report were resolved within the time limit to the satisfaction of the investors/ shareholders and no complaints were pending as on 31st March 2015.

6. INDEPENDENT DIRECTORS COMMITTEE MEETING

The independent directors of the Company shall hold at least one meeting in a year without the attendance of non-independent directors and members of management. The meeting of Independent directors was held on 31st March 2015 and the following points were discussed:

- reviewed the performance of non-independent directors and the Board as a whole;
- reviewed the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- assessed the quality, quantity and timeliness of flow of information between the Company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Composition:

The independent directors committee consists of the following 2 Directors as on 31.03.2015.

- Mr. Atul Desai - Chairman (Independent)
- Mr. Ashok Jain - Member (Independent)

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTOR (CLAUSE 49 OF LISTING AGREEMENT)

The details of familiarization program (for independent directors) is disclosed on the Company's website and a web link thereto is <http://www.rmgalloysteel.com/userfiles/file/RMG%20Familiarisation%20policy.pdf>

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7. GENERAL BODY MEETINGS:

(i) The details of General Meetings held in the last three years are given hereunder:

Date	Type of meeting	Location	Time	No. of special Resolutions
21/09/2012	Annual General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 P.M	1
14/05/2013	Extra Ordinary General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.00 noon	1
21/09/2013	Annual General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 P.M	2
29/09/2014	Annual General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 P.M	3

(ii) Details of Special Resolutions passed in the last three years are given hereunder:

Date	Location	No. of special Resolutions	Special Resolutions passed
21/09/2012	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch	One	Consent to Board of Directors to make investment in equity shares and preference shares of Welspun Captive Power Generation Limited upto a limit of Rs.1.30 crores.
14/05/2013	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch	One	Change of name of the Company from Remi Metals Gujarat Limited to RMG Alloy Steel Limited
21/09/2013	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch	Two	i. Appointment of Mr. Shashank Chaturvedi as an Executive Director w.e.f 19/12/2012 for a period of three years. ii. Consent to Board of Directors to issue and allot preference shares not exceeding Rs.15 crore.
29/09/2014	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch	Three	i. Accord consent to Board of directors to issue and allot Preference Shares of Rs. 10/- each at a premium of Rs. 25/- per shares aggregating to Rs. 22,31,60,000 to Promoters / Co-promoters / Strategic Investors; ii. Approval for keeping register and index of members as prescribed under section 88 of Companies Act 2013 at the office of M/s. Big share Services Private Limited, Registrar and Share Transfer Agent of the Company; iii. Adoption of Articles of association as per the regulations mentioned in the Companies Act 2013, in substitution, and to the entire exclusion of the regulations contained in the existing Article of Association of the Company.

(iii) No special resolution was passed last year through postal ballot.

8. DISCLOSURES

- i. Disclosures on materially significant related party transactions -
- Transactions with related parties are disclosed in Note No. 32 of Notes forming part of the financial statements. None of these are in conflict with the interests of the Company.
- ii. Details of non - compliance by the Company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital market during the last 3 years: Nil
- iii. Whistle Blower policy and affirmation that no personnel has been denied access to the audit committee:

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The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees and no personnel have been denied access to the Audit Committee. A copy of policy is displayed on the website of the Company at www.rmgalloysteel.com

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause-

The Company is in compliance with the mandatory requirements mentioned under Clause 49(II) to 49(XI) of the Listing Agreement to the extent applicable.

- (i) **Basis of Related Party transactions-** Complied in Audit Committee meetings and Board meetings held during the financial year
- (ii) **Disclosure of Accounting Treatment** - Accounting standards have been followed.
- (iii) **Board Disclosures – Risk Management** - The Board of directors at their meeting held on 10th February 2015 reviewed risk assessment and minimization procedure followed by the Company. Risk assessment policy is posted on website of the Company.
- (v) **Code of Conduct** – Code of Conduct as approved by the Board of Directors is posted on website of the Company, web link mentioned below:

<http://www.rmgalloysteel.com/userfiles/file/CODE%20OF%20CONDUCT%20FOR%20THE%20BOARD%20OF%20DIRECTORS%20AND%20SR.pdf>

All Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis.

A declaration signed by the director of the Company is given below:

"I hereby confirm that all Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company."

For RMG Alloy Steel Limited

Ashok Jain
Director

- (v) **Proceeds from public issues, right issues, and preferential issues etc.** – The Company has raised amount of Rs. 223149500 by allotment of 63,75,700 12% Redemable Preference Shares of Rs. 10/- each at a Premium of Rs. 25/- each per share from Welspun Steel Limited on Preferential basis for operation/CAPEX requirement/to finance cost of scheme under modified draft rehabilitation Scheme.
- (vi) **Certification by CEO/CFO** - Certificate obtained by Executive Director/CFO on the Financial Statements of the Company in terms of Clause 49 of the Listing Agreement was placed before the Board, who took note of it and took the same on record.

9. MEANS OF COMMUNICATION

- i. Quarterly results and newspapers wherein results normally published:

The Board of Directors of the Company approves and takes on record the audited financial results for the year ended 31-03-2014, unaudited financial results for quarter ended 30-06-2014, 30-09-2014 and 31-12-2014 in their quarterly meetings and the same were normally published in Economic Times (E+G), Ahmedabad edition within 48 hours from the date of Board meetings.

The said financial results were also displayed on the website of the company at www.rmgalloysteel.com

10. GENERAL SHAREHOLDER INFORMATION:

The next Annual General Meeting shall be held at –

- (i) Day and Date - Wednesday, 30th September, 2015
Venue - Plot no. 1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat,
Time - 12.30 P.M
- (ii) Financial year - from 1st April 2014 to 31st March 2015
- (iii) Date of Book Closure - from Tuesday, 22nd September, 2015 to Thursday, 24th September, 2015 (both days inclusive)
- (iv) Dividend payment date - No dividend has been declared for the financial year 2014-15.
- (v) Listing on Stock Exchanges and codes

The securities of the Company are listed on the Bombay Stock Exchange (Scrip code – 500365)

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- (vi) Market Price Data - High-Low Quotations during each month in last financial year i.e from 1st April 2014 to 31st March 2015 and performance in comparison to broad based indices such as BSE SENSEX as follows:

Month	Market Price		Sensex	
	High	Low	High	Low
Apr-14	3.33	2.37	22939.31	22197.51
May-14	5.30	2.96	25375.63	22277.04
Jun-14	5.81	3.88	25725.12	24270.2
Jul-14	5.95	4.07	26300.17	24892
Aug-14	4.43	3.51	26674.38	25232.82
Sep-14	5.47	3.75	27354.99	26220.49
Oct-14	5.20	4.16	27894.32	25910.77
Nov-14	6.20	4.00	28822.37	27739.56
Dec-14	5.10	3.65	28809.64	26469.42
Jan-15	5.15	3.64	29844.16	26776.12
Feb-15	4.59	2.75	29560.32	28044.49
Mar-15	3.68	2.26	30024.74	27248.45

- (vii) **Registrar and Transfer Agent:**

The transfer of shares of the Company are being done by Bigshare Services Pvt. Ltd., the R & T Agents, having address at E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai- 400 072.

Contact person: Mr. Ashok Shetty, Vice President

- (viii) Distribution of shareholding of equity shares as on 31st March, 2015 is as follows: -

Shareholding of nominal value Rs.	Total Holders		Amount	
	(in Nos.)	% of Total	in Rs.	% of Total
1 - 5000	89644	98.09	16723956	2.57
5001 - 10000	819	0.90	5478702	0.84
10001 - 20000	451	0.49	6275754	0.96
20001 - 30000	175	0.19	4441824	0.68
30001 - 40000	74	0.08	2585238	0.40
40001 - 50000	43	0.05	1899678	0.29
50001 - 100000	88	0.10	6014670	0.93
100001 and above	96	0.10	607195218	93.33
Total :	91390	100.00	650615040	100.00

J. CATEGORIES OF SHAREHOLDERS AS ON 31st MARCH, 2015:

Sr. No.	Category	No. of shares held	% of share holding
1	Promoter's Holding (A)	94618859	87.26
2	Non-Promoters Holding (B)		
	- Mutual Funds, FIs, Banks, Insurance companies & Foreign Institutional Investors	40681	0.04
	- Body Corporates	1925757	1.78
	- Resident Indians	10817309	9.98
	- NRIs	33234	0.03
	Trust	1000000	0.92
	Sub- Total (B)	13816981	12.74
	Total (A+B)	108435840	100.00

- (ix) **Dematerialisation of shares and liquidity:**

The Shares of the Company are fully dematerialized under the category of compulsory delivery in dematerialized mode by all categories of investors.

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The Company has signed agreements with both the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. As on 31 March 2015, 99.92 %of the shares of the Company are dematerialized. Bifurcation of shares are mentioned below:

Category	As on 31st March, 2015	%
No. of Shares held by NSDL	103820438	95.76
No. of Shares held by CDSL	3495050	3.22
Physical	1120352	1.02
Total	108435840	100.00

- (x) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and impact on equity: The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments during the year.
- (xi) Plant Location: Plot no.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist – Bharuch.
- (xii) Address for Correspondence :Plot no.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist – Bharuch, Tel No. 02645-619700,
Fax No.:02645-619800
- (xiii) E-mail Id : allcompanysecretaryofrmgl@welspun.com
- (xiv) Website : www.rmgalloysteel.com

Certificate on compliance of conditions of Corporate Governance under Clause 49 of the Listing Agreement

TO THE MEMBERS OF **RMG ALLOY STEEL LIMITED** (Formerly known as “REMI METALS GUJARAT LIMITED”)

We have examined the compliance of conditions of Corporate Governance by **RMG Alloy Steel Limited** (Formerly known as “Remi Metals Gujarat Limited), for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure 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 as 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 state that in respect of investor's grievance received during the year ended 31st March 2015, the Registrar and Share Transfer Agents of the Company have certified that as at 31st March, 2015, there were no investors' grievances remaining unattended/ pending for more than 15 days.

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.

Sd/-

Anand Makhija
Practicing Company Secretary
ACS no. 5087
COP no.3410

Place: Mumbai
Date: 08-07-2015

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31-03-2015

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

To,
The Members,
RMG ALLOY STEEL LIMITED.

I have conducted the Secretarial Audit of the Compliance of applicable Statutory Provisions and the adherence to Good Corporate Practices by RMG Alloy Steel Ltd, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate conducts/Statutory Compliances and expressing my opinion thereon.

Based on my verification of RMG Alloy Steel Ltd's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the Audit period covering the Financial year ended on 31st March, 2015 complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by RMG Alloy Steel Ltd, (“the Company”) for the Financial year ended on 31st March, 2015 according to the Provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Sick Industrial Companies (Special Provisions) Act, 1985 (1 of 1986)
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vii) Other laws applicable specifically to the Company are as per Annexure A.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with

Mumbai Stock Exchange;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

The Company did not have:

- A) An Occupier for its Factory Premises for a part of the Financial Year from 13/11/2014 till End of Financial Year 31/3/2015;
- B) An Executive Director and CEO for the Company for a Part of the Financial Year from 13/11/2014 till End of Financial Year 31/3/2015;
- C) A Compliance officer was not appointed during the year however, the Board of directors has approved the appointment of Company Secretary and Compliance Officer of w.e.f 31/3/2015.

I further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least Seven days in Advance, and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting Members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period:

- i. the company has not undertaken any Public/Right/Preferential issue of shares / debentures/sweat equity, etc. during the year under review.
- ii. there is no redemption / buy-back of securities during the year under review.
- iii. major decisions taken by the Company as per powers given to them by Members in pursuance to section 180 of the Companies Act, 2013 are within the Limits laid down and are complied as per Rules and Regulations laid down under the Companies Act, 2013
- iv. no merger / amalgamation / reconstruction, etc have been undertaken during the year under review and
- v. there has been no foreign technical collaborations during the year under review.

Place : Mumbai

Date : 28th May, 2015

Signature:

A.L.MAKHIJA
ACS No.: 5087
C P No. : 3410

ANNEXURE A:

The other laws applicable specifically to the Company are as follows:

- a) The Water (Prevention & Control of Pollution) Act, 1974;
- b) The Water (Prevention & Control of Pollution) Rules, 1975;
- c) The Water (Prevention & Control of Pollution) Cess Act, 1977;
- d) The Air (Prevention & Control of Pollution) Act, 1981;
- e) The Air (Prevention & Control of Pollution) Rules 1982/1983;
- f) The Hazardous Wastes (Management & Handling) Rules 1989;
- g) Indian Explosive Act, 1884;
- h) Indian Explosive Rules, 1983;
- i) Environment Statement Under Gujarat Pollution Control Rules;
- j) Environmental Protection Act, 1986;
- k) The Forest (Conservation) Act, 1980;
- l) The Environment Impact Assessment Notification;
- m) The Hazardous Waste (Management & Handling) Rules, 1989, Amended 2003;
- n) Ozone Depleting Substances (Regulation & Control) Rules, 2000, Amended 2003;
- o) The Energy Conservation Act, 2001;
- p) E Waste Management And Handling Rules 2011;
- q) Dangerous Machines (Regulations) Act, 1983;
- r) Dangerous Machines (Regulations) Rules, 1984;
- s) Boilers Act (Indian Boilers Act), 1923;
- t) Motor Vehicle Act, 1988;
- u) Indian Electricity Rules, 1956;
- v) Apprentices Act, 1961;
- w) Child Labour (Prohibition & Regulation) Rules, 1986;
- x) Contract Labour (Regulation & Abolition) Act, 1970;
- y) Employees Provident Funds & Miscellaneous Provisions Act, 1952;
- z) Employees State Insurance Act, 1948;
- aa) Employment Exchange (Compulsory Notification of Vacancies) Act, 1976;
- bb) Equal Remuneration Act, 1976;
- cc) Factory's Act, 1948;
- dd) Bombay Industrial Relation Act, 1946;
- ee) Industrial Employment (Standing Orders) Act, 1946;
- ff) Inter State Migrant Workers (Regulation of Employment and Condition of Service) Act, 1979;
- gg) Maternity Benefit Act, 1961;
- hh) Minimum Wages Act, 1948;
- ii) Payment of Bonus Act, 1965;
- jj) Payment of Gratuity Act, 1972;
- kk) Payment of Wages Act, 1936;
- ll) Trade Unions Act, 1926;
- mm) Workmen's Compensation Act, 1923;
- nn) Weekly Holidays Act, 1942;

Place : Mumbai

Date : 28th May, 2015

Signature:

A.L.MAKHIJA
ACS No.: 5087
C P No. : 3410

A.L.MAKHIJA & CO- COMPANY SECRETARIES .,
389/91, J.S.S. ROAD, MUMBAI-400 002.
E Mail: almakhija_cs@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF **RMG ALLOY STEEL LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **RMG ALLOY STEEL LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into accounts the provisions of the Act, the accounting and auditing standards and matters which required to be included in audit report under the provision of the act and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing Specified under section 143(10) of the Act. 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 Financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the company's Directors, 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 on the financial statements.

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, of the state of affairs of the company as at 31st March, 2015, and its loss and its cash flow for the year ended on that date.

Emphasis of Matters

We draw attention to Note 27 of the accompanying statement; Company's net worth is eroded and the company has continued incurring losses for the current year, indicating the existence of uncertainty that may cast doubt about the company's ability to continue as a going concern. Considering the matters set out in the said note, this statement is prepared on a going concern basis.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2015(“the Order”), issued by Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2015, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, We give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
 - e) The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company,
 - f) On the basis of written representation received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2015 from being appointed as director in terms of Section 164 (2) of the Act.
 - g) With respect to the other matters to be included in the Auditor’s report in accordance with Rule 11 of the Companies (Audit and Auditors) rule, 2014 in our opinion and to the best of our information and according to the explanation given to us:
 - i. The Company has disclosed the impact of pending litigation as at 31st March, 2015 on its financial position in its financial statements – Refer Note 36 to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the company.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No.: 101720W

Parag D. Mehta
Partner
Membership No.: 113904

Place: Mumbai
Date: 28th May, 2015

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ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 9 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- 1) a) The Company is in the process of updating its fixed asset register showing full particulars including quantitative details and situation of fixed assets.
b) We have been informed that the fixed assets of the Company are physically verified by the Management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- 2) a) As explained to us, inventories have been physically verified by the management at the year end.
b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
c) The Company has maintained proper records of inventory and the discrepancies between physical stocks and the book stocks noticed on physical verification were not material.
- 3) The Company has not granted any loans, secured or unsecured, to companies, firms and other parties listed in the register maintained under Section 189 of the Act. Hence Clauses (iii) (a), (iii) (b), of Paragraph 3 of the Order are not applicable.
- 4) There are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to the purchases of inventories, fixed assets and sale of goods and services and we have not observed any continuing failure to correct the major weaknesses in such internal controls.
- 5) The Company has not accepted any deposits under the provisions of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under.
- 6) On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government of India under section 148(1) of the Act have been maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.
- 7) a) According to the books and records as produced and examined by us in accordance with the generally accepted auditing practices in India and also based on Management representations, undisputed statutory dues in respect of Provident Fund, Employees State Insurance Dues, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, Value added tax, Cess and other material statutory dues have generally been regularly deposited, by the Company during the year with the appropriate authorities in India. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.
b) According to the information and explanation given to us and the records of the company examined by us, the particulars of dues of income tax, Service tax, sales tax including value added tax, duty of customs and duty of excise as at 31st March 2015 which have not been deposited on account of dispute, are as follows:

Name of Statute	Nature of the dues	Amount (Rs. in Lac)	Period to which amount relates	Forum where dispute is pending
Finance Act,1994	Service Tax	103	2005-06 to 2011-12	Customs, Excise & Service Tax Appellate Tribunal
Finance Act,1994	Service Tax	11	2004-05 to 2005-06	Joint Commissioner Central Excise & Customs
Finance Act,1994	Service Tax	5	2012-13 to 2013-14	Assistant Commissioner, central Excise & Customs
Central Excise Act	Excise duty	34	1996-97	Customs, Excise & Service Tax Appellate Tribunal
Custom Act	Drawback	7	2012-13	Assistant commissioner of Customs
Income tax act	Income Tax	77	2004-05	Commissioner of Income tax (Appeal)
Sales Tax Act	Value Added Tax	28	2007-08 to 2008-09	Joint commissioner, Commercial Tax (appeal)

RMG ALLOY STEEL LIMITED
(Formerly known as “REMI METALS GUJARAT LIMITED”)

According to the information and explanation given to us and the records of the company examined by us, there are no dues of wealth tax which have not been deposited on account of any dispute.

- c) There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.
- 8) In our Opinion, the accumulated losses of the Company are more than fifty percent of its net worth as at 31st March, 2015, and the Company has incurred cash loss during the financial year and in the immediately preceding financial year.
- 9) Based on our audit procedures and according to the information and explanations given to us, there have been defaults in the repayment of dues to banks as under:

(Rs.in Lacs)

Period of Delay	Principal Amount	Interest Amount	Status of Payment
up to 30 Days	163	496	Principal of Rs.163 Lac unpaid and Interest Paid
31 to 60 Days	163	954	Interest of Rs.87 Lac unpaid ,Balance Paid
60 days and above	475	661	Interest of Rs.10 Lac unpaid, Balance Paid

There were no debentures issued during the year or outstanding at the beginning of the year.

- 10) The Company has not given any guarantees for loans taken by others from bank or financial institutions.
- 11) In our opinion and according to the information and explanation given to us, the term loans have been applied for the purpose for which they were raised.
- 12) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of any such case by the management.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No.: 101720W

Parag D.Mehta
Partner
Membership No.113904

Place: Mumbai
Dated: 28th May, 2015

33RD ANNUAL REPORT 2014-2015

BALANCE SHEET AS AT 31ST MARCH 2015

(Rs. in Lac)

PARTICULARS	Note	As at March 31, 2015	As at March 31, 2014
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	11,597	10,959
Reserves and Surplus	3	(26,418)	(21,451)
		<u>(14,821)</u>	<u>(10,492)</u>
Share Application Money Pending Allotment	4	-	2,232
Non-Current Liabilities			
Long Term Borrowings	5	19,506	16,415
Long Term Provisions	6	160	138
		<u>19,666</u>	<u>16,553</u>
Current Liabilities			
Short Term Borrowings	7	15,872	12,975
Trade Payables	8	6,218	11,034
Other Current Liabilities	9	2,361	4,809
Short Term Provisions	10	12	32
		<u>24,463</u>	<u>28,850</u>
TOTAL		<u>29,308</u>	<u>37,143</u>
II ASSETS			
Non-Current Assets			
Fixed Assets			
Gross Block	11	42,984	43,240
Less : Depreciation		30,728	26,824
		<u>12,256</u>	<u>16,416</u>
-Tangible assets		14	22
-Intangible assets		138	499
-Capital work-in-progress		231	219
Long-Term Loans And Advances	12	231	219
		<u>12,639</u>	<u>17,156</u>
Current Assets			
Inventories	13	4,527	6,167
Trade receivables	14	6,647	11,118
Cash and Bank Balances	15	1,135	1,595
Short term Loans and Advances	16	4,288	1,056
Other Current Assets	17	72	51
		<u>16,669</u>	<u>19,987</u>
TOTAL		<u>29,308</u>	<u>37,143</u>
Significant Accounting Policies & Notes to Accounts forming an integral part of Financial Statements	1		

As per our attached report of even date

For CHATURVEDI & SHAH

Chartered Accountants

Firm Registration No: 101720W

Parag D Mehta

Partner

Membership No.113904

Place : Mumbai

Date : 28.05.2015

For and on behalf of the Board of Director

Ashok Jain

Director

Abhishek Mandawewala

Director

Sanjay Kukreja

CFO

Nilesh Javker

Company Secretary

RMG ALLOY STEEL LIMITED
(Formerly known as “REMI METALS GUJARAT LIMITED”)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH '2015

(Rs. in Lac)

PARTICULARS	Note	As at March 31, 2015	As at March 31, 2014
III INCOME			
Revenue from operations	18	33,373	41,712
Other Income	19	1,160	159
Total Revenue		34,533	41,871
IV EXPENSES			
Cost of Materials Consumed	20	21,363	25,987
Purchase of Stock in Trade	21	140	-
Changes in inventories of Finished and semi finished goods	22	962	1,749
Employee Benefits Expenses	23	1,606	1,953
Finance Costs	24	4,988	4,970
Depreciation		1,177	2,228
Others expenses	25	10,218	11,915
Total Expenses		40,454	48,802
Profit before Exceptional items and tax		(5,921)	(6,931)
Exceptional Item	26	2,259	3,519
Profit/(Loss) before tax		(3,662)	(3,412)
Tax Expenses		-	
Profit/(Loss) for the year		(3,662)	(3,412)
Earning per Equity Share (Face value of Rs. 6 Per Share) :	28		
Basic & diluted (in Rs.)		(3.90)	(3.65)
Significant Accounting Policies & Notes to Accounts forming an integral part of these financial statements	1		

As per our attached report of even date

For CHATURVEDI & SHAH

Chartered Accountants

Firm Registration No: 101720W

Parag D Mehta

Partner

Membership No.113904

Place : Mumbai

Date : 28.05.2015

For and on behalf of the Board of Director

Ashok Jain

Director

Abhishek Mandawewala

Director

Sanjay Kukreja

CFO

Nilesh Javker

Company Secretary

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

(Rs. in Lac)

Particulars	Year ended 2014-15	Year ended 2013-14
A) Cash Flow from Operational Activities		
Net Profit / (Loss) before Tax & Extra-Ordinary items :	(3,662)	(3,412)
Adjustment for :		
Depreciation	1,177	2,228
Financial Costs	4,988	4,970
Provision for Gratuity & Compensated Absences	42	59
Exceptional Item	(2,259)	(3,519)
Exchange Difference on Translation (Net)	20	57
(Profit)/Loss on Sale of Assets	(866)	2
Provision for Doubtful Debts	67	130
Provision for Obsolescence	50	36
Sundry Credit Balances Written Back/Provision no longer required	(174)	(2)
	3,045	3,962
Operating Cash Profit/(Loss) before Working Capital Changes	(617)	549
Changes in Working Capital :		
Trade Receivables	4,399	(3,990)
Inventories	1,590	1,743
Loans & Advances	(833)	(482)
Trade and other Payables	(5,435)	3,741
	(279)	1,012
Cash generated from / (used in) Operations	(896)	1,560
Income Tax (Net)	(14)	(16)
Net Cash generated from / (used in) Operating Activities:	(910)	1,544
B) Cash Flow from Investing Activities		
Acquisition of Fixed Assets (including Work in Progress)	(175)	(480)
Sale of Fixed Assets	-	3
Net Cash generated from / (used in) Investing Activities:	(175)	(477)
C) Cash Flow from Financing Activities		
Finance Costs	(4,874)	(5,158)
Share Application Money received	-	2,232
Net Increase/(Decrease) in Short Term Borrowings	2,898	154
Proceeds from Long Term Borrowings	3,400	13,990
Repayment of Long Term Borrowings	(638)	(12,219)
Net Cash generated from / (used in) Financing Activities:	786	(1,001)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS .. (A + B + C)	(299)	67
Cash and cash equivalents at the beginning of the year	371	304
Cash and cash equivalents at the end of year	72	371
NET INCREASE/(DECREASE) AS DISCLOSED ABOVE ..	(299)	67
	0	(0)

Notes :

- Fixed Deposits with the Bank under lien amounting to Rs.1063 lac (Previous Year Rs.1224 Lac) are not included in Cash & Cash Equivalents.
- Previous Year's figure have been regrouped wherever necessary to confirm current year's figures.

As per our attached report of even date

For CHATURVEDI & SHAH

Chartered Accountants

Firm Registration No: 101720W

Parag D Mehta

Partner

Membership No.113904

Place : Mumbai

Date : 28.05.2015

For and on behalf of the Board of Director

Ashok Jain

Director

Abhishek Mandawewala

Director

Sanjay Kukreja

CFO

Nilesh Javker

Company Secretary

Notes forming part of the Financial Statements

1 SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial statements are prepared on the historical cost convention on accrual basis and in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013 and the applicable accounting standards.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

C. FIXED ASSETS

Tangible Assets: Tangible Fixed Assets are stated at cost (net of cenvat credit availed) less accumulated depreciation. The cost of fixed asset includes cost of acquisition, taxes, duties, freight, incidental expenses related to acquisition, construction and installation, allocated pre-operative expenditure and borrowing cost during the preoperational period.

Intangible Assets: Intangible Assets are recognized only if acquired and it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

D. DEPRECIATION/AMORTISATION

The depreciation on Fixed Assets is provided on Straight Line Method at the rates prescribed in schedule II to the Companies Act, 2013. Premium on leasehold land is not amortized as the lease is for long period. Intangible Assets are being amortised over a period not exceeding 4 years.

E. IMPAIRMENT OF ASSETS

If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

F. INVESTMENTS

Long Term Investments are stated at cost less provision for diminution in the value which is other than temporary. Current Investments are carried at lower of the cost and fair value.

G. FOREIGN CURRENCY TRANSACTIONS/TRANSLATION

a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Any fluctuation on account of realisation/payment is accounted as an exchange fluctuation. Foreign Currency transactions remaining unsettled at the end of the year are converted at the year end rates. Exchange differences are dealt within the Statement of Profit and Loss.

b) Forward contracts are entered into to hedge the foreign currency risk of the underlying transaction. The premium or discount on all such contracts arising at the inception of each contract is amortised as income or expense over the life of the contract. Exchange differences on forward contracts are recognised as income or expense in the Statement of Profit and Loss of the year / period. Any profit or loss arising on the cancellation and renewal of forward contract are recognised as income or expense for the year / period.

H. REVENUE RECOGNITION

Sales are recognized when risks and rewards of ownership are passed on to the customers. Export sales are accounted for on the basis of date of bill of lading. Sales are inclusive of excise duty and sales during trial run. Exports benefits are accounted on accrual basis.

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I. INVENTORIES

Raw Materials are valued at lower of cost or net realisable value. Cost is determined on weighted average basis.

Stores and Spares are valued at cost determined on weighted average basis or net realizable value, except for those which have a longer usable life, which are valued on the basis of their remaining useful life.

Semi finished and finished Goods are valued at lower of cost or net realisable value. Cost includes raw material, labour, manufacturing expenses, allocable overheads and depreciation. Scrap is valued at net realizable value.

J. EMPLOYEE BENEFITS

a) Defined Benefit and Other Long Term Benefit plan :

Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

b) Short Term Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

K. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material, are disclosed in the notes. Contingent assets are not recognized or disclosed in the financial statements.

L. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

RMG ALLOY STEEL LIMITED
(Formerly known as “REMI METALS GUJARAT LIMITED”)

Notes forming part of the Financial Statements (Contd.)

2 SHARE CAPITAL

(Rs. in lac)

Particulars	As at 31st March 2015		As at 31st March 2014	
	Number of shares	Rs. lacs	Number of shares	Rs. lacs
Authorised				
Equity shares of Rs.6/- each	110,000,000	6,600	110,000,000	6,600
Preference Shares of Rs. 10/- each	54,000,000	5,400	54,000,000	5,400
Total		12,000		12,000
Issued, Subscribed and Paid up				
108,435,840 (Previous year 108,435,840) Equity Shares - of Rs.6/- each fully paid up		6,506		6,506
50,904,271 (Previous year 44,528,571) 12% Cumulative Redeemable Preference Shares (CRPS) - of Rs. 10/- each fully paid up		5,091		4,453
Total		11,597		10,959
a. Reconciliation of the Number of Shares				
Equity Shares : Face value of Rs.6 each				
As at beginning of the year	108,435,840	6,506	108,435,840	6,506
Share issued during the year	-	-	-	-
Buyback/ forfeiture/ reduction shares	-	-	-	-
Outstanding at the end of the year	108,435,840	6,506	108,435,840	6,506
Preference Share :Face value of Rs 10 each				
As at beginning of the year	44,528,571	4,453	40,242,857	4,024
Share issued during the year	6,375,700	638	4,285,714	429
Buyback/forfeiture/ reduction shares	-	-	-	-
Outstanding at the end of the year	50,904,271	5,091	44,528,571	4,453
b. Details of Shareholders holding more than 5% shares				
Name of the Shareholders	Number of shares	% held	Number of shares	% held
Equity Shares :				
Welspun Steel Limited	43,247,034	39.88	43,247,034	39.88
Widescreen Holding Pvt Limited	24,143,333	22.27	24,143,333	22.27
Mangnificent Trading Pvt Limited	7,012,334	6.47	7,012,334	6.47
Calplus Trading Pvt Limited	6,114,390	5.64	6,114,390	5.64
12% CRPS				
Welspun Steel Limited	50,904,271	100	44,528,571	100

c. Terms/ rights attached to

Equity shares :

The Company has 108,435,840 equity share having par value of Rs 6/- each fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends, if any, in Indian rupees. The dividend proposed if any, by the board of Directors is subject to the approval of the Shareholders in 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 share holders.

Preference Share :

The CRPS carry dividend (cumulative) of 12% per annum. The CRPS 40,242,857 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment(i.e. 19th February 2013), The CRPS 4,285,714 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e.11th February 2014) and

The CRPS 6,375,700 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e.11th November 2014).

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Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)

Particulars	As at 31st March 2015	As at 31st March 2014
3 RESERVE AND SURPLUS		
Securities Premium Account		
Balance as at the beginning of the year	11,132	10,061
Add: received on issue of shares	1,593	1,071
Less : Amount Utilized	-	-
Balance as at the end of the year	12,725	11,132
(Deficit) in Statement of Profit and Loss		
As per the last Balance Sheet	(32,583)	(29,171)
Add/(less) : Additional depreciation pursuant to enactment of Schedule II of the Companies Act, 2013 (refer note 11(a))	(2,898)	-
Add: Profit / (Loss) for the year	(3,662)	(3,412)
Balance as at the end of the year	(39,143)	(32,583)
Total	<u>(26,418)</u>	<u>(21,451)</u>
4 SHARE APPLICATION MONEY PENDING ALLOTMENT		
Share application money pending allotment	-	2,232
Total	<u>-</u>	<u>2,232</u>

The share application money was received in previous year against issue made during the year of 6,375,700 CRPS of Rs.10 each at a premium of Rs.25 per share carrying dividend (cumulative) of 12% per annum. The CRPS shall be redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment.

5 LONG TERM BORROWINGS

(Rs.in lac)

Particulars	As at 31st March 2015		As at 31st March 2014	
	Non Current	Current	Non Current	Current
Secured				
Indian Rupee Term Loans from Banks	17,606	472	16,415	800
	17,606	472	16,415	800
Unsecured				
Body corporate Loan	1,900	-	-	-
	1,900	-	-	-
Total	19,506	472	16,415	800

Secured:

a) Rupee loan of Rs.18,078 lac (Previous year Rs. 17,215 lac) pari passu basis, by way of:

- i. Equitable mortgage of immovable properties on first charge basis.
- ii. Hypothecation of movable fixed assets on first charge basis.
- iii. Second charge on current assets.

