



Product basket and applications

Wires

Neddle Wires | Watch Springs | Automobile Components

Wire Ropes

Oil Rigs | Cranes | Elevators | Mines | Ropeways | Bridges | Shipping | Other Construction Purpose

Strands

Power Transmission | Bridge (LRPC) | Flyovers (LRPC) | Buildings (LRPC) | Fishing Ropes

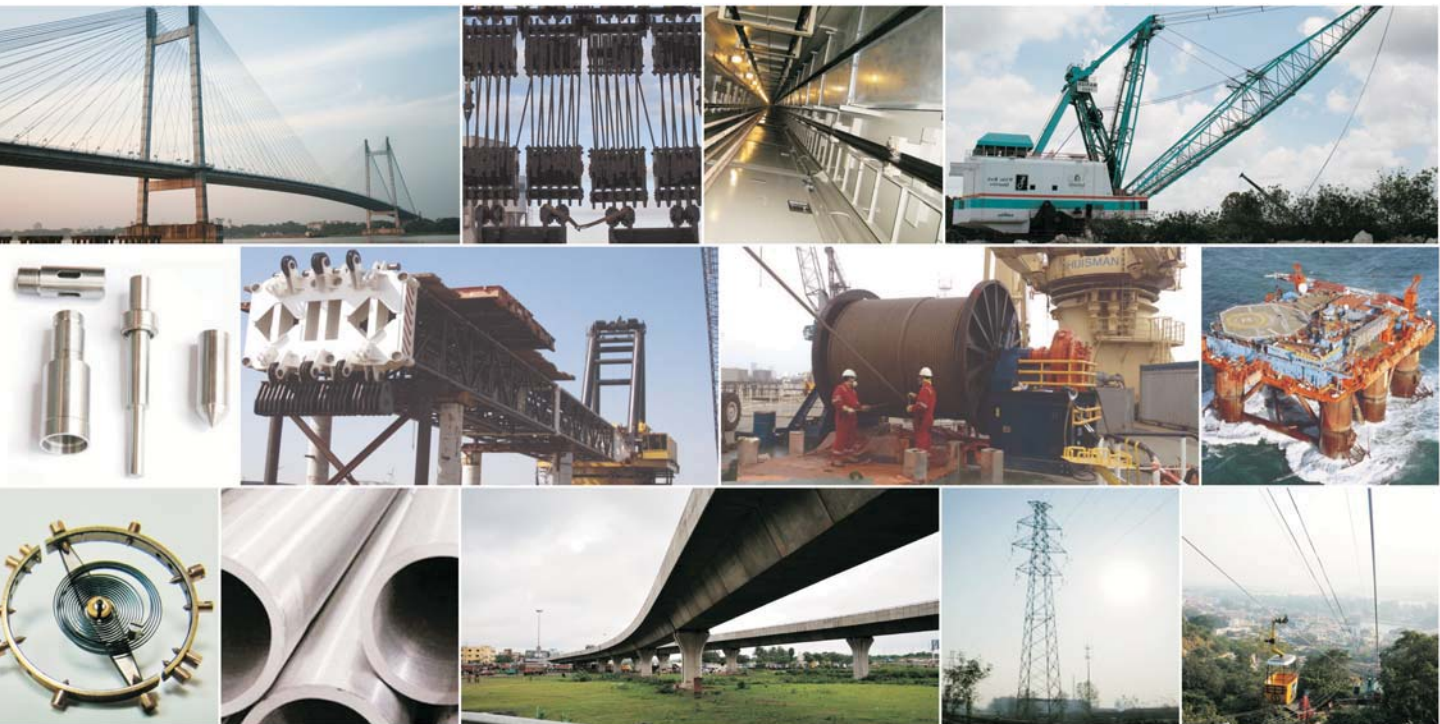
Conveyor Cords

Mining | Other Heavy Industry

Steel

Automobile/ Auto Component Industry | Aluminium Smealtors | Bearings

Hand Tools | Heavy Earth Moving Equipments | Oil & Gas Industry | Railways | Seamless Tubes | Tractors



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CORPORATE INFORMATION

Board of Directors

Mr. B K Jhawar	- Chairman Emeritus
Mr. Prashant Jhawar	- Chairman
Mr. Brij K Jhawar	- Director
Mr. S Singhal	- Director
Mrs. Ramni Nirula	- Director
Mr. G N Bajpai	- Director
Mr. Nripendra Misra	- Director
Mr. Jitender Balakrishnan	- Director
Mr. R S Thakur	- Director
Mr. Rajeev Jhawar	- Managing Director
Dr. Vijay Sharma	- Jt. Managing Director [Steel Business]
Mr. P K Jain	- Jt. Managing Director [Wire & Wire Ropes Business]

Senior Management

India

Mr. A K Somani	- Chief Financial Officer & Company Secretary
Mr. Debasish Mazumder	- Associate President [Steel]
Mr. Sanjay Nath	- Sr. Vice President [Sales & Marketing]
Mr. D J Basu	- Sr. Vice President [HR]
Mr. S K Jala	- Sr. Vice President [IT]
Mr. Rajesh Sharma	- Sr. Vice President [Wire & Wire Rope Division]
Mr. Sunil Gupta	- Sr. Vice President [Commercial]
Mr. Anjan Kumar Dey	- Sr. Vice President [Iron Making]
Mr. Malay Kumar De	- Sr. Vice President [Metallurgical Services]
Mr. Arvind Kapoor	- Vice President [Marketing]

Europe

Mr. S Jodhawat	- Chief Executive Officer – Usha Martin International Limited
Mr. Paul Scutt	- Managing Director – European Marine & Management
Mr. Len Allen	- Director Operations – Brunton Shaw UK
Mr. Henk Steenbergen	- General Manager – De Rooter Staalkabel B.V
Mr. Franco Clerici	- Director - Group R & D and Technical Services- Usha Martin Italia SRL

South East Asia

Mr. Amogh Sharma	- Managing Director – Usha Siam Steel Industries Public Co. Ltd.
Mr. Tapas Ganguly	- Chief Executive Officer – Usha Martin Singapore Pte Ltd.

Middle East

Mr. S. Mazumder	- GM, Sales & Marketing – Brunton Wolf Wire Ropes, Fzco.
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United States of America

Mr. Jeffrey Schipani	- President – Usha Martin Americas Inc.
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Registered & Corporate Office :

2A, Shakespeare Sarani
Kolkata – 700 071, India
Phone : 033 – 39800300
Fax : 033 – 39800400
Email : investor_relation@ushamartin.co.in
Website : www.ushamartin.com

Works :

India

Adityapur, Jamshedpur
Tatilswai, Ranchi
Hoshiarpur, Punjab
Nawalganj, Agra, UP
Sri Perumbudur, Tamil Nadu
Silvassa, (U M Cables)

Overseas

Navanakoran Industrial Estate, Thailand (Usha Siam Steel Industries)
Jebel Ali Free Zone, Dubai, UAE (Brunton Wolf Wire Ropes)
Worksop, Nottinghamshire, UK (Usha Martin UK)

Mines :

Barajamda, Jharkhand
Daltonganj, Jharkhand

Bankers :

State Bank of India
Axis Bank Limited
ICICI Bank Limited
HDFC Bank Limited
IndusInd Bank Limited
Yes Bank Limited

Auditors :

Price Waterhouse
Kolkata

Share Listings :

NSE – Scripcode – USHAMART
BSE – Scripcode – 517146
Societe de la Bourse de Luxembourg - GDRs
ISIN No.INE228A01035

Registrar & Transfer Agent :

MCS Limited
77/2A, Hazra Road, Kolkata – 700 029
Phone : 033 – 24541892-93 / 40724051-53
Fax : 033 – 24541961 / 24747674 / 40724050
Email : mcskol@rediffmail.com

REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders,

The Board of Directors of your Company takes pleasure in presenting 27th Annual Report and audited accounts of your Company for the financial year ended 31st March, 2013.

FINANCIAL RESULTS

(Rs. in Crs.)

	Stand Alone		Consolidated	
	31 March, 2013	31 March, 2012	31 March, 2013	31 March, 2012
Gross Sales including inter company/division sales and excise duty	4403.96	3920.16	5516.20	4932.00
Less: Excise Duty	302.45	243.87	313.44	253.92
Less : Inter company/ division sales	1056.98	839.40	1580.93	1317.26
Net Sales excluding excise duty and inter company/division sales	3044.53	2836.89	3621.83	3360.82
Other Income	43.22	42.64	89.08	63.94
Net Sales and Other Income	3087.75	2879.53	3710.91	3424.76
Profit Before Depreciation & Tax	245.56	153.95	367.34	234.11
Depreciation	235.24	197.76	263.84	222.71
Profit Before Tax	10.32	(-)43.81	103.50	11.40
Tax expenses (including deferred tax)	3.27	(-)11.04	21.24	4.78
Profit After Tax	7.05	(-)32.77	82.26	6.62
Minority Interest			(-)3.42	(-)3.01
Profit after Taxation and Minority interest			78.84	3.61
Profit Brought Forward from Previous Year	22.67	55.44	267.38	263.86
Appropriations are made as under:				
-General Reserve	2.00		4.08	
- Transfer to Capital Redemption Reserve	-	-	4.00	-
-Proposed Dividend on Equity Shares and tax thereon	5.35		5.44	0.09
-Balance Carried Forward to next year	22.37	22.67	332.70	267.38

REVIEW OF OPERATIONS

The Company's operating profit increased to Rs. 705.20 Crs. on consolidated basis and Rs. 572.33 Crs on standalone basis from Rs. 497.77 Crs and Rs. 408.80 Crs respectively. On consolidated basis, the Company achieved profit after tax and minority interest of Rs. 78.84 Crs against Rs. 3.61 Crs. in previous year. On standalone basis, the profit after tax is Rs. 7.05 Crs against loss of Rs. 32.77 Crs. in the previous year.

The turnover for the year increased to Rs. 3621.83 Crs on consolidated basis and Rs. 3044.53 Crs on standalone basis against Rs. 3360.82 Crs and Rs. 2836.89 Crs respectively in the previous year.

DIVIDEND

The Board of Directors recommends 15% dividend for the year

ended 31st March, 2013, amounting to Rs. 5.35 Crs including dividend tax, surcharge and cess.

PROJECTS

The cost optimisation projects undertaken by the Company have progressed well. The major projects successfully commissioned during the financial year 12- 13 are 30 MW CPP, Char Beneficiation, DRI-V, 100 TPD Lime Kiln, Beneficiation Plant Phase-1, EBNER annealing furnace and Fume Exhaust System of SMS-2. The projects, which are under advanced stage of implementation, namely pellet plant, coke oven, Iron ore Beneficiation Plant Phase-2, DRI-IV, Waste Heat based 35 MW Captive Power plant and other related projects are expected to be commissioned in phases over FY 13-14. Upon completion, these projects would significantly strengthen cost base, which in turn would enhance profitability and competitiveness.

BUSINESS OUTLOOK

The adverse economic factors, such as higher level of fiscal deficit, expanding trade gap, deteriorating current account deficit, rising inflation and resultant higher interest rates which have caused industrial slow down and worsened economic environment in the financial year, continue to prevail with serious challenges to Indian economy even in current financial year. However with the advantage of a higher level of integration with mineral resources and range of value added products, the Company is hopeful of performing better in future.

SUBSIDIARIES

The international subsidiaries provide significant synergy and support to the Company's business and performance. All the operating subsidiaries of the Company have continued to perform reasonably well in the prevailing economic and business conditions during the year under review.

The facilities of Usha Siam Steel Industries Public Company Limited [USSIL], a key subsidiary of the Company which was severely affected in devastating floods in Thailand in October 2011, has resumed normal operations during the later part of the financial year.

The Statement under Section 212 of the Companies Act, 1956 in respect of subsidiaries of the Company is given separately.

JOINT VENTURES

All the key joint ventures formed by the Company namely, Pengg Usha Martin Wires Pvt. Ltd., Gustav Wolf Speciality Cords Ltd. and Dove Airlines Pvt. Ltd., have done reasonably well in the year under review.

During the year, Usha Siam Steel Industries Public Company Limited (USSIL) has entered into a Joint Venture Agreement with Tesac Wireropes Co Ltd (TWCL), Japan for setting up a new joint venture company named "Tesac Usha Wirerope Co. Ltd." which shall manufacture specialty wire ropes for elevator and other applications. This new company had been incorporated under the laws of Thailand. USSIL, along with Usha Martin Singapore Pte Ltd. a wholly owned subsidiary of the Company, holds 50% equity in new JV, while the remaining 50% is being held by TWCL.

TPM & QUALITY

Steel Division and Wire Ropes & Speciality Products Division continue to have certification for its quality management systems being in accordance with ISO 9001 2000 from BVQI.

Wire & Wire Ropes Division has now embarked on the journey of

TQM for further strengthening competitiveness of the Company.

The operational excellence recognised by these awards and quality management systems have resulted in tangible improvement in quality, cost, delivery and safety, besides intangible benefits like motivation and empowerment at all levels.

ENVIRONMENT

All manufacturing plants of your Company are running in an ecofriendly manner and have focus on workplace health and safety.

Steel Division and Wire Ropes & Speciality Products Division continue to enjoy Certification under ISO 14001 Environment Management Systems (EMS) Standards from Det Norske Veritas (DNV), of U.K. The effectiveness of these systems is evident from reduced oil and water consumption, reuse of waste oils and water, utilization of iron containing wastes and improved green cover at steel plant site.

Wire Ropes & Speciality Products Division has been achieving significant improvements in effluent treatment to eliminate sludge carry over by incorporation of filter press, the output of which is being used for non-critical applications, and continues to target zero discharge condition. This Division has also reduced air pollution by converting from oil to LPG and eliminating emission of un-burnt fuels in atmosphere.

HUMAN RESOURCES

The Board of Directors expresses its appreciation for sincere efforts made by employees of your Company at all levels during 2012-13 and their co-operation in maintaining cordial relations.

Your directors believe and affirm the importance of developing of human resources, which is valuable and key in achieving all round improvement and growth.

The information required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, forms part of this Report.

DEPOSITS

As on 31st March, 2013, there are unclaimed deposits of Rs. 1.50 lacs.

CORPORATE GOVERNANCE

Your Company has complied with requirements of Clause 49 of Listing Agreement and followed practice of obtaining disclosures from directors and senior management personnel relating to any material financial and commercial transactions where they have any personal interest with a potential conflict of interest with the Company at large. Your Company

recognizes importance of good Corporate Governance as a step for building stakeholders' confidence, improving investor protection and enhancing long-term enterprise value.

A detailed report on Corporate Governance is annexed.

DIRECTORS

Mrs Ramni Nirula, Mr G N Bajpai, Mr N Misra and Mr J Balakrishnan are retiring by rotation and offer themselves for reappointment.

Mr. A K Chaudhri retired by rotation in last annual general meeting. Your directors place on record their warm appreciation for the contribution made by him in progress and growth of the Company.

Mr R S Thakur has been appointed as an additional director on the Board of the Company with effect from 30th January, 2013. He will hold office up to the date of ensuing Annual General Meeting. Your Directors recommend his appointment at the forthcoming Annual General Meeting in respect of which notice under Section 257 of the Companies Act, 1956 has been received.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed that:

- (i) the applicable accounting standards have been followed in preparation of annual accounts for financial year ended 31st March, 2013 and proper explanations have been furnished relating to material departures;
- (ii) the accounting policies have been selected and applied consistently and reasonably and prudent judgments and estimates have been made so as to give a true and fair view of state of affairs of the Company at end of financial year and of profit of the Company for year under review;
- (iii) the proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the annual accounts for financial year ended 31st March, 2013 have been prepared on a going concern basis.

CEO / CFO CERTIFICATION

The Managing Director and Chief Financial Officer of the Company submitted a certificate to Board of Directors as required under Clause 49 of Listing Agreement for the year ended 31st March, 2013.

ADDITIONAL DISCLOSURES

In line with requirements of Listing Agreements and Accounting Standards issued by the Institute of Chartered Accountants of India, your Company made additional disclosures in respect of Consolidated Financial Statements, Related Party Transactions and Segmental Reporting.

AUDITORS

The auditors, M/s. Price Waterhouse, Chartered Accountants, retire at conclusion of forthcoming Annual General Meeting and being eligible, have offered themselves for re-appointment.

COST AUDITORS

During the year, Board appointed M/s. Guha, Ghosh, Kar & Associates, Cost Accountants, to conduct cost audit of the Company. The Company filed application with Central Government for financial year 2012-13 for appointment of Cost Auditor and the approval is deemed to have been received.

ENERGY CONSERVATION

As required under Section 217(1)(e) of the Companies Act, 1956, details regarding conservation of energy, technology absorption and foreign exchange earning and outgo are given in the Annexure attached hereto and form part of this Report.

CORPORATE SOCIAL RESPONSIBILITY

Your Company has always been committed to its' responsibility to the society and accordingly has accorded very high priority and commitment towards discharge of the same.

USSIL was awarded TLS 8001-2010 Certificate for having achieved requirements of Thai Corporate Social Responsibility by Ministry of Labour, Royal Thai Government.

A detailed report on initiatives in this regard is attached and forms part of this report.

APPRECIATION

Your directors place on record their appreciation for valuable co-operation and support of customers, suppliers, contractors, shareholders, investors, government authorities, financial institutions, banks, partners and collaborators.

On behalf of the Board of Directors

Kolkata
9th May 2013

P JHAWAR
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, and forming part of the Directors' Report for the year ended 31st March, 2013.

1. Conservation of Energy

a) Energy conservation measures taken:

- i Company has installed Producer Gas Plants and effective utilization of BF gas and Producer Gas in re-heating furnace at Bar Mill, Wire Rod Mill and Blooming Mill reducing oil requirement by more than 90%.
- ii Effective implementation of Coal Injection replaced coke by 100 kg/t of hot metal in Blast Furnace operation.
- iii Use of washed Iron Ore Fines in sinter resulting in higher Fe in sinter leading to 10 kg/t of hot metal saving in fuel rate of Blast furnace.
- iv Commissioning of Coke Oven battery (48 Ovens)
- v Use of oxygen in electric arc furnace resulting in lower power consumption
- vi Improved heat recovery by installing new Recuperator with modified design at rolling mill heating furnace.
- vii Replacing heavier metallic blades by lighter FRP blades & hollow hub for cooling tower fans.
- viii Effective utilization of waste heat recovery for power generation from DRI 1-5.
- ix Company has installed char processing plant. This helps to consume entire char generation from DRI 1-5 as a fuel for power generation at CPP.
- x Installed water flow meter for monitoring & judicious utilization of water thereby reducing pumping requirement.
- xi Cooling tower fan operation at CPP has been interlocked with water temperature at CPP resulting in saving of power.
- xii Variable Frequency Drives (VFD) has been installed in various blowers in the Wire Rod Mill and also in ID Fans and Vibro-Feeders in Captive Power Plants.
- xiii Use of soft starters for heavy duty fan application.
- xiv Replacement of drive arrangements and old motors & pumps in furnace area resulting in conservation of power.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

- i As a part of expansion plan the Company is installing, 0.4 MTPA non recovery Coke Plant, 2nd 48 ovens, 35 MW Captive Power Plant, and 1.2 MTPA Pellet Plant with Iron Ore Beneficiation Plant. Up-gradation of BF-1, SMS1 & 2 and Bar Mill will make plant more energy efficient.
- ii Various steps are being taken including hydraulic electrode regulation in SMS to reduce power consumption through process improvements.
- iii Digital Medium Voltage Ac drive will be installed on BF cold blast blowers for energy saving.
- iv Power distribution system is augmented for reliability and energy saving.
- v Retrofitting of lighting saver in lighting loads and AC saver to reduce power consumption.
- vi Company is setting up two more Producer Gas Plants in Steel Melting Shop for reducing oil consumption in ladle and tundish heating.

- vii Energy audit being conducted and 1st phase of action plan is initiated.
- viii BF gas based 3 MW CPP is augmented with synchronization scheme.
- ix The Company has been selected by Bureau of Energy Efficiency (BEE) as a designated consumer under the Government Perform, Achieve and Trade (PAT) Scheme whereby it has been given target to reduce specific energy consumption in the year 2012-13 to 2014-15.

Energy conservation is an ongoing process and there is a continuous programme to create awareness and motivate the employees to conserve energy through small group activities.

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

With the implementation of the above measures, energy cost is expected to be reduced and consequently there will be impact on the cost of production.

d) Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure to the Rules in respect of industries specified in the Schedule thereto annexed.

2. Technology Absorption

1) Research and Development (R&D)

a) Specified areas in which R & D carried out by the Company :

The Company is constantly striving to set global benchmark in terms of Quality, Cost & Performance and remains committed to TPM. The improvement and development activities carried out are:

- i Development of various grades of steel required by Auto, Auto Ancillaries, Engineering Application, Oil & Gas Sector, Defense and Railways including rolling and further processing.
- ii Development of Steel Bars for anode & cathode bar application used in Aluminum Smelters.
- iii Development of CHQ Wire for high end wire application for various OEM's.
- iv Higher utilization of steel plant waste like Mill scale, BF Flue dust, ESP dust, SMS Slag, DRI fines in sinter.
- v Use of EAF Slag in Sinter & Blast furnace to reduce specific consumption.
- vi Beneficiation of Iron ore fines to upgrade Fe content in iron ore.
- vii Development of steel products with improved surface integrity.
- viii Production of cleaner steel with low residual.
- ix Developed extra high strength Anchor Mooring Ropes having higher breaking load per unit steel content within the rope.
- x Developed a new variant of 8 strand compacted plasticated core rope.
- xi A new variant of LRPC galvanized wax filled PE coated is developed to serve as a stay cable for bridges.

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

- i Development and supply of critical steel for medium & heavy commercial vehicles and auto ancillary producers which is a fast growing sector in India.

- ii Micro alloyed steel developed has higher strength to weight ratio enabling production of wire ropes with increased load carrying capacity, higher product life cycle, etc.
- iii Cleaner steel development has enabled manufacturing products having higher field life specifically with improved fatigue properties.
- iv Higher productivity and reduction of processing cost during wire drawing.
- v Efficient and productive utilization of Iron Ore through conventional DRI & BF plants.
- vi Introduction of new & improved products to stay ahead of competition and technology driven obsolescence.
- vii Increase in the consistency & reliability of our products.
- viii Improvement in product performance resulting in increase of customer satisfaction in high end product segment.
- ix Increase in market share of high end products.

c) Future plan of action :

- i In CCM-1, existing 2 strand caster to be modified to 3 strand caster to reduce casting time from 80 minutes to 60 minutes, machine radius to be increased from 4 mtrs. to 6 mtrs. This will lead to improvement in surface & internal quality of billet.
- ii Additional vacuum degassing system in SMS-1 & 2 shop will reduce ladle holding time and improve steel quality.
- iii Introduction of induction heating of tundish in Caster-3 will facilitate casting of critical clogging prone grades at a constant superheat thus improving blooms internal quality.
- iv In CCM-3 trials with different quality and different designs (four port) of black refractory are being planned to avoid clogging in medium carbon re-sulphurized grades to improve steel quality and productivity.
- v Refurbish existing eddy current setup for increasing effectiveness of detecting surface defect of wire rods at high speed rolling.
- vi Additional De-scaler at Wire Rod Mill to avoid secondary scale & better surface quality.
- vii To Install Induction heating coil at Wire Rod Mill before Stand No.6 to homogenize the temperature of rolled bars and to roll spring steel at lower temperature for controlling decarburization without damaging the plant equipment.
- viii Addition of rollers in between the nozzles at Wire Rod Mill for controlling scratches of coils during garret rolling.
- ix Installation of Orbis Gauge at Blooming Mill and additional De-scaler for improved section control and to avoid secondary scale for better surface quality.
- x Introduction of guides in Reversing Mill (Blooming Mill) to control collaring and kink bend.
- xi Replacement of friction guide by roller guide (Blooming Mill) to control twisting of bars during RCS rolling.
- xii Capital Repair of BF1 with increased volume for higher hot metal production and improved cooling technology to improve furnace campaign life. Introduction of pulverized coal injection to replace coke in BF1.

- xiii Increase performance and manufacturing capability of special wire ropes particularly in crane industry.
- xiv Development of products and increase of market share of special products for use in crane, fishing, elevator, construction and mining industry in both domestic and overseas markets.
- xv Installation of high pressure De-scaler at Bar Mill for improved surface of rolled product.
- xvi Up gradation at Bar Mill with higher capacity of reheating furnace, additional roller table to improve the internal as well as surface quality of bars.

d) Expenditure on R & D:

(Rs. in lacs)

i	Capital	-
ii	Recurring	111
iii	Total	111
iv	Total R & D expenditure as a Percentage of total turnover	0.03%

2) Technology absorption, adoption and innovation :

i Technology absorption, adoption and innovation include the following :

- Bloom casting through continuous casting machine for production of special grade alloy steel and carbon steel. Caster standardized and taken into commercial production.
- Static Var Compensation (SVC) installed in the main power distribution system for improving power factor.
- Installation and stabilization of continuous cold drawing machine for production of bars from wire rod coils through on line descaling system and on line surface quality evaluating system.

ii Benefits derived as a result of the above efforts :

- (a) Approvals received from various OEMs such as Arvind Meritor, Tata International, Volvo Construction, JCB, Automotive Axle, Caterpillar, WIPRO, Mahindra Sona, Eicher Volvo for supply of bars (including bright bars) for the forging & machining industry.
- (b) Metallurgical preparedness for the future business of alloy & specialty steel.

iii Information regarding technology imported during last 5 years: Nil

3. Foreign Exchange earnings and outgo:

- i Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans already explained in Directors' Report and MD & A.
- ii Total Foreign exchange earned and used for the year is as follows: (Rs. in lacs)

Foreign exchange earned	50,039
Foreign exchange used	77,457

FORM A

Conservation of Energy

Annexure to Directors' Report-Information Under Section 217 (1) (e) of The Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming Part of Directors' Report.

A) Power and Fuel Consumption

	31st March 2013	31st March 2012
(1) Electricity		
a) Purchased		
Units (Thousand KWH)	266,262	266,302
Total amount (Rs.in Lacs)	16,361	14,640
Average Rate/Unit (Rs./KWH)	6.14	5.50
b) Own Generation		
(i) Through Diesel Generator		
Units (Thousand KWH)	1,407	3,940
Units per Ltr. of Diesel Oil (KWH)	2.30	3.05
Average Cost/Unit (Rs./KWH)	33.69	16.20
(ii) Through Coal based Power Plant		
Units (Thousand KWH)	495,426	507,760
Units per Kg. of Coal/Char	0.91	1.03
Average Cost/Unit (Rs./KWH)	1.83	1.70
(iii) Through Steam Turbine/Generator		
Units (Thousand KWH)	18,352	18,953
Units per Ltr. of Fuel Oil/BF Gas	84.38	35.85
Average Cost/Unit (Rs./KWH)	0.75	1.59
(iv) Through Natural Gas		
Units (Thousand KWH)	-	-
Units per CuM. of Natural Gas	-	-
Average Cost/Unit (Rs./CuM)	-	-

	31st March, 2013			31st March, 2012		
	Process	Power		Process	Power	
(2) Coal						
(Specify Quality & Where Used)						
(Grade 'A', 'B', 'C', 'D', 'E', 'F', 'Char/Fines')						
Quantity (M.T.)	629,230	542,826	1,172,057	420,029	494,880	914,909
Total Cost (Rs.in Lacs)			25,643			20,177
Avg. Rate (Rs./Tonne)			2,187.87			2,205.39
(3) Furnace Oil						
Quantity (Kilo Ltrs.)			16,043			21,340
Total Cost (Rs.in Lacs)			6,640			8,090
Avg. Rate (Rs./Litre)			41.39			37.91
(4) Light Diesel Oil /HSD Oil						
Quantity (Kilo. Ltrs.)			3,671			4,474
Total Cost (Rs.in Lacs)			2,175			2,413
Avg. Rate (Rs./Litre)			59.24			53.93
(5) Propane/Butane						
Quantity (Tonne)			4,765			4,574
Total Cost (Rs.in Lacs)			3,145			2,460
Avg. Rate (Rs./Tonne)			65,992			53,788

	31st March, 2013			31st March, 2012		
	Process	Power		Process	Power	
(6) Natural Gas						
Quantity (Thousand CuM)			2,612			2,125
Total Cost (Rs.in Lacs)			371			241
Avg.Rate (Rs./CuM)			14.21			11.33

B) CONSUMPTION PER UNIT OF PRODUCTION

Particulars	Wire/Wire Ropes/Strand/ Bright Bar/ Conveyor-cords (per tonne)	Wire Rods (per tonne)	Billets (per tonne)	Pig/Hot Metal (per tonne)	Sponge Iron (per tonne)	Rolled Products (per tonne)	Bloom (per tonne)	Sinter (per tonne)	Own Power Generation (per kwh)
Electricity (Units)	563 (522)	164 (173)	617 (703)	170 (176)	108 (119)	117 (132)	120 (126)	49 (43)	- -
Furnace Oil (Litres)	0.906 (0.909)	21.199 (35.821)	5.533 (4.991)	- -	- -	- -	35.430 (43.028)	- -	- -
Light Diesel Oil/HSD (Litres)	3.380 (3.209)	-	4.193 (5.640)	0.029 (0.225)	0.205 (0.250)	- -	- -	0.131 (0.055)	- -
Propane/Butane (Tonnes)	0.024 (0.023)	- -	- -	- -	- -	- -	- -	- -	- -
Natural Gas (Thousand CuM)	-	-	-	-	-	0.050 (0.052)	-	-	-
Coal (Tonnes)	-	-	0.000 (0.032)	-	2.551 (1.969)	-	-	-	1.096 (0.975)

Note :- Previous year's figures are given in brackets.

Kolkata
9th May, 2013

On behalf of the Board of Directors
P JHAWAR
Chairman

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, and forming part of the Directors' Report for the year ended 31st March, 2013.

Name; Age (Years); Designation / Nature of Duties; Gross Remuneration (Rs.); Qualifications; Experience (Years); Date of Commencement of Employment; Previous Employment – Designation

(A) Employed throughout the financial year and was in receipt of remuneration for the year which in the aggregate was not less than Rs.6,000,000.

(i) Rajeev Jhavar; 48; Managing Director; 10,984,686; B. Com (Hons.); 28; 1-Oct-97; Usha Martin Industries Limited (Since merged with the Company), Jt. Managing Director. (ii) Dr Vijay Sharma ; 58; Jt. Managing Director (Steel Business); 25,565,713; B Tech, MS, MBA, PhD; 36; 6-Jan-10; JSW Steel Ltd, Jt. Managing Director and Chief Executive Officer. (iii) Pravin Kumar Jain; 59; Jt. Managing Director (Wire and Wire Ropes Business); 18,918,258; B.Tech, MBA; 36; 1-Sep-09; Brunton Wolf Wire Ropes, Fzco, Managing Director. (iv) A K Somani ; 59; Chief Financial Officer & Company Secretary; 9,323,446; B. Com., C.A. C.S; 34; 3-Apr-90; Emami Paper Mills, Vice President – Commercial. (v) Debasish Mazumdar; 49; Associate President (Steel); 6,673,027; B.E.(Metallurgy);26; 1-Sep-11;Electrotherm India Limited, President-Works. (vi) Kannan K; 52; Vice President (Engineering & Projects); 6,260,307; B.E.(Electronics & Communication), ME (Software Engineering) ;28; 20-Sep-10; JSW Steel Limited, Asst. Vice President - Engineering & Projects.