Rupee loans carry interest at bank prime lending rate /base rate plus margin. Loans of

- i. Rs.16,900 lac are repayable in 30 quarterly installment starting from September 2016 and ending in April 2024.
- ii. Rs.770 lac are repayable in 20 quarterly installment starting from June 2014 and ending in March 2019.
- iii. Rs.408 lac are repayable in quarterly installments starting from March 2012 and ending in June 2015.

b) Rupee Term loans include installment of Rs.163 lac (Previous Year Rupees. 150 Lac) due on the balance sheet date.

Unsecured:

a) Body Corporate Loan carries interest rate @ 10% p.a. is repayable immediately after the expiry of 36 Months from the date of agreement.

RMG ALLOY STEEL LIMITED
(Formerly known as “REMI METALS GUJARAT LIMITED”)

Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)

Particulars	As at 31st March 2015	As at 31st March 2014
6 LONG TERM PROVISIONS		
Provision for Employee Benefit	121	100
Provision for Gratuity	39	38
Provision for Leave Encashment		
Total	160	138
7 SHORT TERM BORROWINGS		
Secured		
From Bank		
Working Capital Loan	12,371	11,584
Unsecured		
From Bank		
Foreign Currency Loan : Buyer's Credit	128	1,391
Loan from Others	3,373	-
Total	15,872	12,975
a) Working Capital Loans are secured, on pari passu basis, by way of		
i. Hypothecation of current assets on first charge basis.		
ii. Hypothecation of movable fixed assets on second charge basis.		
iii) Equitable mortgage of immovable properties on second charge basis		
b) Working Capital Loans carry interest, at bank prime lending rate/base rate plus margin, ranging from 11.50% to 14.75%.		
c) Buyers Credit carry interest at LIBOR plus margin (45 bps to 65 bps).		
8 TRADE PAYABLES		
Micro small and medium enterprises (Refer Note No.37)	21	-
Others	6,197	11,034
Total	6,218	11,034
9 OTHER CURRENT LIABILITIES		
Current maturity of long term borrowings	471	800
Interest accrued and due	380	304
Interest accrued but not due	43	5
Advances from Customers	34	38
Advance from others (Land sale)	-	1,457
Book overdraft	37	71
Payable for purchase of fixed assets	297	336
Payable to Employees	116	136
Statutory Liabilities	706	1,207
Provision for expenses	187	299
Other Payables	90	156
Total	2,361	4,809
10 SHORT TERM PROVISIONS		
Provision for Employee Benefits		
Provision for Gratuity	9	28
Provision for Leave Encashment	3	4
Total	12	32

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Notes forming part of the Financial Statements (Contd.)

11 FIXED ASSETS

(Rs.in lac)

Description	Gross Block				Depreciation / Amortisation					Net Block	
	As at 01-04-2014	Additions	Deductions/ Adjustments	As at 31-03-2015	Up to 31-03-2014	Retained Earnings (refer note below)	For the year	Deductions/ Adjustments	Up to 31-03-2015	As at 31-03-2015	As at 31-03-2014
TANGIBLE ASSETS :											
Lease hold Land	351	-	-	351	-	-	-	-	-	351	351
Free hold Land	48	-	34	14	-	-	-	-	-	14	48
Plant & Machinery	30,997	427	-	31,424	21,157	2,551	852	-	24,560	6,864	9,840
Electrical Installation	2,008	2	12	1,998	1,603	274	25	13	1,889	109	405
Buildings	9,450	67	708	8,809	3,795	30	260	150	3,935	4,874	5,655
Office Equipments	248	2	-	250	172	43	24	-	239	11	76
Furniture and Fixtures	111	-	-	111	77	-	5	-	82	29	34
Vehicles	27	-	-	27	20	-	3	-	23	4	7
	43,240	498	754	42,984	26,824	2,898	1,169	163	30,728	12,256	16,416
INTANGIBLE ASSETS:											
Computer Software	32	-	-	32	10	-	8	-	18	14	22
	32	-	-	32	10	-	8	-	18	14	22
Total	43,272	498	754	43,016	26,834	2898	1,177	163	30,747	12,270	16,438
Previous Year	43,104	176	8	43,272	24,609		2,228	3	26,834	16,438	
Capital Work-in-Progress										138	499

Note: (a) In accordance with the provisions of schedule II of the Act. In case of fixed assets which have completed their useful life as at 1st April 2014 .the carrying value (net of residual value) amounting to Rs 2,898 lacs as a transitional provision has been recognized in the Retained Earning.
-Further in case of assets acquired prior to 1st April 2014, the carrying value of assets is depreciated over the useful life as determined effective 1st April 2014.
-Depreciation and amortization expenses for the year would have been higher by Rs.1061 Lac had the company continued with the previous assessment of useful life of such assets.

(Rs.in lac)

Particulars	As at 31st March 2015	As at 31st March 2014
12 LONG TERM LOANS AND ADVANCES		
Unsecured and considered good unless otherwise stated		
Capital advances	17	19
Less: Provision for doubtful debt	5	5
	<u>12</u>	<u>14</u>
Security Deposits	100	100
Income tax paid/deducted (Net of provisions)	119	105
Total	<u><u>231</u></u>	<u><u>219</u></u>
13 INVENTORIES		
Raw Materials	885	1,343
Semi Finished Goods	1,358	1,714
Finished Goods	811	1,417
Stores and Spares (net of provision for obsolescence of Rs. 112 lac, Previous year Rs. 62 lacs)	1,473	1,693
Total	<u><u>4,527</u></u>	<u><u>6,167</u></u>

RMG ALLOY STEEL LIMITED
(Formerly known as “REMI METALS GUJARAT LIMITED”)

Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)

Particulars	As at 31st March 2015	As at 31st March 2014
14 TRADE RECEIVABLES		
Unsecured considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	1,198	321
Others	5,449	10,797
	6,647	11,118
Considered Doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	462	406
Others	-	-
	462	406
Less: Provision for Doubtful Debts	7,109	11,524
	462	406
Total	6,647	11,118
15 CASH AND BANK BALANCES		
Cash and Cash Equivalent		
Balances with Banks		
In Current Accounts	70	370
Cash on Hand	2	1
Other Bank Balances		
In Margin Deposit Accounts*	1,063	1,224
Total	1,135	1,595
*Balance with Margin money Accounts includes deposits of Rs. Nil (Previous year Rs. 119 lac) with maturity more than 12 months		
16 SHORT TERM LOANS AND ADVANCES		
Unsecured considered good unless otherwise stated		
Security deposit	11	11
Balance with Statutory/Government Authorities	3,913	939
Advance to Vendors	162	25
Loans & advance to employees	-	1
Prepaid expenses	88	60
Cenvat/Other claims receivable/recoverable	114	20
Total	4,288	1,056
17 OTHER CURRENT ASSETS		
Interest receivable on Margin Deposits	72	51
Total	72	51

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Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
18 REVENUE FROM OPERATIONS		
Sales of Products – Gross	37,170	46,507
Less: Excise Duty	3,899	4,879
	<u>33,271</u>	<u>41,628</u>
Sales of Products – Net	33,271	41,628
Particulars of Sale of Products		
Steel	33,261	40,784
Seamless Pipe	10	844
	<u>33,271</u>	<u>41,628</u>
Other Operating Revenues		
Export Incentives	2	-
Other Revenue	65	84
Provision no longer required	35	-
	102	84
Total	<u><u>33,373</u></u>	<u><u>41,712</u></u>
19 OTHER INCOME		
Interest from Bank & Others	148	157
Profit on sales of fixed assets	866	-
Sundry Balance written back	-	2
Miscellaneous Income	146	-
Total	<u><u>1,160</u></u>	<u><u>159</u></u>
20 COST OF RAW MATERIAL CONSUMED		
Cost of Raw Materials Consumed (Refer Note No. 36(a))		
Inventory at the beginning of the year	1,343	1,227
Add : Purchases	20,905	26,103
Less : Inventory at the end of the year	885	1,343
Total	<u><u>21,363</u></u>	<u><u>25,987</u></u>
Particulars of Raw Materials		
Metallics	16,820	20,683
Ferro Alloys	4,080	4,634
Others	463	670
Total	<u><u>21,363</u></u>	<u><u>25,987</u></u>
21 PURCHASE OF STOCK IN TRADE		
Purchase for stock trade	140	-
Total	<u><u>140</u></u>	<u><u>-</u></u>
22 CHANGES IN INVENTORIES		
Inventories (at beginning)		
- Finished Goods	1,417	1,797
- Semi Finished Goods	1,714	3,083
	<u>3,131</u>	<u>4,880</u>
Inventories (at close)		
- Finished Goods	811	1,417
- Semi Finished Goods	1,358	1,714
	<u>2,169</u>	<u>3,131</u>
Net (Increase) / Decrease		
- Finished Goods	606	380
- Semi Finished Goods	356	1,369
Total	<u><u>962</u></u>	<u><u>1,749</u></u>

RMG ALLOY STEEL LIMITED
(Formerly known as “REMI METALS GUJARAT LIMITED”)

Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
22 CHANGES IN INVENTORIES (Contd.)		
Particulars of Inventories		
Finished Goods		
Steel	811	1,417
Seamless Pipe	-	-
	<u>811</u>	<u>1,417</u>
Semi Finished Goods		
Steel	1,357	1,462
Seamless Pipe	1	252
Total	<u><u>1,358</u></u>	<u><u>1,714</u></u>
23 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Allowances and Benefits	1,440	1,744
Contribution to Provident and other Funds	85	96
Gratuity	26	44
Leave Encashment	16	15
Staff Welfare Expenses	39	54
Total	<u><u>1,606</u></u>	<u><u>1,953</u></u>
24 FINANCE COST		
Interest Expense	4,676	4,673
Other Borrowing Cost	312	297
Total	<u><u>4,988</u></u>	<u><u>4,970</u></u>
25 OTHER EXPENSES		
Manufacturing and Other Expenses		
Stores and Spare Consumed (Refer Note No. 36(b))	2,127	2,399
Power and Fuel	6,376	6,619
Repairs to Buildings	43	24
Repairs to Plant & Machinery	238	248
Labour Charges	316	366
Job Work Charges	279	627
Insurance	37	52
Excise Duty on change in inventories	(66)	(42)
Lease Rentals and Hire Charges	53	74
Security charges	30	41
Safety Expenses	9	6
Vehicle Expenses	69	70
Communication expenses	46	33
Travelling and Conveyance	35	54
Rates and Taxes	2	25
Rent	-	38
Printing & Stationery	15	15
Listing Fees	5	4
Directors' Sitting Fees	4	2
Auditors' Remuneration		
- Audit Fees	9	9
- Certification Charges	1	1
Legal and Professional Fees	81	124
Net loss on foreign currency transactions and translation	50	328
Freight	179	222
Discounts on Sales	162	312
Brokerage & Commission	2	1
Sales Promotion Expenses	-	2
Provision for Doubtful Debts	67	130
Bad Debt written off	-	-
Loss on assets sold/scrapped (Net)	-	2
Miscellaneous Expenses	51	129
Total	<u><u>10,218</u></u>	<u><u>11,915</u></u>

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26 Exceptional Item

As per the Letter dated 9th October 2013 of Government of Gujarat to BIFR in connection with G.R.No: 102012-593970-I, dated 8th July 2013, the Company is eligible to avail unutilized incentive. Accordingly, the Company has exercised the option for remission of VAT/Sales tax. Accordingly, the Company has accounted an amount of Rs. 3,519 lac (including interest provided up to 31st March 2013 Rs 152 lac) towards the remission of VAT/Sales tax based on the above stated letter in the previous year.

Further, the company has received final certificate of Entitlement from Industries Commissioner and issuance of notification No. GHN – 17 VAR – 2015 (36) dated 18th May, 2015 by finance department of Gujarat. Accordingly, the company is entitled to the benefits available under the relevant scheme as provided in such eligibility certificate and the provision of aforesaid G.R shall mutatis mutandis apply in respect of such industrial unit. Accordingly, during the year the Company has accounted for the refund on the purchase tax for an amount of Rs. 2,259 lac net off Sales tax liability of Rs. 624 lacs.

- 27 The slowdown in end user industries and overall global weakness continues to weigh on and adversely impact the performance. Having consideration to the impending infusion of long term funds by promoter/strategic investor, proposed /sanctioned fresh loans from the lenders and the expected receipt of fiscal incentive will result in improvement in the liquidity of the company. The value added products approved by major OEM's will result in increased demand of company's products. Already, the Company has started receiving orders from Defence, Railways and Energy sectors. Management thus, expects substantial improvement in the utilisation of the capacity. Accordingly, the financial statements have been prepared on going concern basis and no adjustments are required to the carrying amount of assets and liabilities.

28 EARNING PER SHARE

(Rs.in lac)

Particulars	As at 31st March 2015	As at 31st March 2014
Net Profit / (Loss) for the year (Rs. lac)	(3,662)	(3,412)
Less: Cumulative Dividend on 12% CRPS	564	544
Net Profit / (Loss) for the year considered for calculating earnings per share	(4,226)	(3,956)
Number of equity shares outstanding during the year	108,435,840	108,435,840
Basic and Diluted earnings / (loss) per equity share of Rs.6/- each:	(3.90)	(3.65)

- 29 The balances of trade receivables and trade payables are subject to confirmation from the respective parties and consequential adjustments arising there from, if any. The management however does not expect any material variations on reconciliation.
- 30 In the opinion of the Board, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet, unless stated otherwise. The provision for all known liabilities is adequate and not in excess of the amount reasonably stated.

31 SEGMENT REPORTING

The Company operates in a single business segment i.e. manufacture of steel and steel products such as seamless tubes and rolled products and as such there are no primary and secondary segments as per the requirement of Accounting Standard (AS-17) on "Segment Reporting" as notified in the Companies (Accounting Standards) Rules 2006. The Company has no reportable geographical segment.

32 RELATED PARTY DISCLOSURE

As for Accounting Standard (AS – 18) 'Related Party Disclosures', notified in the Companies (Accounting Standards) Rules 2006, the disclosures of transactions with the related parties as defined in the Standard are given below:

Name of related party	Relationship
-ShashankChaturvedi	Key Management Personnel (up to 11th November 2014)
-AbhishekMandawewala	Key Management Personnel (up to 1st April 2013)
- Welspun Steel Limited	Enterprise having significant influence over the Company
- Wide Screen Holding Pvt Ltd	Enterprise having significant influence over the Company

Above mentioned related parties are identified by the Management and relied upon by the Auditor.

Transactions with related parties

(Rs.in lac)

Particulars	Enterprise having significant influence	Key Management Personnel
Welspun Steel Limited		
Purchases	1,253(314)	-
Sales	1 (1)	-
Reimbursement of Expenses	24(111)	-
Interest to Creditors	23(7)	-
Outstanding Payable	240 (NIL)	-
Share Application Money received	NIL(2,232)	-
Remuneration		
ShashankChaturvedi	-	53 (65)
AbhishekMandawewala	-	NIL (NIL)

(figures in bracket represent Previous year figures)

33 DEFERRED TAX LIABILITY (Net)

(Rs. in lac)

Particulars	As at 31st March 2015	As at 31st March 2014
Deferred Tax Liability		
Related to Fixed Assets	1616	2,274
Deferred Tax Asset		
Other Disallowances under Income Tax Act, 1961	89	112
Unabsorbed Depreciation/ Business Loss (Refer note below)	1527	2,162
Net Deferred Tax Liability	-	-

Note: - In the absence of virtual certainty, Deferred Tax asset on account of unabsorbed depreciation and business loss has been recognized to the extent it can be realized against reversal of deferred tax liability.

34 EMPLOYEE BENEFITS

a) Defined Contribution Plan

The Company makes contributions at a specified percentage of payroll cost towards Employees Provident Fund (EPF) for qualifying employees.

The Company recognized Rs.85 lac (Previous year Rs.95 lac) for provident fund contributions in the Statement of Profit and Loss.

b) Defined Benefit Plans

Gratuity is payable to all eligible employees of the company on superannuation, death and resignation in terms of the provision of the payment of Gratuity Act. The present value of obligations is determined based on actuarial valuation using Projected Unit Credit Method, which recognized each period of service as given rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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The following table sets out the status of the gratuity plan and the amounts recognized in the company's financial statements as at 31st March, 2015:

(Rs.in lac)

Particulars	Gratuity Non Funded	
	As at 31st March 2015	As at 31st March 2014
Reconciliation of Present Value of Obligation PVO– defined benefit obligation		
PVO at the beginning of the year	127	173
Current Service Cost	19	21
Interest Cost	11	14
Actuarial (gain) / losses	(5)	9
Benefits paid	(24)	(90)
PVO at end of the year	129	127
Net cost for the year ended 31st March		
Current Service cost	19	21
Interest cost	11	14
Actuarial (gain) / losses	(5)	9
Net cost	26	44
Assumption used in accounting for the gratuity plan		
Discount rate (%)	8.00 % p.a.	9.00 % p.a.
Salary escalation rate (%)	5.00 % p.a.	5.00 % p.a.

c) OTHER DISCLOSURES

	2014-15	2013-14	2012-13	2011-12	2010-11
Present value of defined benefit obligation	130	127	173	168	131
Fair value of plan assets	—	—	—	—	—
(Deficit)/ Surplus of the plan	(130)	(127)	(173)	(168)	(131)
Experience adjustments on plan liabilities [loss / (gain)]	(6)	19	8	23	31
Experience adjustments on fair value of plan assets [(loss) / gain]	-*	-*	-*	-*	-*

*The details of experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on "Employee Benefits" are not available in the valuation report and hence, are not furnished.

d) Other Long Term Employee Benefits

The compensated absences charge for the year ended 31st March, 2015, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting to Rs.16 lac (Previous year Rs.14 lac) has been recognized in the Statement of Profit and Loss.

35 FINANCIAL AND DERIVATIVE INSTRUMENTS

Particulars	INR equivalent (Rs.in lac)		USD equivalent (USD in lac)	
	As at 31st March			
	2015	2014	2015	2014
Foreign Currency:				
Unhedged				
Buyers' Credit	128	1,391	2	23
Current Liabilities	218	514	3	9

RMG ALLOY STEEL LIMITED
(Formerly known as “REMI METALS GUJARAT LIMITED”)

36 ADDITIONAL INFORMATION

Pursuant to the provisions of 5(viii)(c) of Part II of Schedule III to the Companies Act, 2013:

Sr. No.	Particulars	For the year ended 31st March		For the year ended 31st March	
		2015		2014	
		Amount (Rs.in lac)	(%)	Amount (Rs.in lac)	(%)
a)	Value of Raw Material Consumed				
	-Imported	2,588	12	3,213	12
	-Indigenous	18,775	88	22,774	88
	Total	21,363	100	25,987	100
b)	Value of Stores and Spares Consumed				
	- Imported	348	16	380	16
	- Indigenous	1,779	84	2,019	84
	Total	2,127	100	2,399	100

Particulars	For the year ended 31st March	
	2015	2014
c) Value of Imports on CIF Basis in respect of		
- Raw Materials	2,016	2681
- Stores and Spares	307	377
-Finished Goods	140	-
-Fixed Asset (Plant & Machinery)	51	-
d) Expenditure in Foreign Currency		
- Interest / Bank Charges	15	38
- Foreign Travels	-	-
_Others	-	0.56
e) Earnings in Foreign Exchange		
- FOB Value of Export	87	-

Particulars	For the year ended 31st March	
	2015	2014
f) Contingent Liability		
Capital Commitments not provided for (net of advances)	23	23
Bank Guarantees	1,057	1035
Bills Discounted	490	561
Service Tax	139	184
Excise Duty	34	34
Customs Duty	7	-
Disputed Sales Tax Demands	48	48
Disputed Income Tax Demand	86	86
Claim against the Company not acknowledged as debts	237	153
Dividend on Cumulative Redeemable Preference Shares (CRPS)	1108	544

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- 37 Disclosures relating to amounts payable as at the year end together with interest paid / payable to Micro, Small and Medium Enterprises have been made in the accounts, as required under Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) to the extent of information available with the Company determined on the basis of information received from suppliers regarding their status. The required disclosures are the information required under the said Act as given below :

(Rs.in lac)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Principal amount remaining unpaid as on 31st March	21	-
Interest due thereon as on 31st March	5	1
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at 31st March, 2013	-	-
Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

38 PREVIOUS YEAR'S FIGURES

Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our attached report of even date

For CHATURVEDI & SHAH

Chartered Accountants

Firm Registration No: 101720W

Parag D Mehta

Partner

Membership No.113904

Place : Mumbai

Date : 28.05.2015

For and on behalf of the Board of Director

Ashok Jain

Director

Abhishek Mandawewala

Director

Sanjay Kukreja

CFO

Nilesh Javker

Company Secretary

RMG ALLOY STEEL LIMITED
(Formerly known as "Remi Metals Gujarat Limited")

CIN : L27100GJ1993Plc020358

Registered Office : G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393110, India. Tel No.: +91 2645 619700, Fax No. + 91 2645 619800, Email : allcompanysecretaryofrmgl@welspun.com Website: www.rmgalloysteel.com

Corporate Office : B/9, Trade world, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013. Tel No: +91 -22-66136000 Fax: +91-22-2490 8020

E-mail Registration-Cum-Consent Form

To,
The Executive Director,
RMG Alloy Steel Limited (Formerly known as "Remi Metals Gujarat Limited")
G.I.D.C Industrial Estate, Valia Road, Jhagadia,
Dist. Bharuch, Gujarat 393110

I/ we the members of the Company do hereby request you to kindly register/ update my e-mail address with the Company. I/ We, do hereby agree and authorize the Company to send me/ us all the communications in electronic mode at the e-mail address mentioned below. Please register the above e-mail address / mobile number for sending communication through e-mail/ mobile.

Folio No. :	DP – ID	:	Client ID	:
Name of the Registered Holder (1st)		:		
Name of the joint holder(s)		:		
Registered Address	:			
	Pin:			
Mobile Nos. (to be registered)	:			
E-mail Id (to be registered)	:			

Signature of the Shareholder(s)*

* Signature of all the shareholders is required in case of a joint holding.

Form No. SH-13 Nomination Form

(Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014)

To,
The Executive Director,
RMG Alloy Steel Limited (Formerly known as "Remi Metals Gujarat Limited")
G.I.D.C Industrial Estate, Valia Road, Jhagadia,
Dist. Bharuch, Gujarat 393110

I/ We _____ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S —

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

Name: _____

Address: _____

Name of the Security Holder(s) _____

Signatures: _____

Witness with name and address: _____

3. IN CASE NOMINEE IS A MINOR—

- (a) Date of birth:
- (b) Date of attaining majority
- (c) Name of guardian:
- (d) Address of guardian:

Instructions:

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by individuals only. Non individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the Shares are held jointly all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of Shares and in that event the name and address of the Guardian shall be given by the holder.
4. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
5. Transfer of Shares in favour of a nominee shall be a valid discharge by a Company against the legal heir(s).
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled; else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
9. Whenever the Shares in the given folio are entirely transferred or dematerialised, then this nomination will stand rescinded.
10. Upon receipt of a duly executed nomination form, the Registrars & Transfer Agent of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The Company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.
13. The intimation regarding nomination / nomination form shall be filed in duplicate with the Registrars & Transfer Agents of the Company who will return one copy thereof to the Shareholders.
14. For shares held in dematerialised mode nomination is required to be filed with the Depository Participant in their prescribed form.

Form No. MGT-11

PROXY FORM

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

CIN : L27100GJ1993PLC020358

Name of the Company: **RMG ALLOY STEEL LIMITED** (Formerly known as "Remi Metals Gujarat Limited")

Registered Office : G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393110, India. Tel No.: +91 2645 619700, Fax No. + 91 2645 619800, Email : allcompanysecretaryofrmgl@welspun.com Website: www.rmgalloysteel.com

Corporate Office : B/9, Trade world, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013. Tel No: +91 -22-66136000 Fax: +91-22-2490 8020

Name of the member (s): _____

Registered Address: _____

E-mail Id: _____

Folio No / Client ID _____ DP ID _____

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

1. Name) : _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him/her

2. Name) : _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him/her

3. Name) : _____

Address: _____

E-mail Id: _____

Signature: _____

as my / our proxy attend and vote (on a poll) for me / us and on my / our behalf at the 33rd Annual General Meeting of the Company to be held on Wednesday 30th September, 2015 at 12.30 p.m. at the Registered Office of the Company at G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393110 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Subject of the Resolution	Vote (y/n)
01	Adoption of Audited Statement of Profit & Loss, Balance sheet, report of Board of directors and Auditors for the year ended 31 March 2015.	
02	Appointment of Mr. V. S. Iyer as a director retiring by rotation.	
03	Appointment of Mr. Hanuman Kanodia as a director retiring by rotation.	
04	Ratification of appointment of Auditors.	
05	Ratification of remuneration to M/s. Kiran J. Mehta & Co., Cost Auditors of the Company.	
06	Appointment of Ms. Amita Karia as an additional Independent Director.	
07	Appointment of Mr. Anuj Burakia as an Additional Director.	
08	Appointment of Mr. Anuj Burakia as a Whole time Director.	
09	Increase in authorised share capital from Rs.120 Crores to Rs.130 Crores and alteration of clause V of Memorandum of Association	
10	Alteration of Article 3 and 3 A of Articles of Association	
11	To authorise Board of Directors for issue and allotment of Preference shares upto Rs.32.20 Crores.	

Signed this day of2015.

Affix Re. 1
Revenue
stamp

Signature of shareholder

Signature of Proxy Holder(s) : 1) _____ 2) _____ 3) _____

Note: The 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.

RMG ALLOY STEEL LIMITED

REGISTERED OFFICE

Plot No. 1, G.I.D.C Industrial Estate,
Valia Road, Jhagadia, Dist. Bharuch, Gujarat

RMG Alloy Steel Limited

(Corporate Identification Number – L27100GJ1993PLC020358)

Reg. Office: Plot No 1 G I D C Industrial estate Valia Road, JhagadiaDist, Bharuch - 393110 Gujarat - 370110

Tel No. +91-2645 619700, Fax No. + 91 2645 619800,

Corp. Office: Trade world, 'B' wing, 9th floor, Kamala city, Senapati Bapat Marg, Lower Parel (W), Mumbai, Maharashtra – 400013
Email: allcompanysecretaryofrmgl@welspun.com; www.rmgalloysteel.com

ATTENDANCE SLIP

Name of the sole / first named member

Address of sole / first named member:

Registered folio no.
DP ID no. / Client ID no.*

Number of shares held

I hereby record my presence at the 33rd Annual General Meeting of the Company to be held on Wednesday 30th September 2015 at Plot No 1 G I D C Industrial estate Valia Road, Jhagadia Dist, Bharuch – 393110Gujarat – 370110 at 12:30 p.m

Signature of Shareholder/ Proxy Present

Note: Members are requested to fill up the attendance slip and hand it over at the venue of the meeting.

Tear here

The electronic voting particulars are set out below:

EVEN (E-voting event number)	User ID	Password / PIN

The e-voting period commences on Sunday, September 27, 2015 at 9:00 am and ends on Tuesday September 29, 2015 at 5:00 pm. The e-Voting module shall be disabled by NSDL for voting thereafter.

Please read the instructions before exercising the vote.

These details and instructions form integral part of the Notice dated July 8, 2015 of 33rd Annual General Meeting.

RMG ALLOY STEEL LIMITED

**34TH ANNUAL REPORT
2015 - 2016**

RMG ALLOY STEEL LIMITED

CIN:L27100GJ1993PLC020358

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Atul Desai	-	Chairman
	Mr. Anuj Burakia	-	Whole Time Director
	Mr. Ashok Jain		
	Mr. Hanuman Kanodia		
	Mr. V S Iyer		
	Ms. Amita Karia		
KEY MANAGERIAL PERSONNEL	Mr. Nilesh Javker	-	Company Secretary
	Mr. Narendra Kumar Bhandari	-	Chief Financial Officer
AUDITORS	M/S. Chaturvedi & Shah., Nariman Point, Mumbai – 400 021		
BANKERS	Bank of Baroda Lakshmi Vilas Bank Andhra Bank Federal Bank Corporation Bank		
FACTORY AND REGISTERED OFFICE	Plot No. 1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat -393 110		
LISTING OF SHARES	THE BOMBAY STOCK EXCHANGE LTD, MUMBAI Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001.		
CORPORATE OFFICE	B/9, Trade World, Kamala City, S.B.Marg, Lower Parel Mumbai – 400013, Tel: 022-66136000/24908000, Fax: 022-24908020 E-mail: allcompanysecretaryofrmgl@welspun.com Website: www.rmgalloysteel.com		
R&T AGENT	Bigshare Services Pvt. Ltd., Unit: RMG Alloy Steel Limited E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai- 400 072. Email: investor@bigshareonline.com Tel: 91-22-40430200 Fax: 91-22-2847 5207		

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RMG ALLOY STEEL LIMITED

NOTICE

To,
The Members

NOTICE is hereby given that the 34th Annual General Meeting of **RMG Alloy Steel Limited** will be held at its Registered Office, Plot No.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, in the state of Gujarat on Tuesday, 27th September, 2016, at 12.30 pm to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statement for the financial year ended on 31st March, 2016 and the report of the Board of Directors and Auditor thereon.
2. To appoint a Director in place of Mr. Anuj Burakia (DIN: 02840211) who retires by rotation, and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration No.101720W), as the Statutory Auditors of the Company to hold office from the conclusion of 34th Annual General Meeting until the conclusion of the 35th Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors.”

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Kiran J. Mehta & Co. the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017, at a remuneration of Rs.35,000/- be and is hereby ratified.”

By Order of the Board
sd/-
Nilesh Javker
Company Secretary
ACS-24087

Place: Mumbai
Date: 25.05.2016

NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting.
A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Proxy shall not have the right to speak and shall not be entitled to vote except on a poll.
4. The proxy-holder shall prove his identity at the time of attending the meeting.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.

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6. A proxy form which does not state the name of the proxy shall not be considered valid. Undated proxy shall not be considered valid and if the Company receives multiple proxies for the same holdings of a member, the proxy which is dated last shall be considered valid. If they are not dated or bear the same date without specific mention of time, all such multiple proxies shall be treated as invalid.
7. When a Member appoints a proxy and both the member and proxy attend the meeting, the proxy stands automatically revoked.
8. A statement pursuant to Section 102 (1) of the Companies Act, 2013 (the Act), relating to the Special Business to be transacted at the meeting is annexed hereto.
9. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
10. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. The Register of members of the Company will remain closed from Friday, 23rd September, 2016 to Monday, 26th September, 2016 (both days inclusive).
12. All correspondence pertaining to Equity Shares should be forwarded to the Company's Registrar and Transfer Agent M/s. Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072, Contact person: Mr. K. S. L. Upadhya (General Manager) / Ms. Ujata Pokharkar (Client Executive) Tel: 91-22-40430200, Fax: 91-22-28475207, Email: investor@bigshareonline.com, and are also requested to immediately inform their change of address, change of e-mail address or consolidation of folios, if any, to the Company's said Registrar and Transfer Agent.
13. Members holding shares in dematerialized form are requested to intimate immediately any change pertaining to their bank details, Electronic Clearing Service (ECS) mandates, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agent, M/s. Bigshare Services Pvt. Ltd to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Bigshare Services Pvt. Ltd, Registrar and Transfer Agent.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants and members holding shares in physical form can submit their PAN details to the Company.
15. The Company will send full Annual Reports in electronic mode to its members who have registered their e-mail addresses for the purpose. Those shareholders who have not got their email address registered or wish to update a fresh email address may do so by submitting the attached E-mail Registration-Cum Consent Form to the Company or the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other documents in electronic form at the said e-mail address.
16. The shareholders who wish to nominate, any person to whom his securities shall vest in the event of his death, may do so by submitting the attached Nomination Form to the Company or the Registrar and Transfer Agent of the Company. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation.
17. 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 M/s. Bigshare Services Pvt. Ltd, Registrar and Transfer Agent, for consolidation into a single folio.
18. The Notice for the Annual General Meeting and the Annual Report will be available for inspection at the Registered Office of the Company on all working days between 10:00 a.m. to 12:00 noon upto the date of Annual General Meeting. The Notice will also be available on the Company's website at: www.rmgalloysteel.com.
19. The businesses mentioned in this Notice may be transacted through electronic voting system, the process and manner and such other details are as under:
 - a. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 34th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL). The e-voting facility is available at the link <https://www.evoting.nsdl.com>

Please read the instructions for e-voting, before exercising the vote.

These details and instructions forms integral part of the Notice for the 34th Annual General Meeting to be held on Tuesday, September 27, 2016.

INSTRUCTIONS FOR E-VOTING

Members are requested to follow the instructions below to cast their vote through e-voting:

- I. In case a Member receives an e-mail from NSDL (for members whose e-mail addresses are registered with the Company/Depositories):
 - a. Open the e-mail and also open PDF file namely “remote e-voting.pdf” with your Client ID or Folio No.as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - b. Open the internet browser and type the following URL: <https://www.evoting.nsd.com>.
 - c. Click on Shareholder – Login.
 - d. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - e. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - f. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - g. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - h. Select “EVEN” (E-Voting Event Number) of RMG Alloy Steel Limited, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.
 - i. Now you are ready for e-voting as Cast Vote page opens.
 - j. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted. Upon confirmation, the message “Vote cast successfully” will be displayed. Kindly note that vote once cast cannot be modified.
 - k. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to almakhija_cs@yahoo.co.in, with a copy marked to evoting@nsdl.co.in.
- II. In case a Member receives physical copy of the Notice of AGM (for members whose email addresses are not registered with the Company/Depositories):
 - a. Initial password is provided as below/at the bottom of the Attendance Slip for the General Meeting:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
 - b. Please follow all steps from Sr. No. (b) to Sr. No. (k) above, to cast vote.
- III. In case of any queries you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the “downloads” section of <https://www.evoting.nsd.com> or contact NSDL by email at evoting@nsdl.co.in or send e-mail to the Company at allcompanysecretaryofrmgl@welspun.com or Registrar & Transfer Agent or call on toll free no.: 1800-222-990.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

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- V. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 20, 2016.
- VII. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 20, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- VIII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- IX. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- X. Mr. A. L. Makhija, Practicing Company Secretary (Membership No. 5087) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- XI. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XII. The Scrutinizer shall, after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIII. The results declared along with the Report of the Scrutinizer shall be placed on the Company's website www.rmgalloysteel.com and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Bombay Stock Exchange Limited, Mumbai.
- XIV. The remote e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
From 9.00 a.m. September 24, 2016	Upto 5.00 p.m. September 26, 2016

During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 20, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.

By Order of the Board

sd/-

Nilesh Javker

Company Secretary

ACS-24087

Place: Mumbai
Date: 25.05.2016

Registered Office of the Company:

Plot No.1, G.I.D.C. Industrial Estate, Valia Road,
Jhagadia, Dist. Bharuch, Gujarat - 393 001
Corporate Identity Number: L27100GJ1993PLC020358
E-mail: allcompanysecretaryofrmgl@welspun.com
Website: www.rmgalloysteel.com

RMG ALLOY STEEL LIMITED

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION AS REQUIRED PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015

ITEM NO. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Kiran J. Mehta & Co., Cost Auditors to conduct the audit of cost records of the Company for the Financial Year ending March 31, 2017 at a remuneration of Rs.35,000/-p.a.

Pursuant to the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to M/s. Kiran J. Mehta & Co , Cost Auditors for the Financial Year ending March 31, 2017.

None of the Key Managerial Personnel or Directors of the Company or their relatives have any interest or concern in the proposed resolution.

By Order of the Board

sd/-

Nilesh Javker

Company Secretary

ACS-24087

Place: Mumbai

Date: 25.05.2016

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DIRECTOR'S REPORT

To,
The Members,
RMG Alloy Steel Limited,

Your Directors are pleased to present the Thirty-Fourth Annual Report together with Audited Financial Statements of the Company for the year ended 31st March, 2016.

FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	2015-16	2014-15
Sales and other income	27,022	34,533
Profit/(Loss) before Interest, Depreciation and exceptional items	(1,085)	(244)
Interest and Financial charges	4,580	4,988
Depreciation and Amortization	663	1,177
Profit/ (Loss) before exceptional items and tax	(6,329)	(5,921)
Exceptional items	321	2,259
Profit/(Loss) before tax	(6,007)	(3,662)

OPERATIONS

Performance of Alloy Steel and Seamless Tubes of the Company was as under:

Particulars	2015-16			2014-15		
	Production (Tones)	Sales (Qty M.T.)	Gross Sales (Rs.in Lacs)	Production (Tones)	Sales (Qty M.T.)	Gross Sales (Rs.in Lac)
Steel	50,664	51,131	29,955	58,183	59,147	36,980
Seamless pipes	-	-	-	11	11	1,077

The Company did lose on production quantities due to breakdowns in Walking Hearth Furnace (WHF) of Rolling Mill. Age-related capital maintenance of WHF has been scheduled in September-16.

The domestic steel market witnessed very poor demand for all steel products resulting in mismatch in demand and supply. This resulted in a slump in prices of finished products and glut in the market. The lower prices affected per unit realization, bringing down per MT revenue from Rs. 62,522/- in FY2014-15 to Rs. 58,585/- in FY2015-16 and the total revenue by 21.75%, whereas the total expenses were lower by 17.56% after factoring fixed cost (not directly proportionate to production levels) as against reduced production of 13.55%. The price of raw material was reduced by lesser amount as compared to fall in price of finished products.

The prices of steel imported from China, Ukraine and other countries were far lower than the domestic costs, and steel mills were forced to drop the prices in order to compete with the imported steel. The Government initiative of imposing Minimum Import Price (MIP) on import of many steel items is the testimony of what went wrong with the domestic markets. Recently, Anti-dumping duty has been imposed by Government on many items which has been welcomed by the steel industry. These measures will surely be able to bring about buoyancy in the demand due to curbing of imports. Fall in quantities of import in recent months is already seen.

The Union Budget emphasis on large investments in Defense, Power, Infrastructure, Railways is likely to lend a fillip to the alloy steel industry.

The Auto Industry is quite bullish and a good growth is expected to continue during the next fiscal.

Foreign car manufacturers in India are ramping up capacity utilization not only to cater to the growing domestic demand but also for catering to their overseas territories.

The Company has already been able to book some high value add engineering steel orders which on successful deliveries will open up another high margin avenue comprising of applications like tools and dies etc.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013 (the Act), your Directors hereby confirm that:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March 2016 and of the profit and loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)

a. Board of Directors:

During the year Mr. Abhishek Mandawewala resigned with effect from August 6, 2015 while Mr. Anuj Burakia was appointed as an Additional Director with effect from May 28, 2015 and thereafter appointed as a Whole Time Director w.e.f. July 29, 2015 in the 33rd Annual General Meeting held on September 30, 2015 subject to approval of Central Government for the remuneration payable to him.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Anuj Burakia, Director of the Company retire by rotation at the 34th Annual General Meeting and being eligible, has offered himself for re-appointment. Board has recommended his re-appointment.

Five (5) meetings of Board of Directors were held during the financial year 2015-16, the details of which are given in the Corporate Governance Report.

b. Key Managerial Personnel:

Mr. Sanjay Kukreja, erstwhile Chief Financial Officer of the Company ("CFO") resigned w.e.f. 31.07.2015. Mr. Narendra Kumar Bhandari was appointed to occupy the position of CFO w.e.f. February 12, 2016.

Appointment of Mr. Nilesh Javker as the Company Secretary of the Company was approved on March 31, 2015 by the Board; however, Mr. Javker joined only with effect from May 27, 2015.

c. Declaration by Independent Directors:

Mr. Atul Desai, Mr. Ashok Jain and Ms. Amita Karia, independent directors have given declaration that they meet the criteria of independent directors as provided in Section 149(6) of the Companies Act, 2013.

d. Annual Board Evaluation:

In compliance with the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, as per the process recommended by the Nomination and Remuneration Committee, has evaluated the effectiveness of the Board, its Committees and Directors and the results were satisfactory.

e. Disclosure as per Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year: **the ratio of remuneration of Whole Time Director to the median remuneration was 5.37 times.**
- (ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: **there was no increase in remuneration of Directors, CEO, CFO or CS.**

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- (iii) the percentage increase in the median remuneration of employees in the financial year: **12.27%**.
- (iv) the number of permanent employees on the rolls of company: **464**.
- (v) the explanation on the relationship between average increase in remuneration and company performance: **the increment could not be related to the performance of the company because of the peculiar financial performance / state of affairs of the Company.**
- (vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: **the increment could not be related to the performance of the company because of the peculiar financial performance / state of affairs of the Company.**
- (vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year:

	31/03/2015	31/03/2016	Variation
Market Capitalisation (Rs. in crores)	29.49	35.46	5.96
P/E Ratio	(0.70)	(0.54)	0.16
Market Price per share	2.72	3.27	0.55
EPS	(3.90)	(6.11)	(2.21)

- (viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: **10.17% increase in aggregate remuneration of employees (including new employees) excluding KMP, there was no increase in managerial remuneration.**
- (ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company: **Remuneration could not be related to performance of the Company due to the peculiar financial performance / state of affairs of the Company.**
- (x) the key parameters for any variable component of remuneration availed by the directors: **There is no variable component in the remuneration availed by Directors.**
- (xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

Sr. N.	Name of Employee	Ratio as compared with highest earning Director (no. of times)
1.	Rajendra Avhale	1.10
2.	Sahil Arora	1.15
3.	Vinod Makhecha	1.25
4.	Taral N Parekh	1.29
5.	Shivdas Nair	1.31
6.	Vijay Mangalur	1.34
7.	P B Shetty	1.40
8.	Navneet Kumar*	1.40
9.	Surya Narayan Palo	1.43
10.	Sachin S Madhikar	1.44
11.	Tarun Garg	1.49
12.	Manoj Chaturvedi	1.65
13.	Pankaj Jaiswal	1.70
14.	Manas R.Das	2.20

RMG ALLOY STEEL LIMITED

15.	Anil Singh Rana	2.50
16.	Prakash Bhalchandra Kulkarni*	3.00
17.	Milind Sangamnerkar*	3.15
18.	Prasanna Kumar H C*	3.80
19.	Brij Kishore Sharma	3.90
20.	Sunil Vyas	5.70
21.	Rajendra Sharda*	6.00
22.	Sudhir Mallya	7.50

* Such employees were employed for a part of the year only, however, above calculation was made based on their annual remuneration.

(xii) We affirm that the remuneration is as per the remuneration policy of the company.

None of the Directors receive any commission.

● Remuneration Policy and Criteria for making payment to Non-Executive Directors

Pursuant to Section 178 (3), Nomination and Remuneration Committee (NRC) at its meeting held on 27th May, 2014 approved and recommended policy relating to criteria for determining qualifications, positive attributes and independence of directors, the remuneration for the Directors, Key Managerial Personnel and other employees and the Board of Directors approved the said policy as recommended by NRC, at its meeting held on 27th May, 2014.

An extract and of Nomination and Remuneration Policy of the Company is included as a part of the Corporate Governance Report.

AUDIT COMMITTEE

The Audit Committee consists of the following Non-Executive Directors:

- a. Mr. Atul Desai - Chairman, Independent
- b. Mr. Ashok Jain - Member, Independent
- c. Ms. Amita Karia - Member, Independent

None of the Audit Committee's recommendations were rejected.

DEPOSITS

The Company has not accepted any deposit within the meaning of the Chapter V to the Companies Act, 2013. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under the Report.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return in form MGT-9 is enclosed as **Annexure I**.

DETAILS OF RELATED PARTY TRANSACTIONS

Details of arrangement entered into with Welspun Steel Limited under section 189 (related party) pursuant to Rule 8 (2) of the Companies (Accounts) Rules, 2014 are mentioned in form AOC-2 enclosed as **Annexure II**.

The Company neither being a holding company nor a subsidiary, disclosure of related party transaction as per Schedule V of SEBI (LODR) Regulations, 2015 are not applicable.

AUDITORS AND THEIR REPORTS

● Statutory Auditors:

Your Company's Auditors, M/s. Chaturvedi & Shah, Chartered Accountants were re-appointed for the period of three years till the conclusion of 35th Annual General Meeting subject to ratification by the members of your Company at every Annual General Meeting, have given their consent to continue to act as the Statutory Auditors of your Company for the remaining tenure. Members are requested to ratify their appointment from the conclusion of 34th Annual General Meeting to the conclusion of 35th Annual General Meeting by passing an ordinary resolution under Section 139 of the Companies Act, 2013.

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Please refer to Auditors' Observations/ Qualifications and in relation thereto the Board of Directors state as under:

- i. As regards note (i)(a) of "Annexure A to Independent Auditors' Report", the Company is relooking its Fixed Assets Register to find the missing information and the same will be updated in due course of time.
- ii. As regards note (xiv) of "Annexure A to Independent Auditors' Report", regarding non-deposit of share application money into a separate bank account as required under Section 42 of the Companies Act, 2013, your directors express that due to oversight the amount received towards share application money remained deposited in the cash credit bank account.

● **Cost Auditors:**

As per Section 148 and other applicable provisions, if any, of the Act read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of your Company has appointed M/s. Kiran J. Mehta, Cost Accountants as the Cost Auditors of your Company for FY 2016-17 on the recommendations made by the Audit Committee.

Members are requested to ratify their remuneration by passing an ordinary resolution in the forthcoming Annual General Meeting.

● **Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. A.L. Makhija, Practicing Company Secretary, as the Secretarial Auditor of your Company for the FY 2016-17. The Secretarial Audit Report is annexed herewith as **Annexure - III** to this Report.

As regards observations of the Secretarial Audit Report, we state that-

- i. Note (A), (B) and (C) are self-explanatory and therefore do not call for any comments;
- ii. In respect of note (D) regarding non-deposit of share application money into a separate bank account as required under Section 42 of the Companies Act, 2013, please refer the explanation/comment given above for note (xiv) of "Annexure A to Independent Auditors' Report".

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186.

The Company has not made investment nor given loan or provided any guarantee for repayment of loan under section 186 of the Act.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees and no personnel have been denied access to the Audit Committee Chairman.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo required pursuant to Rule 8(3) of the Companies (Accounts) Rules, 2014 are as follows:

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy.

- > In ingot soaking pit, hot charging practice adopted and heating cycles was optimized.
Impact : Natural Gas (fuel) consumption was reduced from 120 m3 / ton to 100 m3 / ton.
- > In Walking Hearth Furnace, modification was done for change of stroke length for input sizes of 150 mm & 198 mm.
Impact : For 50 to 60 Round Campaign, natural gas consumption was reduced from 90 m3 / ton to 75 m3 / ton.
- > Installation of Energy Management System for maximum utilization of power made available to the company
Impact: improvement in power utilization.

RMG ALLOY STEEL LIMITED

- > Produce Gas Plant converted from cold gas to hot gas for enabling direct hot gas feeding into Walking Hearth Furnace at more than 200°C

Impact: conservation of coal used for heating the cold gas.

(ii) Planned Capexes on following areas :

- > Installation of Variable Speed Drive for dust & fume extraction system.
- > Installation of Horizontal Pumps in place of Vertical Hydraulic (water) Pumps.
- > Installation of additional Capacitor Banks for improving power factor from 0.994 to 0.997.

B. Technology Absorption

- > Quenching and tempering process was enabled by making modification to 4-TPH Furnace to get additional price benefits.

C. Foreign exchange earnings and outgo

Foreign exchange earned in terms of actual inflows during the year:

FOB Value of exports Rs.106 Lacs (Rs.87 Lacs)

Foreign exchange outgo during the year in terms of actual outflows:

Imports on CIF Basis/expenditure in foreign currency Rs.676 lacs (Rs.2529 Lacs)

CORPORATE GOVERNANCE

A separate report on Corporate Governance is annexed hereto as a part of this Report. Management Discussion and Analysis Statement is separately given in the Annual Report. A certificate from the Secretarial Auditors of the Company regarding compliance of conditions of Corporate Governance as prescribed under the SEBI (LODR) Regulations, 2015 is attached to this report as **Annexure IV**.

RISK MANAGEMENT POLICY

The Board of Directors at its meeting held on 25th May, 2016 considered and approved a revamped risk management policy to suit the dynamic business environment.

Your Company is exposed to risks across all levels and functions of the organisation. The Board has approved Risk Management Policy (RMP) to effectively address financial, operational, compliance and strategic risk. A structured enterprise risk management program has been formulated and implemented. Refer to the Management Discussion and Analysis Section in this Report for risks and threats applicable to your Company.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The details of familiarization program (for independent directors) are disclosed on the Company's website : www.rmgalloysteel.com.

CODE OF CONDUCT

The Company has Code of Conduct for Board members and senior management personnel. A copy of the Code has been put on the Company's website for information of all the members of the Board and Senior Management Personnel.

All Board members and Senior Management Personnel have affirmed compliance of the same.

PARTICULARS OF EMPLOYEES

Details of every employee of the Company as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed to this Report as **Annexure V**.

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INTERNAL CONTROLS

Your Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. Your Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation of Section 134(5)(e) of the Act, SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and other relevant statutes applicable to your Company. The Internal Auditors continuously monitor the efficiency of the internal controls / compliance with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organisation's risk management, control and governance processes. For the year ended March 31, 2016, the Board is of the opinion that your Company has sound IFC commensurate with the nature of its business operations; wherein adequate controls are in place and operating effectively and no material weakness exists. Your Company has a process in place to continuously monitor existing controls and identify gaps and implement new and / or improved controls wherever the effect of such gaps would have a material effect on your Company's operation.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express gratitude for valuable assistance and co-operation extended to the Company by Financial Institutions, Commercial Banks and other authorities. Your directors also wish to place on record their sincere appreciation of the dedicated services, hard work, solidarity and profuse support by all the employees of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

sd/-

Anuj Burakia

Whole Time Director

DIN: 02840211

sd/-

Ashok Jain

Director

DIN: 00007189

Place: Mumbai

Date: 25.05.2016

Annexure I

Form No. MGT – 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i. CIN :- L27100GJ1993PLC020358
- ii. Registration Date : October 6, 1993
- iii. Name of the Company : RMG Alloy Steel Limited
- iv. Category / Sub Category of the Company: Public Limited Company
- v. Address of the Registered office and contact details:
Plot No.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat - 393 110;
Contact Tel: +91 22 6613 6000 ; Fax:+91 22 2490 8020 Email: allcompanysecretaryofrmgl@welspun.com
- vi. Whether listed company: Yes. The Bombay Stock Exchange Limited
- vii. Name, address and contact details of Registrar and Transfer Agent.

M/s. Bigshare Services Private Limited

Unit : RMG Alloy Steel Limited
E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai - 400072
Email - investor@bigshareonline.com
Tele. No.: +91-022-40430200
Fax No. : +91-22-28475207

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

- All business activities are from the business of steel & steel products such as Seamless Tubes & Rolled Products and hence the entire turnover is from steel & steel products.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Name And Address Of The Company	CIN / GLN	Holding / Subsidiary / Associate	% Of Shares Held	Applicable Section
WS Alloy Holding Limited	U27100GJ2014PTC080182	Associate	39.88	2(6)

IV. SHARE HOLDING PATTERN (equity share capital break-up as percentage of Total Equity)

i. Category-wise shareholding

(NSDL-CDSL-Physical)

CATEGORYWISE SUMMARY

As on Date : 31/03/2016

CATEGORY	Total Shareholders	% Of Shareholders	Total Shares	%
CLEARING MEMBER	20	0.0221	72644	0.0670
CORPORATE BODIES	376	0.4150	1801071	1.6610
FOREIGN INST. INVESTOR	5	0.0055	23761	0.0219
GROUP COMPANIES	11	0.0121	94616875	87.2561
MUTUAL FUND	10	0.0110	15860	0.0146
NATIONALISED BANKS	4	0.0044	130	0.0001
NON NATIONALISED BANKS	1	0.0011	10	0.0000
NON RESIDENT INDIANS	50	0.0552	14781	0.0136
PROMOTERS	8	0.0088	1984	0.0018
PUBLIC	90119	99.4625	10887804	10.0408
TRUSTS	1	0.0011	1000000	0.9222
UNIT TRUST OF INDIA	1	0.0011	920	0.0008
TOTAL	90606		108435840	100.0000

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ii. Shareholding of Promoters

Sr. No	Shareholder's name	Shareholding as on 01.04.2015			Shareholding as on 31.03.2016			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
A	Individuals / HUF (Promoters)							
1	Vishwambarlal C Saraf	916	0.00	0.00	916	0.00	0.00	0.00
2	Rajendra C Saraf	501	0.00	0.00	501	0.00	0.00	0.00
3	Minakshi R Saraf	151	0.00	0.00	151	0.00	0.00	0.00
4	Vishwambhar C Saraf (on behalf of Fulidevi Saraf Family Trust)	230	0.00	0.00	230	0.00	0.00	0.00
5	Vandana V. Saraf	1	0.00	0.00	1	0.00	0.00	0.00
6	Vishwambhar C Saraf (on behalf of Chiranjilal Saraf Family Trust)	125	0.00	0.00	125	0.00	0.00	0.00
7	Rishabh R Saraf	40	0.00	0.00	40	0.00	0.00	0.00
8	Anupama Kasera	20	0.00	0.00	20	0.00	0.00	0.00
		1984.00	0.00	0.00	1984.00	0.00	0.00	0.00
B	Promoter Group Companies							
1	Rajendra Finance Pvt. Ltd.	2,460,520	2.27	0.00	2,460,520	2.27	0.00	0.00
2	Bajrang Finance Ltd	10	0.00	0.00	10	0.00	0.00	0.00
3	Remi Securities Limited	2,313,600	2.13	0.00	2,313,600	2.13	0.00	0.00
4	K K Fincorp Limited (Formerly known as Kuber Kamal Industrial Investments Ltd)	2,313,617	2.13	0.00	2,313,617	2.13	0.00	0.00
5	Calplus Trading Pvt Ltd	6,114,390	5.64	0.00	6,114,390	5.64	0.00	0.00
6	Magnificent Trading Pvt Ltd	7,012,334	6.47	0.00	7,012,334	6.47	0.00	0.00
7	Remi Finance and Investment Pvt. Ltd.	2,460,000	2.27	0.00	2,460,000	2.27	0.00	0.00
8	Vishwakarma Jobworks Limited	2,556,545	2.36	0.00	2,556,545	2.36	0.00	0.00
9	Vayudoot Trading Limited	1,995,492	1.84	0.00	1,995,492	1.84	0.00	0.00
		27,226,508	25.11	0.00	27,226,508	25.11	0.00	0.00
C	Co-promoter							
1	Widescreen Holdings Pvt. Ltd.	24,143,333	22.27	0.00	24,143,333	22.27	0.00	0.00
D	Strategic Investor							
1	Welspun Steel Ltd	43,247,034	39.88	0.00	-	-	-	-
2	WS Alloy Holding Pvt Ltd	-	-	-	43,247,034	39.88	0.00	0.00
	Grand total	94,618,859	87.26	0.00	94,618,859	87.26	0.00	0.00

iii. Change in Promoter's shareholding (please specify, if there is no change) – No change in promoters/Co-promoter/ strategic investor shareholding during the year.

iv. Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. no.	Name of the shareholders	Shareholding at the beginning of the year		Change in shareholding (No of shares)	Shareholding at the end of the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	STRESSED ASSETS STABILIZATION FUND	1,000,000	0.92	0	1,000,000	0.92
2	PINKY VENTURES PRIVATE LIMITED	990,918	0.91	0	990,918	0.91
3	SHAKUNTALA GUPTA	314,999	0.29	198,706	513,705	0.47
4	SHAUNAK JAGDISH SHAH	470,741	0.43	0	470,741	0.43
5	ASHKARAN JAIN	399,000	0.37	21,000	420,000	0.39
6	KALI RAM GUPTA	370,448	0.34	10,450	380,898	0.35
7	JAGDISH AMRITLAL SHAH	244,388	0.23	0	244,388	0.23
8	IT ENABLE INDIA LIMITED	143,200	0.13	0	143,200	0.13
9	MUKESH SHARMA	137,300	0.13	0	137,300	0.13
10	RABINDRA KUMAR JENA	125,000	0.12	0	125,000	0.12

Note: Top ten shareholders of the company as on March 31, 2016 has been considered for the above disclosure

RMG ALLOY STEEL LIMITED

v. Shareholding of Directors and Key Managerial Personnel :

Sr. No	Name of the Director and KMP	Shareholding at the beginning of the year		Change in Shareholding	Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Increase/ Decrease	No. of shares	% of total shares of the company
	Directors					
1	Mr. Atul Desai	-	-	-	-	-
2	Mr. Ashok Jain	-	-	-	-	-
3	Mr. Anuj Burakia	-	-	-	-	-
4	Mr. V S Iyer	10	0.00	-	10	0.00
5	Mr. Hanuman Kanodia	500	0.00	-	500	0.00
6	Ms. Amita Karia	-	-	-	-	-
7	Mr. Abhishek Mandawewala (upto 06.08.2015)	-	-	-	-	-
	KMP					
1	Mr. Sanjay Kukreja (upto 31.07.2015)	-	-	-	-	-
2	Mr. Narendra Kumar Bhandari (w.e.f. 01.02.2016)	-	-	-	-	-
3	Mr. Nilesh Javker (w.e.f. 27.05.2015)	-	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

Rs in Lacs

	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	18,078	1,900	-	19,978
ii. Interest due but not paid	364	-	-	364
iii. Interest accrued but not due	-	43	-	43
Total (i + ii + iii)	18,441	1,943	-	20,384
Change in indebtedness during the financial year.				
* Addition	11,998	-	-	11,998
* Reduction	472	1,900	-	2,372
* Change in Interest due but not paid	(96)	(36)	-	(131)
Net change	11,431	(1,936)	-	9,495
Indebtedness at the end of the financial year				
i. Principal Amount	29,604	-	-	29,604
ii. Interest due but not paid	268	-	-	268
iii. Interest accrued but not due	-	7	-	7
Total (i+ii+iii)	29,872	7	-	29,880

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Anuj Burakia (WTD) (p.a.)	Total Amount
1	Gross Salary		
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	10,00,000	10,00,000
b)	Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	-	-
c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4	Commission	NIL	NIL
	- As % of profit		
	- Others		
5	Others	NIL	NIL
	Total (A)	10,00,000	10,00,000
	Ceiling as per the Act.	*84,00,000	

* in terms of approval granted by the shareholders vide a special resolution passed at the 33rd Annual General Meeting held on 30.09.2015 pursuant to provisions of section 197 read with Schedule V, Part II, Section II (A) of the Act.

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B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total amount
		Amita Karia	Atul Desai	Ashok Jain	
1	Independent Directors				
	Fee for attending Board & Committee meetings	1,02,000	1,85,000	1,75,000	4,62,000
	Commission	-	-	-	-
	Others	-	-	-	-
	Total (1)	1,02,000	1,85,000	1,75,000	4,62,000
Sr. No.	Particulars of Remuneration	Name of Directors		Total amount	
		VS Iyer	Hanuman Kanodia		
2	Other Non-Executive Directors				
	Fee for attending Board & Committee meetings	60,000	50,000	-	1,10,000
	Commission	-	-	-	-
	Others	-	-	-	-
	Total (2)	60,000	50,000	-	1,10,000
	Total (B) = (1 + 2)			-	5,72,000
	Total Managerial Remuneration				15,72,000
	Overall Ceiling as per the Act.	<i>The above amount is paid to directors towards fees for attending meetings of the Board or Committee. Pursuant to the Act, the amount of such fees should not exceed Rs. one lakh rupees per meeting of the Board or Committee thereof.</i>			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel (p.a.)		Total
		Narendra Kumar Bhandari (CFO)	Nilesh Javker (CS)	
1	Gross Salary			
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	6,00,000	1,80,000	7,80,000
b)	Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	-	-	-
c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	-As % of profit	-	-	-
	-Others	-	-	-
5	Others	-	-	-
	Total	6,00,000	1,80,000	7,80,000

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type		Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A.	COMPANY					
	Penalty	-	-	-	-	-
	Punishment Compounding	- -	- -	- -	- -	- -
B.	DIRECTORS					
	Penalty	-	-	-	-	-
	Punishment Compounding	- -	- -	- -	- -	- -
C.	OTHER OFFICERS IN DEFAULT					
	Penalty	-	-	-	-	-
	Punishment Compounding	- -	- -	- -	- -	- -

Annexure II

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis - NA
2. Details of material contracts or arrangement or transactions at arm's length basis:
 - a. Name(s) of the related party and nature of relationship – Welspun Steel Limited (Enterprise under common control with the Company)
 - b. Nature of contracts/arrangements/transactions – Purchase of DRI/ sponge iron, sale of stores materials, Scrap
 - c. Duration of the contracts / arrangements/transactions – 01.04.2015-31.03.2016
 - d. Salient terms of the contracts or arrangements or transactions including the value:
 - * Purchases of DRI/ sponge iron & Others from Welspun Steel Limited for Rs.4,596 lacs during the period from 01.04.2015 - 31.03.2016 are at a market price and on Arm's length basis.
 - * All material transactions entered with the related party is carried out in the ordinary course of the business.
 - e. Date(s) of approval by the Board: The Board of Directors at their meeting held on February 10, 2015 approved the said transactions;
 - f. Amount paid as advances: Nil

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Annexure III

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31-03-2016

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

To,
The Members,
RMG ALLOY STEEL LIMITED.

I have conducted the Secretarial Audit of the Compliance of applicable Statutory Provisions and the adherence to Good Corporate Practices by RMG Alloy Steel Ltd, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate conducts/Statutory Compliances and expressing my opinion thereon.

Based on my verification of RMG Alloy Steel Ltd's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the Audit period covering the Financial year ended on 31st March, 2016 complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by RMG Alloy Steel Ltd, ("the Company") for the financial year ended on 31st March, 2016 according to the Provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-**
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange;

RMG ALLOY STEEL LIMITED

(iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- A) The appointment of Compliance officer was approved on March 31, 2015 but he joined office on May 27, 2015.
- B) There was delay in filing Application to Central Government for approval of Remuneration of Whole Time Director on account of pending No Objection Certificate from Lender Banks.
- C) The time limit given by BIFR for reducing stake of non- public shareholders to 75% expired on February 6, 2016.

We are given to understand that as the Company is a BIFR company and the non-public shareholders are waiting for the rise in demand by public for shares of the Company, the increase of public shareholding has been delayed.

- D) The Company has made preferential allotment of Cumulative Redeemable Preference Shares during the year in accordance with requirement of section 42 of the Companies Act, 2013 (the Act). Except Subsection 6 of Section 42 of the Act, which required money received on application Rs.2800 lacs to be kept in a separate bank account in a scheduled bank. The said amount was deposited in the Cash Credit Bank Account of the Company and the amount raised have been used for the purpose for which the fund was raised.

I further report that:

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

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

Majority decision is carried through, while the views of Directors/ Members have been captured and recorded as part of the minutes.

I further report that there are Adequate Systems and Processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I further report that during the audit period the company has not undertaken any:

- i. Public/Right Issue of shares / debentures/sweat equity, etc. during the year under review. The Company has made a Preferential issue of 80,00,000 Preference Shares of Rs.10/- each at a premium of Rs.25/- each, aggregating to Rs. 2800 lacs and has complied with the relevant provisions under the Act.
- ii. Redemption / buy-back of securities during the year under review.
- iii. Major decisions taken by the Company as per powers given to them by members in pursuance to section 180 of the Companies Act, 2013 are within the limits laid down and are complied as per Rules and Regulations laid down under the Companies Act, 2013
- iv. No merger / amalgamation / reconstruction, etc. have been undertaken during the year under review and
- v. There have been no foreign technical collaborations during the year under review.

**For A L Makhija & Co.,
Company Secretaries**

sd/-

A.L.MAKHIJA
Proprietor.

ACS No.: 5087

C P No. : 3410

Place: Mumbai

Date: May 25, 2016.

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Annexure IV

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy

RMG Alloy Steel Limited believes that for a company to succeed on a sustained basis, it must maintain global standards of corporate conduct towards its employees, shareholders, consumers and society.

The primary objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness.

2. Board of Directors

a. Composition and Category of directors:

Details of composition of the existing Board of Directors as on 31st March, 2016 are given below:

Sr. No.	Name of Director	Category	No. of Shares Held	Attendance Particulars		No. of other Directorship (as last declared to the Company)			Member / Chairman in No. of Board/ Committees including other Companies (as last declared to the Company)@
				Last Annual General Meeting	Board Meeting	Pub.	Pvt.	Other Body Corporate	
1	Mr. Atul Desai	I,C	NIL	Yes	5/5	9	1	0	5C, 9M
2	Mr. Anuj Burakia	E	NIL	No	4/5	9	0	0	-
3	Mr. Ashok Jain	I	NIL	No	5/5	5	1	0	2M
4	Mr. Hanuman Kanodia	NP	100	No	4/5	2	1	0	-
5	Mr. V.S.Iyer	NP	11	No	5/5	2	0	0	2M
6	Ms. Amita Karia	I,W	NIL	No	4/5	3	0	1	1M

@ Chairmanship/membership of the Audit Committee and the Share Transfer, Investor's Grievance and Stakeholders' Relationship Committee alone considered

Abbreviations:

P = Promoter, E = Executive Director, NE = Non Executive Director, I = Independent Non Executive, S = Shareholder, C = Chairman, M = Member, SI= Strategic Investor, NP=Nominee of promoter director W=Woman Director.

b. Number of Board Meetings held, dates on which Board Meetings held:

During the year 2015-16, the Board of Directors met five times on the following dates: - 28.05.2015, 08.07.2015, 13.08.2015 (adjourned and held on 28.08.2015), 30.10.2015 and 12.02.2016.