(B) Employed for a part of the financial year and was in receipt of remuneration for any part of the year at a rate which in the aggregate was not less than Rs.500,000 per month. Nil

Notes: (1) The terms of appointment of Managing Director and Joint Managing Directors are contractual. All other appointments are non-contractual and terminable by notice on either side; (2) Remuneration includes basic salary, allowances, taxable value of perquisites etc. The term remuneration has the meaning assigned to it in the Explanation to Section 198 of the Companies Act, 1956.; (3) None of the employees named above is a relative of any Director of the Company except, Mr Rajeev Jhavar who is a relative of Mr Brij K Jhavar, a Director of the Company.

Kolkata
9th May, 2013

On behalf of the Board of Directors
P JHAWAR
Chairman

CHAIRMAN'S MESSAGE



Dear Shareholders,

The world economy and the Indian economy have been considerably impacted particularly in the steel and infrastructure sectors. Your Company has faced all around challenges primarily in the market place including subdued pricing.

The management team has therefore, increased its efforts and focus on factors/elements within its control/influence. This policy has started yielding results, partly captured in the performance of the year 2012-13.

The ongoing projects, particularly, in the Steel Division have been completed on time and projects under implementation are also progressing to plan. It is expected that these major projects will get completed during this year and the benefits of productivity improvement, cost savings and enriched product mix will lead to further improvement in performance from the 2nd half of the year. The agreement with M/s Aichi Steel of Japan will also result in greater efficiencies of processes and productivity.

The management team also needs to be complimented for re-commissioning the Thailand Wire and Rope Plant in record time after the devastating floods of 2011. The agreement with

M/s Tesac of Japan will lead to new range of products and new markets being developed.

The Journey on Total Quality Management (TQM) has made progress during the year and I am convinced that the impact of these significant initiatives will be reflected in sustained margins and improved performance in the years ahead.

In an interdependent and highly competitive market place it is necessary to focus on factors within the control of the business and excel in product quality, delivery, innovation and costs. Your management is conscious and focused on this mission.

I am pleased to state that there has been considerable progress in developing and implementing Total Village Management (TVM) in the targeted villages in Jharkhand through KGVK, the NGO nurtured and supported by your Company.

I gratefully acknowledge and appreciate the continued encouragement and support from all our stake holders.

Prashant Jhawar
Chairman

MANAGING DIRECTOR'S OVERVIEW



Dear Shareholders,

The uncertainties in global economy and a slower growth in Indian economy in the year have provided a challenging environment for both the steel and value added business of the Company. The management has taken appropriate steps to overcome these challenges.

In steel business, the major focus in the year has been on timely completion of important projects. The major projects commissioned in FY2012-13 include Continuous Casting Machine 4, Coke-oven's first set of 48 batteries, DRI 4 & 5, a new oxygen plant, 30 MW captive power plant, EBNER annealing furnace, EAF-1 and Fume Exhaust System of SMS 2. All these projects have been giving good results after commissioning.

I expect a similar good performance from the project team for projects due for commissioning in FY 2013-14, especially the Pellet Plant and the second set of 48 batteries of Coke Oven.

On market front, I am happy to inform that despite the tough market conditions, the Company has registered highest sales in steel segment this year, and has expanded its presence in various non-automobile segments too.

In coming years, the Company will be aiming to further improve its operational efficiencies and quality levels. The recent pact with Aichi Steel Corporation of Japan is a step in this direction.

In value added business, both the Indian operations and the

overseas subsidiaries have shown good performance, which is commendable considering the problems in global economies. Further, the Company has expanded its presence in new geographies and aims to expand further in areas offering growth opportunities. The recovery of Thailand plant after floods, setting up new companies in China and Europe, and a renewed focus on US market are expected to bring further growth in international business.

In addition to new product development in existing facilities, a Research & Development center in Italy and a joint venture with TESAC Wire-rope of Japan has been setup in Thailand. These measures are expected to yield good results for the Company in coming years.

As a responsible corporate, the Company has built strong relationship with the local communities over a period of time with the help of KGVK. The Company will continue to strengthen this relationship and make the local communities partners in its sustainable growth.

The business environment continues to be challenging in both domestic and global markets. However, with continuous focus on customer and cost reduction, the Company expects to meet these challenges through persistent efforts by its team members.

Rajeev Jhawar
Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC OVERVIEW

The difficult global economic conditions continued also during financial year 2012-13. The global economic growth in calendar year 2012 reduced to 3.2% from 3.9% in 2011. While the advanced economies achieved a lower growth of 1.2% compared to 1.6% in 2011, the emerging and developing economies slowed down to 5.1% during 2012 from 6.4% in 2011. The Euro Area economy registered a negative growth of 0.6%, suggesting that the factors which posed challenges not only continued to prevail but in fact had a deeper impact in 2012 and are likely to continue in 2013 as well with estimated negative growth of 0.3%. In view of difficult conditions, The World Economic Outlook has forecasted growth in World, Advanced Economies and Emerging/Developing Economies at 3.3%, 1.2% and 5.3% respectively, in 2013 and expects recovery in 2014 with World average reaching 4.0%, though Emerging and Developing countries would still be at about 5.7%.

Global GDP Growth				
	2011 (A)	2012 (A)	2013 (E)	2014 (E)
World	4.0%	3.2%	3.3%	4.0%
Advanced Economies	1.6%	1.2%	1.2%	2.2%
- USA	1.8%	2.2%	1.9%	3.0%
- Euro	1.5%	-0.6%	-0.3%	1.1%
Emerging & Developing Economies	6.4%	5.1%	5.3%	5.7%

Source : IMF World Economic Outlook

The Indian economy, which grew by 9.3% in FY '11 and was poised to be entering double digit, continued to drift on key economic parameters. The GDP growth declined from 6.2% in FY '12 to 5.0% in FY '13, lowest in several years. The Industrial growth has gone down from a low level of 3.5% in FY '12 to 3.1% in FY '13. The Manufacturing growth came down to 1.9% from 2.7% in FY '12 and 9.7% in FY '11, though Mining recovered from negative 0.6% to a small positive 0.4%.

Domestic GDP Growth			
	FY-11	FY-12	FY-13
Agriculture	7.9%	3.6%	1.8%
Industry & Infrastructure	9.2%	3.5%	3.1%
Manufacturing	9.7%	2.7%	1.9%
Mining	4.9%	-0.6%	0.4%
Services	9.8%	8.2%	6.6%
Overall	9.3%	6.2%	5.0%

The Index of Industrial Production (IIP), already down to 3.5% in FY '12 from 8.1% in FY '11, further slipped to 0.9% in FY '13, with Manufacturing sector growing merely by 1.0% against 3.7% in FY '12 and 8.7% in FY '11. The negative trend in Mining sector further deepened to (-) 2.5% in FY '13 from (-)

2.1% in FY '12 and 5.8% in FY '11. On use basis, Capital Goods segment suffered the most by slipping further to (-) 7.6% in FY '13 from (-) 1.8% in FY '12 and 14.8% in FY '11.

IIP Data (YoY Growth %) Apr - Feb			
	FY' 11 (A)	FY' 12 (A)	FY' 13 (E)
Sectoral			
Mining	5.8%	-2.1%	-2.5%
Manufacturing	8.7%	3.7%	1.0%
Electricity	5.4%	8.7%	4.0%
Use Based			
Basic Goods	5.9%	5.9%	2.3%
Capital Goods	14.8%	-1.8%	-7.6%
IIP Total	8.1%	3.5%	0.9%

Source : CSO

Higher level of fiscal deficit, expanding trade gap, deteriorating current account deficit, rising inflation and higher interest rates along with governance deficit contributed industrial slow down and worsening economic environment during FY -13.

IIP Data (YoY Growth %) Apr - Feb			
		FY' 12 (A)	FY' 13 (E)
Fiscal Deficit	% of GDP	5.7%	5.2%
Trade Gap	US\$ in Bn	190	201
Current A/c Deficit	% of GDP	4.2%	5.0%
WPI - Average	%	8.9%	7.6%

COMPANY OVERVIEW

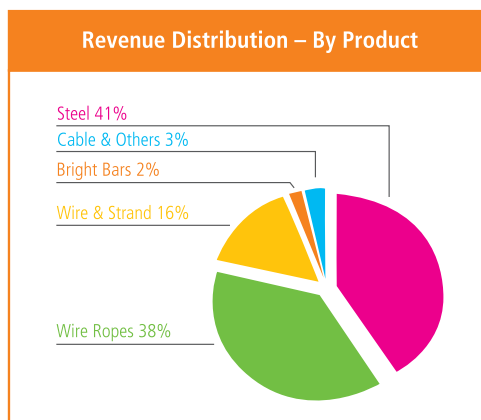
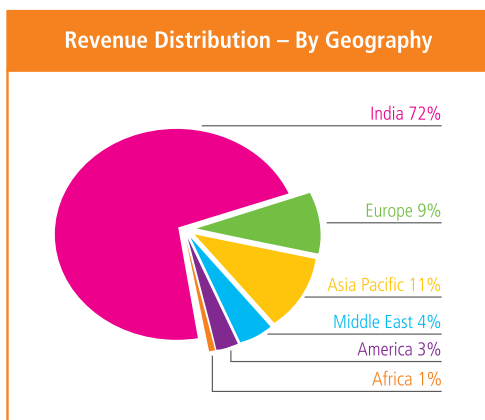
Business Configuration

Usha Martin is an integrated specialty steel and value added steel products Company, having business locations across various parts of the world including through its subsidiaries and/or joint ventures.

The Company has state-of-art integrated steel plant near Jamshedpur (Jharkhand) and a rolling mill at Agra (Uttar Pradesh) producing a wide range of specialty steel wire rods and bars, with captive iron ore and coal mines in Jharkhand. The other/auxiliary products include DRI, hot metal, pig iron, sinter, oxygen and power generation, primarily for captive consumption. The coke oven and pellet plant are in an advanced stage of construction.

The Company is one of the largest producers of specialty steel in India, catering to requirements of automotive, railways, general engineering and construction sectors.

The steel products manufactured at Jamshedpur facility are sold in the market to the extent of 63% and balance 37% are for in-house production of value added products such as wire ropes, wires, strands and bright bars at Ranchi, Hoshiarpur, Chennai and Bangkok. The rolled products manufactured at Agra are



sold in domestic market for use in automotive and construction sectors.

In steel wire rope manufacturing, the Company is the largest in India and one of the largest in the world. Its manufacturing plants are located at Ranchi and Hoshiarpur in India, and in Thailand, Dubai and the UK overseas. The wide range of wire ropes produced by the Company has applications in offshore oil exploration, mining, elevators, cranes, bridges, infra-structure, construction, fishing and variety of general purposes.

Besides wire ropes, other value added products include cords, strands, wires, bright bars and oil tempered wires. The Company also has a plant at Chennai to manufacture bright bars.

The global business of wire rope is supported by marketing, distribution and rigging facilities at various locations in the USA, Europe and south-east Asia. The Company also provides products and solutions for oil and gas sectors for anchoring, drilling and mooring applications from its facilities at Aberdeen in UK.

The Company has an in-house machinery manufacturing facility at Ranchi to cater to captive engineering requirements as well as external demand in India and export markets.

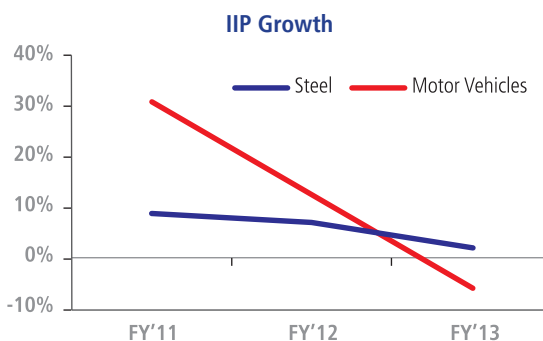
Through one of its wholly owned subsidiary in India, the Company also manufactures a wide range of telecommunication cables meant for variety of applications and caters to requirements of domestic and export markets.

The strategy of integration places the Company distinctly in a unique position by combining both ends of value chain, from mining to high value wire ropes and further providing end use solutions on its key product applications. In addition to providing benefits of quality, consistency and self-sufficiency for principal raw materials, it provides captive markets for sizeable portion of finished products, thereby de-risking both the businesses. Also it enables the Company to aspire to become truly competitive across entire chain of chosen products.

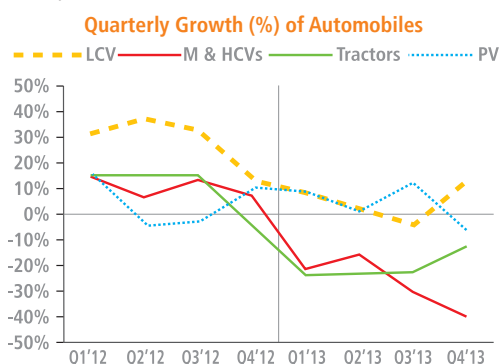
STEEL BUSINESS

Business Environment

The drop in Index of Industrial Production for steel from about 7.0% in FY '12 to 2.2% in FY '13 and for Motor Vehicles from 12.6% to (-)5.6% was significant and in line with drop in manufacturing sector to 1.0% from 3.7%. Similarly in mining sector contraction deepened from 2.1% to 2.5% in FY '13.

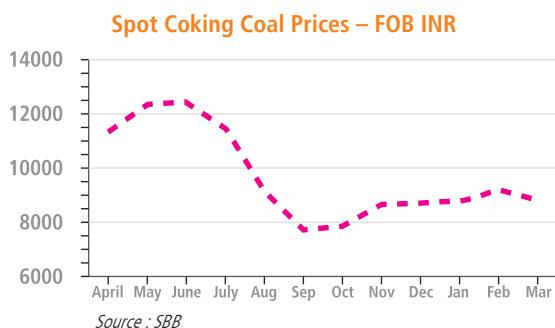


The domestic consumption of steel has grown by 3.3%, though very low for a growing economy, but consumption of Alloy Steel has shrunk by 14.3% to 4.28 MnT in FY '13 from 5.0 MnT in FY '12. Within automobile, which accounts for major portion of consumption of alloy steel, the requirement of alloy steel bars and rods for M&HCV and Tractor segments have recorded a significant drop by 27.3% and 20.3% respectively in the current financial year.



Source : SIAM

In the circumstances it led to pressure on selling prices and consequently profitability, though partially this could be neutralized by savings due to reduction in prices of coking coal together with higher productivity and cost reduction measures adopted during the year. The entire reduction in selling price could not be neutralized through cost reductions resulting in lower margins.



Even under these constraints the steel business of the Company could achieve highest ever volume of steel sale, minerals and intermediary products, during the current financial year.

Steel Business Volume – MT		
	FY 12- 13	FY 11-12
Iron Ore	1,786,770	1,537,362
Coal	560,232	351,451
Hot Metal	454,948	417,885
DRI	262,182	204,739
Sinter	639,112	616,629
Billets	600,115	525,115
Rolled Products	543,754	520,736

Key Achievements

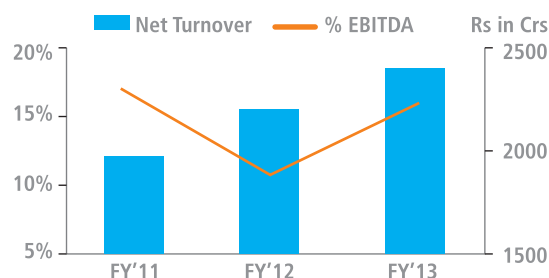
The Company had following focus areas and achievements during the year:

- Achieved highest ever volume production of hot metal, billets, rolled products, DRI and Sinter,
- Achieved highest ever volume of mineral production i.e. iron ore and coal,
- Reduction in use of liquid fuel by replacement with producer gas,
- Obtained further approvals from major OEMs for bloom and bar products,
- Continued focus on structural issues of improving equipment health, process robustness, correcting missing links, skill development and TPM, and
- Successful commissioning of key cost optimization projects, such as :
 - 30 MW CPP
 - Char Beneficiation
 - Fume Exhaust System of SMS-2

- 125 TPD (ASU) O2 plant
- EBNER Annealing Furnace
- Beneficiation Phase-1
- 100 TPD Lime Kiln
- Coke Oven Battery of first 48 Ovens
- DRI-V

Operational Highlights

The Steel business achieved a higher sales turnover of Rs.2397.63 Crs in the current financial year against Rs.2211.41 Crs in the previous year, up by 8.4%. The operating profit and margins improved to Rs.392.23 Crs at 16.4% during the year against Rs.248.74 Crs at 11.2% in the previous year.