None of the directors are related to any other director on the Board.

c. A copy of familiarization policy of the company for independent directors is available on the website of the company www.rmgalloysteel.com.

3. AUDIT COMMITTEE

Terms of reference:

The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

Composition:

The Audit Committee consists of the following 3 Non-Executive Directors as on 31.03.2016.

Mr. Atul Desai	Chairman (Independent)
Mr. Ashok Jain	Member (Independent)
Ms. Amita Karia	Member (Independent)

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The Company Secretary of the Company, Mr. Nilesh Javker acts as the Secretary of the Committee.

Meetings and attendance during the year:

Four meetings of Audit Committee of the Board of Directors were held viz., 28.05.2015, 13.8.2015 (adjourned and held on 28.08.2015), 30.10.2015 and 12.02.2016. The details of Attendance of Members of Audit Committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/2015 to 31/03/2016)
1	Mr. Atul Desai	Chairman	4/4
2	Mr. Ashok Jain	Member	4/4
3	Ms. Amita Karia	Member	3/4

None of recommendations made by the Audit Committee were rejected by the Board.

4. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES.

The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees and no personnel have been denied access to the Audit Committee Chairman.

5. NOMINATION AND REMUNERATION COMMITTEE

The Company had constituted the Nomination and Remuneration Committee consisting of non-executive directors majority of which are independent directors. During the year under review, 4 meetings of the Committee were held viz., 28.05.2015, 08.07.2015, 30.10.2015 and 12.02.2016

Terms of Reference

To recommend appointment of, and remuneration to, Managerial Personnel and review thereof from time to time.

Composition:

The Committee comprises of 3 independent and non-executive directors as on date of this Report as listed below:

Mr. Ashok Jain	Chairman (Independent)
Mr. Atul Desai	Member (Independent)
Ms. Amita Karia	Member (Independent)

Nomination and Remuneration Policy:

The Company follows a policy on remuneration of directors and senior management employees and the salient features thereof are as under:

Appointment of Directors:

- * While identifying persons who may be appointed directors, the Committee shall consider business of the Company, strength, weakness, opportunity and threats to company's business, existing composition of the board of directors, diversity, skills, expertise of existing directors and, background, skills, expertise, reputation and qualification possessed by persons being considered, specific requirements under Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and any other laws as to composition of the Board.
- * While identifying persons who may be appointed as independent directors, the Committee shall review their qualifications and suitability to ensure that such candidates will be able to function as directors 'Independently' and void of any conflict of interest, obligations, pressure from other Board members, KMPs, senior management and other persons associated with the Company.

Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel:

- * The remuneration to Executive Directors, Key Managerial Personnel and Senior Management Personnel at the time of appointment shall be mutually agreed. The Committee shall consider top industry indicators, requirements of role, qualification and experience of candidate, expected contribution of executive to the profitability challenges specific to the Company and such other matters as the Committee may deem fit. The remuneration must motivate

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individuals to achieve benchmarks which must be aligned to the vision of the Company. It may contain fixed pay. The management shall periodically find out the remuneration scale prevalent in the industry / peer group to the extent possible to find out if there is a need for revision in remuneration for retaining the talent.

- * The Non-Executive directors shall not be eligible for any remuneration / commission, unless specifically approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee and by the shareholders. There are no pecuniary relationships or transactions with the non-executive directors vis-a-vis the Company.
- * The Non- Executive Directors including independent directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs.1,00,000/- per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- * The Non-Executive Directors may be paid commission after complying with required provisions of the Companies Act, 2013.

Besides, the Committee shall take into consideration performance, of the concerned executive as well as the Company, to the growth of business, profitability, company potentiality and critical role played / initiatives taken while considering pay hike / increment to the concerned executives.

Details under Schedule V of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015

Sr No.	Particulars	Mr. Anuj Burakia, Whole Time Director (p.a.)
1.	Salary	10,00,000
2.	Commission	-
3.	Service Contract	July 29, 2015 to July 28, 2018
4.	Notice Period	1 month
5.	Severance Fees	NIL
6.	Stock Options	NIL

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is, in accordance with the Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to look into complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends and to review the functioning of the investors grievance redressal system.

Terms of Reference:

The terms of reference of the Committee are as contained under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Other details:

- a) Name of non-executive director heading the committee: Mr. Atul Desai, Chairman
- b) Name and designation of compliance officer: Mr. Nilesh Javker
- c) Composition and details of attendance of members of the Committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/15 to 31/03/16)
1.	Mr. Atul Desai	Chairman	5/5
2.	Mr. Abhishek Mandawewala (upto August 6, 2015)	Member	1/1
3.	Mr. Ashok Jain	Member	5/5

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d) No. of meetings held:

Five meetings of Stakeholders Relationship Committee were held viz., 15.04.2015, 13.08.2015, 30.10.2015, 04.12.2015 and 12.02.2016.

e) Number of shareholders complaints/ requests received so far during the year:

During the year under review, total 10 Investors complaints were received. Break up and number of complaints received under different category is given hereunder:

Sr. no.	Category	No. of complaints Recd
1	Non Receipt Of Dividend Warrant	2
2	Non Receipt Of Exchange Share Certificates	1
3	Non Receipt Of Annual Report	3
4	Non Receipt Of Share Certificate After Transfer	1
5	Non-Receipt Of Demat Credit	1
6	SEBI	2
	Total Complaints Received	10

All the complaints/ requests received during the year under report were resolved within the time limit to the satisfaction of the investors/ shareholders and no complaints were pending as on 31st March 2016.

f) Number of Complaints not solved to the satisfaction of shareholders: Nil

g) Number of pending complaints: Nil

7. INDEPENDENT DIRECTORS' MEETING

One independent directors meeting was held on 17.03.2016. Three independent directors were present at the meeting viz. Mr. Atul Desai, Mr. Ashok Jain and Ms. Amita Karia.

Board Evaluation: The evaluation process was led by the Chairman of the Nomination and Remuneration Committee with specific focus on the performance vis-à-vis the plans, meeting challenging situations, performing leadership role within and effective functioning of the Board. The evaluation process invited through IT enabled platform graded responses to a structured questionnaire for each aspect of evaluation viz. time spent by each of the directors, accomplishment of specific responsibilities and expertise, conflict of interest, integrity of the Director, active participation and contribution during discussions.

8. GENERAL BODY MEETINGS:

(i) The details of General Meetings held in the last three years are given hereunder:

Date	Type of meeting	Location	Time	Special Resolutions Passed
14/05/2013	Extra Ordinary General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.00 noon	i. Change of name of the Company from Remi Metals Gujarat Limited to RMG Alloy Steel Limited
21/09/2013	Annual General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 P.M	i. Appointment of Mr. Shashank Chaturvedi as an Executive Director w.e.f 19/12/2012 for a period of three years. ii. Consent to Board of Directors to issue and allot preference shares not exceeding Rs.15 crore.
29/09/2014	Annual General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 P.M	i. Accord consent to Board of directors to issue and allot Preference Shares of Rs. 10/- each at a premium of Rs. 25/- per shares to Promoters / Co-promoters / Strategic Investors; ii. Approval for keeping register and index of members as prescribed under section 88 of Companies Act, 2013, at the office of M/s. Bigshare Services Private Limited, Registrar and Transfer Agent of the Company;

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				iii. Adoption of Articles of association as per the regulations mentioned in the Companies Act 2013, in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.
30/09/2015	Annual General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 PM	<p>i. Appointment of Mr. Anuj Burakia as a Whole Time Director of the Company for a period of three years with effect from 29th July, 2015 at a remuneration of Rs.10,00,000/- per annum inclusive of all perquisites.</p> <p>ii. Alteration of Article 3 of Articles of Associations upon increase in authorised share capital from Rs.120 Crore to Rs.130 Crore and insertion of Article 3A</p> <p>iii. To approve issue and allotment of 92,00,000 12% Redeemable Preference shares of Rs.10/- each at a premium of Rs.25/- per shares aggregating to Rs.32,20,00,000/- (Rupees Thirty Two Crores Twenty Lacs only) in one or more tranches to the Promoter/ Co-Promoter/Strategic Investor /associate companies of Promoter/Co-Promoter/Strategic Investor</p>

(ii) No special resolution was passed last year through postal ballot.

(iii) No special resolution is proposed to be conducted through postal ballot.

9. MEANS OF COMMUNICATION

Quarterly results and newspapers wherein results normally published:

The Board of Directors of the Company approved the audited financial results for the year ended 31-03-2016, unaudited financial results for quarter ended 30-06-2015, 30-09-2015 and 31-12-2015 in their quarterly meetings and the same were normally published in Financial Express or Economic Times (E+G), Ahmedabad edition within 48 hours from the date of Board meetings.

The said financial results were also displayed on the website of the company at www.rmgalloysteel.com

10. GENERAL SHAREHOLDER INFORMATION:

The next Annual General Meeting shall be held at –

- (i) Day and Date - Tuesday, September 27, 2016
 Venue - Plot no. 1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat -393 110
 Time - 12.30 P.M.
- (ii) Financial year - from 1st April, 2015 to 31st March, 2016
- (iii) Date of Book Closure - from Friday, 23rd September, 2016 to Monday, 26th September, 2016 (both days inclusive)
- (iv) Dividend payment date - No dividend has been declared for the financial year 2015-16.
- (v) Listing on Stock Exchanges and codes-

The securities of the Company are listed on the Bombay Stock Exchange Limited (Scrip code – 500365) (ISIN: INE731F01037)

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- (vi) Market Price Data - High-Low Quotations during each month in last financial year i.e from 1st April 2015 to 31st March 2016 and performance in comparison to broad based indices such as BSE SENSEX is as follows:

Month	Market Price		Sensex	
	High	Low	High	Low
Apr-15	3.24	2.27	29094.61	26897.54
May-15	3.76	2.90	28071.16	26423.99
Jun-15	4.99	2.93	27968.75	26307.07
Jul-15	5.34	3.59	28578.33	27416.39
Aug-15	6.33	3.82	28417.59	25298.42
Sep-15	4.25	3.27	26471.82	24833.54
Oct-15	4.45	3.23	27618.14	26168.71
Nov-15	4.38	3.41	26824.30	25451.42
Dec-15	5.00	3.38	26256.42	24867.73
Jan-16	5.48	3.43	26197.27	23839.76
Feb-16	4.77	3.16	25002.32	22494.61
Mar-16	4.35	2.66	25479.62	23133.18

(vii) Registrar and Transfer Agent:

The transfer of shares of the Company are being done by Bigshare Services Pvt. Ltd., the R & T Agent, having address at E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai- 400 072.

Contact person: Mr. K. S. L. Upadhya, General Manager / Ms. Ujata Pokharkar, Client Executive

Tel: 91-22-40430200

Fax: 91-22-2847 5207

Email: investor@bigshareonline.com

(viii) Distribution of shareholding of equity shares as on 31st March, 2016 is as follows: -

Shareholding of nominal value Rs.	Total Holders		Amount	
	(in Nos.)	% of Total	in Rs.	% of Total
1 - 5000	88877	98.09	16480116	2.5330
5001 - 10000	832	0.92	5543994	0.8521
10001 - 20000	425	0.47	5908986	0.9082
20001 - 30000	173	0.19	4410624	0.6779
30001 - 40000	63	0.07	2179506	0.3350
40001 - 50000	48	0.05	2127618	0.3270
50001 - 100000	96	0.11	6619932	1.0175
100001 and above	92	0.10	607344264	93.3493
Total :	90606	100.00	650615040	100.00

- (ix) Dematerialisation of shares and liquidity: 107,317,573 equity shares constituting 98.97% of the outstanding equity shares are in demat form as on 31.03.2016.
- (x) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and impact on equity: The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments.
- (xi) commodity price risk or foreign exchange risk and hedging activities:
Refer to Management Discussion & Analysis section of this Report.

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- (xii) Plant Location: Plot no.1, G.I.D.C. Industrial Estate, Valia Road, Jhagadia, Dist – Bharuch, Gujarat - 393 110.
- (xiii) Address for Correspondence : Plot no.1, G.I.D.C. Industrial Estate, Valia Road, Jhagadia, Dist – Bharuch, Gujarat - 393 110
Tel No. +91 22 6613 6000, Fax No.: +91 22 2490 8020
- (xiv) E-mail Id : allcompanysecretaryofrmgl@welspun.com
- (xv) Website : www.rmgalloysteel.com

11. OTHER DISCLOSURES

i. Related Party Transactions:

- Transactions with related parties are disclosed in Note No.31 of Notes forming part of the financial statements. None of these are in conflict with the interests of the Company.
- The Company's policy on dealing with Related Party Transactions as required under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed on the Company's website and a web link thereto is as under:

<http://rmgalloysteel.com/userfiles/file/RMG%20-%20POLICY%20ON%20THE%20TRANSACTIONS%20WITH%20THE%20RELATED%20PARTIES.pdf>

ii. Details of non - compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital market during the last 3 years:

- * A penalty of Rs.68,700/- has been imposed by the Bombay Stock Exchange for delayed submission of unaudited financial results under Clause 41 of the Listing Agreement for the quarter ended 30.06.2015.
- * The time limit given by BIFR for reducing stake of non- public shareholders to 75% expired on February 6, 2016. However, as the Company is a BIFR company and the non-public shareholders are waiting for the rise in demand by public for shares of the Company, the increase of public shareholding has been delayed.

iii. Vigil Mechanism and Whistle Blower Policy:

The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees and no personnel have been denied access to the Audit Committee Chairmaan. A copy of the policy is displayed on the website of the Company at http://rmgalloysteel.com/userfiles/file/Whistle%20Blower%20and%20Vigil%20mechanism%20policy_RMG.pdf

- iv. The Company is in compliance with the mandatory requirements mentioned under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable and in addition the Company at its discretion adopted requirements mentioned at (D) – “Separate posts of chairperson and chief executive officer”; and (E) – “Reporting of Internal Auditor” of Part E of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- v. The Company is in compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.

vi. Code of Conduct:

The Company has framed the Code of Conduct policy for Board members and Senior Management Personnel. A copy of the Code has been hosted on the Company's website, a web link thereto is:

<http://rmgalloysteel.com/userfiles/file/CODE%20OF%20CONDUCT%20FOR%20THE%20BOARD%20OF%20DIRECTORS%20AND%20SR.pdf> for information of all the members of the Board and Senior Management Personnel. All Board members and Senior Management Personnel have affirmed compliance of the same.

A declaration signed by the Whole Time Director of the Company with respect to Compliance of Code of Conduct is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2015-16.

sd/-
Anuj Burakia
Whole Time Director"

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- vii. Disclosure of Shares held in suspense account under Clause F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The Company has started the process of consolidation of unclaimed shares and transferring the same into a suspense account, which is expected to be completed by August 2016.

Certificate of Practicing Company Secretary on Corporate Governance Report

TO THE MEMBERS OF RMG ALLOY STEEL LIMITED

We have examined the compliance of conditions of Corporate Governance by RMG Alloy Steel Limited, for the year ended on 31st March, 2016, as stipulated in Clause E of Schedule V of the SEBI (LODR) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure 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 as given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Regulations.

We state that in respect of investor's grievance received during the year ended 31st March 2016, the Registrar and Transfer Agent of the Company have certified that as at 31st March, 2016, there were no investors' grievances remaining unattended/pending for more than 15 days.

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 A L Makhija & Co.,
Company Secretaries**

sd/-

A.L.MAKHIJA

Proprietor.

ACS No.: 5087

C P No. : 3410

Place: Mumbai

Date: May 25, 2016.

Annexure V

Details of employees pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of employees who were in receipt of remuneration of Rs. 60 Lac p.a. or if employed for part of year, were in receipt of remuneration of Rs. 5 Lac p.m.

Name of Employee	Designation	Remuneration Paid	Nature of Employment	Qualifications and experience	Date of commencement of employment	Date of cessation	Age	The last employment	% of shares held	Relative of Director
Rajendra Sharda	President (Account & Commercial)	31Lacs	Permanent	Chartered Accountant	21/09/2015	08/04/2016	59 Years	Uttam Steel	0	No
Nitin Bhat	Senior Vice President (Marketing)	65 Lacs	Permanent	BE Metallurgy, PGDBA	18/04/2016	-	50 Years	Kalyani Carpenters	0	No
Prasanna Kumar	Assistant Vice President (Sales (Marketing))	38 Lacs	Permanent	BE Mechanical	11/03/2016	-	49 Years	JSW Steel	0	No
Sudhir Malya	President (Marketing)	75 Lacs	Permanent	BSc, Diploma in Marketing	10/07/2012	10/06/2016	58 Years	ISMT	0	No

MANAGEMENT AND DISCUSSION ANALYSIS

A. INDIAN INDUSTRY STRUCTURE SCENARIO & DEVELOPMENT

Indian economy is in the midst of significant structural change and expects to embark on a sustained economic growth. According to World Bank, India is set to be the world's fastest growing major economy and in FY 15-16 it has grown by 7.76% and as per World Bank, it will resonate and move up to 8% in the next two (2) Financial Years.

In line with economic growth, Indian steel industry is also expected to reflect by improving micro economic growth. Though due to delayed implementation of certain reforms, steel sector remained subdued in Q1 FY 16 and the supply was far exceeding the demand. In addition to this, cheaper import from China has added further fuel in the fire resulting in sluggish performance of the Indian steel industry and the Company is not an exception.

From October '16 onwards to protect Indian steel industry which is heading towards major NPA's, Government actively started working on the various protection measures to this sector by initially imposing Safe Guard Duty and subsequently in February, 2016, first time ever Government imposed MIP (Minimum Import Price). This move has given a new breath to the Indian steel industry and from February onwards performance of this sector started improving significantly. Indian steel industry is expected to perform better in FY 16-17 compare to previous financial year. Infrastructure projects like dedicated corridors are gaining momentum and the steady decline in stalled project coupled with hike in import duty both on long and flat steel products should stimulate over all steel demand.

Construction, Automobile, white goods industry will attract high demand for steel for the next decade as present government's focus is on development. Also "Make in India" penetration shall provide good opportunity to the steel demand and major benefit of demand will be shared by the domestic industry. Government is also contemplating increase in steel capacity from present around 105 MMTPA to 300 MMTPA by year 2025 with an investment of more than USD 200 Billion.

During FY 16-17 over all steel industry performance is likely to be improved further. The crude steel production increased by 5.6% i.e. 89.99 MMT from 85 MMT in FY 14-15.

B. OPPORTUNITIES & THREATS

Though the overall steel demand will grow, however, Blast Furnace route of steel making will be major gainer because of cost competitiveness vis-à-vis electric route. In this competitive scenario, your Company will focus more on niche segments. The Company will concentrate on special steel supply to defense, railways, aerospace, power, engineering, automobiles etc. This strategy is expected to improve overall performance of the company by utilizing existing capacity to the maximum extent possible.

C. SEGMENTWISE AND PRODUCTWISE PERFORMANCE

Product wise performance is given in Directors' Report under the heading 'Operations'.

D. FUTURISTIC STATEMENT

Company's performance as expressed or implied could differ materially due to economic conditions affecting demand/supply and price condition in the domestic & overseas markets, changes in the Government regulations, tax laws & other incidental factors.

E. RISK & CONCERNS

Additional capacity being generated for production of Alloy Steel in India and import of steel from China caused pressure on sales & margin.

However the Company expects to mitigate the impact of risks and concerns since the Company concentrates on niche products. Government initiatives like "Make in India" are also helping company to reduce the risk of competition from overseas market.

F. INTERNAL CONTROL SYSTEM

The Company employs adequate and effective system of internal control systems that provide for:-

- i) Security of the asset
- ii) Efficient management information system
- iii) Compliance with all laws and regulations
- iv) Compliance with all standard system and quality standards.

G. INDUSTRIAL RELATIONS & HUMAN RESOURCES

Human resource is the key factor for the success of any organization. Your Company places considerable emphasis on continuous enhancement of skills and performance of human resources across the organization.

H. DISCUSSION & FINANCIAL PERFORMANCE

Operational performance vis a vis financial performance of the Company is discussed in details in Directors' Report.

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INDEPENDENT AUDITOR'S REPORT

TO,

THE MEMBERS OF RMG ALLOY STEEL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **RMG ALLOY STEEL LIMITED** ("the Company"), which comprises the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view, 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 the Company's Directors, 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 on the financial statements.

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, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to Note 27 of the accompanying statement; Company's net worth is eroded and the company has continued incurring losses for the current year, indicating the existence of uncertainty that may cast doubt about the company's ability to continue as a going concern. Considering the matters set out in the said note, this statement is prepared on a going concern basis.

RMG ALLOY STEEL LIMITED

Our opinion is not modified in respect of matter described in Emphasis of Matter paragraph.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - 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 aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company,
 - f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) rule, 2014 in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation as at 31st March, 2016 on its financial position in its financial statements – Refer Note 36 to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No.: 101720W

Place: Mumbai
Dated: 25th May, 2016

Parag D.Mehta
Partner
Membership No.113904

34TH ANNUAL REPORT 2015-2016

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

- i) In respect of Fixed Assets
- The Company is in the process of updating its fixed assets register showing full particulars including quantitative details and situation of fixed assets.
 - We have been informed that the fixed assets of the Company are physically verified by the Management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification
 - As per the information and explanations provided to us, title deeds of immovable properties are in the name of the Company.
- ii) In our opinion the inventories have been physically verified during the year by the Management at reasonable intervals and the discrepancies between physical stocks and the book stocks noticed on physical verification were not material.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms and other parties listed in the register maintained under Section 189 of the Act. Hence Clauses (iii) (a) to Clauses (iii) (c) of Paragraph 3 of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has neither granted loans nor have made investments nor provided guarantee and securities as specified under Section 185 and 186 of the Companies Act, 2013 and hence clause (iv) of paragraph 3 of the Order is not applicable.
- v) The Company has not accepted any deposits under the provisions of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under.
- vi) On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government of India under section 148(1) of the Act have been maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.
- vii) a) According to the books and records as produced and examined by us in accordance with the generally accepted auditing practices in India and also based on Management representations, undisputed statutory dues in respect of Provident Fund, Employees State Insurance Dues, Investor Education and Protection Fund, Income Tax, Service Tax, Custom Duty, Excise duty, Value added tax, Cess and other material statutory dues have generally been regularly deposited, by the Company during the year with the appropriate authorities in India. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2016 for a period of more than six months from the date of becoming payable.
- b) According to the information and explanation given to us and the records of the company examined by us, the particulars of dues of Income Tax, Service Tax, Sales Tax including Value Added Tax, duty of Customs and duty of Excise as at 31st March, 2016 which have not been deposited on account of disputes, are as follows:

Name of Statute	Nature of the dues	Amount (Rs. in Lac)	Period to which amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	103	2005-06 to 2011-12	Customs, Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	11	2004-05 to 2005-06	Joint Commissioner Central Excise & Customs
Finance Act, 1994	Service Tax	5	2012-13 to 2013-14	Assistant Commissioner, Central Excise & Customs
Central Excise Act	Excise Duty	34	1996-97	Customs, Excise & Service Tax Appellate Tribunal

According to the information and explanation given to us and the records of the company examined by us, there are no dues of Wealth Tax which have not been deposited on account of any dispute.

- viii) Based on our audit procedures and according to the information and explanations given to us, there have been no defaults in repayment of loan or borrowing to banks and the company has not taken loan or borrowing from financial institution and Government. There were no debentures issued during the year or outstanding at the beginning of the year.

RMG ALLOY STEEL LIMITED

- ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- x) In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii) In our opinion company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013, wherever applicable, and details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) In our opinion and according to the information and explanations given to us, the Company has made preferential allotment of Cumulative Redeemable Preference shares during the year in accordance with requirement of section 42 of the Companies Act, 2013 ('the Act'). Except Subsection 6 of Section 42 of the Act, which required money received on application Rs. 2800 lac shall be kept in a separate bank account in a Scheduled Bank. The said amount were deposited in the Cash Credit Bank Account of the Company and the amount raised have been used for the purpose for which the fund was raised.
- xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company
- xvi) In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No.: 101720W

Parag D.Mehta
Partner
Membership No.113904

Place: Mumbai
Dated: 25th May, 2016

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ANNEXURE “B” TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RMG ALLOY STEEL LIMITED

(Referred to in paragraph 2 (g) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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

We have audited the Internal Financial Control over financial reporting of RMG ALLOY STEEL LIMITED (“the Company”) as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No.: 101720W

Place: Mumbai
Dated: 25th May, 2016

Parag D.Mehta
Partner
Membership No.113904

34TH ANNUAL REPORT 2015-2016

BALANCE SHEET AS AT 31ST MARCH 2016

(Rs. in Lac)

PARTICULARS	Note	As at March 31, 2016	As at March 31, 2015
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	12,397	11,597
Reserves and Surplus	3	(30,425)	(26,418)
		<u>(18,028)</u>	<u>(14,821)</u>
Non-Current Liabilities			
Long Term Borrowings	4	29,144	20,026
Long Term Provisions	5	149	160
		<u>29,293</u>	<u>20,186</u>
Current Liabilities			
Short Term Borrowings	6	5,784	15,872
Trade Payables	7	5,590	6,218
Other Current Liabilities	8	1,985	1,841
Short Term Provisions	9	25	12
		<u>13,384</u>	<u>23,943</u>
TOTAL		<u>24,649</u>	<u>29,308</u>
II ASSETS			
Non-Current Assets			
Fixed Assets	10		
Gross Block		43,017	42,984
Less : Depreciation		31,263	30,728
		<u>11,754</u>	<u>12,256</u>
-Tangible assets		6	14
-Intangible assets		-	138
-Capital work-in-progress		259	231
Long-Term Loans and Advances	11	<u>12,019</u>	<u>12,639</u>
Current Assets			
Inventories	12	4,566	4,527
Trade Receivables	13	6,523	6,647
Cash and Bank Balances	14	403	1,135
Short-term Loans and Advances	15	1,122	4,288
Other Current Assets	16	16	72
		<u>12,630</u>	<u>16,669</u>
TOTAL		<u>24,649</u>	<u>29,308</u>
Significant Accounting Policies & Notes to Accounts forming an integral part of Financial Statements	1		

As per our attached report of even date

For CHATURVEDI & SHAH

Chartered Accountants

Firm Registration No: 101720W

SD/-

Parag D Mehta

Partner

Membership No.113904

Place : Mumbai

Date : 25.05.2016

For and on behalf of the Board of Directors

SD/-

Anuj Burakia

Whole Time Director

SD/-

Narendra Kumar Bhandari

CFO

SD/-

Ashok Jain

Director

SD/-

Nilesh Javker

Company Secretary

RMG ALLOY STEEL LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

(Rs. in Lac)

PARTICULARS	Note	Year ended March 31, 2016	Year ended March 31, 2015
III INCOME			
Revenue from operations	17	26,816	33,373
Other Income	18	206	1,160
Total Revenue		27,022	34,533
IV EXPENSES			
Cost of Materials Consumed	19	15,593	21,363
Purchase of Stock in Trade	20	-	140
Changes in inventories of Finished and Semi Finished goods	21	69	962
Employee Benefits Expenses	22	1,665	1,606
Finance Costs	23	4,580	4,988
Depreciation		663	1,177
Others expenses	24	10,780	10,218
Total Expenses		33,350	40,454
Profit before Exceptional items and tax		(6,328)	(5,921)
Exceptional Item	25	321	2,259
Profit/(Loss) before tax		(6,007)	(3,662)
Tax Expenses		-	-
Profit/(Loss) for the year		(6,007)	(3,662)
Earning per Equity Share (Face value of Rs. 6 Per Share) :	26		
Basic & diluted (in Rs.)		(6.11)	(3.90)

Significant Accounting Policies & Notes to Accounts forming an integral part of these financial statements 1

As per our attached report of even date
For CHATURVEDI & SHAH
 Chartered Accountants
 Firm Registration No: 101720W

SD/-
Parag D Mehta
 Partner
 Membership No.113904

Place : Mumbai
 Date : 25.05.2016

For and on behalf of the Board of Directors

SD/-
Anuj Burakia
 Whole Time Director

SD/-
Narendra Kumar Bhandari
 CFO

SD/-
Ashok Jain
 Director

SD/-
Nilesh Javker
 Company Secretary

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(Rs. in Lac)

Particulars	Year ended 2015-16	Year ended 2014-15
A) Cash Flow from Operational Activities		
Net Profit / (Loss) before Tax & Extra-Ordinary items :	(6,007)	(3,662)
Adjustment for :		
Depreciation	663	1,177
Financial Costs	4,580	4,988
Provision for Gratuity & Compensated Absences	49	42
Exceptional Item	(321)	(2,259)
Exchange Difference on Translation (Net)	(1)	20
(Profit)/Loss on Sale of Assets	(7)	(866)
Provision for Doubtful Debts	25	67
Provision for Obsolescence	-	50
Sundry Credit Balances Written Back/Provision no longer required	(92)	(174)
	4,910	3,045
Operating Cash Profit/(Loss) before Working Capital Changes	(1,097)	(617)
Changes in Working Capital :		
Trade Receivables	115	4,399
Inventories	(39)	1,590
Loans & Advances	4,212	(833)
Trade and other Payables	(677)	(6,059)
	3,611	(902)
Cash generated from / (used in) Operations	2,514	(1,519)
Income Tax (Net)	(28)	(14)
Net Cash generated from / (used in) Operating Activities:	2,486	(1,533)
B) Cash Flow from Investing Activities		
Acquisition of Fixed Assets (including Work in Progress)	(55)	(175)
Sale of Fixed Assets	-	-
Net Cash generated from / (used in) Investing Activities:	(55)	(175)
C) Cash Flow from Financing Activities		
Proceeds from issue of Fresh Shares	2,800	
Finance Costs	(4,728)	(4,874)
Net Increase/(Decrease) in Short Term Borrowings	(10,088)	2,898
Proceeds from Long Term Borrowings	11,998	4,025
Repayment of Long Term Borrowings	(2,475)	(638)
Net Cash generated from / (used in) Financing Activities:	(2,493)	1,411
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS . (A + B + C)	(62)	(299)
Cash and Cash Equivalents at the beginning of the year	72	371
Cash and Cash Equivalents at the end of year	9	72
NET INCREASE/(DECREASE) AS DISCLOSED ABOVE .	62	299

Notes :

- Fixed Deposits with the Bank under lien amounting to Rs.394 lac (Previous Year Rs.1,063 Lac) are not included in Cash & Cash Equivalents.
- Previous Year's figure have been regrouped wherever necessary to confirm current year's figures.

As per our attached report of even date

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No: 101720W

Parag D Mehta
Partner
Membership No.113904

Place : Mumbai
Date : 25.05.2016

For and on behalf of the Board of Directors

SD/-
Anuj Burakia
Whole Time Director

SD/- SD/-
Ashok Jain
Director

SD/-
Narendra Kumar Bhandari
CFO

SD/-
Nilesh Javker
Company Secretary

Notes forming part of the Financial Statements**1 SIGNIFICANT ACCOUNTING POLICIES****A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial statements are prepared on the historical cost convention on accrual basis and in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013 and the applicable accounting standards.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

C. FIXED ASSETS

Tangible Assets: Tangible Fixed Assets are stated at cost (net of cenvat credit availed) less accumulated depreciation. The cost of fixed asset includes cost of acquisition, taxes, duties, freight, incidental expenses related to acquisition, construction and installation, allocated pre-operative expenditure and borrowing cost during the preoperational period.

Intangible Assets: Intangible Assets are recognized only if acquired and it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

D. DEPRECIATION/AMORTISATION

The depreciation on Fixed Assets is provided on Straight Line Method at the rates prescribed in schedule II to the Companies Act, 2013 except in respect of the Plant and Machinery the life of the assets has been assessed 15 to 30 year based on technical advice, taking into account the nature of the assets, the estimated usage of the asset, the operating conditions and maintenance of the asset, etc. Premium on leasehold land is not amortized as the lease is for long period. Intangible Assets are being amortised over a period not exceeding 4 years.

E. IMPAIRMENT OF ASSETS

If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

F. INVESTMENTS

Long Term Investments are stated at cost less provision for diminution in the value which is other than temporary. Current Investments are carried at lower of the cost and fair value.

G. FOREIGN CURRENCY TRANSACTIONS/TRANSLATION

a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Any fluctuation on account of realization /payment is accounted as an exchange fluctuation. Foreign Currency transactions remaining unsettled at the end of the year are converted at the year end rates. Exchange differences are dealt within the Statement of Profit and Loss.

b) Forward contracts are entered into to hedge the foreign currency risk of the underlying transaction. The premium or discount on all such contracts arising at the inception of each contract is amortised as income or expense over the life of the contract. Exchange differences on forward contracts are recognised as income or expense in the Statement of Profit and Loss of the year / period. Any profit or loss arising on the cancellation and renewal of forward contract are recognised as income or expense for the year / period.