Share of Steel business stood at 65.7% of the Company's gross level of activity and 54.9% of reported gross turnover in the current financial year.

Projects

The cost optimization projects undertaken by the Company have progressed well and been commissioned during the year, except the following which are under advanced stage of implementation and will be commissioned in financial year 2014:

- Coke Oven,
- 35 MW Waste Heat based Captive Power Plant,
- DRI IV,
- Iron Ore Beneficiation Plant, and
- Pellet Plant

The completion of these projects would mark an important phase in achieving full value integration in steel business of the Company. As is evident from improvement in operating margins for the year as a result of benefits from some of cost saving projects, the Company would stand to further strengthen its' cost competitiveness with implementation of these projects.

The Company was allotted Lohari coal block in Jharkhand in 2005 by the Government of India. The same could not be started in stipulated time due to various reasons beyond control of the Company. Considering the submissions, the Government has allowed to start mining during 1st half of current financial year, which the Company is hopeful of achieving.

WIRE ROPES & SPECIALITY PRODUCTS BUSINESS

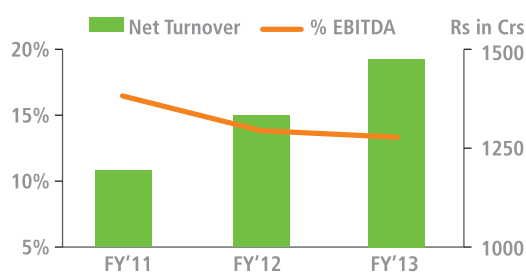
In addition to weak business environment in general in global and domestic markets, the following factors further influenced business sentiments and performance of value added products business of the Company:

- In continuance from the previous financial year, while growth momentum in advanced global economies remained subdued during the year, the crisis in Euro zone deepened further. However due to aggressive market expansion exports grew by 7.8%. Margins continued to remain under pressure due to severe competition, and
- The devastating floods in Thailand in October 2011, which crippled business of Usha Siam in 2nd half of previous financial year, has achieved normal level of operations in later part of current financial year.

Qty in MT

Gross Production Volume - VA Products		
	12-13	11-12
Wire Ropes	93,416	95,643
Strands	42,493	38,015
Wires	90,116	88,588
Bright Bars	12,119	15,255
Conveyor Cords	2,420	1,122

On standalone basis, the Wire & Wire Ropes business achieved turnover of Rs.1474.64 Crs in the current financial year against Rs.1330.82 Crs in previous year, higher by 10.8%. The operating profit and margin were Rs. 195.06 Crs at 13.2% during the year against Rs.184.80 Crs at 13.9% in previous year.



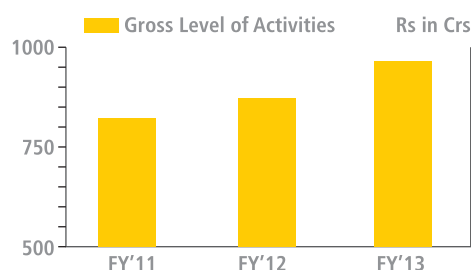
Focus Areas & New Initiatives

- Exploring new avenues for growth in business of minnig ropes.
- Successfully developed and supplied large diameter Compacted ropes for Cranes.
- Opening of a new R&D Centre in Italy named "Usha Martin Italia SRL" under Usha Martin International Limited a wholly owned subsidiary of the company.
- Opening of a new Company in Holland named "Usha Martin Europe BV" under Usha Martin International Limited a wholly owned subsidiary of the company for distribution of wire ropes in the European market.

INTERNATIONAL BUSINESS

The Company enjoys a wide international presence through manufacturing and distribution subsidiaries located in different parts of the world.

The Company's international business accounted for 17.4% of its consolidated gross activity level. Gross level of activities of overseas subsidiaries has increased 10.3% from Rs. 870.83 Crs in 2011-12 to Rs. 960.81 Crs in 2012-13.



Usha Martin International Limited [UMIL]

UMIL enjoys a presence in the UK and parts of Europe through its' wholly owned subsidiaries, namely:

- Usha Martin UK Limited, which comprises manufacturing distribution and end use solutions for wire ropes to offshore oil and gas sectors, and
- De Ruiter Staalkabel B.V. Netherlands, which has distribution facilities for wire ropes.

The consolidated turnover of UMIL was GBP 39.2 Mn in 2012-13 as against GBP 43.7 Mn in 2011-12. UMIL reported a consolidated net profit of GBP 3.0 Mn as against GBP 3.6 Mn in the previous year.

UMIL	GBP in Mn		
	FY'11	FY'12	FY'13
Turnover	41.0	43.7	39.2
Net Profit	6.0	3.6	3.0

UMIL has taken further initiatives as under:

- Implementing a new project to manufacture large diameter crane rope for manufacturing in BSUK. On completion, they will be able to reach new markets for high performance crane ropes in oil / off shore sectors, in this project single reel weight will be upto 400 tons,
- Setting up of R&D Centre in Italy, and
- Opening of sales office in Moscow.

Usha Martin Americas Inc [UMAI]

During the year, UMAI reported a turnover and profit after tax of US\$ 16.1 Mn and US\$ 1.1 Mn respectively as against US\$ 17.2 Mn and US\$ 0.9 Mn respectively in the previous year.

UMAI	USD in Mn		
	FY'11	FY'12	FY'13
Turnover	15.2	17.2	16.1
Net Profit	1.1	0.9	1.1

Brunton Wolf Wire Ropes FZCo [BWWR]

BWWR, a joint venture with Gustav Wolf of Germany, reported a turnover and profit after tax of US\$ 24.3 Mn and US\$ 1.2 Mn respectively in 2012-13 as against US\$ 23.4 Mn and US\$ 1.5Mn respectively in the previous year. Number of steps has been taken to expand further into African and Russian markets.

BWWR	USD in Mn		
	FY'11	FY'12	FY'13
Turnover	18.8	23.4	24.3
Net Profit	1.5	1.5	1.2

Usha Siam Steel Industries Public Company Limited [USSIL]

USSIL is a subsidiary of the Company which along with Usha Martin Singapore Pte Ltd. holds 97.85% of equity.

USSIL, which was severely affected in devastating floods in Thailand in October 2011, has resumed normal operations during the current financial year.

The operations of USSIL, achieved a turnover of Thai Baht 1,132 Mn during the year under review as against Thai Baht 1,043 Mn in the previous year. It reported a net profit of Thai Baht 245 Mn including insurance claim as against Thai Baht 35 Mn in the previous year.

During the year, USSIL has entered into a Joint venture Agreement with Tesac Wireropes Co. Ltd, Japan for setting up a joint venture company named 'Tesac Usha Wirerope Co. Ltd.' which shall manufacture specialty Wire ropes for Elevator and other applications. The new company has been incorporated under the laws of Thailand.

USSIL	THB in Mn		
	FY'11	FY'12	FY'13
Turnover	1628	1043	1132
Net Profit	86	35*	245*

*including insurance claim

Usha Martin Singapore Pte Limited [UMSPL]

UMSPL together with its wholly owned subsidiaries (Usha Martin Australia Pty Limited, Usha Martin Vietnam Company Limited and PT Usha Martin Indonesia), achieved a consolidated turnover of US\$ 37.3 Mn and net profit of US\$ 0.9 Mn during the year under review as against US\$ 36.6 Mn and net profit of US\$ 1.7 Mn respectively in the previous year.

UMSPL	USD in Mn		
	FY'11	FY'12	FY'13
Turnover	30.0	36.6	37.3
Net Profit	1.7	1.7	0.9

CABLE BUSINESS

U M Cables Ltd. (UMCL), a wholly owned Indian subsidiary of the Company, engaged in business of telecommunication

cables achieved turnover of Rs. 117.5 Crs against Rs. 109.1 Crs in the previous year. The net profit for the year doubled to Rs. 6.5 Crs as against Rs. 3.0 Crs in FY 11-12.

UMCL	Rs. in Crs.		
	FY'11	FY'12	FY'13
Turnover	85.0	109.1	117.5
Net Profit	2.0	3.0	6.5

During the year, UMCL has redeemed 2% Cumulative Redeemable Non-Convertible Preference Shares of Rs.4 Crs held by the Company out of its profits.

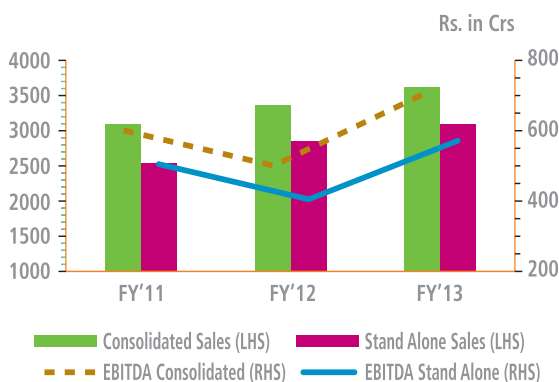
UMCL has acquired a plant and facility for making 350 TPD of DRI, 50,000 MT of steel billets, and Waste Heat based 5 MW Power generation for captive use, along with land at village Dugdha, Dist. Saraikela in the state of Jharkhand, in auction from Punjab National Bank and Bank of India ('the banks'). The acquisition of aforesaid plant by the banks and handing over the same to UMCL has been challenged by the erstwhile owners and others. The judicial process is pending conclusion.

FINANCIAL DISCUSSION

During the year, consolidated turnover of the Company stood at Rs. 3621.83 Crs, which is 7.8% higher than Rs. 3360.82 Crs in the previous year. On standalone basis, the Company's turnover increased to Rs. 3044.53 Crs in the current financial year against Rs. 2836.89 Crs in the previous year, up by 7.3%.

The operating profit achieved by the Company on consolidated basis was Rs. 705.20 Crs, being 19.5% of the reported turnover against Rs. 497.76 Crs, being 14.8% in previous year.

Sales & Operating Performance



On standalone basis, the operating profit was at Rs. 572.33Crs, being 18.8% of the reported turnover as against Rs. 408.80 Crs, being 14.4% in previous year.

Domestic and export sales was maintained at 83% and 17% of net turnover respectively.

Forex Management

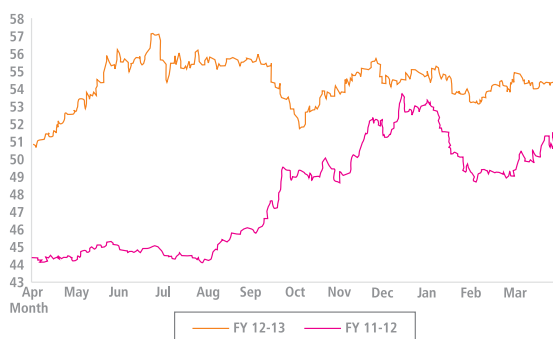
Growing adverse Balance of Payments at large and sub-optimal global and domestic business environment have continued to

reflect pressure on INR during the current financial year also. While it has depreciated by 6.7% on YoY basis on 31st March, 2013, on average basis the depreciation is higher by 13.6% at Rs. 54.37 per US \$ against Rs. 47.87 in FY '12. Besides other factors, greater volatility has resulted in higher hedging cost, making overall covered cost costly at times.

USD/ INR Levels & Depreciation	FY '11	FY '12	FY '13
Year End Levels	44.55	50.87	54.28
Depreciation	-0.8%	14.2%	6.7%
Average Rate for the year	45.52	47.87	54.37
Depreciation	-3.7%	5.2%	13.6%

The Company has followed its practice of keeping trade exposures largely covered through forward contracts and option structures, after using natural hedge inherently available through its' export business. The long term loans with near term maturities are also covered through call spread options.

USD / INR Rate movement



The changes in value of long term capex loans have continued to be accounted for in respective fixed assets, as in the previous financial year in accordance with notification issued by Ministry of Corporate Affairs. By exercising this option the Company accounted for effect of rupee depreciation on FCY loans, amounting to Rs. 75.09 Crs, in the fixed assets during the current financial year including Rs. 11.92 Crs on repayment of FCY Loans during the year.

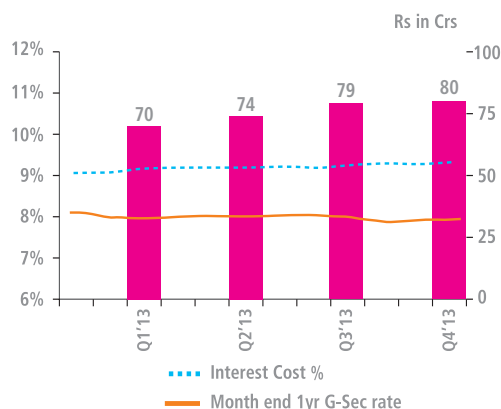
The Company has charged off Rs. 12.20 Crs as net exchange loss during the year, after adjusting Rs. 13.88 Crs being gains on derivatives.

Finance Cost

Inflationary pressures prevailing during the current financial year and higher policy (Repo rates) continued by RBI have resulted in keeping interest rates at a higher level. Similarly 1Yr G Sec rates has also remained in a range of 7.80% to 8.20% during the year.

The average cost of debt as on 31st March, 2013 was 9.48%, higher than 9.15% as on 31st March, 2012 due to change in proportion of FCY debt, which carries lower cost, from 44% to 30%. The net interest charge [excluding other borrowing costs]

of the Company increased from Rs.248.81 Crs to Rs. 303.11 Crs during the financial year, on account of increase in debt level and interest rate.



Capital Expenditure

The Company, on standalone basis, has spent Rs. 822.52 Crs on projects during the year, including normal capital expenditure.

Debt Mobilization, Payments & Management

The Company has raised long term rupee debt of Rs. 600 Crs which was utilized for prepayment of long term capex L/Cs and enhancement of working capital margin. Besides, the Company has done fresh utilization of long term capex L/Cs of Rs. 212.66 Crs. During the year the Company has repaid long term loans of Rs. 330.82 Crs (including prepayment of Rs. 100.59 Crs of long term capex L/Cs). The deposit of ECB proceeds of Rs. 249.41 Crs as on 31st March 2012 was fully utilized for project expenditure during the year. However, as on 31st March, 2013, Rs. 121.20 Crs were maintained in fixed deposits with banks.

Overall, there is increase in net debt by Rs. 935.42 Crs on consolidated basis and Rs. 829.71 Crs on standalone basis. This was primarily on account of projects of Rs. 822.52 Crs for standalone basis and Rs. 176.18 Crs for subsidiaries and others, Rs. 63.17 Crs for depreciation in value of INR. The increase in debt was offset by reduction of Rs. 55.98 Crs in domestic operations and Rs. 70.47 Crs in operations of subsidiaries and others.

The Company had a net debt of Rs. 3364.68 Crs (including working capital loans, current maturities of long term debt, capex L/Cs, and net of cash & bank balance of Rs. 123.11 Crs) as on 31st March 2013 with about 30% being in foreign currency. The Company's Debt Equity ratio was 2.18 as on 31st March 2013.

On consolidated basis, the net debt level remained at Rs. 3504.80 Crs (including working capital loans, current maturities of long term debt, capex L/Cs, and net of cash & bank balance of Rs. 183.69 Crs) as on 31st March 2013 with a Debt Equity ratio of 1.81.

Ratings

The Company has continued to enjoy higher rating of CARE A1+ for short term bank facilities and other short term funds by Credit Analysis & Research Limited [CARE]. India Rating & Research Private Ltd. (Formerly known as Fitch Ratings India Private Ltd.) continued rating of IND A+ with negative outlook for long term bank loans and facilities.

Relationships

The Company continued to enjoy excellent relationship with high level of comfort from all its lenders. It has made all payments of loan and interest to banks and financial institutions within respective due dates and without any delays.

INVESTOR SERVICES

The Company has an investors' complaint redressal system in place and all complaints are being attended to by the Company.

The Company has appealed to all shareholders and depositors who could not encash for dividends, interest and fixed deposits for making claims with the Company before the same become due for deposit with the Government.

During the year, the Company deposited Rs.7.91 lacs with the Investors Education & Protection Fund constituted by the Central Government, being matured dues remaining unpaid for a period of 7 years on account of dividend, debentures and fixed deposits including interest thereon.

The equity shares continue to remain listed at Bombay Stock Exchange Ltd., National Stock Exchange of India Ltd. and GDRs at Societe de la Bourse de Luxembourg.

INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT

The Company's internal risk and audit management, supported by competent personnel and adequate internal control mechanisms, safeguard assets from possible losses and unauthorized use and ensure transactions are being authorized, recorded and reported properly. Besides, the Company has also availed services of external firms of chartered accountants to help the Company's internal audit and risk management department.

During the financial year, there have been a few cases of defrauding the signatures of company employees authorized to operate banks accounts on stolen cheques as well as by forged printing of duplicate cheques. The Company had lodged complaints with concerned police stations. There was no financial loss to the Company during the year except for Rs. 2.26 lacs which also has since been recovered from bank.

HUMAN RESOURCES

The Company recognizes the Human Resources as its most important asset and is constantly engaged in enriching the value and developing competencies of Human Resources through various development strategies.

The Company is also in the process of identifying future leaders and groom them for key leadership roles in its Indian and international business.

The Human Resource function conducts program with external faculty in the area of Management Development (for executives and officers), soft-skills and attitudinal development (for officers, staff, workmen and trainees).

The Company's training institute (Usha Martin Training Institute, Jamshedpur) provides in-house training to freshers and functional personnel. On-the-job training, leadership training sessions, soft-skill grooming sessions and flexible job rotation enhances employee skills. Regular seminars and workshops are conducted on a Pan-India basis.

The HR activities covered Mining operations and many initiatives were taken in the areas of skill development of land-givers and livelihood of the villagers staying in the neighbouring mines with the help of KGVK (our CSR Partner).

APPRECIATION

The Company has been getting all necessary support and cooperation from all sections of customers, suppliers, service providers, investors, authorities, lenders, etc. to whom the Company expresses its sense of appreciation.

Report on Corporate Governance

A. COMPLIANCE OF MANDATORY REQUIREMENTS

I. Company's Philosophy on Corporate Governance

The philosophy of the Company on corporate governance envisages attainment of high level of transparency, accountability and equity in all areas of its operations and interactions with customers, shareholders, investors, employees, government authorities and lenders.

II. Board of Directors

The Board of Directors of the Company as on 31st March, 2013 comprised one Non Executive Chairman Emeritus, one Non Executive Chairman, six Independent Non Executive Directors, one Non Executive Director and three Executive Directors.

Composition of Board of Directors and other details as on 31st March, 2013 are as under:

Name of Directors	Promoter/ Executive/ Non Executive/ Independent	No. of Other* Directorships held	Other committee positions held #		No. of Equity Shares held
			As Chairman	As Member including Chairmanship	
Mr. B K Jhavar	Non Executive Chairman Emeritus, Promoter	3	None	1	82,310
Mr. P Jhavar	Non Executive, Chairman, Promoter	7	None	None	19,90,788
Mr. Brij K Jhavar	Non Executive, Promoter	1	None	None	9,45,865
Mr. R Jhavar	Managing Director, Executive, Promoter	7	1	1	15,16,741
Mr. Salil Singhal	Independent, Non Executive	5	None	2	-
Mr. G N Bajpai	Independent, Non Executive	11	5	8	20,000
Mr. Nripendra Misra	Independent, Non Executive	2	1	1	200
Mrs. Ramni Nirula	Independent, Non Executive	6	2	6	-
Mr. Jitender Balakrishnan	Independent, Non Executive	13	None	5	-
Mr. R S Thakur	Independent, Non Executive	7	2	4	-
Dr. Vijay Sharma	Jt. Managing Director [Steel Business], Executive	1	None	None	14,400
Mr. P K Jain	Jt. Managing Director [Wire & Wire Ropes Business], Executive	3	1	1	5,000

*Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956, have not been considered for this purpose.

#Committees viz, Audit and Shareholders Grievance Committees have been considered for this purpose.

At the last Annual General Meeting held on 31st July, 2012, Mr. A K Chaudhri did not opt for reappointment.

None of the directors held any convertible instruments of the Company during the year.

All independent directors have confirmed their 'independence' to the Board of the Company.

Annual declarations have been received from directors informing committee positions they occupy in other companies.

Directors' Attendance at Board Meetings and Annual General Meeting

Four Board Meetings were held during the year on 10th May, 2012, 31st July, 2012, 6th November, 2012 and 30th January, 2013. Annual General Meeting [AGM] was held on 31st July, 2012.

Name of Directors	Board Meetings during the year/tenure		Attendance at last AGM
	Held	Attended	
Mr. B K Jhavar	4	4	No
Mr. P Jhavar	4	4	Yes
Mr. Brij K Jhavar	4	4	Yes
Mr. R Jhavar	4	4	Yes
Mr. A K Chaudhri@	4	2	Yes
Mr. Salil Singhal	4	4*	Yes
Mr. G N Bajpai	4	3	No
Mr. Nripendra Misra	4	4	Yes
Mrs. Ramni Nirula	4	4	Yes
Mr. J. Balakrishnan	4	4	Yes
Mr R S Thakur@@	4	1	No
Dr. Vijay Sharma	4	4	Yes
Mr. P K Jain	4	4	Yes

@ ceased to be director with effect from 31st July, 2012

@@appointed as a director with effect from 30th January, 2013

* One meeting through video conference

Code of Conduct

In pursuance of Clause 49 of the Listing Agreement, the Board has approved the 'Code of Conduct for Board of Directors and Senior Management' and same has been circulated and posted on the Company's website. The directors and senior management personnel have given their declarations confirming compliance of provisions of above Code of Conduct.

III. Audit Committee

The terms of reference of the Audit Committee include the powers and roles as set out in Clause 49 II (C) and Clause 49 II (D) of the Listing Agreement. Among others the Audit Committee reviews related party transactions; internal control systems; financial statements and investments made by unlisted subsidiaries; use and application of funds raised through issue of shares; business plans; and Management Discussion and Analysis of financial condition and results of operations.

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended), the Board has approved 'Code of Conduct for Prevention of Insider Trading' (Code) and authorized the Audit Committee to implement and monitor various requirements as set out in the Code.

Five meetings of the Audit Committee were held during the year on 10th May, 2012, 30th July, 2012, 6th November, 2012, 30th January, 2013 and 23rd March, 2013.

Composition of the Audit Committee and attendance during the year were as under:

			No. of Meetings	
			Held	Attended
Mr. J. Balakrishnan	Chairman	Independent Non-Executive	5	4
Mr. A K Chaudhri@	Member	Independent Non-Executive	5	2
Mr. Salil Singhal	Member	Independent Non-Executive	5	5 *
Mr. N Misra@@	Member	Independent Non-Executive	5	3

@ Ceased to be a Member with effect from 31st July, 2012

@@ Appointed as a Member with effect from 31st July, 2012

* One meeting through video conference

All the members of the Audit Committee are financially literate with knowledge in finance and accounts.

The Managing Director, the Joint Managing Directors, Business Heads, Head of Finance, Head of Internal Audit and Internal Auditors attend meetings of the Audit Committee as invitees.

The statutory auditors remain present during discussion and review of quarterly results and annual accounts, as invitees in meetings of the Audit Committee.

The Cost Auditors are invited in meetings as and when required.

The Company Secretary acts as the Secretary to the Audit Committee.

Mr. J Balakrishnan, Chairman of the Audit Committee was present at last Annual General Meeting to answer shareholders' queries.

IV. Remuneration Committee

The terms of appointment and remuneration of executive directors are reviewed by the Remuneration Committee keeping in view performance, industry practice, present compensation package, etc. and then recommend the same for approval by Board and shareholders. The remuneration to the non executive directors is decided by Board.

The Remuneration Committee comprises of 4 members. Mr. A K Chaudhri (Chairman-Independent Non Executive Director) continued upto 31st July, 2012 and thereafter Mr. G N Bajpai was appointed as (Chairman-Independent Non Executive Director). The other members are Mrs. Ramni Nirula (Independent Non Executive Director), Mr N Misra (Independent Non Executive Director) and Mr. Brij K Jhawar (Non Executive Director).

The break-up of remuneration to Managing Director and Joint Managing Directors for the year 2012-13 is given below:

Rs. in lacs

Names	Mr. R Jhawar	Dr. Vijay Sharma	Mr. P K Jain
Position	Managing Director	Jt. Managing Director [Steel Business]	Jt. Managing Director [Wire & Wire Ropes Business]
Salary	36.00	72.00	57.00
Commission	-	-	-
Allowances	21.00	99.72	71.70
Contribution to Provident Fund, Gratuity and Super annuation Funds	13.00	14.26	12.61
Incentive	-	51.00	37.80
Perquisites	39.84	18.68	10.07
Total	109.84	255.66	189.18
Service Contract	For a period from 19th May, 2008 to 18th May, 2013.	For a period from 1st February, 2010 to 31st January, 2015	For a period from 1st February, 2010 to 31st January, 2015
Notice Period	6 months from either side	1 month from either side	3 months from either side
Severance Fees	6 months' salary in lieu of notice	1 month salary in lieu of notice	3 months' salary in lieu of notice
Stock Options	None	None	None

The remuneration of Mr. R. Jhawar was reviewed and

recommended by the Remuneration Committee on 29th January 2008 to Board and was subsequently approved by the shareholders in the Annual General Meeting held on 30th July, 2008. Pursuant to approval of shareholders and Central Government Mr. R Jhawar was paid minimum remuneration for the year 2012-13. The Remuneration Committee and Board at their meetings held on 8th and 9th May, 2013 respectively have recommended / approved the reappointment of Mr. R Jhawar for a further period of 5 years with effect from 19th May, 2013 with revised remuneration.

The remuneration of Dr. Vijay Sharma and Mr. P. K. Jain was reviewed and recommended by the Remuneration Committee on 1st February 2010 to Board. The Directors of the Company by circulation on 1st February, 2010 approved the said appointments and the same was subsequently approved by the shareholders in the Annual General Meeting held on 27th July, 2010. Pursuant to approval of shareholders, Dr. Vijay Sharma and Mr. P K Jain were paid minimum remuneration for the year 2012-13.

In accordance with the requirement of Schedule XIII to the Companies Act, 1956, the Company has since obtained the approval of the Central Government for the excess managerial remuneration aggregating to Rs 518 lacs paid during 2011-12.

One meeting of the Remuneration Committee was held on 10th May, 2012 during the year.

No stock options have been given to any of the directors.

The break-up of remuneration to Non Executive Directors for the year 2012-13 is given below:

Sitting Fees	Rs. 5.65 lacs
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The Board of Directors of the Company at their meeting held on 30th January, 2013 approved payment of sitting fee of Rs.20,000 to every Non Executive Director for attending each meeting of the Board and its Committees.

At the Annual General Meeting held on 27th July, 2010, the approval of shareholders by special resolutions were taken to pay commission at the rate of 1.5% and 1% of net profits for the year to Mr. Prashant Jhawar, Chairman and to other non – executive directors respectively, for a period of five financial years commencing from 1st April, 2010. The commission payable to other non – executive directors will be distributed in such manner as may be decided by the Board. Further, the approval of Central Government has been received for payment of commission to Mr. Prashant Jhawar, Chairman. However, no such commission was proposed for financial year 2012– 13.

Other than the above and as shareholders, Non Executive Directors have no other pecuniary relationships or transactions with the Company.

V. Investors' Grievance Committee

The Investors' Grievance Committee functions under the Chairmanship of Mr. N Misra, an Independent Non Executive Director along with three members namely Mr. Brij K Jhawar, Non Executive Director, Mr. R Jhawar, Managing Director and Mr. P K Jain, Jt. Managing Director [Wire & Wire Ropes Business]. During the year, the Committee met 4 times to review status and redressal of shareholders' / investors' complaints.

Status of complaints of shareholders / investors is as under:

Complaints pending as on 1st April, 2012	Nil
Number of complaints received during year ended 31st March, 2013	51
Number of complaints attended to/resolved during the year	51
Complaints pending as on 31st March, 2013	Nil

Share Transfer

The Board of Directors of the Company have authorized Mr. R Jhawar, Managing Director, Mr. P K Jain, Jt. Managing Director (Wire & Wire Ropes Business) and Mr. A K Somani, Company Secretary (Authorized Persons) individually to decide on matters relating to share transfer issues including approval of transfer and transmission of securities. The share transfers are processed on behalf of the Company by the Registrar and Transfer Agents viz. MCS Limited and are placed for approval by the Authorized Persons which are been noted and ratified in subsequent board meeting.

Number of share transfers pending for approval as on 31st March, 2013	Nil
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Compliance Officer:

Mr. A K Somani, Company Secretary
2A, Shakespeare Sarani, Kolkata 700071
Phone : 033 39800300; Fax : 033 39800400
Email : cosec@ushamartin.co.in

VI. Annual General Meetings

Date	Type	Venue	Time	No. of Special Resolutions
31st July, 2012	AGM	Vidya Mandir, Kolkata	2.00 pm	7
29th July, 2011	AGM	G D Birla Sabhaghar, Kolkata	2.00 pm	-
27th July, 2010	AGM	Vidya Mandir, Kolkata	2.30 pm	4

There were no special resolutions put through postal ballot in the Annual General Meeting held on 31st July, 2012.

As on date, resolution under Section 293(1) (a) and 293 (1) (d) of the Companies Act, 1956 is proposed to be conducted through postal ballot in the ensuing Annual General Meeting.

As required under Clause 49 IV(G)(i) of the Listing Agreement,

information on directors who are retiring by rotation and offering themselves for reappointment will be given in the notice of Annual General Meeting.

VII. Disclosures

- There were no materially significant related party transactions (i.e. transactions of the Company of material nature), in potential conflict with interests of the Company at large. Transactions with related parties are disclosed in Note 47 to the Accounts in Annual Report.
- There were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter relating to Capital Market during last three years.
- Management Discussion and Analysis is annexed to the Directors' Report to shareholders and forms part of Annual Report.
- As per disclosures received from senior management personnel, they have not entered into any financial or commercial transactions which may have a potential conflict with interests of the Company at large.
- All mandatory requirements have been appropriately complied with and non-mandatory requirements are dealt with at the end of the Report.

VIII. Means of Communications

- a) In compliance with Clause 41 of Listing Agreement, the Company regularly intimates un-audited quarterly and audited annual financial results to Stock Exchanges immediately after they are taken on record by Board. The financial results were published in national English and vernacular daily newspapers viz. Business Standard / Financial Express and Dainik Statesman (local vernacular).
- b) The financial results and official press releases are posted on the Company's website www.ushamartin.com.
- c) Presentations made to media, analysts, institutional investors and fund managers from time to time are posted on the Company's website as aforesaid.
- d) Apart from statutory announcements the Company shares information relating to financial performance with public and investors through business newspapers and magazines on periodical basis.