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H. REVENUE RECOGNITION

Sales are recognized when risks and rewards of ownership are passed on to the customers. Export sales are accounted for on the basis of date of bill of lading. Sales are inclusive of excise duty and sales during trial run. Exports benefits are accounted on accrual basis.

I. INVENTORIES

Raw Materials are valued at lower of cost or net realisable value. Cost is determined on weighted average basis.

Stores and Spares are valued at cost determined on weighted average basis or net realizable value, except for those which have a longer usable life, which are valued on the basis of their remaining useful life.

Semi finished and finished Goods are valued at lower of cost or net realisable value. Cost includes raw material, labour, manufacturing expenses, allocable overheads and depreciation. Scrap is valued at net realizable value.

J. EMPLOYEE BENEFITS

a) Defined Benefit and Other Long Term Benefit plan :

Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

b) Short Term Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

K. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material, are disclosed in the notes. Contingent assets are not recognized or disclosed in the financial statements.

L. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

RMG ALLOY STEEL LIMITED

Notes forming part of the Financial Statements (Contd.)

2 SHARE CAPITAL

(Rs. in lac)

Particulars	As at 31st March 2016		As at 31st March 2015	
	Number of shares	Rs. lacs	Number of shares	Rs. lacs
Authorised				
Equity shares of Rs.6/- each	110,000,000	6,600	110,000,000	6,600
Preference Shares of Rs. 10/- each	64,000,000	6,400	54,000,000	5,400
Total		13,000		12,000
Issued, Subscribed and Paid up				
108,435,840 (Previous year 108,435,840) Equity Shares - of Rs.6/- each fully paid up		6,506		6,506
58,904,271 (Previous year 50,904,271) 12% Cumulative Redeemable Preference Shares (CRPS) - of Rs. 10/- each fully paid up		5,891		5,091
Total		12,397		11,597
a. Reconciliation of the Number of Shares				
Equity Shares : Face value of Rs.6 each				
As at beginning of the year	108,435,840	6,506	108,435,840	6,506
Share issued during the year	-	-	-	-
Buyback/ forfeiture/ reduction shares	-	-	-	-
Outstanding at the end of the year	108,435,840	6,506	108,435,840	6,506
Preference Share :Face value of Rs 10 each				
As at beginning of the year	50,094,271	5,091	44,528,571	4,453
Share issued during the year	8,000,000	800	6,375,700	638
Buyback/forfeiture/ reduction shares	-	-	-	-
Outstanding at the end of the year	58,904,271	5,891	50,904,271	5,091
b. Details of Shareholders holding more than 5% shares				
Name of the Shareholders	Number of shares	% held	Number of shares	% held
Equity Shares :				
Welspun Steel Limited	-	-	43,247,034	39.88
WS Alloy Holding Pvt Ltd (Demerged from Welspun Steel Limited w.e.f.09.05.2015)	43,247,034	39.88	-	-
Widescreen Holding Pvt Limited	24,143,333	22.27	24,143,333	22.27
Mangnificent Trading Pvt Limited	7,012,334	6.47	7,012,334	6.47
Calplus Trading Pvt Limited	6,114,390	5.64	6,114,390	5.64
12% CRPS				
Welspun Steel Limited	-	-	50,904,271	100
WS Alloy Holding Pvt Ltd (Demerged from Welspun Steel Limited w.e.f.09.05.2015)	50,904,271	86.42	-	-
Welspun Fintrade Pvt Limited	8,000,000	13.58	-	-

c. Terms/ rights attached to

Equity shares :

The Company has 108,435,840 equity share having par value of Rs 6/- each fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends, if any, in Indian rupees. The dividend proposed if any, by the board of Directors is subject to the approval of the Shareholders in 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 share holders.

Preference Share :

The CRPS carry dividend (cumulative) of 12% per annum. The CRPS 40,242,857 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e.19th February 2013), The CRPS 4,285,714 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e.11th February 2014),

The CRPS 6,375,700 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e.11th November 2014) and

The CRPS 8,000,000 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e.23rd October 2015).

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Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)

Particulars	As at 31st March 2016	As at 31st March 2015
3 RESERVE AND SURPLUS		
Securities Premium Account		
Balance as at the beginning of the year	12,725	11,132
Add: received on issue of shares	2,000	1,593
Less : Amount Utilized	-	-
Balance as at the end of the year	14,725	12,725
(Deficit) in Statement of Profit and Loss		
As per the last Balance Sheet	(39,143)	(32,583)
Add/(less) : Additional depreciation pursuant to enactment of Schedule II of the Companies Act, 2013 (refer note 10(a))	-	(2,898)
Add: Profit / (Loss) for the year	(6,007)	(3,662)
Balance as at the end of the year	(45,150)	(39,143)
Total	(30,425)	(26,418)

4 LONG TERM BORROWINGS

(Rs.in lac)

Particulars	As at 31st March 2016		As at 31st March 2015	
	Non Current	Current	Non Current	Current
Secured				
Indian Rupee Term Loans from Banks	28,728	876	17,606	472
	28,728	876	17,606	472
Unsecured				
Body Corporate Loan	-	-	1,900	-
Sales Tax Deferred Loan	416	104	520	104
	416	104	2420	104
Total	29,144	980	20,026	576

Secured:

a) Rupee loan of Rs.29,604 lac (Previous year Rs. 18,078 lac) pari passu basis, by way of:

- Equitable mortgage of immoveable properties on first charge basis.
- Hypothecation of movable fixed assets on first charge basis.
- Second charge on current assets.

Rupee loans carry interest at bank prime lending rate /base rate plus margin. Loans of

- Rs.16,900 lac (Previous year Rs.16900 lac) are repayable in 30 quarterly installment starting from September 2016 and ending in April 2024.
- Rs.704 lac (Previous year Rs. 770 lac) are repayable in 20 quarterly installment starting from June 2014 and ending in March 2019.
- Rs Nil (Previous year Rs.408 lac) are repayable in quarterly installment starting from March 2012 and ending in June 2015.
- Rs.12,000 lac (Previous year Rs.Nil) are repayable in 32 quarterly installments starting from June 2017 and ending in August 2025.

b) Rupee Term loans include installment of Rs.13.5 lac (Previous Year Rupees.163 Lac) due on the balance sheet date.

Unsecured:

- Body Corporate Loan carries interest rate @ 10% p.a. is repayable immediately after the expiry of 36 Months from the date of agreement.
- Sales Tax Deferred Loan is repayable from April 2015 in six equal annual installments.

RMG ALLOY STEEL LIMITED

Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)

Particulars	As at 31st March 2016	As at 31st March 2015
5 LONG TERM PROVISIONS		
Provision for Employee Benefit	112	121
Provision for Gratuity	37	39
Provision for Leave Encashment		
Total	<u>149</u>	<u>160</u>
6 SHORT TERM BORROWINGS		
Secured		
From Bank		
Working Capital Loan	5,784	12,371
Unsecured		
Foreign Currency Loan : Buyer's Credit	-	128
Loan from Others	-	3,373
Total	<u>5,784</u>	<u>15,872</u>
a) Working Capital Loans are secured, on pari passu basis, by way of		
i. Hypothecation of current assets on first charge basis.		
ii. Hypothecation of movable fixed assets on second charge basis.		
iii) Equitable mortgage of immovable properties on second charge basis		
b) Working Capital Loans carry interest, at bank prime lending rate/base rate plus margin, ranging from 10.90% to 14.75%.		
c) Buyers Credit carry interest at LIBOR plus margin (45 bps to 65 bps).		
7 TRADE PAYABLES		
Micro small and medium enterprises (Refer Note No.37)	-	21
Others	5,590	6,197
Total	<u>5,590</u>	<u>6,218</u>
8 OTHER CURRENT LIABILITIES		
Current Maturity of Long Term Borrowings	980	576
Interest accrued and due	268	380
Interest accrued but not due	7	43
Advances from Customers	50	34
Book Overdraft	-	37
Payable for Purchase of Fixed Assets	264	297
Payable to Employees	15	116
Statutory Liabilities	60	81
Provision for Expenses	290	187
Other Payables	51	90
Total	<u>1,985</u>	<u>1,841</u>
9 SHORT TERM PROVISIONS		
Provision for Employee Benefits		
Provision for Gratuity	20	9
Provision for Leave Encashment	5	3
Total	<u>25</u>	<u>12</u>

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Notes forming part of the Financial Statements (Contd.)

10 FIXED ASSETS

(Rs.in lac)

Description	Gross Block				Depreciation / Amortisation					Net Block	
	Asat 01-04-2015	Additions	Deductions/ Adjustments	Asat 31-03-2016	Up to 31-03-2015	Retained Earnings (refer note below)	For the year	Deductions/ Adjustments	Up to 31-03-2016	Asat 31-03-2016	Asat 31-03-2015
TANGIBLE ASSETS :											
Lease hold Land	351	-	-	351	-	-	-	-	-	351	351
Free hold Land	14	-	-	14	-	-	-	-	-	14	14
Plant & Machinery	31,424	159	69	31,514	24,560	-	352	62	24,850	6,664	6,864
Electrical Installation	1,998	-	-	1,998	1,889	-	23	-	1,912	86	109
Buildings	8,809	-	-	8,809	3,935	-	267	-	4,202	4,607	4,874
Office Equipments	250	2	51	201	239	-	7	50	196	5	11
Furniture and Fixtures	111	-	1	110	82	-	5	1	86	24	29
Vehicles	27	-	7	20	23	-	1	7	17	3	4
	42,984	161	128	43,017	30,728	-	655	120	31,263	11,754	12,256
INTANGIBLE ASSETS:											
Computer Software	32	-	-	32	18	-	8	-	26	6	14
	32	-	-	32	18	-	8	-	26	6	14
Total	43,016	161	128	43,049	30,746	-	663	121	31,289	11,760	12,270
Previous Year	43,272	498	754	43,016	26,834	2,898	1,177	163	30,746	12,270	
Capital Work-in-Progress										-	138

- Note: (a) In accordance with the provisions of schedule II of the Act. In case of fixed assets which have completed their useful life as at 1st April 2014 .the carrying value (net of residual value) amounting to Rs 2,898 lacs as a transitional provision has been recognized in the Retained Earning.
-Further in case of assets acquired prior to 1st April 2014, the carrying value of assets is depreciated over the useful life as determined effective 1st April 2014.
-Depreciation and amortization expenses for the year would have been higher by Rs.1061 Lac had the company continued with the previous assessment of useful life of such assets.
- (b) During the Financial Year 2015-16 the management has re-assessed the estimated useful life of the Fixed Assets based on technical advice received from an independent technical consultant effective from 1st April 2015 and consequently revised the estimated useful lives of Plant and Machinery. This has resulted in the decrease of depreciation for the year by Rs. 541 lacs.

(Rs.in lac)

Particulars	As at 31st March 2016	As at 31st March 2015
-------------	--------------------------	--------------------------

11 LONG TERM LOANS AND ADVANCES

Unsecured and considered good unless otherwise stated

Capital Advances	17	17
Less: Provision for Doubtful Debt	5	5
	<u>12</u>	<u>12</u>
Security Deposits	100	100
Income Tax paid/deducted (Net of provisions)	147	119
Total	259	231

12 INVENTORIES

Raw Materials	955	885
Semi Finished Goods	1,644	1,358
Finished Goods	456	811
Stores and Spares (net of provision for obsolescence of Rs. 112 lac, Previous year Rs. 112 lacs)	1,511	1,473
Total	4,566	4,527

RMG ALLOY STEEL LIMITED

Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)

Particulars	As at 31st March 2016	As at 31st March 2015
13 TRADE RECEIVABLES		
Unsecured considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	1,029	1,198
Others	5,494	5,449
	6,523	6,647
Considered Doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	462	462
Others	478	-
	940	462
	7,462	7,109
Less: Provision for Doubtful Debts	940	462
Total	6,523	6,647
14 CASH AND BANK BALANCES		
Cash and Cash Equivalent		
Balances with Banks		
-In Current Accounts	7	70
Cash on Hand	2	2
Other Bank Balances		
-In Margin Deposit Accounts	394	1,063
Total	403	1,135
15 SHORT TERM LOANS AND ADVANCES		
Unsecured considered good unless otherwise stated		
Security Deposit	11	11
Balance with Statutory/Government Authorities	726	3,913
Advance to Vendors	264	162
Loans & Advance to Employees	6	-
Prepaid Expenses	92	88
Cenvat/Other Claims Receivable/Recoverable	23	114
Total	1,122	4,288
16 OTHER CURRENT ASSETS		
Interest Receivable on Margin Deposits	16	72
Total	16	72

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Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
17 REVENUE FROM OPERATIONS		
Sales of Products – Gross	29,955	37,170
Less: Excise Duty	3,187	3,899
	<u>26,768</u>	<u>33,271</u>
Sales of Products – Net	26,768	33,261
Particulars of Sale of Products		
Steel	-	10
Seamless Pipe	-	-
	<u>26,768</u>	<u>33,271</u>
Other Operating Revenues		
Export Incentives	1	2
Other Revenue	32	65
Provision no longer required	15	35
	<u>48</u>	<u>102</u>
Total	<u><u>26,816</u></u>	<u><u>33,373</u></u>
18 OTHER INCOME		
Interest from Bank & Others	125	148
Profit on sales of fixed assets	-	866
Miscellaneous Income	81	146
	<u>206</u>	<u>1,160</u>
19 COST OF RAW MATERIAL CONSUMED		
Cost of Raw Materials Consumed (Refer Note No. 35(a))		
Inventory at the beginning of the year	885	1,343
Add : Purchases	15,663	20,905
Less : Inventory at the end of the year	955	885
	<u>15,593</u>	<u>21,363</u>
Total	<u><u>15,593</u></u>	<u><u>21,363</u></u>
Particulars of Raw Materials		
Metallics	11,563	16,820
Ferro Alloys	3,479	4,080
Others	551	463
	<u>15,593</u>	<u>21,363</u>
Total	<u><u>15,593</u></u>	<u><u>21,363</u></u>
20 PURCHASE OF STOCK IN TRADE		
Purchase for stock trade	-	140
	<u>-</u>	<u>140</u>
Total	<u><u>-</u></u>	<u><u>140</u></u>
21 CHANGES IN INVENTORIES		
Inventories (at beginning)		
- Finished Goods	811	1,417
- Semi Finished Goods	1,358	1,714
	<u>2,169</u>	<u>3,131</u>
Inventories (at close)		
- Finished Goods	456	811
- Semi Finished Goods	1,644	1,358
	<u>2,100</u>	<u>2,169</u>
Net (Increase) / Decrease		
- Finished Goods	355	606
- Semi Finished Goods	(286)	356
	<u>69</u>	<u>962</u>
Total	<u><u>69</u></u>	<u><u>962</u></u>

RMG ALLOY STEEL LIMITED

Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
21 CHANGES IN INVENTORIES (Contd.)		
Particulars of Inventories		
Finished Goods		
Steel	456	811
Seamless Pipe	-	-
	<u>456</u>	<u>811</u>
Semi Finished Goods		
Steel	1,643	1,357
Seamless Pipe	1	1
Total	<u>1,644</u>	<u>1,358</u>
22 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Allowances and Benefits	1,492	1,440
Contribution to Provident and Other Funds	80	85
Gratuity	34	26
Leave Encashment	15	16
Staff Welfare Expenses	44	39
Total	<u>1,665</u>	<u>1,606</u>
23 FINANCE COST		
Interest Expense	4,364	4,676
Other Borrowing Cost	216	312
Total	<u>4,580</u>	<u>4,988</u>
24 OTHER EXPENSES		
Manufacturing and Other Expenses		
Stores and Spare Consumed (Refer Note No. 35(b))	2,174	2,127
Power and Fuel	6,828	6,376
Repairs to Buildings	27	43
Repairs to Plant & Machinery	211	238
Labour Charges	381	316
Job Work Charges	274	279
Insurance	37	37
Excise Duty on change in inventories	(39)	(66)
Lease Rentals and Hire Charges	70	53
Security charges	35	30
Safety Expenses	12	9
Vehicle Expenses	79	69
Communication expenses	20	46
Travelling and Conveyance	39	35
Rates and Taxes	35	2
Printing & Stationery	14	15
Listing Fees	5	5
Directors' Sitting Fees	6	4
Auditors' Remuneration		
- Audit Fees	9	9
- Certification Charges	1	1
Legal and Professional Fees	224	81
Net loss on foreign currency transactions and translation	13	50
Freight	147	179
Discounts on Sales	96	162
Brokerage & Commission	1	2
Sales Promotion Expenses	6	-
Provision for Doubtful Debts	25	67
Loss on assets sold/scrapped (Net)	7	-
Miscellaneous Expenses	43	51
Total	<u>10,780</u>	<u>10,218</u>

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25 Exceptional Item

As per the Letter dated 9th October 2013 of Government of Gujarat to BIFR in connection with G.R.No: 102012-593970-I, dated 8th July 2013, the Company is eligible to avail unutilized incentive. Accordingly during the year ended 31st March 2015, the Company had accounted for the refund on the purchase tax an amount of Rs. 2,259 lac net off Sales tax Liability Rs. 624 lac. Further during the year the company had accounted for Rs. 321 Lac over and above the purchase tax receivable shown in the previous year.

26 EARNING PER SHARE

(Rs.in lac)

Particulars	As at 31st March 2016	As at 31st March 2015
Net Profit / (Loss) for the year (Rs. lac)	(6,007)	(3,662)
Less: Cumulative Dividend on 12% CRPS	655	564
Net Profit / (Loss) for the year considered for calculating earnings per share	(6,662)	(4,226)
Number of equity shares outstanding during the year	108,435,840	108,435,840
Basic and Diluted earnings / (loss) per equity share of Rs.6/- each:	(6.11)	(3.90)

27 The slowdown in end user industries and overall global weakness continues to weigh on and is adversely impacting the performance. During the current year, the company has received Rs. 2800 lac from promoters/strategic investor and Consortium banks have disbursed loans, which has resulted in improved liquidity situation. Expected receipt of loan from Consortium Banks and Fiscal Incentive will also result in further improvement in the liquidity of the company. The value added products approved by major OEM's will also result in increased demand of company's products. Management thus, expects substantial improvement in the utilization of the capacity in the coming period. Accordingly, the financial statements have been prepared on going concern basis and no adjustments are required to the carrying amount of assets and liabilities.

28 The balances of trade receivables and trade payables are subject to confirmation from the respective parties and consequential adjustments arising there from, if any. The management however does not expect any material variations on reconciliation.

29 In the opinion of the Board, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet, unless stated otherwise.

The provision for all known liabilities is adequate and not in excess of the amount reasonably stated.

30 SEGMENT REPORTING

The Company operates in a single business segment i.e. manufacture of steel and steel products such as seamless tubes and rolled products and as such there are no primary and secondary segments as per the requirement of Accounting Standard (AS-17) on "Segment Reporting". The Company has no reportable geographical segment.

31 RELATED PARTY DISCLOSURE

As per Accounting Standard (AS) 18, 'Related Party Disclosures, prescribed under the Accounting Standard Rules, the disclosures of transactions with the related parties are given below:

Name of related party	Relationship
- Shashank Chaturvedi	Key Management Personnel (up to 11th November, 2014)
- Anuj Burakia	Key Management Personnel (w.e.f 29th July, 2015)
- Welspun Steel Limited	Enterprise under common control with the company
- W S Alloy Holding Pvt. Ltd.	Enterprise having significant influence over the Company (w.e.f 9th May, 2015)
- Wide Screen Holding Pvt Ltd	Enterprise having significant influence over the Company
- Krishiraj Trading Limited	Enterprise under common control with the company

Above mentioned related parties are identified by the Management and relied upon by the Auditor.

RMG ALLOY STEEL LIMITED

Transactions with related parties

(Rs.in lac)

Particulars	Enterprise under Common Control	Key Management Personnel
Welspun Steel Limited		
Purchases	4,595(1,253)	-
Sales	NIL (1)	-
Reimbursement of Expenses	27(24)	-
Interest to Creditors	53(23)	-
Outstanding Payable	872 (240)	-
Krishiraj Trading Limited		
Acceptance of Loan	NIL (200)	
Repayment of Loan	200 (NIL)	
Remuneration		
Shashank Chaturvedi	-	NIL(53)
Anuj Burakia	-	7(NIL)

(figures in bracket represent Previous year figures)

32 DEFERRED TAX LIABILITY (Net)

(Rs. in lac)

Particulars	As at 31st March 2016	As at 31st March 2015
Deferred Tax Liability		
Related to Fixed Assets	1,485	1,616
Deferred Tax Asset		
Other Disallowances under Income Tax Act, 1961	231	89
Unabsorbed Depreciation/ Business Loss (Refer note below)	1,254	1,527
Net Deferred Tax Liability	-	-

Note: - In the absence of virtual certainty, Deferred Tax asset on account of unabsorbed depreciation and business loss has been recognized to the extent it can be realized against reversal of deferred tax liability.

33 EMPLOYEE BENEFITS

a) Defined Contribution Plan

The Company makes contributions at a specified percentage of payroll cost towards Employees Provident Fund (EPF) for qualifying employees.

The Company recognized Rs.80 lac (Previous year Rs.85 lac) for provident fund contributions in the Statement of Profit and Loss.

b) Defined Benefit Plans

Gratuity is payable to all eligible employees of the company on superannuation, death and resignation in terms of the provision of the payment of Gratuity Act. The present value of obligations is determined based on actuarial valuation using Projected Unit Credit Method, which recognized each period of service as given rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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The following table sets out the status of the gratuity plan and the amounts recognized in the company's financial statements as at 31st March, 2016:

(Rs.in lac)

Particulars	Gratuity Non Funded	
	As at 31st March 2016	As at 31st March 2015
Reconciliation of Present Value of Obligation PVO– defined benefit obligation		
PVO at the beginning of the year	130	127
Current Service Cost	18	19
Interest Cost	10	11
Actuarial (gain) / losses	6	(5)
Benefits paid	(32)	(24)
PVO at end of the year	132	129
Net cost for the year ended 31st March		
Current Service cost	18	19
Interest cost	10	11
Actuarial (gain) / losses	6	(5)
Net cost	34	26
Assumption used in accounting for the gratuity plan		
Discount rate (%)	8.00 % p.a.	8.00 % p.a.
Salary escalation rate (%)	4.00 % p.a.	5.00 % p.a.

c) OTHER DISCLOSURES

	2015-16	2014-15	2013-14	2012-13	2011-12
Present value of defined benefit obligation	132	130	127	173	168
Fair value of plan assets	—	—	—	—	—
(Deficit)/ Surplus of the plan	(132)	(130)	(127)	(173)	(168)
Experience adjustments on plan liabilities [loss / (gain)]	20	(6)	19	8	23
Experience adjustments on fair value of plan assets [(loss) / gain]	-*	-*	-*	-*	-*

*The details of experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on "Employee Benefits" are not available in the valuation report and hence, are not furnished.

d) Other Long Term Employee Benefits

The compensated absences charge for the year ended 31st March, 2016, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting to Rs.15 lac (Previous year Rs.16 lac) has been recognized in the Statement of Profit and Loss.

34 FINANCIAL AND DERIVATIVE INSTRUMENTS

Particulars	INR equivalent (Rs.in lac)		USD equivalent (USD in lac)	
	As at 31st March			
	2016	2015	2016	2015
Foreign Currency:				
Unhedged				
Buyers Credit	-	128	-	2
Current Liabilities	50	218	1	3

RMG ALLOY STEEL LIMITED

35 ADDITIONAL INFORMATION

Pursuant to the provisions of 5(viii)(c) of Part II of Schedule III to the Companies Act, 2013:

Sr. No.	Particulars	For the year ended 31st March		For the year ended 31st March	
		2016		2015	
		Amount (Rs.in lac)	(%)	Amount (Rs.in lac)	(%)
a)	Value of Raw Material Consumed				
	- Imported	2,191	14	2,588	12
	- Indigenous	13,402	86	18,775	88
	Total	15,593	100	21,363	100
b)	Value of Stores and Spares Consumed				
	- Imported	302	14	348	16
	- Indigenous	1,872	86	1,779	84
	Total	2,174	100	2,127	100

Particulars	For the year ended 31st March	
	2016	2015
c) Value of Imports on CIF Basis in respect of		
- Raw Materials	383	2,016
- Stores and Spares	290	307
- Finished Goods	-	140
- Fixed Asset (Plant & Machinery)	-	51
d) Expenditure in Foreign Currency		
- Interest / Bank Charges	2	15
- Others	1	-
e) Earnings in Foreign Exchange		
- FOB Value of Export	106	87

36 Contingent Liability

Particulars	For the year ended 31st March	
	2016	2015
Capital Commitments not provided for (net of advances)	23	23
Bank Guarantees	915	1,057
Bills Discounted	668	490
Service Tax	139	139
Excise Duty	34	34
Customs Duty	-	7
Disputed Sales Tax Demands	20	48
Disputed Income Tax Demand	-	86
Claim against the Company not acknowledged as debts	442	417
Dividend on Cumulative Redeemable Preference Shares (CRPS)	1,763	1,108

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- 37 Disclosures relating to amounts payable as at the year end together with interest paid / payable to Micro, Small and Medium Enterprises have been made in the accounts, as required under Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) to the extent of information available with the Company determined on the basis of intimation received from suppliers regarding their status. The required disclosures are the information required under the said Act as given below :

(Rs.in lac)

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
Principal amount remaining unpaid as on 31st March	-	21
Interest due thereon as on 31st March	7	5
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at 31st March	-	-
Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

38 PREVIOUS YEAR'S FIGURES

Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our attached report of even date

For CHATURVEDI & SHAH

Chartered Accountants

Firm Registration No. 101720W

For and on behalf of the Board of Directors

Parag D Mehta

Partner

Membership No. 113904

Place : Mumbai

Date : 25th May, 2016

Anuj Burakia

Whole Time Director

Ashok Jain

Director

Narendra Kumar Bhandari

CFO

Nilesh Javker

Company Secretary

RMG ALLOY STEEL LIMITED

CIN : L27100GJ1993PLC020358

Registered Office : G.I.D.C. Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393110, India.
Email : allcompanysecretaryofrmgl@welspun.com Website: www.rmgalloysteel.com

Corporate Office : B/9, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013.
Tel No: +91 -22-66136000 Fax: +91-22-2490 8020

E-mail Registration-Cum-Consent Form

To,
The Executive Director,
RMG Alloy Steel Limited
G.I.D.C Industrial Estate, Valia Road, Jhagadia,
Dist. Bharuch, Gujarat 393110

I/ we the members of the Company do hereby request you to kindly register/ update my e-mail address with the Company. I/ We, do hereby agree and authorize the Company to send me/ us all the communications in electronic mode at the e-mail address mentioned below. Please register the above e-mail address / mobile number for sending communication through e-mail/ mobile.

Folio No. :	DP – ID	:	Client ID	:
Name of the Registered Holder (1st)		:		
Name of the joint holder(s)		:		
Registered Address	:			
	Pin:			
Mobile Nos. (to be registered)	:			
E-mail Id (to be registered)	:			

Signature of the Shareholder(s)*

* Signature of all the shareholders is required in case of a joint holding.

Form No. SH-13
Nomination Form

(Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014)

To,
The Executive Director,
RMG Alloy Steel Limited
G.I.D.C. Industrial Estate, Valia Road, Jhagadia,
Dist. Bharuch, Gujarat 393110

I/ We _____ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S —

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

3. IN CASE NOMINEE IS A MINOR—

- (a) Date of birth:
- (b) Date of attaining majority
- (c) Name of guardian:
- (d) Address of guardian:

Name: _____

Address: _____

Name of the Security Holder(s) _____

Signatures: _____

Witness with name and address: _____

Instructions:

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by individuals only. Non individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the Shares are held jointly all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of Shares and in that event the name and address of the Guardian shall be given by the holder.
4. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
5. Transfer of Shares in favour of a nominee shall be a valid discharge by a Company against the legal heir(s).
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled; else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
9. Whenever the Shares in the given folio are entirely transferred or dematerialised, then this nomination will stand rescinded.
10. Upon receipt of a duly executed nomination form, the Registrar & Transfer Agent of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The Company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.
13. The intimation regarding nomination / nomination form shall be filed in duplicate with the Registrars & Transfer Agents of the Company who will return one copy thereof to the Shareholders.
14. For shares held in dematerialised mode nomination is required to be filed with the Depository Participant in their prescribed form.

Form No. MGT-11

PROXY FORM

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

CIN : L27100GJ1993PLC020358

Name of the Company: RMG ALLOY STEEL LIMITED

Registered Office : G.I.D.C. Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393110, India.

Email : allcompanysecretaryofrmgl@welspun.com Website: www.rmgalloysteel.com

Corporate Office : B/9, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013. Tel No: +91 -22-66136000
Fax: +91-22-2490 8020

Name of the member (s): _____

Registered Address: _____

E-mail Id: _____

Folio No / Client ID _____ DP ID _____

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

1. Name) : _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him/her

2. Name) : _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him/her

3. Name) : _____

Address: _____

E-mail Id: _____

Signature: _____

as my / our proxy attend and vote (on a poll) for me / us and on my / our behalf at the 34th Annual General Meeting of the Company to be held on Tuesday, 27th September, 2016 at 12.30 p.m. at the Registered Office of the Company at G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393110 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Subject of the Resolution	Vote	
		For	Against
1	Consider and adopt Audited Financial Statements, for FY 2015-16 and reports of the Board of Directors and Auditors thereon.		
2	Re-appointment of Mr. Anuj Burakia as a director of the Company, liable to retire by rotation.		
3	Ratification of appointment of M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration No.101720W), as Statutory Auditors		
4	Ratification of remuneration payable to Cost Auditor		

Signed this day of2016.

Affix Re. 1
Revenue
stamp

Signature of shareholder

Signature of Proxy Holder(s) : 1) _____ 2) _____ 3) _____

Note:

- 1) Please complete all the details including details of member(s) in the above Box before submission.
- 2) It is optional to put "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.
- 3) **A proxy can act on behalf of such number of member or members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company. Provided that a member holding more than 10%, 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 proxy for any other person or shareholder.**
- 4) The 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.

REGISTERED OFFICE :
Plot No. 1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat -393 110

← from Bharuch Junction, Railway Station Road, Railway ...
to Remi Metals Gujarat Limited, Jhagadia GIDC, Gujara...

44 min (23.9 km)

via GJ SH 165

88 min without traffic

⚠ This route has tolls.



Bharuch Junction

Railway Station Road, Railway Colony, Bharuch, Gujarat 392012

↑ Head south-west

📍 Pass by Bharuch Station Police Chowki (on the left)

15 s (64 m)

> Follow Zadeshwar Rd, NH48 and GJ SH 165

31 min (17.2 km)

> Continue to Jhagadia GIDC

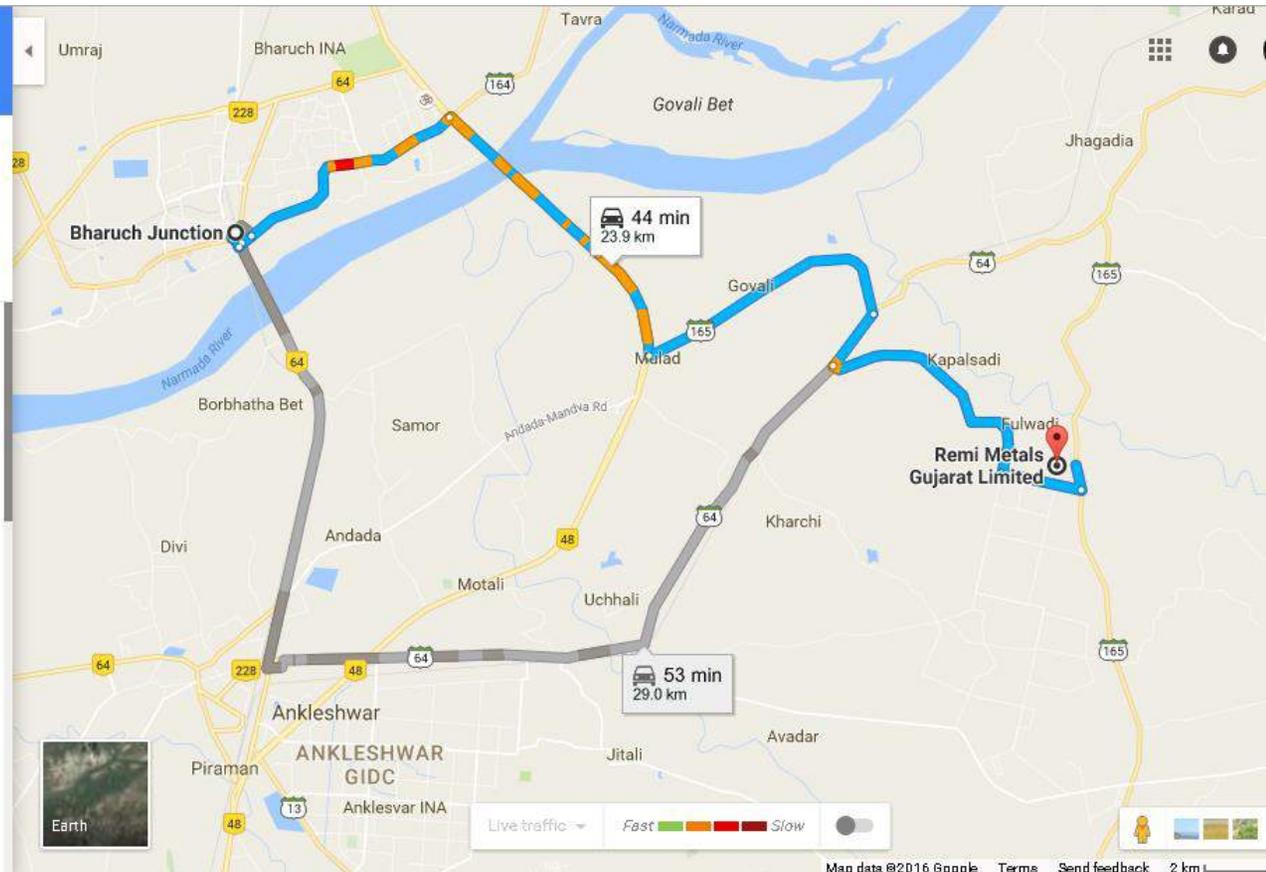
10 min (6.1 km)

↩ Turn left onto GJ SH 165

1 min (450 m)

Remi Metals Gujarat Limited

Jhagadia GIDC, Gujarat 393110



RMG ALLOY STEEL LIMITED

**35TH ANNUAL REPORT
2016- 2017**

RMG ALLOY STEEL LIMITED

CIN:L27100GJ1980PLC020358

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Atul Desai	-	Chairman
	Mr. Anuj Burakia	-	Whole Time Director
	Mr. Ashok Jain		
	Mr. Hanuman Kanodia		
	Mr. Aneel Lasod		
	Ms. Amita Karia		

KEY MANAGERIAL PERSONNEL	Mr. Nilesh Javker	-	Company Secretary
	Mr. Narendra Kumar Bhandari	-	Chief Financial Officer

AUDITORS M/S. Chaturvedi & Shah., Nariman Point, Mumbai – 400 021

BANKERS
Bank of Baroda
Lakshmi Vilas Bank
Andhra Bank
Federal Bank
Corporation Bank

FACTORY AND REGISTERED OFFICE Plot No. 1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat-393110

LISTING OF SHARES THE BOMBAY STOCK EXCHANGE LTD, MUMBAI
Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai- 400 001

CORPORATE OFFICE B/9, Trade World, Kamala City,
S.B.Marg, Lower Parel, Mumbai – 400013,
Tel: 022-66136000/24908000, Fax: 022-24908020
E-mail: allcompanysecretaryofrmgl@welspun.com
Website: www.rmgalloysteel.com

R&T AGENT Bigshare Services Pvt. Ltd.
(Unit: RMG Alloy Steel Limited)
Bharat Tin Works Building, 1st Floor,
Opp. Vasant Oasis, Next to Keys Hotel,
Marol Maroshi Road, Andheri (East)
Mumbai – 400059
Email: investor@bigshareonline.com
Tel: 91-22-6263 8200
Fax: 91-22-6263 8261

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DIRECTORS' REPORT

To,
The Members,
RMG Alloy Steel Limited,

Your Directors are pleased to present the Thirty-Fifth Annual Report together with Audited Financial Statement of the Company for the year ended 31st March 2017.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2016-17	2015-16
Sales and other income	24,058	27,022
Profit/(Loss) before Interest, Depreciation and exceptional items	(953)	(1,085)
Interest and Financial charges	4,491	4,580
Depreciation and Amortisation	659	663
Profit/ (Loss) before exceptional items and tax	(6,103)	(6,329)
Exceptional items	250	321
Profit/(Loss) before tax	(5,853)	(6,007)

OPERATIONS

Operations of the Company were as under:

Particulars	2016-17			2015-16		
	Production (Tones)	Sales (Qty M.T.)	Gross Sales (Rs.in Lakh)	Production (Tones)	Sales (Qty M.T.)	Gross Sales (Rs.in Lac)
Steel	46,371	46,654	26,283	50,664	51,131	29,955

Due to sluggish demand for all steel products, the Company lost on production quantities. Besides, lower prices affected per unit realization, bringing down per MT revenue from Rs.58,585/- in FY2015-16 to Rs.56,336/- in FY2016-17 and the total revenue declined by 10.96% whereas the total expenses were lower by 11.01% after factoring fixed cost (not directly proportionate to production levels) as against reduced production of 8.47%. The price of raw material was reduced by lesser amount as compared to fall in price of finished product.

DIVIDEND AND RESERVES

In view of the net loss, your directors do not recommend any dividend for the financial year ended on March 31, 2017 or propose to transfer to any specific reserves.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013 (the Act), your Directors hereby confirm that:

- In the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March 2017 and of the profit and loss of the Company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)

a. Board of Directors:

During the year Mr. V.S. Iyer ceased to be director of the Company upon his demise, while Mr. Aneel Lasod was appointed as an Additional Director with effect from February 14, 2017. The tenor of Ms. Amita Karia expired on March 30, 2017, Ms. Karia was appointed as additional Independent Director w.e.f. March 31, 2017.

Appointment of Mr. Aneel Lasod and Ms. Amita Karia is being placed before the members of the Company for their approval at the ensuing Annual General Meeting.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Hanuman Kanodia, Director of the Company retire by rotation at the 35th Annual General Meeting and being eligible, has offered himself for reappointment. Board has recommended his re-appointment.

Four (4) meetings of Board of Directors were held during the financial year 2016-17, the details of which are given in the Corporate Governance Report.

b. Key Managerial Personnel:

There was no change in Key Managerial Personnel during the year under review.

c. Declaration by Independent Directors:

Mr. Atul Desai, Mr. Ashok Jain and Ms. Amita Karia, independent directors have given declaration that they meet the criteria of independent directors as provided in Section 149(6) of the Companies Act, 2013.

d. Annual Board Evaluation:

In compliance with the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, as per the process recommended by the Nomination and Remuneration Committee, has evaluated the effectiveness of the Board, its Committees and Directors and the results were satisfactory.

e. Disclosure as per Section 179(12) and Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year: **the ratio of remuneration of Whole Time Director to the median remuneration was 5.24 times.**
- (ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: **there was no increase in remuneration of Directors, CEO, CFO or CS.**
- (iii) the percentage increase in the median remuneration of employees in the financial year: **0.02%.**
- (iv) the number of permanent employees on the rolls of company: **414.**
- (v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: **neither aggregate remuneration of employees (including new employees) excluding KMP, nor in managerial remuneration was increased as compared to last year.**
- (vi) We affirm that the remuneration is as per the remuneration policy of the company.

None of the Directors receive any commission.

• Remuneration Policy and Criteria for making payment to Non-Executive Directors

Pursuant to Section 178 (3), Nomination and Remuneration Committee (NRC) at its meeting held on 27th May, 2014 approved and recommended policy relating to criteria for determining qualifications, positive attributes and independence of directors, the remuneration for the Directors, Key Managerial Personnel and other employees and the Board of Directors approved the said policy as recommended by NRC, at its meeting held on 27th May 2014.

An extract of Nomination and Remuneration Policy of the Company is included as a part of the Corporate Governance Report.

AUDIT COMMITTEE

The Audit Committee consists of the following Non-Executive Directors:

- a. Mr. Atul Desai - Chairman, Independent
- b. Mr. Ashok Jain - Member, Independent
- c. Ms. Amita Karia - Member, Independent

None of the Audit Committee's recommendations were rejected.

DEPOSITS

The Company has not accepted any deposit within the meaning of the Chapter V to the Companies Act, 2013. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under the Report.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return in form MGT-9 is enclosed as **Annexure I**.

DETAILS OF RELATED PARTY TRANSACTIONS

Details of arrangement entered into with Welspun Steel Limited under section 189 (related party) pursuant to **Rule 8 (2) of the Companies (Accounts) Rules, 2014** are mentioned in form AOC-2 enclosed as **Annexure II**.

The Company neither being a holding company nor a subsidiary, disclosure of related party transaction as per Schedule V of SEBI (LODR) Regulations, 2015 are not applicable.

AUDITORS AND THEIR REPORTS

• **Statutory auditors:**

Your Company's Auditors, M/s. Chaturvedi & Shah, Chartered Accountants were re-appointed for the period of three years till the conclusion of 35th Annual General Meeting i.e. the ensuing Annual General Meeting. The Board shall recommend to shareholders the appointment of a suitable organization as Statutory Auditors of the Company for their approval at the ensuing Annual General Meeting..

Please refer to Auditors' Observations/ Qualifications and in relation thereto the Board of Directors state as under:

- i. As regards note (i)(a) of "Annexure A to Independent Auditors' Report", the Company is relooking its Fixed Assets Register to find the missing information and the same will be updated in due course of time.
- ii. Comments under Emphasis of Matters read together with notes to accounts is self explanatory and therefore do not call for explanation.

No fraud was reported by the Auditors of the Company to the Audit Committee pursuant to section 143(12) of the Act.

• **Cost Auditors:**

As per Section 148 and other applicable provisions, if any, of the Act read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of your Company has appointed M/s. Kiran J. Mehta, Cost Accountants as the Cost Auditors of your Company for FY 2017-18 on the recommendations made by the Audit Committee.

Members are requested to ratify their remuneration by passing an ordinary resolution in the forthcoming Annual General Meeting.

• **Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. Mihen Halani & Associates, Practising Company Secretaries, as the Secretarial Auditor of your Company for the FY 2017-18. The Secretarial Audit Report issued by Mr. A. L. Makhija for FY 2016-17 is annexed herewith as **Annexure - III** to this Report.

As regards observations of the Secretarial Audit Report, we state that Note (A) is self-explanatory and therefore do not call for any comments;

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186.

The Company has not made investment nor given loan or provide any guarantee for repayment of loan under section 186 of the Act.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees and no personnel have been denied access to the Audit Committee Chairman.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo required pursuant to Rule 8(3) of the Companies (Accounts) Rules, 2014 are as follows:

A. Conservation of Energy

(i) Steps taken or impact on conservation of energy.

- Hot charging of billets has been adopted which reduce coal consumption from 120 Ton to 100 Ton, as well FO 30KL to 20 KL.
- 8 No's 8 KGM single motors replaced with single group drive of 30HP motor with gearbox arrangement reduced power consumption by 14 kWh. Same methodology adopted in two more places.

(ii) Capexes on Energy Conservation Equipments:

- Combustion air system to be provided with VVF drive.

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B. Technology Absorption

- 135" dia production from 3HI mill in place of 2HI reversible mill.

C. Foreign exchange earnings and outgo

- Foreign exchange earned in terms of actual inflows during the year:
FOB Value of exports Rs.71 Lakh (Rs.106 Lakh)
- Foreign exchange outgo during the year in terms of actual outflows:
Imports on CIF Basis/expenditure in foreign currency Rs.442 lakh (Rs. 676 Lakh)

CORPORATE GOVERNANCE

A separate report on Corporate Governance is annexed hereto as a part of this Report. Management Discussion and Analysis Statement is separately given in the Annual Report. A certificate from the Secretarial Auditors of the Company regarding compliance of conditions of Corporate Governance as prescribed under the SEBI (LODR) Regulations, 2015 is attached to this report as **Annexure IV** and **Annexure V** respectively.

RISK MANAGEMENT POLICY

The Board of Directors at its meeting held on 25th May, 2016 considered and approved a revamped risk management policy to suit the dynamic business environment.

Your Company is exposed to risks across all levels and functions of the organisation. The Board has approved Risk Management Policy (RMP) to effectively address financial, operational, compliance and strategic risk. A structured enterprise risk management program has been formulated and implemented. Refer to the Management Discussion and Analysis Section in this Report for risks and threats applicable to your Company.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTOR

The details of familiarization program (for independent directors) are disclosed on the Company's website: www.rmgalloysteel.com.

CODE OF CONDUCT

The Company has Code of Conduct for Board members and senior management personnel. A copy of the Code has been put on the Company's website for information of all the members of the Board and Senior Management Personnel.

All Board members and senior management personnel have affirmed compliance of the same.

PARTICULARS OF EMPLOYEES

None of the employees of the Company drew remuneration more than the amount specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INTERNAL CONTROLS

Your Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. Your Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation of Section 134(5)(e) of the Act, SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and other relevant statutes applicable to your Company. The Internal Auditors continuously monitor the efficiency of the internal controls / compliance, with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organisation's risk management, control and governance processes. For the year ended March 31, 2017, the Board is of the opinion that your Company has sound IFC commensurate with the nature of its business operations; wherein adequate controls are in place and operating effectively and no material weakness exists. Your Company has a process in place to continuously monitor existing controls and identify gaps and implement new and / or improved controls wherever the effect of such gaps would have a material effect on your Company's operation.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express gratitude for valuable assistance and co-operation extended to the Company by Financial Institutions, Commercial Banks and other authorities. Your directors also wish to place on record their sincere appreciation of the dedicated services, hard work, solidarity and profuse support by all the employees of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

sd/-	sd/-
Anuj Burakia	Ashok Jain
Whole Time Director	Director
DIN: 02840211	DIN: 00007189

Place: Mumbai
Date: 16.05.2017

Annexure I

Form No. MGT – 9

EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i. CIN :- L27100GJ1980PLC020358
- ii. Registration Date : December 29, 1980
- iii. Name of the Company : RMG Alloy Steel Limited
- iv. Category / Sub Category of the Company: Public Limited Company
- v. Address of the Registered office and contact details:
Plot No.1, G.I.D.C. Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat - 393110; Contact Tel: +91 22-6613 6000; Fax:+91 22 2490 8020
Email: allcompanysecretaryofrmgl@welspun.com
- vi. Whether listed company: Yes. The Bombay Stock Exchange Limited
- vii. Name, address and contact details of Registrar and Transfer Agent:
M/s. Bigshare Services Private Limited
Unit : RMG Alloy Steel Limited
Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis,
Next to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai – 400059
Email - investor@bigshareonline.com
Tele. No.: +91-022-6263 8200
Fax No. : +91-22-6263 8261

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

- All business activities are from the business of steel & steel products such as Seamless Tubes & Rolled Products and hence the entire turnover is from steel & steel products.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% Of Shares Held	Applicable Section
WS Alloy Holding Pvt Ltd	U27100GJ2014PTC080182	Associate	39.88	2(6)

IV. SHARE HOLDING PATTERN (equity share capital break-up as percentage of Total Equity)

i. Category-wise share holding as on 31.03.2017

CATEGORY	Total Shareholders	% Of Shareholders	Total Shares	%
CLEARING MEMBER	21	0.0256	76382	0.0704
CORPORATE BODIES	341	0.4157	1942161	1.7911
FOREIGN INST. INVESTOR	5	0.0061	23761	0.0219
GROUP COMPANIES	11	0.0134	94116875	86.7950
MUTUAL FUND	10	0.0122	15860	0.0146
NATIONALISED BANKS	4	0.0049	130	0.0001
NON NATIONALISED BANKS	1	0.0012	10	0.0000
NON RESIDENT INDIANS	51	0.0622	7083	0.0065
PROMOTERS	8	0.0098	1984	0.0018
PUBLIC	81568	99.4453	11129384	10.2636
TRUSTS	1	0.0012	1000000	0.9222
UNCLAIMED SUSPENSE ACCOUNT	1	0.0012	121290	0.1119
UNIT TRUST OF INDIA	1	0.0012	920	0.0008
TOTAL	82023		108435840	100.0000

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ii. Shareholding of Promoters and Change in Promoters' shareholding

Sl. No	Shareholder's name	Shareholding as on 31.03.2016			Shareholding as on 31.03.2017			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
A	<u>Individuals / HUF (Promoters)</u>							
1	Vishwambarlal C Saraf	916	0.00	0.00	916	0.00	0.00	0.00
2	Rajendra C Saraf	501	0.00	0.00	501	0.00	0.00	0.00
3	Minakshi R Saraf	151	0.00	0.00	151	0.00	0.00	0.00
4	Vishwambhar C Saraf (on behalf of Fulidevi Saraf Family Trust)	230	0.00	0.00	230	0.00	0.00	0.00
5	Vandana V.Saraf	1	0.00	0.00	1	0.00	0.00	0.00
6	Vishwambhar C Saraf (on behalf of Chiranjilal Saraf Family Trust)	125	0.00	0.00	125	0.00	0.00	0.00
7	Rishabh R Saraf	40	0.00	0.00	40	0.00	0.00	0.00
8	Anupama Kasera	20	0.00	0.00	20	0.00	0.00	0.00
		1,984.00	0.00	0.00	1,984.00	0.00	0.00	0.00
B	<u>Promoter Group Companies</u>							
1	Rajendra Finance Pvt. Ltd.	2,460,520	2.27	0.00	1,960,520	1.81	0.00	(0.46)
2	Bajrang Finance Ltd	10	0.00	0.00	10	0.00	0.00	0.00
3	Remi Securities Limited	2,313,600	2.13	0.00	2,313,600	2.13	0.00	0.00
4	K K Fincorp Limited (Formerly known as Kuber Kamal Industrial Investments Ltd)	2,313,617	2.13	0.00	2,313,617	2.13	0.00	0.00
5	Calplus Trading Pvt Ltd	6,114,390	5.64	0.00	6,114,390	5.64	0.00	0.00
6	Magnificent Trading Pvt Ltd	7,012,334	6.47	0.00	7,012,334	6.47	0.00	0.00
7	Remi Finance and Investment Pvt. Ltd.	2,460,000	2.27	0.00	2,460,000	2.27	0.00	0.00
8	Vishwakarma Jobworks Limited	2,556,545	2.36	0.00	2,556,545	2.36	0.00	0.00
9	Vayudoot Trading Limited	1,995,492	1.84	0.00	1,995,492	1.84	0.00	0.00
		27,226,508	25.11	0.00	26,726,508	24.65	0.00	(0.46)
C	<u>Co-promoter</u>							
1	Widescreen Holdings Pvt. Ltd.	24,143,333	22.27	0.00	24,143,333	22.27	0.00	0.00
D	<u>Strategic Investor</u>							
1	WS Alloy Holding Pvt Ltd	43,247,034	39.88	0.00	43,247,034	39.88	0.00	0.00
	Grand total	94,618,859	87.26	0.00	94,118,859	86.80	0.00	(0.46)

iii. Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. no.	Name of the shareholders	Shareholding at the beginning of the year		Change in shareholding (No of shares)	Shareholding at the end of the year.	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
	Stressed Assets Stabilization Fund	1,000,000	0.92	-	1,000,000	0.92
	Shakuntla Gupta	513,705	0.47	-	513,705	0.47
	Anvil Consultancy Private Limited	0	0.00	513362	513,362	0.47
	Hanuman Freight And Carriers Pvt Ltd	0	0.00	500,000	500,000	0.46
	Sandhya Subhash Agarwal	0	0.00	493000	493,000	0.45
	Shaunak Jagdish Shah	470,741	0.43	-	470,741	0.43
	Ashkaran Jain	420,000	0.39	-20000	400,000	0.37
	Kali Ram Gupta	380,898	0.35	-	380,898	0.35
	Pinky Ventures Private Limited	990,918	0.91	-715000	275,918	0.25
	Jagdish Amritlal Shah	244,388	0.23	-	244,388	0.23

Note: Top ten shareholders of the company as on March 31, 2017 has been considered for the above disclosure

RMG ALLOY STEEL LIMITED

iv. Shareholding of Directors and Key Managerial Personnel :

Sr. no.	Name of the Director and KMP	Shareholding at the beginning of the year		Change in Shareholding	Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Increase/ Decrease	No. of shares	% of total shares of the company
	Directors					
1	Mr. Atul Desai	-	-	-	-	-
2	Mr. Ashok Jain	-	-	-	-	-
3	Mr. Anuj Burakia (WTD)	-	-	-	-	-
4	Mr. V S Iyer (upto 12.01.2017)	10	0.00	-	10	0.00
5	Mr. Hanuman Kanodia	500	0.00	-	500	0.00
6	Ms. Amita Karia	-	-	-	-	-
7	Mr. Aneel Lasod (w.e.f. 14.02.2017)	-	-	-	-	-
	KMP					
1	Mr. Narendra Kumar Bhandari	-	-	-	-	-
2	Mr. Nilesh Javker	-	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

Rs.in Lakh

	Secured Loans (excluding Deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	29,604		-	29,604
ii. Interest due but not paid	268		-	268
iii. Interest accrued but not due	-	7	-	7
Total (i + ii + iii)	29,872	7	-	29,980
change in indebtedness during the financial year.				
* Addition	1,817	-	-	1,817
* Reduction	(744)	-	-	(744)
* Change in Interest due but not paid	127	4	-	131
Net change	1,200	4	-	1,203
Indebtedness at the end of the financial year				
i. Principal Amount	30,677	-	-	30,677
ii. Interest due but not paid	395	-	-	395
iii. Interest accrued but not due	-	11	-	11
Total (i+ii+iii)	31,072	11	-	31,083

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Anuj Burakia (WTD) (upto October 30, 2016#)	Total Amount
1	Gross Salary		
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act 1961.	5,83,331	5,83,331
	b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	-	-
	c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL

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Sr. No.	Particulars of Remuneration	Anuj Burakia (WTD) (upto October 30, 2016#)	Total Amount
4	Commission - As % of profit - Others	NIL	NIL
5	Others	NIL	NIL
	Total (A)	5,83,331	5,83,331
	Ceiling as per the Act.	*84,00,000	

* in terms of approval granted by the shareholders vide a special resolution passed at the 33rd Annual General Meeting held on 30.09.2015 pursuant to provisions of section 197 read with Schedule V, Part II, Section II (A) of the Act.

Mr. Burakia relinquished his remuneration w.e.f. November 1, 2016.

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total amount
		Amita Karia	Atul Desai	Ashok Jain	
1	Independent Directors				
	Fee for attending Board & Committee meetings	92,000	129,000	119,000	340,000
	Commission	-	-	-	-
	Others	-	-	-	-
	Total (1)	92,000	129,000	119,000	340,000
Sr. No.	Particulars of Remuneration	Name of Directors			Total amount
		VS Iyer	Hanuman Kanodia	Aneel Lasod	
2	Other Non-Executive Directors				
	Fee for attending Board & Committee meetings	30,000	30,000	10,000	70,000
	Commission	-	-	-	-
	Others	-	-	-	-
	Total (2)	30,000	30,000	10,000	70,000
	Total (B) = (1 + 2)	410,000			
	Total Managerial Remuneration	993,331			
	Overall Ceiling as per the Act.	<i>The above amount is paid to directors towards fees for attending meetings of the Board or Committee. Pursuant to the Act, the amount of such fees should not exceed Rs. one lakh rupees per meeting of the Board or Committee thereof.</i>			

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel (p.a.)		Total
		Narendra Kumar Bhandari (CFO)	Nilesh Javker (CS)	
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	6,00,000	1,80,000	7,80,000
	b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	-	-	-
	c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - As % of profit - Others	-	-	-
5	Others	-	-	-
	Total	6,00,000	1,80,000	7,80,000

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type		Section of the Companies Act	Brief Description	Details of penalty / punishment / compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A.	COMPANY					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
B.	DIRECTORS					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
C.	OTHER OFFICERS IN DEFAULT					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

sd/-

Anuj Burakia

Whole Time Director

DIN: 02840211

sd/-

Ashok Jain

Director

DIN: 00007189

Place: Mumbai
Date: 16.05.2017

Annexure II

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis - NA
2. Details of material contracts or arrangement or transactions at arm's length basis
 - a. Name(s) of the related party and nature of relationship – Welspun Steel Limited (Enterprise under common control with the Company)
 - b. Nature of contracts/arrangements/transactions – Purchase of DRI/ sponge iron, stores materials, Scrap and sale of finished goods
 - c. Duration of the contracts / arrangements/transactions – 01.04.2016-31.03.2017
 - d. Salient terms of the contracts or arrangements or transactions including the value:
 - Purchases of DRI/ sponge iron & Others from Welspun Steel Limited for Rs.2,371 lakh during the period from 01.04.2016 - 31.03.2017 are at a market price and on Arm's length basis.
 - All material transactions entered with the related party is carried out in the ordinary course of the business.
 - e. Date(s) of approval by the Board: The Board of Directors at their meeting held on February 12, 2016 approved the said transactions;
 - f. Amount paid as advances: Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

sd/-

Anuj Burakia

Whole Time Director

DIN: 02840211

sd/-

Ashok Jain

Director

DIN: 00007189

Place: Mumbai
Date: 16.05.2017

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Annexure III

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31-03-2017

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

To,
The Members,
RMG ALLOY STEEL LIMITED.

I have conducted the Secretarial Audit of the Compliance of applicable Statutory Provisions and the adherence to Good Corporate Practices by RMG Alloy Steel Ltd, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate conducts/Statutory Compliances and expressing my opinion thereon.

Based on my verification of RMG Alloy Steel Ltd's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the Audit period covering the Financial year ended on 31st March, 2017 complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by RMG Alloy Steel Ltd, ("the Company") for the financial year ended on 31st March, 2017 according to the Provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-**
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other laws applicable specifically to the Company are as per Annexure A.

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

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

RMG ALLOY STEEL LIMITED

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

A) The time limit given by BIFR for reducing stake of non- public shareholders to 75% expired on February 6, 2016.

We are given to understand that as the Company is a BIFR company and the non-public shareholders are waiting for the rise in demand by public for shares of the Company, the increase of public shareholding has been delayed.

I further report that:

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

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

Majority decision is carried through, while the views of Directors/ Members have been captured and recorded as part of the minutes.

I further report that there are Adequate Systems and Processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I further report that during the audit period the company has not undertaken any:

- i. Public/Right Issue of shares / debentures/sweat equity, etc. during the year under review.
- ii. Redemption / buy-back of securities during the year under review.
- iii. Major decisions taken by the Company as per powers given to them by members in pursuance to section 180 of the Companies Act, 2013 are within the limits laid down and are complied as per Rules and Regulations laid down under the Companies Act, 2013
- iv. No Merger / amalgamation / reconstruction, etc. have been undertaken during the year under review and
- v. There have been no foreign technical collaborations during the year under review.

**For A. L. Makhija & Co.,
Company Secretaries**

sd/-

A. L. MAKHIJA

Proprietor

ACS-5087

C P No. : 3410

Place: Mumbai

Date: 16.05.2017

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ANNEXURE A:

The other laws applicable specifically to the Company are as follows:

1. Air (Prevention & Control of Pollution) Act, 1981
2. Air (Prevention & Control of Pollution) Rules 1982/1983
3. Apprentices Act, 1961
4. Arbitration and Conciliation Act, 1996
5. Boilers Act (Indian Boilers Act), 1923
6. Boilers Act, 1923
7. Bombay Industrial Relation Act, 1946
8. Central Excise Act, 1944
9. Central Sales Tax (Registration and Turnover) Tax, 1956 and Rules
10. Child Labour (Prohibition & Regulation) Rules, 1986
11. Child Labour (Prohibition and Regulation) Act, 1986
12. Code of Civil Procedure, 1908
13. Code of Criminal Procedure, 1973
14. Companies Act 1956 and rules
15. Companies Act, 2013 and rules
16. Competition Act, 2002
17. Constitution of India
18. Consumer Protection Act, 1986
19. Contract Labour (Regulation & Abolition) Act, 1970
20. Customs Act 1962 and Customs Tariffs Act, 1975 and Rules
21. Dangerous Machines (Regulations) Act, 1983
22. Dangerous Machines (Regulations) Rules, 1984
23. Depositories Act, 1996 and regulations
24. E Waste Management And Handling Rules 2011
25. Employee's Compensation Act, 1923 and Rules
26. Employees State Insurance Act, 1948
27. Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and Scheme, The Employees' Pension Scheme (EPS) and The Employees Deposit Linked Insurance Scheme (EDLI).
28. Employer's Liability Act, 1938
29. Employment Exchange (Compulsory Notification of Vacancies) Act, 1976
30. Employment Exchanges (Compulsory Notification of vacancies) Act, 1959
31. Energy Conservation Act, 2001
32. Environment (Protection) Act, 1986
- 33.. Environment Impact Assessment Notification
34. Environment Statement Under Gujarat Pollution Control Rules
35. Equal Remuneration Act, 1976 and Rules
36. Explosives Act, 1884
37. Factories Act, 1948
38. Foreign Exchange Management Act, 2000 and Rules and Regulations
39. Forest (Conservation) Act, 1980
40. Hazardous Waste (Management & Handling) Rules, 1989, Amended 2003
41. Income Tax Act, 1961
42. Indian Electricity Rules, 1956
43. Indian Evidence Act, 1872
44. Explosives Act, 1884
45. Explosives Rules, 2008

46. Indian Penal Code
47. Indian Stamp Act, 1899 read along with state stamps act
48. Industrial Disputes Act, 1947
49. Industrial Employment (Standing Orders) Act, 1946
50. Information Technology Act and Rules, 2000
51. Inter-State Migrant Workmen (Regulation Of Employment And Conditions Of Service) Act, 1979
52. Labour Welfare Fund Act (State wise)
53. Limitation Act, 1963
54. Maharashtra Fire Prevention and Life Safety Measures Act, 2006
55. Maternity Benefit Act, 1961 and Maternity Benefit Rule, 1965
56. Minimum Wages Act, 1948 and Rules
57. Motor Vehicle Act, 1988
58. National and Festival Holidays Act (state wise)
59. Negotiable Instrument Act, 1881
60. Ozone Depleting Substances (Regulation & Control) Rules, 2000, Amended 2003
61. Patent Act, 1970 and Copyright Act, 1957 and Rules
62. Payment of Bonus Act, 1965 and Rules 1975
63. Payment of Gratuity Act, 1972 and Rules
64. Payment of Wages Act, 1936 and Rules
65. Personal Injuries (Compensation Insurance) Act, 1963
66. Prevention of Money - Laundering Act, 2002
67. Registration Act, 1908
68. Reserve Bank of India Act, 1934
69. Sale of Goods Act, 1930
70. SEBI Act, 1992 and SEBI Regulation
71. Securities Contracts (Regulation) Act, 1956 and rules
72. Service Tax, 1994 and the Rules made there under
73. Sexual Harassment of Woman at Workplace (Prevention, Prohibition & Redressal) Act, 2013
74. Sick Industrial Companies (Special Provisions) Act, 1985
75. specific relief act, 1963
76. State wise Shops and Establishments Act.
77. State wise Value Added Taxation Laws and Rules
78. Trade Unions Act, 1926
79. Trademarks Act, 1999
80. Transfer of Property Act, 1882
81. Water (Prevention & Control of Pollution) Act, 1974
82. Water (Prevention & Control of Pollution) Cess Act, 1977
83. Water (Prevention & Control of Pollution) Rules, 1975
84. Weekly Holidays Act, 1942
85. Workmen's Compensation Act, 1923

**For A L Makhija & Co.,
Company Secretaries**

sd/-

A. L. MAKHIJA

Proprietor

ACS-5087

C P No. : 3410

Place: Mumbai
Date: 16.05.2017

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Annexure IV

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy

RMG Alloy Steel Limited believes that for a company to succeed on a sustained basis, it must maintain global standards of corporate conduct towards its employees, shareholders, consumers and society.

The primary objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness.

2. Board of Directors

a. Composition and Category of directors:

Details of composition of the existing Board of Directors as on 31st March 2017 are given below:

Sr. No.	Name of Director	Category	No. of Shares Held	Attendance Particulars		No. of other Directorship (as last declared to the Company)			Member / Chairman in No. of Board/ Committees including other Companies (as last declared to the Company)@
				Last Annual General Meeting	Board Meeting	Pub.	Pvt.	Other Body Corporate	
1	Mr. Atul Desai	I,C	NIL	Yes	4/4	8	1	0	C-5, M-3
2	Mr. Anuj Burakia	E	NIL	No	4/4	3	4	0	-
3	Mr. Ashok Jain	I	NIL	No	4/4	4	9	0	M-2
4	Mr. Hanuman Kanodia	NP	100	No	3/4	2	1	0	-
5	Mr. Aneel Lasod	NP	NIL	No	1/1	1	0	0	-
6	Ms. Amita Karia	I,W	NIL	No	4/4	3	0	1	M-2

@ Chairmanship/membership of the Audit Committee and the Share Transfer, Investors' Grievance and Stakeholders' Relationship Committee alone considered

Abbreviations:

P = Promoter, E = Executive Director, NE = Non Executive Director, I = Independent Non Executive, S = Shareholder, C = Chairman, M = Member, SI= Strategic Investor, NP=Nominee of promoter director W=Woman Director.

b. Number of Board Meetings held, dates on which Board Meetings held:

During the year 2016-17, the Board of Directors met four times on the following dates: - 25.05.2016, 12.08.2016, 11.11.2016 and 14.02.2017.