IX. General Shareholders' Information

(a) Date and Venue of Annual General Meeting

The Twenty Sixth Annual General Meeting of the Company was held on 31st July, 2012 at 2.00 p.m. at Vidya Mandir, 1 Moira Street, Kolkata 700017.	The date and venue of Twenty Seventh Annual General Meeting of the Company will be intimated in due course.
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(b) Financial Calendar

Financial Year ended 31st March, 2013	Meetings held on	Next Financial Year ending 31st March, 2014	Meetings to be held on or before
First Quarter Results – June 2012	31st July, 2012	First Quarter Results – June 2013	14th August, 2013
Second Quarter Results – September 2012	6th November, 2012	Second Quarter Results – September 2013	15th November, 2013
Third Quarter Results – December 2012	30th January, 2013	Third Quarter Results – December 2013	15th February, 2014
Audited Results for the year ended 31st March, 2013	9th May, 2013	Audited Results for the year ending 31st March, 2014	31st May, 2014

(c) Book Closure Dates

The Share Transfer Books and Register of Members were closed from 23rd July, 2012 to 31st July, 2012 (both days inclusive)	The Book Closure dates (for ensuing AGM) will be intimated in due course.
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(d) Dividend Announcements

FY 2011 – 12	FY 2012 – 13
Dividend Rate: Nil	Dividend Rate: Re. 0.15 per share (15%) (Proposed) on face value of Re.1 per share
Dividend Payment Date: N.A	Dividend Payment Date: Dividend Warrants will be posted within 7 days of adoption of accounts and declaration of dividend by shareholders

(e) Stock Exchanges where the Company's shares are listed at and scrip code numbers:

- 1) Bombay Stock Exchange Ltd. - 517146
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001
- 2) National Stock Exchange of India Ltd. - USHAMART
Exchange Plaza, 5th Floor, Plot No.C/1, G Block,
Bandra Kurla Complex, Bandra (E), Mumbai 400051
- 3) Societe de la Bourse de Luxembourg - (For GDRs)
Societe Anonyme/R.C.B 6222
B.P. 165, L-2011 Luxembourg

The listing fees for all above stock exchanges have been duly paid for financial year 2012-13.

GDRs are listed at Luxembourg Stock Exchange.

(f) Market Data of Share Prices – Highs / Lows and Volumes

Stock Data	BSE (Rs.)		NSE (Rs.)		VOLUME		TOTAL
	HIGH	LOW	HIGH	LOW	BSE	NSE	
2012							
April	33.20	28.90	33.05	28.85	1639113	5967028	7606141
May	29.90	23.05	30.30	23.20	1146094	4294452	5440546
June	31.15	23.05	31.00	22.65	1724426	10870460	12594886
July	32.50	25.50	32.55	25.30	5077605	7557495	12635100
August	27.95	22.25	27.80	22.20	1081212	4925189	6006401
September	26.50	21.95	26.45	21.90	990915	5100414	6091329
October	32.85	25.15	32.85	25.30	1801340	6989674	8791014
November	33.10	28.25	33.20	25.50	1966671	6065344	8032015
December	35.80	30.50	35.80	30.65	1394842	6290665	7685507
2013							
January	35.20	28.25	35.20	28.30	721888	2821975	3543863
February	30.50	22.50	31.20	22.25	2902073	3407420	6309493
March	26.50	20.30	27.80	20.10	6156127	5203948	11360075

(g) Performance of Company's Share Prices- Monthly Closing Share Prices vis-à-vis Monthly Closing of BSE Sensex & Monthly Closing of Nifty

Months	Prices at BSE	Sensex	Prices at NSE	Nifty
2012				
April	29.45	17319	29.40	5248
May	25.15	16219	25.15	4924
June	29.85	17430	29.95	5279
July	26.90	17236	26.85	5229
August	22.70	17430	22.30	5259
September	25.40	18763	25.20	5703
October	28.85	18505	28.95	5620
November	30.60	19340	30.65	5880
December	32.75	19427	32.95	5905
2013				
January	29.95	19895	29.75	6035
February	23.65	18862	23.40	5693
March	21.95	18836	22.05	5683

(h) Registrar and Transfer Agent (both for demat and physical form of shares)

The contact details of the Registrar are as under:

M/s. MCS Limited

77/2A, Hazra Road, Kolkata 700029

Phone : +91 33 24541892-93 / 40724051 -53

Fax : +91 33 24541961/24747674 / 40724050

Email : mcskol@rediffmail.com

Contact Person : Mr Alok Mukherjee, General Manager

(i) Share Transfer System

The application for transfers, transmission, sub-division and consolidation of shares are received by the Registrars and Share Transfer Agents of the Company. The share transfers in physical

form are processed and share certificates are returned within a period of 15 days from date of receipt, provided the documents are in order.

As the Company's shares are currently traded in de-materialised form, the transfers are processed and approved in the electronic form by NSDL/ CDSL with whom the Company has entered into separate agreements.

(j) Distribution of Shareholding (as on 31st March, 2013)

Range (No. of shares)	No. of Shareholders	%	Number of Shares	%
1-100	23717	44.67	1374692	0.45
101-500	21216	39.96	5626340	1.85
501-1000	4251	8.01	3388613	1.11
1001-5000	3061	5.77	6954027	2.28
5001-10000	360	0.68	2764162	0.91
10001 & above	489	0.92	284633946	93.40
Total	53094	100.00	304741780	100.00
Holding in Physical Form (Included in above)	14263	26.86	2606600	0.86

(k) Pattern of Shareholding (as on 31st March, 2013)

Category	No. of shares	% of total shareholding
A Promoter Holding	126061320	41.37
B Public Holding		
- Mutual Fund	38052742	12.49
- Financial Institution / Banks	45160	0.01
- Insurance Companies	22336793	7.33
- Foreign Institutional Investors	29334807	9.63
- Bodies Corporate	22630044	7.43
- Individual	42006199	13.77
Total {B}	154405745	50.66
C GDRs	24274715	7.97
GRAND TOTAL [A+B+C]	304741780	100.00

(l) Dematerialisation of Shares and Liquidity

As at 31st March, 2013, 99.14% of total equity shares were held in electronic form with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).

The Company's equity shares are being traded compulsorily in dematerialised form with effect from 21st March, 2000.

The ISIN No. of the Company's equity share is INE228A01035.

(m) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

As on 31st March, 2013, there were 2,42,74,715 GDRs outstanding, each representing one equity share of the Company.

(n) Electronic Clearing Service (ECS)

The Company has extended the ECS facility to shareholders to enable them to receive dividend through electronic mode in their bank account. The Company encourages members to avail to this facility as ECS provides adequate protection against fraudulent interception and encashment of dividend warrants in transit and correspondence with the Company on revalidation / issuance of duplicate dividend warrants.

(o) Bank Details for Electronic Shareholding

Members are requested to notify their Depository Participant (DP) about the changes in the bank details. Members are requested to furnish complete details of their bank accounts including the MICR codes of their banks to their DPs.

(p) Furnish Copies of Permanent Account Number (PAN)

The members are requested to furnish their PAN which will help us to strengthen compliance with KYC norms and the provisions of Prevention of Money Laundering Act, 2002.

For transfer of shares in physical form, SEBI has made it mandatory to the transferee to submit a copy of PAN card to the Company.

(q) Plants/Mines Locations

Steel Business

UAS Division, Adityapur, Jamshedpur-831001

Construction Steel Division-North

Nawalganj, Agra (U.P) – 282006

Iron Ore Mines, Barajamda, Jharkhand – 833221

Coal Mines, Daltonganj, Jharkhand – 822101

Wire Rope Business

Wire Ropes & Speciality Products Division

Tatisilwai, Ranchi – 835 103

Wire & Wire Rope Division - North

Hoshiarpur, Punjab – 146024

Speciality Product Division – South

Sri Perumbudur, Tamil Nadu – 602105

r) Address for Correspondence:

- (i) Usha Martin Limited
2A, Shakespeare Sarani, Kolkata 700071
Phone : +91 33 39800300, Fax : +91 33 39800400
- (ii) Person to be contacted for shareholder's queries / complaints
Mr. Kalyan Chatterjee
Deputy General Manager (Secretarial)
2A, Shakespeare Sarani, Kolkata 700071
Phone : +91 33 39800494, Fax : +91 33 39800400
Email : investor_relation@ushamartin.co.in

B. STATUS OF ADOPTION OF THE NON MANDATORY REQUIREMENTS

Board of Directors

The Board has decided for the Company maintaining Chairman's office and paying/reimbursing all expenses (including rent) incurred for performance of his duties from time to time.

Remuneration Committee

The Company has a Remuneration Committee as reported in Section A IV above.

Other Items

The rest of the Non Mandatory Requirements such as, Shareholder Rights; Training of Board Members; Mechanism for Evaluating Non Executive Board Members; Audit Qualifications; and Whistle Blower Policy will be implemented by the Company as and when required and/or deemed necessary by the Board.

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of Usha Martin Limited

We have examined the compliance of conditions of Corporate Governance by Usha Martin Limited, for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We 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.

Kolkata
9th May, 2013

Declaration

As provided under Clause 49 of the Listing Agreements with the stock exchanges, it is hereby declared that all board members and senior management personnel of the Company have affirmed the compliance of the Code of Conduct for the year ended 31st March, 2013.

Kolkata
9th May, 2013

For PRICE WATERHOUSE

Firm Registration Number: 301112E

Chartered Accountants

(P. Law)

Partner

Membership No. 51790

R. Jhavar

Managing Director

Statement giving financial information of subsidiary companies for the year ended 31st March, 2013 as per direction given by Ministry of Corporate Affairs, New Delhi under General Circular No.2/2011 dated 8th February,2011, under Section 212(8) of the Companies Act, 1956.

SI No	Particulars	UM Cables Limited	Usha Martin Power & Resources Limited	Bharat Minex Private Limited	Usha Siam Steel Industries Public Company Limited	Usha Martin Americas Inc	Brunton Wire Ropes FZCO	Usha Martin Singapore Pte. Limited	Usha Martin Australia Pty Limited	PT Usha Martin Indonesia	Usha Martin Vietnam Company Limited	Usha Martin International Limited	De Ruiter Staalkabel BV Sliedrecht	Usha Martin Italia S.R.L.	Usha Martin Europe B.V.	Usha Martin UK Limited	Brunton Shaw UK Limited	European Management and Marine Corporation Limited	EMM Caspian Limited
1	Share Capital	361,296.60	500.00	2,000.00	265,265.00	217,140.00	280,818.10	31,091.08	11,324.94	5,428.50	4,546.62	511,676.38	1,250.92	694.96	1,250.92	316,568.18	0.08	0.08	0.16
2	Reserves and Surplus	173,028.20	(114.69)	(3,576.12)	982,253.93	183,712.76	266,016.56	808,371.34	97,285.82	7,035.99	(2,418.15)	250,647.25	286,368.99	979.89	(9,258.98)	1,399,990.93	-	-	-
3	Liabilities (Note 1 below)	933,697.23	8.93	52,407.99	1,841,856.56	439,608.34	488,791.10	1,011,404.41	199,403.09	44,957.81	58,787.18	8,802.82	166,093.54	16,650.82	78,491.08	624,986.82	-	-	-
4	Total Liabilities	1,468,022.03	394.24	50,831.87	3,089,375.48	840,461.11	1,035,625.76	1,850,866.83	308,013.85	57,422.29	60,915.65	771,126.44	453,713.45	18,325.67	70,483.03	2,341,545.92	0.08	0.08	0.16
5	Total Assets	1,468,022.03	394.24	50,831.87	3,089,375.48	840,461.11	1,035,625.76	1,850,866.83	308,013.85	57,422.29	60,915.65	771,126.44	453,713.45	18,325.67	70,483.03	2,341,545.92	0.08	0.08	0.16
6	Investments - Long Term (excluding investments in subsidiaries)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Turnover (Net)	1,175,145.16	-	-	2,098,983.51	875,467.77	1,312,887.80	1,480,197.07	519,906.99	93,728.43	148,786.14	-	714,712.47	10,725.27	70,031.09	2,671,535.44	-	-	-
8	Profit/(Loss) before Taxation	97,245.76	(27.99)	(2,228.32)	478,154.40	89,561.56	63,525.84	25,777.56	24,896.41	6,244.84	(563.31)	41,562.85	61,995.16	979.89	(11,667.84)	275,997.95	-	-	-
9	Provision for Taxation	32,799.51	-	-	25,181.65	31,431.02	-	4,619.60	7,468.91	1,364.29	-	(240.26)	13,582.52	-	(2,408.86)	62,562.18	-	-	-
10	Profit/(Loss) after Taxation	64,446.25	(27.99)	(2,228.32)	452,972.75	58,130.55	63,525.84	21,157.96	17,427.50	4,880.55	(563.31)	41,803.11	48,412.64	979.89	(9,258.98)	213,435.77	-	-	-
11	Paid / Proposed Dividend	5,800.00	-	-	-	-	49,034.34	-	-	-	-	-	-	-	-	-	-	-	-
	Currency of the Subsidiaries	INR	INR	INR	BHAT	USD	AED	USD	A \$	USD	VND	GBP	EURO	EURO	EURO	GBP	GBP	GBP	GBP
	Exchange rate as on 31st March, 2013				1.8550	54.2850	14.7799	54.2850	56.6247	54.2850	0.0026	82.2255	69.4957	69.4957	69.4957	82.2255	82.2255	82.2255	82.2255
	(used for conversion CY Vs INR)																		

Notes :

- (1) Liabilities include Secured Loans, Unsecured Loans, Deferred Tax Liabilities, Non-current and Current Liabilities.
- (2) UMICOR Africa (Pty) Limited, a wholly owned subsidiary is under liquidation process, hence has not been considered in the above statement.
- (3) The businesses of Brunton Shaw UK Limited, European Management and Marine Corporation Limited and EMM Caspian Limited have been taken over by Usha Martin UK Limited and are functioning as separate divisions.
- (4) The annual accounts of the above subsidiary companies will be made available to the shareholders and also kept for inspection at the Registered Office of the Company.

On behalf of the Board of Directors

P Jhawar
Chairman

Place : Kolkata
Date : 9th May, 2013

INDEPENDENT AUDITORS' REPORT

To the Members of Usha Martin Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Usha Martin Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2013, and 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, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), 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 explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the 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 Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - (e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse

Firm Registration Number: 301112E

Chartered Accountants

P.Law

Partner

Kolkata

May 9, 2013

Membership Number 51790

INDEPENDENT AUDITORS' REPORT

Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Usha Martin Limited on the financial statements as of and for the year ended March 31, 2013

- i (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii (a) The inventory (excluding stocks lying with customs bonded warehouse and with third parties) has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory other than, in respect of Work-in-progress (year end balance Rs. 13,209.28 Lakhs) of three Divisions which have been determined by the Management based on physical verification as at the year end. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii The Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii) (b), (c) and (d) / (f) and (g) of the said Order are not applicable to the Company.
- iv In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion, and according to the information and explanations given to us, there are no transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees Five Lakhs in respect of any party during the year.
- vi In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Act and the 'Companies (Acceptance of Deposits) Rules, 1975' with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- vii In our opinion, the Company has an internal audit system (designed to cover all significant areas over a period of two years) commensurate with its size and the nature of its business.
- viii We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employees' state insurance and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, investor education and

INDEPENDENT AUDITORS' REPORT

protection fund, income tax, wealth tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.

- (b) According to the information and explanations 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. The particulars of dues of income tax, sales tax, service tax, customs duty and excise duty as at March 31, 2013 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central and State Sales Tax Act	Taxes including interest	10.76	1986-87, 2003-04 2004-05 and 2005-06	Sales Tax Appellate Tribunal
		1,624.77	1984-85, 2006-07, 2008-09 and 2010-11	Deputy Commissioner of Commercial Taxes.
		59.72	2009-10	Joint Commissioner of Commercial Taxes
		280.00	2010-11	Additional Commissioner of Commercial Taxes
		1.92	2005-06	Madhya Pradesh High Court (Gwalior Bench)
Central Excise Act, 1944	Excise Duty including penalty	6,427.49	2001-02 to 2010-11	Central Excise and Service Tax Appellate Tribunal
		48.06	2004-05 to 2007-08 and 2009-10	Additional Commissioner of Central Excise
Finance Act, 1994	Service Tax	17.82	2001-02	Joint Commissioner of Central Excise & Service Tax
Customs Act, 1962	Customs Duty	15.85	1995-96, 1996-97, 1998-99, 2000-2001, 2008-09	Deputy Commissioner of Customs
		15.93	1989-90, 1992-93, 1993-94	Central Excise and Service Tax Appellate Tribunal
		51.66	1989-90, 1996-97, 2002-03	Assistant Commissioner of Customs
		0.02	2005-06	Commissioner of Customs (Appeals)
Income Tax Act, 1961	Income Tax	551.78	Assessment Year 1998-99	Ranchi High Court
		1,388.44	Assessment Year 2007-08	Commissioner of Income Tax (Appeals), Ranchi

- x The Company has no accumulated losses as at March 31 2013 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as applicable at the balance sheet date.
- xii The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- xiii As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii)

of the Order are not applicable to the Company.

- xiv In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.
- xvi In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xvii According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi 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, except for an instance of fraud on the Company by way of fraudulent encashment of certain cheques aggregating Rs.9.45 Lakhs, which has since been fully recovered by the Management as indicated in Note 50 to the financial statements, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For Price Waterhouse

Firm Registration Number: 301112E

Chartered Accountants

P.Law

Partner

Kolkata

May 9, 2013

Membership Number 51790

Balance Sheet as at 31st March, 2013

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note No.	As at 31st March, 2013	As at 31st March, 2012
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	3,054	3,054
Reserves and Surplus	4	151,438	150,033
		154,492	153,087
Non-current Liabilities			
Long-term Borrowings	5	229,570	197,109
Deferred Tax Liabilities (Net)	6	20,798	20,384
Other Long-term Liabilities	7	50,108	41,142
Long-term Provisions	8	2,853	1,805
		303,329	260,440
Current Liabilities			
Short-term Borrowings	9	35,765	20,302
Trade Payables	10	143,653	136,851
Other Current Liabilities	11	69,221	38,141
Short-term Provisions	12	1,495	548
		250,134	195,842
TOTAL		707,955	609,369
Assets			
Non-current Assets			
Fixed Assets			
Tangible Assets	13A	328,527	290,657
Intangible Assets	13B	195	232
Capital Work-in-progress	13C	117,361	76,249
Non-current Investments	14	17,478	18,695
Long-term Loans and Advances	15	25,525	20,856
Other Non-current Assets	16	636	2,021
		489,722	408,710
Current Assets			
Current Investments	17	800	-
Inventories	18	130,565	121,274
Trade Receivables	19	49,072	35,971
Cash and Bank Balances	20	12,311	25,318
Short-term Loans and Advances	21	20,650	13,335
Other Current Assets	22	4,835	4,761
		218,233	200,659
TOTAL		707,955	609,369

This is the Balance Sheet referred to in our report of even date.

The notes are an integral part of the financial statements.

For PRICE WATERHOUSE

Firm Registration Number : 301112E
Chartered Accountants

(P. Law)

Partner
Membership No. 51790

Place : Kolkata
Date : 9th May, 2013

P. Jhawar
Chairman

R. Jhawar
Managing Director

A. K. Somani
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2013

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note No.	Year ended 31st March, 2013	Year ended 31st March, 2012
Income			
Revenue from Operations (Gross)	26	334,698	308,076
Less: Excise Duty		30,245	24,387
Revenue from Operations (Net)		304,453	283,689
Other Income	27	4,322	4,264
Total Revenue		308,775	287,953
Expenses			
Cost of Materials Consumed	28	112,868	131,400
Purchases of Stock-in-trade	29	351	354
Changes in inventories of Finished Goods, Work-in-progress, Stock-in-trade and Scrap	30	(8,730)	(23,570)
Employees Benefits Expense	31	17,678	15,209
Finance Costs	32	32,677	25,485
Depreciation and Amortisation Expense	33	23,524	19,776
Other Expenses	34	131,087	124,030
Adjustment of Items Capitalised and Departmental Orders for own consumption		(1,712)	(350)
Total Expenses		307,743	292,334
Profit/(Loss) before Exceptional and Extraordinary items and tax		1,032	(4,381)
Exceptional items		-	-
Profit/(Loss) before Extraordinary items and tax		1,032	(4,381)
Extraordinary items		-	-
Profit/(Loss) before tax		1,032	(4,381)
Tax expenses			
Current Tax		153	-
Less MAT Credit Entitlement		(153)	-
Excess Provision of Current Tax [including Fringe Benefit Tax Rs.2 (Previous Year : Rs. Nil)] relating to earlier years written back		(87)	-
Deferred Tax Charge / (Credit)		414	(1,104)
Profit/(Loss) for the period		705	(3,277)
Earning/(Loss) per Equity Share [Nominal Value per Share Re.1/- (31st March 2012 : Re.1/-)]	43		
Basic		0.23	(1.08)
Diluted		0.23	(1.08)

This is the Statement of Profit and Loss referred to in our report of even date.

The notes are an integral part of the financial statements.

For PRICE WATERHOUSE

Firm Registration Number : 301112E
Chartered Accountants

(P. Law)

Partner
Membership No. 51790

Place : Kolkata
Date : 9th May, 2013

P. Jhawar
Chairman

R. Jhawar
Managing Director

A. K. Somani
Company Secretary

	Year ended 31st March, 2013	Year ended 31st March, 2012
A. Cash Flow from Operating Activities		
Profit/(Loss) before Taxation	1,032	(4,381)
Adjustment for:		
Depreciation and Amortisation Expense	23,524	19,776
Profit on sale of Tangible Assets (Net)	(14)	-
Loss on sale of Tangible Assets (Net)	-	105
Interest Income	(1,069)	(215)
Dividend received from Subsidiary Companies - Other than Trade	(414)	(199)
Dividend received from Current Investments - Other than Trade	(188)	(20)
Finance Costs	32,677	25,485
Unrealised Foreign Currency (gain)/losses (Net)	(733)	3,397
Unrealised Derivative Gains (Net)	(1,389)	(2,851)
Provision for Doubtful Debts and Advances	8	50
Provision for Diminution in the Value of Long Term Investments	27	-
Provision for Doubtful Debts and Advances no longer required written back	(122)	(169)
Liabilities no longer required written back	(543)	(526)
Bad Debts /Advances written off	121	73
Tangible Assets written off	2	21
Operating profit before working capital changes	52,919	40,546
Changes in Working Capital:		
Increase in Trade Payables	7,878	39,629
Increase in Long-term Provisions	156	168
Increase in Short-term Provisions	415	147
Increase in Other Current Liabilities	1,060	1,946
Decrease in Other Long-term Liabilities	(145)	(3)
Increase in Trade Receivables	(13,055)	(7,377)
Increase in Inventories	(9,291)	(25,008)
Increase/(Decrease) in Long-term Loans and Advances	(302)	4
Decrease in Other Non-current Assets	1,551	2
Increase in Short-term Loans and Advances	(1,138)	(1,829)
Decrease /(Increase) in Other Current Assets	(605)	(239)
	(13,476)	7,440
Cash generated from operations	39,443	47,986
Direct tax paid	(793)	(1,619)
Net cash generated from Operating Activities	38,650	46,367
B. Cash flow from Investing Activities:		
Purchase of Tangible and Intangibles Assets [Refer (b) below]	(68,648)	(70,064)
Sale of Tangible Assets	110	602
Purchase of Long-term Investments	(10)	-
Redemption of Investment in Preference Shares in a Subsidiary Company	400	-
Loans and Advances to Subsidiary Companies	(4,814)	(257)
Interest Income received	918	216
Placement of fund in long-term deposits with bank having maturity of more than 3 months but less than 12 months	(12,108)	(15,900)
Realisation of long-term deposits with bank having maturity of more than 3 months but less than 12 months	15,900	-
Dividend received from Subsidiary Companies - Other than Trade	414	199
Dividend received from Current Investments - Other than Trade	188	20
Net cash used in Investing Activities	(67,650)	(85,184)

	Year ended 31st March, 2013	Year ended 31st March, 2012
C. Cash flow from Financing Activities		
Long-term Borrowings - Receipts	60,000	84,316
Long-term Borrowings - Repayments	(23,023)	(24,134)
Short term Borrowings - Receipts	15,461	5,261
Finance Costs paid	(32,648)	(24,987)
Dividend paid (including tax thereon Rs. Nil ; Previous Year : Rs. 485)	(5)	(3,520)
Net Cash from Financing Activities	19,785	36,936
Net increase/(decrease) in Cash and Cash Equivalents during the year	(9,215)	(1,881)
D. Effect of Foreign Exchange Differences on Cash and Cash Equivalents	-	*
Cash and Cash Equivalents at the beginning of the year	9,418	11,299
Cash and Cash Equivalents at the end of the year	203	9,418
Cash and cash equivalents comprise :		
Cash on hand	13	8
Cheques, Draft on hand	-	25
Remittance in transit	40	158
Balance with Banks		
In Current Accounts	63	256
In Unclaimed Dividend Accounts [Refer (c) below]	64	69
Demand deposits (less than 3 months maturity)	23	8,902
	203	9,418

* Amount is below the rounding off norm adopted by the Company.

- (a) The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statements prescribed under the Companies Act, 1956 of India.
- (b) Includes interest expense capitalised Rs.5,713 (Previous Year : Rs.1,236) which is net of interest income Rs.1,034 (Previous Year : Rs.2,940) from deposits out of project funds pending utilisation.
- (c) Earmarked for payment of unclaimed dividend.
- (d) Refer Note 53.

This is the Cash Flow Statement referred to in our report of even date.

For PRICE WATERHOUSE

Firm Registration Number : 301112E
Chartered Accountants

(P. Law)

Partner
Membership No. 51790

Place : Kolkata
Date : 9th May, 2013

P. Jhavar
Chairman

R. Jhavar
Managing Director

A. K. Somani
Company Secretary

1. General Information

Usha Martin Limited (the 'Company') is a public limited company domiciled in India, incorporated under the provisions of the Companies Act, 1956 and is listed on two stock exchanges in India and its GDRs are listed on stock exchange in Luxembourg. The Company is engaged in the manufacturing of speciality steel and value added steel products. The Company caters to both domestic and international markets.

2. Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis and also to comply in all material aspects with the accounting standards notified under Section 211 (3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of classification of current and non-current assets and liabilities.

2.2 Fixed Assets

(a) Tangible Assets

Tangible Assets are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises cost of acquisition, construction and subsequent improvements thereto including taxes and duties (net of credits and draw backs), freight and other incidental expenses related to acquisition and installation. Preoperative expenses, where appropriate, are capitalised till the commercial use of the assets.

(b) Intangible Assets

Intangible Assets are stated at cost of acquisition net of accumulated amortisation and accumulated impairment losses, if any. Cost comprises cost of acquisition and subsequent improvements thereto including taxes and duties (net of other incidental expenses etc.) related to acquisition and installation.

(c) Capital Work-in-progress

Capital Work-in-progress are stated at cost and inclusive of preoperative expenses, project development expenses etc.

2.3 Depreciation and Amortisation

(a) Depreciation (including amortisation) is provided on Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956 other than the following :

- Certain items of Plant and Machinery - 20%
- Computer Softwares - 20% - 50%

In respect of assets existing as on 16th December, 1993, the specified period has been recomputed in terms of the Notification No.GSR 756E dated 16th December, 1993 read with Circular No.14/93 dated 20th December, 1993 with respect to revised rates and depreciation has been provided by allocating net book value of fixed assets as at the beginning of the year over the remaining recomputed lives of respective assets.

(b) Leasehold Land is amortised over the tenure of respective leases.

(c) Mining Lease and Development is amortised over the tenure of lease or estimated useful life of the mine, whichever is shorter.

2.4 Borrowing Cost

Borrowing Cost attributable to the acquisition and construction of qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use) are added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are recognised as expenses in the period in which these are incurred.

2.5 Impairment Loss

An impairment loss, if any, is recognised wherever the carrying amount of the fixed assets exceeds the recoverable amount i.e. the higher of the assets' net selling price and value in use.

2.6 Investments

Investments that are readily realisable and are intended to be held for not more than one year are classified as current investments and are carried at cost or fair value, whichever is lower. All other investments are classified as long term investments and are stated at cost. However diminution in carrying amount, other than temporary, is either written down or provided for and netted off against the cost.

2.7 Inventories

Inventories other than scrap are valued at lower of cost and estimated net realisable value. Cost is determined on Weighted Average basis. Scrap is valued at estimated net realisable value.

2.8 Transaction in Foreign Currencies

Initial Recognition

On initial recognition, all foreign currencies transactions are recorded at exchange rates prevailing on the date of the transaction.

Subsequent Recognition

At the reporting date, foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate. With respect to long-term foreign currency monetary items, from 1st April, 2011 onwards, the Company has adopted the following policy:

- (a) Foreign exchange difference on account of a depreciable asset, is adjusted in the cost of depreciable asset, which would be depreciated over the balance life of the asset.
- (b) In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of such long term asset/liability.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability expressed in a foreign currency has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement / settlement of all other monetary items are recognised in the Statement of Profit and Loss.

2.9 Derivative Instruments and Hedge Accounting

The Company uses derivative financial instruments such as foreign exchange contracts, currency swaps, option contracts, interest rate swaps etc. to hedge its exposure to movements in foreign exchange rates and interest rates relating to the underlying transactions,

highly probable forecast transactions and firm commitments.

Effective 1st April, 2009 the Company adopted Accounting Standard 30, "Financial Instruments: Recognition and Measurement" issued by The Institute of Chartered Accountants of India (ICAI) to the extent the adoption does not contradict with existing Accounting Standards and other authoritative pronouncements of the Companies Act, 1956 of India and other regulatory requirements.

For option contracts and interest rate swaps that are designated as effective cash flow hedges, the gain or loss from the effective portion of the hedge is recorded and reported directly in reserves (under the "Hedging Reserve Account") and are reclassified into the Statement of Profit and Loss upon the occurrence of the hedged transactions.

The Company recognises gains or losses from changes in fair values of option contracts and interest rate swaps that are not designated as effective cash flow hedges in the Statement of Profit and Loss in the period in which they arise. In respect of forward exchange contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortised as expenses or accounted for as income over the life of contracts.

Other Derivative contracts outstanding at the Balance Sheet date are marked to market and resulting net loss, if any, is provided for in the financial statements.

Any profit or loss arising on cancellation of derivative instruments are recognised as income or expense for the period.

2.10 Revenue Recognition

Sale of Goods: Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes but including excise duties.

Sale of Services: Sales are recognised upon the rendering of services and are recognised net of service tax.

Other items are recognised on accrual basis.

2.11 Other Income

Interest: Interest income is generally recognised on a time proportion basis taking into account the amount outstanding and the rate applicable, when there is reasonable certainty as to realisation.

Dividend: Dividend income is recognised when the right to receive dividend is established.

All other items are recognised on accrual basis.

2.12 Employees Benefits

(a) Short-term Employee Benefits :

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

(b) Post Employment Benefit Plans :

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the year.

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method (PUCM), with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period

until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets where such plans are funded. Measurement of any assets resulting from this calculation is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the scheme.

(c) Other Long-term Employment Benefits (unfunded)

The cost of providing long-term employee benefits is determined using PUCM with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Other long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

2.13 Research and Development Expenditure

Revenue expenditure on Research and Development (R & D) is charged in the year in which it is incurred. Capital Expenditure for R & D are capitalised.

2.14 Government Grants

(a) Government grants of the nature of promoters' contribution are credited to Capital Reserve.

(b) Government grants related to specific fixed assets are deducted from gross values of related assets in arriving at their book values.

(c) Government grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with their related costs.

2.15 Taxation

Current Tax in respect of taxable income is provided for the year based on applicable tax rates and laws. Deferred tax is recognised subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date to re-assess realisation.