None of the directors are related to any other director on the Board.

c. A copy of familiarization policy of the company for independent directors is available on the website of the company www.rmgalloysteel.com.

3. AUDIT COMMITTEE

Terms of reference:

The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

Composition:

The Audit Committee consists of the following 3 Non-Executive Directors as on 31.03.2017.

Mr. Atul Desai	-	Chairman (Independent)
Mr. Ashok Jain	-	Member (Independent)
Ms. Amita Karia	-	Member (Independent)

The Company Secretary of the Company, Mr. Nilesh Javker acts as the Secretary of the Committee.

Meetings and attendance during the year:

Four meetings of Audit Committee of the Board of Directors were held, viz, 25.05.2016, 12.08.2016, 11.11.2016 and 14.02.2017. The details of Attendance of Members of Audit Committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/2016 to 31/03/2017)
1	Mr. Atul Desai	Chairman	4/4
3	Mr. Ashok Jain	Member	4/4
4	Ms. Amita Karia	Member	4/4

None of recommendations made by the Audit Committee were rejected by the Board.

4. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES.

The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees and no personnel have been denied access to the Audit Committee Chairman.

5. NOMINATION AND REMUNERATION COMMITTEE

The Company had constituted the Nomination and Remuneration Committee consisting of non-executive directors majority of which are independent directors. During the year under review, four meetings of the Committee were held on 25.05.2016, 12.08.2016, 11.11.2016 and 14.02.2017.

Composition and attendance during the year:

The Committee comprises of 3 independent and non-executive directors as on date of this Report as listed below. The details of Attendance of Members of Nomination and Remuneration Committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/2016 to 31/03/2017)
1	Mr. Ashok Jain	Chairman	4/4
3	Mr. Atul Desai	Member	4/4
4	Ms. Amita Karia	Member	4/4

Terms of Reference

To recommend appointment of, and remuneration to, Managerial Personnel and review thereof from time to time.

Nomination and Remuneration Policy:

The Company follows a policy on remuneration of directors and senior management employees and the salient features thereof are as under:

Appointment of Directors:

- While identifying persons who may be appointed directors, the Committee shall consider business of the Company, strength, weakness, opportunity and threats to company's business, existing composition of the board of directors, diversity, skills, expertise of existing directors and, background, skills, expertise, reputation and qualification possessed by persons being considered, specific requirements under Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other laws as to composition of the Board.
- While identifying persons who may be appointed as independent directors, the Committee shall review their qualifications and suitability to ensure that such candidates will be able to function as directors 'Independently' and void of any conflict of interest, obligations, pressure from other Board members, KMPs, senior management and other persons associated with the Company.

Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel:

- The remuneration to executive directors, Key Managerial Personnel and Senior Management Personnel at the time of appointment shall be mutually agreed. The Committee shall consider top industry indicators, requirements of role, qualification and experience of candidate, expected contribution of executive to the profitability challenges specific to the Company and such other matters as the Committee may deem fit. The remuneration must motivate individuals to achieve benchmarks which must be aligned to the vision of the Company. It may contain fixed pay. The management shall periodically find out the remuneration scale prevalent in the industry / peer group to the extent possible to find out if there is a need for revision in remuneration for retaining the talent.
- The Non-Executive directors shall not be eligible for any remuneration / commission, unless specifically approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee and by the shareholders. There are no pecuniary relationships or transactions with the non-executive directors vis-a-vis the Company.

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- The Non- Executive Directors including independent directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs.1,00,000/- per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- The Non-Executive Directors may be paid commission after complying with required provisions of the Companies Act, 2013.

Besides, the Committee shall take into consideration performance, of the concerned executive as well as the Company, to the growth of business, profitability, company potentiality and critical role played / initiatives taken while considering pay hike / increment to the concerned executives.

Details under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sr No.	Particulars	Mr. Anuj Burakia, Whole Time Director
1.	Salary	5,83,331 (upto October 31, 2016)
2.	Commission	-
3.	Service Contract	July 29, 2015 to July 28, 2018
4.	Notice Period	1 month
5.	Severance Fees	NIL
6.	Stock Options	NIL

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee, in accordance with the Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to look into complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends and to review the functioning of the investors grievance redressal system.

Terms of Reference:

The terms of reference of the Committee are as contained under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Other details:

- Name of non-executive director heading the committee: Mr. Atul Desai, Chairman
- Name and designation of compliance officer: Mr. Nilesh Javker
- Composition and details of attendance of members of the Committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/2016 to 31/03/2017)
1.	Mr. Atul Desai	Chairman	4/4
3.	Mr. Ashok Jain	Member	4/4

- No. of meetings held:
Four meetings of Stakeholders Relationship Committee were held, viz, 25.05.2016, 12.08.2016, 11.11.2016 and 14.02.2017.
- Number of shareholders complaints/ requests received so far during the year:
During the year under review, total one Investors complaints were received. Break up and number of complaints received under different category is given hereunder:

Sr. no.	Category	No. of complaints Recd
1	Non Receipt Of Dividend Warrant	0
2	Non Receipt Of Exchange Share Certificates	1
3	Non Receipt Of Annual Report	0
4	Non Receipt Of Share Certificate After Transfer	0
5	Non-Receipt Of Demat Credit	0
6	SEBI	0
	Total Complaints Received	1

All the complaints/ requests received during the year under report were resolved within the time limit to the satisfaction of the investors/ shareholders and no complaints were pending as on 31st March 2017.

- f) Number of complaints not solved to the satisfaction of shareholders: Nil
 g) Number of pending complaints: Nil

7. INDEPENDENT DIRECTORS' MEETING

One independent directors meeting was held on 30.03.2017. Three independent directors were present at the meeting viz. Mr. Atul Desai, Mr. Ashok Jain and Ms. Amita Karia.

Board Evaluation: The evaluation process was led by the Chairman of the Nomination and Remuneration Committee with specific focus on the performance vis-à-vis the plans, meeting challenging situations, performing leadership role within and effective functioning of the Board. The evaluation process invited through IT enabled platform graded responses to a structured questionnaire for each aspect of evaluation viz. time spent by each of the directors, accomplishment of specific responsibilities and expertise, conflict of interest, integrity of the Director, active participation and contribution during discussions.

8. GENERAL BODY MEETINGS:

- (i) The details of General Meetings held in the last three years are given hereunder:

Date	Type of meeting	Location	Time	Special Resolutions Passed
29/09/2014	Annual General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 P.M	i. Accord consent to Board of directors to issue and allot Preference Shares of Rs. 10/- each at a premium of Rs. 25/- per shares to Promoters / Co-promoters / Strategic Investors; ii. Approval for keeping register and index of members as prescribed under section 88 of the Companies Act, 2013 at the office of M/s. Bigshare Services Private Limited, Registrar and Transfer Agent of the Company; iii. Adoption of Articles of association as per the regulations mentioned in the Companies Act 2013, in substitution, and to the entire exclusion of the regulations contained in the existing Article of Association of the Company.
30/09/2015	Annual General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 PM	i. Appointment of Mr. Anuj Burakia as a Whole Time Director of the Company for a period of three years with effect from 29th July, 2015 at a remuneration of Rs.10,00,000/- per annum inclusive of all perquisites. ii. Alteration of Article 3 of Articles of Associations upon increase in authorised share capital from Rs.120 Crore to Rs.130 Crore and insertion of Article 3A iii. To approve issue and allotment of 92,00,000 12% Redeemable Preference shares of Rs.10/- each at a premium of Rs.25/- per share aggregating to Rs.32,20,00,000/- (Rupees Thirty Two Crores Twenty Lacs only) in one or more tranches to the Promoter/Co-promoter/ Strategic Investor /associate companies of Promoter/Co-Promoter/Strategic Investor
27/09/2016	Annual General Meeting	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat	12.30 PM	NIL

- (ii) No special resolution was passed last year through postal ballot.
 (iii) No special resolution is proposed to be conducted through postal ballot

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9. MEANS OF COMMUNICATION

Quarterly results and newspapers wherein results normally published:

The Board of Directors of the Company approved the audited financial results for the year ended 31-03-2017, unaudited financial results for quarter ended 30-06-2016, 30-09-2016 and 31-12-2016 in their quarterly meetings and the same were normally published in Financial Express or Economic Times (E+G), Ahmedabad edition within 48 hours from the date of Board meetings.

The said financial results were also displayed on the website of the company at www.rmgalloysteel.com

10. GENERAL SHAREHOLDER INFORMATION:

The next Annual General Meeting shall be held at –

- (i) Day and Date - Tuesday, September 26, 2017
Venue - Plot no. 1, GIDC Industrial Estate, Valia Road, Jhagadia,
Dist. Bharuch, Gujarat - 393110
Time - 12.30 P.M.
- (ii) Financial year - from 1st April 2016 to 31st March 2017
- (iii) Date of Book Closure - from Wednesday, September 20, 2017 to
Friday, September 22, 2017 (both days inclusive)
- (iv) Dividend payment date - No dividend has been declared for the financial year 2016-17.
- (v) Listing on Stock Exchanges and Stock code-
The securities of the Company are listed on the Bombay Stock Exchange Limited (Scrip code – 500365) (ISIN: INE731F01037)
The Company has paid listing fee to the Bombay Stock Exchange Limited.
- (vi) Market Price Data - High-Low Quotations during each month in last financial year i.e from 1st April 2016 to 31st March 2017 and performance in comparison to broad based indices such as BSE SENSEX is as follows:

Month	Market Price		Sensex	
	High	Low	High	Low
Apr-16	4.30	3.10	26,100.54	24,523.20
May-16	3.58	2.71	26,837.20	25,057.93
Jun-16	3.55	2.63	27,105.41	25,911.33
Jul-16	4.40	3.04	28,240.20	27,034.14
Aug-16	4.58	3.22	28,532.25	27,627.97
Sep-16	5.68	3.43	29,077.28	27,716.78
Oct-16	7.95	4.55	28,477.65	27,488.30
Nov-16	10.20	6.07	28,029.80	25,717.93
Dec-16	7.90	5.76	26,803.76	25,753.74
Jan-17	7.27	5.69	27,980.39	26,447.06
Feb-17	6.27	5.10	29,065.31	27,590.10
Mar-17	5.54	4.01	29,824.62	28,716.21

- (vii) Registrar and Transfer Agent:

The transfer of shares of the Company are being done by Bigshare Services Pvt. Ltd., the R & T Agent, having address at Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri (East), Mumbai – 400059.

Contact person:

Mr. K. S. L. Upadhyay, General Manager / Ms. Ujata Pokharkar, Client Executive

Tel: 91-22-6263 8200

Fax: 91-22-6263 8261

Email: investor@bigshareonline.com

RMG ALLOY STEEL LIMITED

(viii) Share Transfer System:

The Company's Registrar and Transfer Agent registers shares received from the shareholders for transfer in physical form within 15 days from the receipt of the documents, if the same are found in order. Transfer documents under objection are returned within two weeks.

(ix) Distribution of shareholding of equity shares as on 31st March, 2017 is as follows: -

Shareholding of nominal value Rs.	Total Holders		Amount	
	(in Nos.)	% of Total	in Rs.	% of Total
1 - 5000	80387	98.0054	15356928	2.3604
5001 - 10000	758	0.9241	5048856	0.7760
10001 - 20000	418	0.5096	5805468	0.8923
20001 - 30000	158	0.1926	4010946	0.6165
30001 - 40000	62	0.0756	2136882	0.3284
40001 - 50000	49	0.0597	2182752	0.3355
50001 - 100000	97	0.1183	6804204	1.0458
100001 and above	94	0.1146	609269004	93.6451
Total :	82023	100.0000	650615040	100.0000

(x) Dematerialisation of shares and liquidity: 107,319,393 equity shares constituting 98.97% of the outstanding equity shares are in demat form as on 31.03.2017 and have reasonable liquidity on the Bombay Stock Exchange Limited.

(xi) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and impact on equity: The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments.

(xii) commodity price risk or foreign exchange risk and hedging activities:

Refer to Management Discussion & Analysis section of this Report.

(xiii) Plant Location: Plot no.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist – Bharuch, Gujarat -393110

(xiv) Address for Correspondence : Plot no.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist – Bharuch, Gujarat- 393110.
: Tel No. +91 22 6613 6000, Fax No.:+91 22 2490 8020

(xv) E-mail Id : allcompanysecretaryofrmgl@welspun.com

(xvi) Website : www.rmgalloysteel.com

11. OTHER DISCLOSURES

i. Related Party Transactions -

- Transactions with related parties are disclosed in Note No.30 of Notes forming part of the financial statements. None of these are in conflict with the interests of the Company.
- The Company's policy on dealing with Related Party Transactions as required under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed on the Company's website and a web link thereto is as under:

<http://www.rmgalloysteel.com/images/corporate-policy/other-policies/policy-on-related-party-transactions.pdf>

ii. Details of non - compliance by the Company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital market during the last 3 years:

- A penalty of Rs.68700/- has been imposed by the Bombay Stock Exchange for delayed submission of unaudited financial results under Clause 41 of the Listing Agreement for the quarter ended 30.06.2015.
- The time limit given by BIFR for reducing stake of non- public shareholders to 75% expired on February 6, 2016. However, as the Company is a BIFR company and the non-public shareholders are waiting for the rise in demand by public for shares of the Company, the increase of public shareholding has been delayed.

iii. Vigil Mechanism and Whistle Blower Policy:

The Company has a Whistle Blower Policy and Vigil Mechanism for its directors and employees and no personnel have been denied access to the Audit Committee Chairman. A copy of the policy is displayed on the website of the Company at:

<http://www.rmgalloysteel.com/images/corporate-policy/other-policies/whistle-blower-policy-n-vigil-mechanism.pdf>

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- iv. The Company is in compliance with the mandatory requirements mentioned under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable and in addition the Company at its discretion adopted requirements mentioned at (D) – “Separate posts of chairperson and chief executive officer”; and (E) – “Reporting of Internal Auditor” of Part E of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- v. The Company is in compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.
- vi. **Code of Conduct –**

The Company has framed the Code of Conduct policy for Board members and Senior Management Personnel. A copy of the Code has been hosted on the Company’s website, a web link thereto is:

<http://www.rmgalloysteel.com/images/corporate-policy/other-policies/code-of-conduct-for-directors-and-senior-management.pdf> for information of all the members of the Board and Senior Management Personnel. All Board members and senior management personnel have affirmed compliance of the same.

A declaration signed by the Whole Time Director of the Company with respect to Compliance of Code of Conduct is given below:

“I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2016-17.

sd/
Anuj Burakia
Whole Time Director”

- vii. **Disclosure of Shares held in suspense account under Clause F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year		Number of shareholders who approached issuer for transfer of shares from suspense account during the year		Number of shareholders to whom shares were transferred from suspense account during the year		Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	
No of Shares	No of Holders	No of Shares	No of Holders	No of Shares	No of Holders	No of Shares	No of Holders
121290	7423	30	3	Nil	Nil	121290	7423

The voting rights on these shares shall remain frozen until the shares have been claimed by, and transferred to, the rightful owner.

Certificate of Practicing Company Secretary on Corporate Governance Report

TO THE MEMBERS OF RMG ALLOY STEEL LIMITED

We have examined the compliance of conditions of Corporate Governance by RMG Alloy Steel Limited, for the year ended on 31st March, 2017, as stipulated in Clause E of Schedule V of the SEBI (LODR) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure 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 as given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Regulations.

We state that in respect of investor's grievance received during the year ended 31st March 2017, the Registrar and Transfer Agent of the Company have certified that as at 31st March, 2017, there were no investors' grievances remaining unattended/ pending for more than 15 days.

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 A. L. Makhija & Co.,
Company Secretaries**

sd/-

A. L. MAKHIJA
Proprietor
ACS-5087
C P No. : 3410

Place: Mumbai
Date: 16.05.2017

Annexure V

MANAGEMENT AND DISCUSSION ANALYSIS

A. INDIAN INDUSTRY STRUCTURE SCENARIO & DEVELOPMENT

During calendar year 2015 and 2016, among the top six crude steel producers in the world, crude steel production of only India increased on a y-o-y basis. However, it grew marginally by 0.9% to 89.79 million tonnes during the year while it fell for the other five countries in the range of 1.9-5.1%.

In the current financial year 2016-17, production of these top five steel producing countries (excluding India) remained subdued even during April-December 2016 on a y-o-y basis. While crude steel output in China, Japan and Russia grew by mere 0.5-3%, output in USA remained flat and that in Korea Republic (South) declined by 1.3%. In contrast, crude steel production in India rose by 8.8% to 72.35 million tonnes during this period. This was on account of higher output by the major Indian steel companies. The imposition of Minimum Import Price (MIP) encouraged the producers to increase their output.

Consumption of steel, on the other hand, grew by just 3.2% to 73.75 million tonnes during April-December 2016. Post demonetization, steel consumption continues to remain under pressure. This is because it is likely that the demand for steel from the user industries like construction, real estate will take some time to strengthen. However, government push towards infrastructure will compensate for this reduction in demand.

In the coming financial year 2017-18, steel production is expected to remain higher. This will be backed by an expected revival in consumption and demand. An increase in infrastructure allocation by the government in the Union Budget 2017-18 is expected to drive the pace of construction and infrastructure in the country. Apart from this, the National Steel Policy 2017 released by the government and other protective measures like "Made in India" preference in Government buying, antidumping duties on steel products etc. also aims to increase steel production. Thus, both production and consumption of steel is expected to remain buoyant in 2017-18.

B. OPPORTUNITIES & THREATS

Though the overall steel demand will grow, alloy steel sector particularly looks to be bullish due to expected strong growth in Automotive and Engineering sectors during 2017-18. Having said that, Blast Furnace route of making steel for its lower cost will continue to keep prices under check. In this scenario which will be competitive by pricing but strong by overall demand, your company will benefit due to its focus on niche segments with lower competition.

C. SEGMENTWISE AND PRODUCTWISE PERFORMANCE

Product wise performance is given in Directors Report under the heading 'Operations'.

D. FUTURISTIC STATEMENT

Company's performance as expressed or implied could differ materially due to economic conditions affecting demand/supply and price condition in the domestic & overseas markets, changes in the Government regulations, tax laws & other incidental factors.

E. RISK & CONCERNS

Additional capacity being generated for production of Alloy Steel in India and import of steel caused pressure on sales & margin. However the company will benefit due to its focus on niche segments with lower competition. Government initiatives like "Made in India" preference and import duties are also helping company to reduce the risk of competition from overseas market.

F. INTERNAL CONTROL SYSTEM

The Company employs adequate and effective system of internal control systems that provide for:-

- i) security of the asset
- ii) efficient management information system
- iii) compliance with all laws and regulations
- iv) Compliance with all standard system and quality standards.

G. INDUSTRIAL RELATIONS & HUMAN RESOURCES

Human resource is the key factor for the success of any organization. Your Company places considerable emphasis on continuous enhancement of skills and performance of human resources across the organization.

H. DISCUSSION & FINANCIAL PERFORMANCE

Operational performance vis a vis financial performance of the Company is discussed in details in Directors' Report.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Mumbai
Date: 16.05.2017

sd/-
Anuj Burakia
Whole Time Director
DIN: 02840211

sd/-
Ashok Jain
Director
DIN: 00007189

RMG ALLOY STEEL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF RMG ALLOY STEEL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **RMG ALLOY STEEL LIMITED** ("the Company"), which comprises the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance) and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view, 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 the Company's Directors, 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 on the financial statements.

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, of the state of affairs of the Company as at 31st March, 2017, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to Note 27 of the accompanying statement; Company's net worth is eroded and the company has continued incurring losses for the current year, indicating the existence of uncertainty that may cast doubt about the company's ability to continue as a going concern. Considering the matters set out in the said note, this statement is prepared on a going concern basis.

Our opinion is not modified in respect of matter described in Emphasis of Matter paragraph.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

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- 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 aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company,
- f) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) rule, 2014 in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation as at 31st March, 2017 on its financial position in its financial statements – Refer Note 36 to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
 - iv. The Company has provided requisite disclosures in Note 14 to financial statements as to the holdings of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and the disclosures are in accordance with books of account maintained by the Company.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No.: 101720W

Parag D. Mehta
Partner
Membership No.113904

Place: Mumbai
Date: 16.05.2017

RMG ALLOY STEEL LIMITED

ANNEXURE 'A' TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

- i) In respect of Fixed Assets
 - a) The Company is in the process of updating its fixed assets register showing full particulars including quantitative details and situation of fixed assets.
 - b) We have been informed that the fixed assets of the Company are physically verified by the Management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification
 - c) As per the information and explanations provided to us, title deeds of immovable properties are in the name of the Company.
- ii) In our opinion the inventories have been physically verified during the year by the Management at reasonable intervals and the discrepancies between physical stocks and the book stocks noticed on physical verification were not material.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms and other parties listed in the register maintained under Section 189 of the Act. Hence Clauses (iii) (a) to Clauses (iii) (c) of Paragraph 3 of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has neither granted loans nor have made investments nor provided guarantee and securities as specified under Section 185 and 186 of the Companies Act, 2013 and hence clause (iv) of paragraph 3 of the Order is not applicable.
- v) The Company has not accepted any deposits under the provisions of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under.
- vi) On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government of India under section 148(1) of the Act have been maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.
- vii) a) According to the books and records as produced and examined by us in accordance with the generally accepted auditing practices in India and also based on Management representations, undisputed statutory dues in respect of Provident Fund, Employees State Insurance Dues, Investor Education and Protection Fund, Income Tax, Service Tax, Custom Duty, Excise duty, Value added tax, Cess and other material statutory dues have generally been regularly deposited, by the Company during the year with the appropriate authorities in India. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2017 for a period of more than six months from the date of becoming payable.
- b) According to the information and explanation given to us and the records of the company examined by us, the particulars of dues of Income Tax, Service Tax, Sales Tax including Value Added Tax, duty of Customs and duty of Excise as at 31st March, 2017 which have not been deposited on account of disputes, are as follows:

Name of Statute	Nature of the dues	Amount (Rs. in Lac)	Period to which amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	103	2005-06 to 2011-12	Customs, Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	11	2004-05 to 2005-06	Joint Commissioner Central Excise & Customs
Finance Act, 1994	Service Tax	5	2012-13 to 2013-14	Assistant Commissioner, Central Excise & Customs
Central Excise Act	Excise Duty	34	1996-97	Customs, Excise & Service Tax Appellate Tribunal

According to the information and explanation given to us and the records of the company examined by us, there are no dues of Wealth Tax which have not been deposited on account of any dispute.

- viii) Based on our audit procedures and according to the information and explanations given to us, there have been no defaults in repayment of loan or borrowing to banks and the company has not taken loan or borrowing from financial institution and Government. There were no debentures issued during the year or outstanding at the beginning of the year.
- ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanation given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- x) In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

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- xii) In our opinion company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013, wherever applicable, and details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment of Cumulative Redeemable Preference shares during the year in accordance with requirement of section 42 of the Companies Act, 2013 ("the Act").
- xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company
- xvi) In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No.: 101720W

Parag D. Mehta
Partner
Membership No.113904

Place: Mumbai
Date: 16.05.2017

RMG ALLOY STEEL LIMITED

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RMG ALLOY STEEL LIMITED

(Referred to in paragraph 2 (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the Internal Financial Control over financial reporting of **RMG ALLOY STEEL LIMITED** ("the Company") as of 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No.: 101720W

Parag D. Mehta
Partner
Membership No.113904

Place: Mumbai
Date: 16.05.2017

35TH ANNUAL REPORT 2016-2017

BALANCE SHEET AS AT 31ST MARCH 2017

(Rs. in lac)

PARTICULARS	Note	As at March 31, 2017	As at March 31, 2016
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	12,397	12,397
Reserves and Surplus	3	(36,278)	(30,425)
		<u>(23,881)</u>	<u>(18,028)</u>
Non-Current Liabilities			
Long Term Borrowings	4	29,051	29,144
Long Term Provisions	5	152	149
		<u>29,203</u>	<u>29,293</u>
Current Liabilities			
Short Term Borrowings	6	7,436	5,784
Trade Payables	7		
- For dues to Micro and Small Enterprises		-	-
- For dues to others		5,051	5,590
Other Current Liabilities	8	3,265	1,985
Short Term Provisions	9	44	25
		<u>15,796</u>	<u>13,384</u>
TOTAL		<u><u>21,118</u></u>	<u><u>24,649</u></u>
II ASSETS			
Non-Current Assets			
Fixed Assets	10		
- Tangible assets		11,114	11,754
- Intangible assets		-	6
		<u>11,114</u>	<u>11,760</u>
Long-Term Loans And Advances	11	176	259
Current Assets			
Inventories	12	4,337	4,566
Trade receivables	13	4,165	6,523
Cash and Bank Balances	14	358	403
Short term Loans and Advances	15	954	1,122
Other Current Assets	16	14	16
		<u>9,828</u>	<u>12,630</u>
TOTAL		<u><u>21,118</u></u>	<u><u>24,649</u></u>
Significant Accounting Policies & Notes to Accounts forming an integral part of Financial Statements	1		

As per our attached report of even date

For CHATURVEDI & SHAH

Chartered Accountants

Firm Registration No: 101720W

Parag D. Mehta

Partner

Membership No.113904

Place : Mumbai

Date : 16.05.2017

For and on behalf of the Board of Director

Anuj Burakia

Whole Time Director

Ashok Jain

Director

Narendra Kumar Bhandari

Chief Financial Officer

Nilesh Javker

Company Secretary

RMG ALLOY STEEL LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(Rs. in lac)

PARTICULARS	Note	Year ended March 31, 2017	Year ended March 31, 2016
III INCOME			
Revenue from operations	17	23,441	26,816
Other Income	18	617	206
Total Revenue		<u>24,058</u>	<u>27,022</u>
IV EXPENSES			
Cost of Materials Consumed	19	13,453	15,593
Purchase of Stock in Trade		-	-
Changes in inventories of Finished and semi finished goods	20	(62)	69
Employee Benefits Expenses	21	1,635	1,665
Finance Costs	22	4,491	4,580
Depreciation		659	663
Others expenses	23	9,985	10,780
Total Expenses		<u>30,161</u>	<u>33,350</u>
Profit before Exceptional items and tax		<u>(6,103)</u>	<u>(6,328)</u>
Exceptional Item	24	250	321
Profit/(Loss) before tax		<u>(5,853)</u>	<u>(6,007)</u>
Tax Expenses		-	-
Profit/(Loss) for the year		<u>(5,853)</u>	<u>(6,007)</u>
Earning per Equity Share (Face value of Rs. 6 Per Share) :	25		
Basic & diluted (in Rs.)		(6.05)	(6.11)
Significant Accounting Policies & Notes to Accounts forming an integral part of these financial statements	1		

As per our attached report of even date
For CHATURVEDI & SHAH
 Chartered Accountants
 Firm Registration No: 101720W

For and on behalf of the Board of Director

Parag D. Mehta
 Partner
 Membership No.113904

Anuj Burakia
 Whole Time Director

Ashok Jain
 Director

Place : Mumbai
 Date : 16.05.2017

Narendra Kumar Bhandari
 Chief Financial Officer

Nilesh Javker
 Company Secretary

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs. in Lac)	
Particulars	Year ended 2016-17	Year ended 2015-16	
A) Cash Flow from Operational Activities			
Net Profit / (Loss) before Tax & Extra-Ordinary items :	(5,853)	(6,007)	
Adjustment for :			
Depreciation	659	663	
Financial Costs	4,491	4,580	
Provision for Gratuity & Compensated Absences	72	49	
Exceptional Item	(250)	(321)	
Exchange Difference on Translation (Net)	(4)	(1)	
(Profit)/Loss on Sale of Assets	-	7	
Profit on sale of Investment (net)	(5)	-	
Provision for Doubtful Debts	65	25	
Sundry Credit Balances Written Back/Provision no longer required	(1)	(92)	
Capital Advance Written off	12		
	5,039	4,910	
Operating Cash Profit/(Loss) before Working Capital Changes	(814)	(1,097)	
Changes in Working Capital :			
Trade Receivables	2,521	115	
Inventories	228	(39)	
Loans & Advances	560	4,212	
Trade and other Payables	(726)	(677)	
	2,583	3,611	
Cash generated from / (used in) Operations	1,769	2,514	
Income Tax (Net)	(29)	(28)	
Net Cash generated from / (used in) Operating Activities:	1,740	2,486	
B) Cash Flow from Investing Activities			
Acquisition of Fixed Assets (including Work in Progress)	(11)	(55)	
Purchase of Investments	(9,730)	-	
Sale of Investments	9,735	-	
Net Cash generated from / (used in) Investing Activities:	(6)	(55)	
C) Cash Flow from Financing Activities			
Proceeds from issue of Fresh Shares	-	2,800	
Finance Costs	(4,360)	(4,728)	
Net Increase/(Decrease) in Short Term Borrowings	1,652	(10,088)	
Proceeds from Long Term Borrowings	1,817	11,998	
Repayment of Long Term Borrowings	(848)	(2,475)	
Net Cash generated from / (used in) Financing Activities:	(1,739)	(2,493)	
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	(5)	(62)	
Cash and cash equivalents at the beginning of the year	9	72	
Cash and cash equivalents at the end of year	4	9	
NET INCREASE/(DECREASE) AS DISCLOSED ABOVE ..	(5)	(62)	

Notes :

- Fixed Deposits with the Bank under lien amounting to Rs.354 lac (Previous Year Rs.394 Lac) are not included in Cash & Cash Equivalents.
- Previous Year's figure have been regrouped wherever necessary to confirm current year's figures.

As per our attached report of even date

For CHATURVEDI & SHAH

Chartered Accountants

Firm Registration No: 101720W

For and on behalf of the Board of Director

Parag D. Mehta

Partner

Membership No.113904

Anuj Burakia

Whole Time Director

Ashok Jain

Director

Place : Mumbai

Date : 16.05.2017

Narendra Kumar Bhandari

Chief Financial Officer

Nilesh Javker

Company Secretary

1 SIGNIFICANT ACCOUNTING POLICIES**A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial statements are prepared on the historical cost convention on accrual basis and in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013 and the applicable accounting standards.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialized.

C. FIXED ASSETS

Tangible Assets: Tangible Fixed Assets are stated at cost (net of cenvat credit availed) less accumulated depreciation. The cost of fixed asset includes cost of acquisition, taxes, duties, freight, incidental expenses related to acquisition, construction and installation, allocated pre-operative expenditure and borrowing cost during the preoperational period.

Intangible Assets: Intangible Assets are recognised only if acquired and it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

D. DEPRECIATION/AMORTISATION

The depreciation on Fixed Assets is provided on Straight Line Method at the rates prescribed in schedule II to the Companies Act, 2013 except in respect of the Plant and Machinery the life of the assets has been assessed 15 to 30 year based on technical advice, taking into account the nature of the assets, the estimated usage of the asset, the operating conditions and maintenance of the asset, etc. Premium on leasehold land is not amortised as the lease is for long period. Intangible Assets are being amortised over a period not exceeding 4 years.

E. IMPAIRMENT OF ASSETS

If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

F. INVESTMENTS

Long Term Investments are stated at cost less provision for diminution in the value which is other than temporary. Current Investments are carried at lower of the cost and fair value.

G. FOREIGN CURRENCY TRANSACTIONS/ TRANSLATION

a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Any fluctuation on account of realization /payment is accounted as an exchange fluctuation. Foreign Currency transactions remaining unsettled at the end of the year are converted at the year end rates. Exchange differences are dealt within the Statement of Profit and Loss.

b) Forward contracts are entered into to hedge the foreign currency risk of the underlying transaction. The premium or discount on all such contracts arising at the inception of each contract is amortised as income or expense over the life of the contract. Exchange differences on forward contracts are recognised as income or expense in the Statement of Profit and Loss of the year / period. Any profit or loss arising on the cancellation and renewal of forward contract are recognised as income or expense for the year / period.

H. REVENUE RECOGNITION

Sales are recognised when risks and rewards of ownership are passed on to the customers. Export sales are accounted for on the basis of date of bill of lading. Sales are inclusive of excise duty and sales during trial run. Exports benefits are accounted on accrual basis.

I. INVENTORIES

Raw Materials are valued at lower of cost or net realisable value. Cost is determined on weighted average basis.

Stores and Spares are valued at cost determined on weighted average basis or net realisable value, except for those which have a longer usable life, which are valued on the basis of their remaining useful life.

Semi finished and finished Goods are valued at lower of cost or net realisable value. Cost includes raw material, labour, manufacturing expenses, allocable overheads and depreciation. Scrap is valued at net realisable value.

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J. EMPLOYEE BENEFITS

a) Defined Benefit and Other Long Term Benefit plan :

Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

b) Short Term Employee Benefits:

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

K. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material, are disclosed in the notes. Contingent assets are not recognised or disclosed in the financial statements.

L. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

2 SHARE CAPITAL

(Rs. in lac)

Particulars	As at 31 st March 2017		As at 31 st March 2016	
	Number of shares	Rs. Lacs	Number of shares	Rs. Lacs
Authorised				
Equity Shares of Rs.6/- each	110,000,000	6,600	110,000,000	6,600
Preference Shares of Rs. 10/- each	64,000,000	6,400	64,000,000	6,400
Total		13,000		13,000
Issued, Subscribed and Paid up				
108,435,840 (Previous year 108,435,840) Equity Shares - of Rs.6/- each fully paid up		6,506		6,506
58,904,271 (Previous year 58,904,271) 12% Cumulative Redeemable Preference Shares (CRPS) - of Rs. 10/- each fully paid up		5,891		5,891
Total		12,397		12,397
a. Reconciliation of the Number of Shares				
Equity Shares : Face value of Rs.6 each				
As at beginning of the year	108,435,840	6,506	108,435,840	6,506
Share issued during the year	-	-	-	-
Buyback/ forfeiture/ reduction shares	-	-	-	-
Outstanding at the end of the year	108,435,840	6,506	108,435,840	6,506
Preference Share :Face value of Rs 10 each				
As at beginning of the year	58,904,271	5,891	50,904,271	5,091
Share issued during the year	-	-	8,000,000	800
Buyback/forfeiture/ reduction shares	-	-	-	-
Outstanding at the end of the year	58,904,271	5,891	58,904,271	5,891
b. Details of Shareholders holding more than 5% shares				
Name of the Shareholders	Number of shares	% held	Number of shares	% held
Equity Shares :				
WS Alloy Holding Pvt Ltd (Demerged from Welspun Steel Limited w.e.f. 09.05.2015)	43,247,034	39.88	43,247,034	39.88
Widescreen Holding Pvt Limited	24,143,333	22.27	24,143,333	22.27
Magnificent Trading Pvt Limited	7,012,334	6.47	7,012,334	6.47
Calplus Trading Pvt Limited	6,114,390	5.64	6,114,390	5.64
12% CRPS				
WS Alloy Holding Pvt Ltd (Demerged from Welspun Steel Limited w.e.f. 09.05.2015)	-	-	50,904,271	86.42
Welspun Fintrade Pvt Limited	-	-	8,000,000	13.58
Right Growth Trading Pvt.Limited	50,904,271	86.42	-	-
MGN Agro Properties Pvt.Ltd.	8,000,000	13.58	-	-

c. Terms/ rights attached to

Equity shares :

The Company has 108,435,840 equity share having par value of Rs 6/- each fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends, if any, in Indian rupees. The dividend proposed if any, by the board of Directors is subject to the approval of the Shareholders in 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 share holders.

Preference Share :

The CRPS carry dividend (cumulative) of 12% per annum. The CRPS 40,242,857 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e.19th February 2013), The CRPS 4,285,714 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e.11th February 2014),

The CRPS 6,375,700 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e.11th November 2014) and

The CRPS 8,000,000 are redeemable with premium of Rs.25 per share in three equal annual installments payable from the end of eight years to ten years from the date of allotment (i.e.23rd October 2015).

3 RESERVE AND SURPLUS

(Rs. in lac)

Particulars	As at	As at
	31 st March, 2017	31 st March, 2016
Securities Premium Account		
Balance as at the beginning of the year	14,726	12,726
Add: received on issue of shares	-	2,000
Less : Amount Utilized	-	-
Balance as at the end of the year	<u>14,726</u>	<u>14,726</u>
(Deficit) in Statement of Profit and Loss		
As per the last Balance Sheet	(45,151)	(39,144)
Add: Profit / (Loss) for the year	(5,853)	(6,007)
Balance as at the end of the year	<u>(51,004)</u>	<u>(45,151)</u>
Total	<u><u>(36,278)</u></u>	<u><u>(30,425)</u></u>

4 LONG TERM BORROWINGS

(Rs. in lac)

Particulars	As at 31 st March, 2017		As at 31 st March, 2016	
	Non Current	Current	Non Current	Current
Secured				
Indian Rupee Term Loans from Banks	28,739	1,938	28,728	876
	28,739	1,938	28,728	876
Unsecured				
Sales Tax Deferred Loan	312	104	416	104
	312	104	416	104
Total	<u>29,051</u>	<u>2,042</u>	29,144	980

Secured:

a) Rupee loan of Rs.30,677 lac (Previous year Rs. 29,604 lac) pari passu basis, by way of:

- i. Equitable mortgage of immovable properties on first charge basis.
- ii. Hypothecation of movable fixed assets on first charge basis.
- iii. Second charge on current assets.

Rupee loans carry interest at bank prime lending rate /base rate/ MCLR plus margin. Loans of

- i. Rs.16,288 lac (Previous year Rs.16900 lac)are repayable in 30 quarterly installment starting from September 2016 and ending in April 2024.
- ii. Rs.574 lacs (Previous year Rs. 704 lac) are repayable in 20 quarterly installment starting from June 2014 and ending in March 2019.
- iii. Rs.13,815 lac (Previous year Rs. 12,000) are repayable in 32 quarterly installments starting from June 2017 and ending in August 2025.

b) Rupee Term loans include installment of Rs.132.04 lac (Previous Year Rupees. 13.5 Lac) due on the balance sheet date.

Unsecured:

a) Sales Tax Deferred Loan is repayable from April 2015 in six equal annual installments.

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(Rs.in lac)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016
5 LONG TERM PROVISIONS		
Provision for Employee Benefit		
Provision for Gratuity	124	112
Provision for Leave Encashment	28	37
Total	152	149
6 SHORT TERM BORROWINGS		
Secured		
From Bank		
Working Capital Loan	6,578	5,784
Unsecured		
From Bank		
Foreign Currency Loan : Buyer's Credit	58	-
Other Loan	800	-
Total	7,436	5,784
a) Working Capital Loans are secured, on pari passu basis, by way of		
i. Hypothecation of current assets on first charge basis.		
ii. Hypothecation of movable fixed assets on second charge basis.		
iii. Equitable mortgage of immovable properties on second charge basis		
b) Working Capital Loans carry interest, at bank prime lending rate/base rate/ MCLR plus margin, ranging from 10.90% to 15.05%.		
c) Buyers Credit carry interest at LIBOR plus margin (68 bps to 100 bps).		
7 TRADE PAYABLES		
Micro small and medium enterprises (Refer Note No.36)	-	-
Others	5,051	5,590
Total	5,051	5,590
8 OTHER CURRENT LIABILITIES		
Current maturity of Long Term Borrowings	2,042	980
Interest accrued and due	395	268
Interest accrued but not due	10	7
Advances from Customers	277	50
Book Overdraft	27	-
Payable for Purchase of Fixed Assets	262	264
Payable to Employees	23	15
Statutory Liabilities	87	60
Provision for Expenses	103	290
Other Payables	39	51
Total	3,265	1,985
9 SHORT TERM PROVISIONS		
Provision for Employee Benefits		
Provision for Gratuity	34	20
Provision for Leave Encashment	10	5
Total	44	25

RMG ALLOY STEEL LIMITED

10 FIXED ASSETS

(Rs.in lac)

Description	Gross Block			Depreciation / Amortisation				Net Block		
	As at 01-04-2016	Additions	Deductions / Adjustments	As at 31-03-2017	Up to 31-03-2016	For the Year	Deductions / Adjustments	Up to 31-03-2017	As at 31-03-2017	As at 31-03-2016
TANGIBLE ASSETS :										
Lease hold Land	351	-	-	351	-	-	-	-	351	351
Free hold Land	14	-	-	14	-	-	-	-	14	14
Plant & Machinery	31,514	11	-	31,525	24,850	358	-	25,208	6,317	6,664
Electrical Installation	1,998	-	-	1,998	1,912	22	-	1,934	64	86
Buildings	8,809	-	-	8,809	4,202	265	-	4,467	4,343	4,607
Office Equipments	201	2	-	203	196	2	-	198	5	5
Furniture and Fixtures	110	-	-	110	86	5	-	91	19	24
Vehicles	20	-	-	20	18	1	-	19	1	3
	43,017	13	-	43,030	31,263	653	-	31,916	11,114	11,754
INTANGIBLE ASSETS:										
Computer Software	32	-	-	32	26	6	-	32	-	6
	32	-	-	32	26	6	-	32	-	6
Total	43,049	13	-	43,062	31,289	659	-	31,948	11,114	11,760
Previous Year	43,016	161	128	43,049	30,746	663	120	31,289	11,760	12,270

Note: (a) During the Financial Year 2015-16 the management has re-assessed the estimated useful life of the Fixed Assets based on technical advice received from an independent technical consultant effective from 1st April 2015 and consequently revised the estimated useful lives of Plant and Machinery. This has resulted in the decrease of depreciation for the year ended 31st March 2016 by Rs. 541 lacs.

(Rs.in lac)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016
11 LONG TERM LOANS AND ADVANCES		
Unsecured and considered good unless otherwise stated		
Capital Advances	-	17
Less: Provision for Doubtful Debt	-	5
	-	12
Security Deposits	-	100
Income tax paid/deducted (Net of provisions)	176	147
Total	176	259
12 INVENTORIES		
Raw Materials	667	955
Semi Finished Goods	1,814	1,644
Finished Goods	348	456
Stores and Spares (net of provision for obsolescence of Rs. 112 lac, Previous year Rs. 112 lac)	1,508	1,511
Total	4,337	4,566

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(Rs. in lac)

Particulars	As at	
	31 st March, 2017	31 st March, 2016
13 TRADE RECEIVABLES		
Unsecured considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	423	1,029
Others	3,742	5,494
	4,165	6,523
Considered Doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	586	462
Others	-	478
	586	940
	4,751	7,462
Less: Provision for Doubtful Debts	586	940
Total	4,165	6,523
14 CASH AND BANK BALANCES		
Cash and Cash Equivalent		
Balances with Banks		
- In Current Accounts	2	7
Cash on Hand	2	2
Other Bank Balances		
In Margin Deposit Accounts	354	394
Total	358	403

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The Details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

Particulars	SBN(#)	Other Denomination Notes	Total
Closing cash in hand as on 8 November 2016	5,18,000	33,755	5,51,755
Add: Withdrawal from Bank accounts		5,22,497	5,22,497
Add: Receipts for permitted transactions	-	26,450	26,450
Less: Paid for permitted transactions		3,77,503	3,77,503
Less: Deposited in bank accounts	5,18,000	-	5,18,000
Closing cash in hand as on 30 December 2016	-	2,05,199	2,05,199

For the purpose of this clause, the term 'Specified Bank Note' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016

Particulars	As at	
	31 st March, 2017	31 st March, 2016
15 SHORT TERM LOANS AND ADVANCES		
Unsecured considered good unless otherwise stated		
Security deposit	24	11
Balance with Statutory/Government Authorities	771	726
Advance to Vendors	102	264
Loans & advance to employees	-	6
Prepaid expenses	48	92
Cenvat/Other claims receivable/recoverable	9	23
Total	954	1,122

RMG ALLOY STEEL LIMITED

(Rs. in lac)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016
16 OTHER CURRENT ASSETS		
Interest receivable on Margin Deposits	13	16
Duty Draw Back	1	-
Total	14	16
Particulars	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
17 REVENUE FROM OPERATIONS		
Sales of Products – Gross	26,283	29,955
Less: Excise Duty	2,920	3,187
Sales of Products – Net	23,363	26,768
Particulars of Sale of Products		
Steel	23,363	26,768
	23,363	26,768
Other Operating Revenues		
Export Incentives	2	1
Other Revenue	75	32
Provision no longer required	1	15
	78	48
Total	23,441	26,816
18 OTHER INCOME		
Interest from Bank & Others	382	125
Profit on sale of Investment	5	-
Miscellaneous Income	230	81
Total	617	206
19 COST OF RAW MATERIAL CONSUMED		
Cost of Raw Materials Consumed (Refer Note No. 34(a))		
Inventory at the beginning of the year	955	885
Add : Purchases	13,166	15,663
Less : Inventory at the end of the year	668	955
Total	13,453	15,593
Particulars of Raw Materials		
Metallics	9,243	11,563
Ferro Alloys	3,251	3,479
Others	959	551
Total	13,453	15,593
20 CHANGES IN INVENTORIES		
Inventories (at beginning)		
- Finished Goods	456	811
- Semi Finished Goods	1,644	1,358
	2100	2,169
Inventories (at close)		
- Finished Goods	348	456
- Semi Finished Goods	1,814	1,644
	2,162	2,100
Net (Increase) / Decrease		
- Finished Goods	109	355
- Semi Finished Goods	(171)	(286)
Total	(62)	69

35TH ANNUAL REPORT 2016-2017

(Rs. in lac)

Particulars	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
Particulars of Inventories		
Finished Goods		
Steel	348	456
	<u>348</u>	<u>456</u>
Semi Finished Goods		
Steel	1,813	1,643
Seamless Pipe	1	1
Total	<u><u>1,814</u></u>	<u><u>1,644</u></u>
21 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Allowances and Benefits	1,448	1,492
Contribution to Provident and other Funds	80	80
Gratuity	61	34
Leave Encashment	11	15
Staff Welfare Expenses	35	44
Total	<u><u>1,635</u></u>	<u><u>1,665</u></u>
22 FINANCE COST		
Interest Expense	4,360	4,364
Other Borrowing Cost	131	216
Total	<u><u>4,491</u></u>	<u><u>4,580</u></u>
23 OTHER EXPENSES		
Manufacturing and Other Expenses		
Stores and Spare Consumed (Refer Note No. 34(b))	1,963	2,174
Power and Fuel	6,423	6,828
Repairs to Buildings	13	27
Repairs to Plant & Machinery	103	211
Labour Charges	401	381
Job Work Charges	190	274
Insurance	41	37
Excise Duty on change in inventories	(12)	(39)
Lease Rentals and Hire Charges	60	70
Security charges	31	35
Safety Expenses	5	12
Vehicle Expenses	85	79
Communication expenses	13	20
Travelling and Conveyance	41	39
Rates and Taxes	11	35
Printing & Stationery	5	14
Listing Fees	5	5
Directors' Sitting Fees	4	6
Auditors' Remuneration		
- Audit Fees	9	9
- Certification Charges	1	1
Legal and Professional Fees	176	224
Net loss on foreign currency transactions and translation	(8)	13
Freight	146	147
Discounts on Sales	157	96
Brokerage & Commission	1	1
Sales Promotion Expenses	1	6
Provision for doubtful debts	65	25
Loss on assets sold/scrapped (Net)	-	7
Miscellaneous Expenses	55	43
Total	<u><u>9,985</u></u>	<u><u>10,780</u></u>

24 EXCEPTIONAL ITEM

As per the Letter dated 9th October 2013 of Government of Gujarat to BIFR in connection with G.R.No: 102012-593970-I, dated 8th July 2013, the Company is eligible to avail unutilized incentive. Accordingly, during the year ended 31st March 2017, the Company had accounted for the refund on the purchase tax an amount of Rs. 250 lac and for the year ended 31st March 2016 amounting to Rs.321 lac respectively.

25 EARNING PER SHARE

(Rs.in lac)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016
Net Profit / (Loss) for the year (Rs. lac)	(5,853)	(6,007)
Less: Cumulative Dividend on 12% CRPS	707	655
Net Profit / (Loss) for the year considered for calculating earnings per share	(6,560)	(6,662)
Number of equity shares outstanding during the year	108,435,840	108,435,840
Basic and Diluted earnings / (loss) per equity share of Rs.6/- each:	(6.05)	(6.11)

26 The balances of trade receivables and trade payables are subject to confirmation from the respective parties and Consequential adjustments arising there from, if any. The management however does not expect any material variations on reconciliation.

27 The slowdown in end user industries and overall global weakness continues to weigh on and is adversely impacting the performance. Ongoing initiatives to raise funds and the expected receipt of fiscal incentive to result in further improvement in the liquidity of the company. The value added products approved by major OEM's and also with improved demand in auto sector both domestic & global will result in increased demand of company's products. Management thus, expects substantial improvement in the utilization of the capacity in the coming period. Accordingly, the financial statements have been prepared on going concern basis and no adjustments are required to the carrying amount of assets and liabilities.

28 In the opinion of the Board, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet, unless stated otherwise. The provision for all known liabilities is adequate and not in excess of the amount reasonably stated.

29 SEGMENT REPORTING

The Company operates in a single business segment i.e. manufacture of steel and steel products such as seamless tubes and rolled products and as such there are no primary and secondary segments as per the requirement of Accounting Standard (AS-17) on "Segment Reporting". The Company has no reportable geographical segment.

30 RELATED PARTY DISCLOSURE

As per Accounting Standard (AS) 18, 'Related Party Disclosures, prescribed under the Accounting Standard Rules, the disclosures of transactions with the related parties are given below:

Name of related party	Relationship
- Anuj Burakia	Key Management Personnel (w.e.f 29 th July 2015)
- Welspun Steel Limited	Enterprise having significant influence
- WS Alloy Holding Pvt. Ltd.	Enterprise having significant influence (w.e.f. 9 th May, 2015)
- Wide Screen Holding Pvt Ltd	Enterprise having significant influence
- MGN Agro Properties Pvt Ltd	Enterprise under common significant influence (Krishiraj Trading Limited merged with MGN Agro Properties Pvt Ltd w.e.f. 27 th September 2016)

Above mentioned related parties are identified by the Management and relied upon by the Auditor.

Transactions with related parties

(Rs.in lac)

Particulars	Enterprise having significant influence	Key Management Personnel
Welspun Steel Limited		
Purchases	2,371(4,595)	
Sales	548 (NIL)	
Reimbursement of Expenses	2(27)	
Interest to Creditors	28(53)	
Outstanding Payable	572(872)	
Advance from Customer	255(NIL)	

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Particulars	Enterprise having significant influence	Key Management Personnel
MGN Agro Properties Pvt Ltd (Krishiraj Trading Limited merged with MGN Agro Properties Pvt Ltd w.e.f. 27th September 2016)		
Repayment of Loan	NIL(200)	
Remuneration		
Anuj Burakia	-	6(7)

(figures in bracket represent Previous year figures)

31 DEFERRED TAX LIABILITY (Net)

(Rs. in lac)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Deferred Tax Liability		
Related to Fixed Assets	1547	1,485
Deferred Tax Asset		
Other Disallowances under Income Tax Act, 1961	276	231
Unabsorbed Depreciation/ Business Loss (Refer note below)	1271	1254
Net Deferred Tax Liability	-	-

Note: - In the absence of virtual certainty, Deferred Tax asset on account of unabsorbed depreciation and business loss has been recognised to the extent it can be realized against reversal of deferred tax liability.

32 EMPLOYEE BENEFITS

a) Defined Contribution Plan

The Company makes contributions at a specified percentage of payroll cost towards Employees Provident Fund (EPF) for qualifying employees.

The Company recognised Rs.80 lac (Previous year Rs.80 lac) for provident fund contributions in the Statement of Profit and Loss.

b) Defined Benefit Plans

Gratuity is payable to all eligible employees of the company on superannuation, death and resignation in terms of the provision of the payment of Gratuity Act. The present value of obligations is determined based on actuarial valuation using Projected Unit Credit Method, which recognised each period of service as given rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the status of the gratuity plan and the amounts recognised in the company's financial statements as at 31st March, 2017:

(Rs.in lac)

Particulars	Gratuity Non Funded	
	As at 31 st March 2017	As at 31 st March 2016
Reconciliation of Present Value of Obligation PVO– defined benefit obligation		
PVO at the beginning of the year	132	130
Current Service Cost	16	18
Interest Cost	11	10
Actuarial (gain) / losses	34	6
Benefits paid	(35)	(32)
PVO at end of the year	158	132
Net cost for the year ended 31st March		
Current Service cost	16	18
Interest cost	11	10
Actuarial (gain) / losses	34	6
Net cost	61	34
Assumption used in accounting for the gratuity plan		
Discount rate (%)	7.38 % p.a.	8.00 % p.a.
Salary escalation rate (%)	4.00 % p.a.	4.00 % p.a.

c) OTHER DISCLOSURES

	2016-17	2015-16	2014-15	2013-14	2012-13
Present value of defined benefit obligation	158	132	130	127	173
Fair value of plan assets	-	-	-	-	-
(Deficit)/ Surplus of the plan	(158)	(132)	(130)	(127)	(173)
Experience adjustments on plan liabilities [loss / (gain)]	23	20	(6)	19	8
Experience adjustments on fair value of plan assets [(loss) / gain]	-*	-*	-*	-*	-*

*The details of experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on "Employee Benefits" are not available in the valuation report and hence, are not furnished.

d) Other Long Term Employee Benefits

The compensated absences charge for the year ended 31st March, 2017, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting to Rs.11 lac (Previous year Rs.15 lac) has been recognised in the Statement of Profit and Loss.

33 FINANCIAL AND DERIVATIVE INSTRUMENTS

Particulars	INR equivalent (Rs.in lac)		USD equivalent (USD in lac)	
	As at 31st March			
	2017	2016	2017	2016
Foreign Currency:				
<u>Unhedged</u>				
Buyers' Credit	58	-	1	-
Current Liabilities	21	50	0*	1

*USD 32,233

34 ADDITIONAL INFORMATION

Pursuant to the provisions of 5(viii)(c) of Part II of Schedule III to the Companies Act, 2013: (Rs. in lac)

Sr. No.	Particulars	For the year ended 31 st March, 2017		For the year ended 31 st March, 2016	
		Amount (Rs.in lac)	(%)	Amount (Rs.in lac)	(%)
a)	Value of Raw Material Consumed				
	- Imported	635	5	2,191	14
	- Indigenous	12,818	95	13,402	86
	Total	13,453	100	15,593	100
b)	Value of Stores and Spares Consumed				
	- Imported	263	13	302	14
	- Indigenous	1,700	87	1,872	86
	Total	1,963	100	2,174	100

	Particulars	For the year ended 31 st March	
		2017	2016
c)	Value of Imports on CIF Basis in respect of		
	- Raw Materials	217	383
	- Stores and Spares	215	290
	-Finished Goods	-	-
	-Fixed Asset (Plant & Machinery)	9	-
d)	Expenditure in Foreign Currency		
	- Interest / Bank Charges	1	2
	- Others	-	1
e)	Earnings in Foreign Exchange		
	- FOB Value of Export	71	106

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35 CONTINGENT LIABILITY

(Rs. in lac)

Particulars	For the year ended 31 st March	
	2017	2016
Capital Commitments not provided for (net of advances)	-	23
Bank Guarantees	854	915
Bills Discounted	1,264	668
Service Tax	139	139
Excise Duty	34	34
Disputed Sales Tax Demands	20	20
Claim against the Company not acknowledged as debts	501	442
Dividend on Cumulative Redeemable Preference Shares (CRPS)	2,470	1,763

- 36 Disclosures relating to amounts payable as at the year end together with interest paid / payable to Micro, Small and Medium Enterprises have been made in the accounts, as required under Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) to the extent of information available with the Company determined on the basis of intimation received from suppliers regarding their status. The required disclosures are the information required under the said Act as given below :

(Rs.in lac)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Principal amount remaining unpaid as on 31st March	-	-
Interest due thereon as on 31st March	10	7
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at 31st March	-	-
Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

37 PREVIOUS YEAR'S FIGURES

Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our attached report of even date

For CHATURVEDI & SHAH

Chartered Accountants

Firm Registration No: 101720W

Parag D. Mehta

Partner

Membership No.113904

Place : Mumbai

Date : 16.05.2017

For and on behalf of the Board of Director

Anuj Burakia

Whole Time Director

Ashok Jain

Director

Narendra Kumar Bhandari

Chief Financial Officer

Nilesh Javker

Company Secretary

RMG ALLOY STEEL LIMITED

CIN : L27100GJ1980PLC020358

Registered Office : G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393110, India.

Email : allcompanysecretaryofrmgl@welspun.com Website: www.rmgalloysteel.com

Corporate Office : B/9, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013.

Tel No: +91 -22-66136000 Fax: +91-22-2490 8020

E-mail Registration-Cum-Consent Form

To,
The Executive Director,
RMG Alloy Steel Limited
G.I.D.C Industrial Estate, Valia Road, Jhagadia,
Dist. Bharuch, Gujarat 393110

I/ we the members of the Company do hereby request you to kindly register/ update my e-mail address with the Company. I/ We, do hereby agree and authorize the Company to send me/ us all the communications in electronic mode at the e-mail address mentioned below. Please register the above e-mail address / mobile number for sending communication through e-mail/ mobile.

Folio No.	:	DP – ID	:	Client ID	:
Name of the Registered Holder (1 st)		:			
Name of the joint holder(s)		:			
		:			
Registered Address		:			
		Pin:			
Mobile Nos. (to be registered)		:			
E-mail Id (to be registered)		:			

Signature of the Shareholder(s)*

* Signature of all the shareholders is required in case of a joint holding.

TEAR HERE

**Form No. SH-13
Nomination Form**

(Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014)

To,
The Executive Director,
RMG Alloy Steel Limited
G.I.D.C Industrial Estate, Valia Road, Jhagadia,
Dist. Bharuch, Gujarat 393110

I/ We _____ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S —

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

3. IN CASE NOMINEE IS A MINOR--

- (a) Date of birth:
- (b) Date of attaining majority
- (c) Name of guardian:
- (d) Address of guardian:

Name of the Security Holder(s) _____

Signatures: _____

Witness with name and address: _____

Instructions:

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by individuals only. Non individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the Shares are held jointly all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of Shares and in that event the name and address of the Guardian shall be given by the holder.
4. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
5. Transfer of Shares in favour of a nominee shall be a valid discharge by a Company against the legal heir(s).
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled; else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
9. Whenever the Shares in the given folio are entirely transferred or dematerialised, then this nomination will stand rescinded.
10. Upon receipt of a duly executed nomination form, the Registrar & Transfer Agent of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The Company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.
13. The intimation regarding nomination / nomination form shall be filed in duplicate with the Registrars & Transfer Agents of the Company who will return one copy thereof to the Shareholders.
14. For shares held in dematerialised mode nomination is required to be filed with the Depository Participant in their prescribed form.

**Form No. MGT-11
PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014
CIN : L27100GJ1980PLC020358

Name of the Company: RMG ALLOY STEEL LIMITED

Registered Office : G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat- 393110, India.

Email : allcompanysecretaryofrmgl@welspun.com Website: www.rmgalloysteel.com

Corporate Office : B/9, Trade world, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013.

Tel No: +91 -22-66136000 Fax: +91-22-2490 8020

Name of the member (s): _____

Registered Address: _____

E-mail Id: _____

Folio No / Client ID _____ DP ID _____

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

1. Name) : _____
Address: _____

E-mail Id: _____
Signature: _____ or failing him/her

2. Name) : _____
Address: _____

E-mail Id: _____
Signature: _____ or failing him/her

3. Name) : _____
Address: _____

E-mail Id: _____
Signature: _____ or failing him/her

as my / our proxy attend and vote (on a poll) for me / us and on my / our behalf at the 35th Annual General Meeting of the Company to be held on Tuesday, September 26, 2017 at 12.30 p.m. at the Registered Office of the Company at G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393110 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Subject of the Resolution	Vote	
		For	Against
1	Consider and adopt Audited Financial Statements for FY-16-17 and the reports of the Board of Directors and Auditors thereon.		
2	Re-appointment of Mr. Hanuman Kanodia as a director of the Company, liable to retire by rotation.		
3	Ratification of appointment of M/s. Pathak H.D. & Associates, Chartered Accountants (Firm Registration No. 107783W), as Auditors.		
4	Ratification of remuneration payable to Cost Auditor.		
5	Approval of appointment of Mr. Aneel Lasod as Director of the Company.		
6	Approval of Appointment of Ms. Amita Karia as an Independent Director of the Company.		
7	Increase of Authorised Share Capital and Alteration of Clause V of Memorandum of Association.		
8	Alteration of Article 3 of Articles of Association.		
9	Issue of upto 3,00,00,000 12% Redeemable Preference shares of Rs.10 each aggregating to Rs.30,00,00,000/- (Rupees Thirty Crore Only)		

Signed this day of2017.

Signature of shareholder

Signature of Proxy Holder(s) : 1) _____ 2) _____ 3) _____

Note:

- 1) Please complete all the details including details of member(s) in the above Box before submission.
- 2) It is optional to put "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.
- 3) **A proxy can act on behalf of such number of member or members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company. Provided that a member holding more than 10%, 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 proxy for any other person or shareholder.**
- 4) The 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.

TEAR HERE

RMG ALLOY STEEL LIMITED

CIN : L27100GJ1980PLC020358

Registered Office : G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393110, India.
Email : allcompanysecretaryofrmgl@welspun.com Website: www.rmgalloysteel.com

Corporate Office : B/9, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013.
Tel No: +91 -22-66136000 Fax: +91-22-2490 8020

ATTENDANCE SLIP

Name of the sole / first named member

Address of sole / first named member:

Registered folio no.

DP ID no. / Client ID no.*

Number of shares held

I hereby record my presence at the 35th Annual General Meeting of the Company held on Tuesday, September 26, 2017 at Plot No.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch- 393110, Gujarat, at 12:30 PM.

Signature of Shareholder/ Proxy Present

Note: Members are requested to fill up the attendance slip and hand it over at the venue of the meeting.

----- Tear here -----

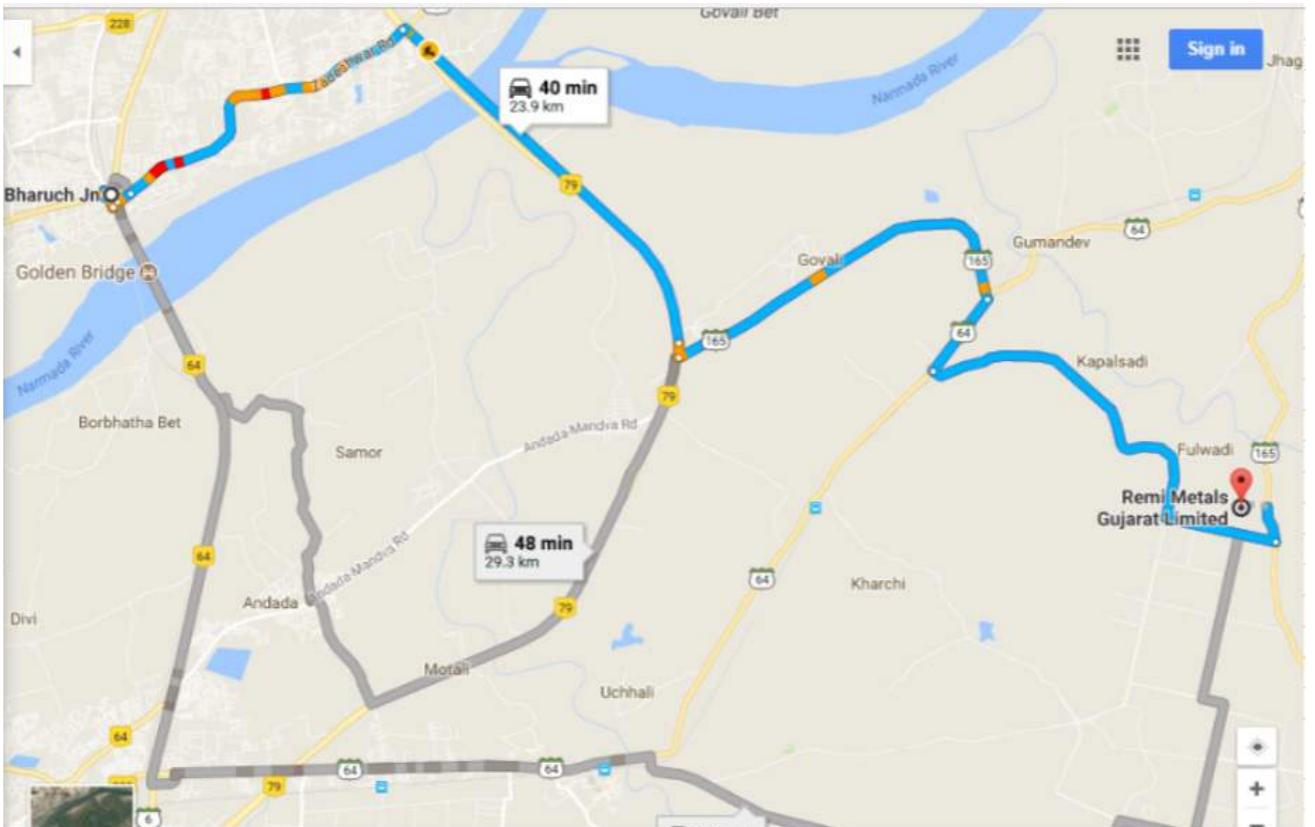
Important note for Electronic Voting:

The e-voting period commences on Saturday, September 23, 2017 at 9:00 am and ends on Monday, September 25, 2017 at 5:00 pm. The e-Voting module shall be disabled by CDSL for voting thereafter.

Please read the instructions before exercising the vote.

These details and instructions form integral part of the Notice dated May 25, 2016 of 35th Annual General Meeting.

Route Map



Registered Office :
G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat 393110