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets and liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.16 Provision and contingent liabilities

The Company recognises a provision when there is a present

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(All amounts in Rs. Lakhs, unless otherwise stated)

obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or there is a present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

2.17 Leases

Leases in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a systematic basis over the period of lease.

2.18 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenues have been accounted for based on prices normally negotiated between the segments with reference to the costs, market prices and business risks, within an overall optimisation objective for the Company. Revenue and expenses have been identified with segments on the basis of their relationship to the operating activities of the segment. Revenue

and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Corporate-Unallocated/Others (Net)".

2.19 Cash and Cash Equivalents

In the Cash Flow Statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments, if any, with original maturities of three months or less.

2.20 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3. Share Capital		
	As at 31st March, 2013	As at 31st March, 2012
Authorised:		
50,00,00,000 (31st March, 2012 : 50,00,00,000) Equity Shares of Re 1/- each	5,000	5,000
1,00,00,000 (31st March, 2012 : 1,00,00,000) Redeemable Cumulative Preference Shares of Rs.50/- each	5,000	5,000
Total	10,000	10,000
Issued Subscribed and Paid-up:		
30,47,41,780 (31st March, 2012 : 30,47,41,780) Equity Shares of Re. 1/- each fully paid up	3,047	3,047
Add: Shares Forfeited	7	7
Total	3,054	3,054

- (a) 2,42,74,715 (31st March, 2012 : 80,19,495) Equity Shares are represented by Global Depository Receipts (GDRs) out of above paid up Equity Shares.
 (b) Rights, preference and restrictions attached to shares issued:

The Company has only one class of equity shares having a par value of Re.1/- per share. Each shareholder is eligible for one vote per share held (except in case of GDRs). The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

- (c) Details of shares held by shareholders holding more than 5 % of the aggregate shares in the Company.

	As at 31st March, 2013	As at 31st March, 2012
UMIL Shares & Stock Broking Services Limited	38,633,369 (12.68%)	36,673,238 (12.03%)
HSBC Global Investment Funds Mauritius Limited	@ @	18,694,789 (6.13%)
Usha Martin Ventures Limited	19,822,588 (6.50%)	19,822,588 (6.50%)
Peterhouse Investments Limited	18,971,455 (6.23%)	18,971,455 (6.23%)
Peterhouse Investments India Limited	20,767,330 (6.81%)	20,767,330 (6.81%)
Deutsche Bank Trust Company Americas	24,274,715 (7.97%)	@ @

@ Not applicable as the holding is less than 5%

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

4. Reserves and Surplus		
	As at 31st March, 2013	As at 31st March, 2012
Capital Reserve	3,718	3,718
Capital Redemption Reserve	2,285	2,285
Securities Premium Account	85,589	85,589
General Reserve [Refer (a) below]		
Balance as at the beginning of the year	57,369	57,369
Add: Transferred from Surplus in Statement of Profit and Loss during the year	200	-
Balance as at the end of the year	57,569	57,369
Hedging Reserve Account (Refer Note 2.9)		
Balance as at the beginning of the year	(1,128)	(1,854)
Add: Additions during the year	1,793	1,400
Less : Transfer during the year	706	674
Balance as at the end of the year	(41)	(1,128)
Foreign Currency Monetary Item Translation Difference Account [Refer (b) below and Note 2.8]		
Balance as at the beginning of the year	(67)	-
Add: Additions during the year	105	(247)
Less : Transfer during the year	(43)	(180)
Balance as at the end of the year	81	(67)
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	2,267	5,544
Profit / (Loss) for the year	705	(3,277)
Less : Appropriations		
Proposed dividend on Equity Shares for the year	457	-
Dividend Distribution Tax on Proposed dividend on Equity Shares	78	-
Transfer to General Reserve	200	-
Balance as at the end of the year	2,237	2,267
Total	151,438	150,033

(a) Represents a free reserve not held for any specific purpose.

(b) Previous year figure has been regrouped to conform to current year's presentation which is in accordance with ICAI Announcement dated 30th March, 2013.

5. Long-term Borrowings		
	As at 31st March, 2013	As at 31st March, 2012
Secured:		
Term Loans		
From Financial Institution (Rupee Loans)	42,000	45,000
From Banks		
Rupee Loans	109,400	58,000
Foreign Currency Loans	78,170	94,109
Total	229,570	197,109

Nature of Security and terms of repayment for secured borrowings :

Nature of Security

All Term Loans from Financial Institution and Banks are secured by way of Joint Equitable Mortgage by deposit of title deeds of certain immovable properties and hypothecation over movable assets of the Company both present and future subject to prior charges of the Company's Bankers on specified movable assets for Working Capital requirements.

Terms of Repayment

- Rupee term loan from a Financial Institution amounting to Rs.22,000 (31st March, 2012 : Rs.25,000) is repayable in fourteen quarterly installments commencing from 20th June, 2014 to 20th September, 2017. Interest is payable on monthly basis at One Year Gsec plus 2.85% p.a.
- Rupee term loan from a Financial Institution amounting to Rs.20,000 (31st March, 2012 : Rs. 20,000) is repayable in eighteen quarterly installments commencing from 20th June, 2014 to 20th

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

- September, 2018. Interest is payable on monthly basis at One Year Gsec plus 3.25% p.a.
- (c) Rupee term loan from a Bank amounting to Rs.9,000 (31st March, 2012 : Rs.10,000) is repayable in sixteen quarterly installments commencing from 1st April 2014 to 1st January, 2018. Interest is payable on monthly basis at Base rate of the Bank plus 2% p.a.
- (d) Rupee term loan from a Bank amounting to Rs. 6,400 (31st March, 2012 : Rs. 8,000) is repayable in fifteen quarterly installments from 29th April, 2014 to 29th October, 2017. Interest is payable on monthly basis at Base rate of the Bank plus 1.75% p.a.
- (e) Rupee term loan from a Bank amounting to Rs. 16,000 (31st March, 2012 : Rs. 20,000) is repayable in seven quarterly installments from 30th June, 2014 to 31st December, 2015. Interest is payable on monthly basis at Base rate of the Bank plus 2.15% p.a.
- (f) Rupee term loan from a Bank amounting to Rs. 18,000 (31st March, 2012 : Rs. 20,000) is repayable in ten quarterly installments commencing from 30th June, 2014 to 30th September, 2016. Interest is payable on monthly basis at Base rate of the Bank plus 1.15% p.a.
- (g) Rupee term loan from a Bank amounting to Rs. 25,000 (31st March, 2012 : Rs. Nil) is repayable in twenty eight quarterly installments commencing from 30th June, 2015 to 31st March, 2022. Interest is payable on monthly basis at Base rate of the Bank plus 1.80% p.a.
- (h) Rupee term loan from a Bank amounting to Rs. 25,000 (31st March, 2012 : Rs. Nil) is repayable in twenty eight quarterly installments commencing from 29th June, 2015 to 29th March, 2022. Interest is payable on monthly basis at Base rate of the Bank plus 1.75% p.a.
- (i) Rupee term loan from a Bank amounting to Rs. 10,000 (31st March, 2012 : Rs. Nil) is repayable in thirteen quarterly installments commencing from 12th May, 2014 to 12th May, 2017. Interest is payable on monthly basis at Base rate of the Bank plus 1.00% p.a.
- (j) Foreign Currency term loan from a Bank amounting to Rs. 67,856 (31st March, 2012 : Rs.63,588) is repayable in ten equal quarterly installments commencing from 30th October, 2015 to 31st January, 2018. Interest is payable on quarterly basis at three months USD LIBOR plus 2.85% p.a.
- (k) Foreign Currency term loan from a Bank amounting to Rs. 2,714 (31st March, 2012 : Rs.12,717) is repayable on 16th May, 2014. Interest is payable on half yearly basis at six months JPY LIBOR plus 1.40% p.a.
- (l) Foreign Currency term loan from a Bank amounting to Rs. 7,600 (31st March, 2012 : Rs. 17,804) is repayable in two equal quarterly installments commencing from 16th May, 2014 to 16th August, 2014. Interest is payable on half yearly basis at six months JPY LIBOR plus 2% p.a.
- (m) Outstanding balances of loans as indicated in (a) to (l) above are exclusive of current maturities of such loans as disclosed in Note 11.

6. Deferred Tax Liabilities (Net)		
	As at 31st March, 2013	As at 31st March, 2012
Deferred Tax Liabilities		
Depreciation as per tax law and books	34,373	28,519
Exchange gain pertaining to fixed assets as per tax law and books	398	1,011
Total (A)	34,771	29,530
Deferred Tax Assets		
Unabsorbed tax depreciation/loss @	13,167	8,041
Disallowances allowable for tax purpose on payment	438	698
Provision for doubtful debts and advances	366	402
Deferred Revenue Expenditure	2	5
Total (B)	13,973	9,146
Net Deferred Tax Liabilities (A) - (B)	20,798	20,384
@ Absorption expected based on future Taxable Income.		

7. Other Long-term Liabilities		
	As at 31st March, 2013	As at 31st March, 2012
Trade Payables (Refer Note 42)	16	24
Others		
Capital Liabilities [Acceptances]	49,600	38,380
Derivative Liabilities	470	2,607
Security Deposits Received	22	131
Total	50,108	41,142

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

8. Long-term Provisions		
	As at 31st March, 2013	As at 31st March, 2012
Provision for Employees Benefits	927	771
Others Provisions		
Provision for Restoration of Mines Sites [Refer (a) below]	1,926	1,034
Total	2,853	1,805
(a) Movement of Provision for Restoration of Mine Sites		
Balance as at the beginning of the year	1,034	1,038
Additions	993	-
Amounts used	101	4
Balance as at the end of the year	1,926	1,034
Provision for Restoration of Mines Sites is held for the purpose of meeting site restoration obligation pursuant to Rule 23 under Mineral Conservation and Development (Amendment Rules, 2003) read with Section 18 of the Mines and Minerals (Development and Regulation) Act, 1957.		

9. Short-term Borrowings		
	As at 31st March, 2013	As at 31st March, 2012
Secured		
Working Capital Loans from Banks	35,765	20,302
Total	35,765	20,302
Working Capital Loans from Banks are secured by hypothecation of all current assets of the Company. Further such loans from Banks are also secured by charge on certain immovable properties, subject to prior charges in favour of Financial Institutions and Banks created/to be created in respect of any existing/future financial assistance/accommodation which has been/may be obtained by the Company.		

10. Trade Payables		
	As at 31st March, 2013	As at 31st March, 2012
Acceptances	118,887	115,974
Others (Refer Note 42)	24,766	20,877
Total	143,653	136,851

11. Other Current Liabilities		
	As at 31st March, 2013	As at 31st March, 2012
Current maturities of long-term debt (Refer Note 5)	33,857	23,023
Interest accrued but not due on borrowings	1,863	1,141
Interest accrued on trade payables and others	176	821
Unclaimed Dividend [Refer (a) below]	64	69
Unclaimed Matured Fixed Deposits [Refer (a) below]	2	4
Unclaimed Interest on above [Refer (a) below]	1	2
Advances from Customers	1,797	1,704
Derivative Liabilities	800	445
Capital Liabilities [including Acceptances Rs. 14,216 (31st March, 2012 : Rs. 228)]	23,348	4,678
Security Deposits Received	208	105
Employees Benefits payable	1,287	1,252
Statutory dues (including Provident Fund, Tax deducted at Source, etc.)	4,608	3,769
Other Payables	1,210	1,128
Total	69,221	38,141
(a) There are no amount due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.		

12. Short-term Provisions		
	As at 31st March, 2013	As at 31st March, 2012
Provision for Employees Benefits	945	531
Provision for Fringe Benefit Tax [Net of advance tax Rs. Nil (31st March, 2012: Rs. 335)]	-	2
Provision for Wealth Tax	15	15
Provision for Proposed Dividend on Equity Shares	457	-
Provision for Dividend Distribution Tax thereon	78	-
Total	1,495	548

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

14. Non-current Investments		
	As at 31st March, 2013	As at 31st March, 2012
Unquoted (valued at Cost unless stated otherwise)		
Trade Investments		
Investments in Equity Instruments :		
Investments in Subsidiary Companies :		
Usha Martin International Limited 59,09,388 (31st March, 2012 : 59,09,388) Ordinary Shares of GBP 1 each fully paid	6,181	6,181
Usha Siam Steel Industries Public Company Limited 1,32,00,000 (31st March, 2012 : 1,32,00,000) Ordinary Shares of Thai Baht 10 each fully paid	2,620	2,620
Usha Martin Singapore Pte Limited 10,00,000 (31st March, 2012 : 10,00,000) Ordinary Shares of SGD 1 each fully paid	268	268
Brunton Wolf Wire Ropes, FZCO 114 (31st March, 2012 : 114) Ordinary Shares of AED 1,00,000 each fully paid	1,777	1,777
Usha Martin Americas Inc 40,00,000 (31st March, 2012 : 40,00,000) Shares of USD 1 each fully paid	1,660	1,660
UMICOR Africa (Proprietary) Limited [under liquidation ; Refer (a) below] 30,44,451 (31st March, 2012 : 30,44,451) Ordinary Shares of Rand 1 each fully paid	-	-
U M Cables Limited 1,11,29,660 (31st March, 2012 : 1,11,29,660) Equity Shares of Rs.10/- each fully paid	1,271	1,271
Usha Martin Power and Resources Limited 49,940 (31st March, 2012 : 49,940) Equity Shares of Rs. 10/- each fully paid [Net of provision for other than temporary diminution amounting to Re.1 (31st March, 2012 : Nil)]	4	5
Bharat Minex Private Limited 2,00,000 (31st March, 2012 : 2,00,000) Equity Shares of Rs. 10/- each fully paid [Net of provision for other than temporary diminution amounting to Rs.10 (31st March, 2012 : Nil)]	-	10
Investments in Joint Ventures Companies : [Refer (b) below]		
Pengg Usha Martin Wires Private Limited 1,08,00,000 (31st March, 2012 : 1,08,00,000) Equity Shares of Rs.10/- each fully paid	1,080	1,080
Gustav Wolf Speciality Cords Limited 73,500 (31st March, 2012 : 73,500) Equity Shares of Rs.10/- each fully paid up	73	73
CCL Usha Martin Stressing Systems Limited 4,73,195 (31st March, 2012 : 4,73,195) Equity Shares of Rs.10/- each fully paid up [Net of provision for other than temporary diminution amounting to Rs. 16 (31st March, 2012 : Nil)]	31	47
Dove Airlines Private Limited 10,38,000 (31st March, 2012 : 10,38,000) Equity Shares of Rs.10/- each fully paid	325	325
Investments in Preference Shares :		
Investment in Subsidiary Company :		
U M Cables Limited 17,00,000 (31st March, 2012 : 29,00,000) 2% Redeemable Cumulative Preference Shares of Rs.100/- each fully paid	1,700	2,900
Investment in Joint Ventures Company :		
Pengg Usha Martin Wires Private Limited 4,40,000 (31st March, 2012 : 4,40,000) 0.50% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid	440	440
Total (A)	17,430	18,657
Other than Trade Investments		
Investments in Equity Instruments :		
Adityapur Toll Bridge Company Limited 1,00,000 (31st March, 2012 : 1,00,000) Equity Shares of Rs.10/- each fully paid	10	10
Adityapur Auto Cluster 1,000 (31st March, 2012 : Nil) Equity Shares of Rs.1000/- each fully paid	10	-
Usha Communications Technology Limited BVI 1,21,10,242 (31st March, 2012 : 1,21,10,242) Ordinary Shares of USD 0.50 each fully paid	28	28
UMI Special Steel Limited (under liquidation) 1,80,68,472 (31st March, 2012 : 1,80,68,472) Equity Shares of Rs.10/- each fully paid [At cost less write-down - Rs.327 (31st March, 2012 : Rs.327)]	*	*
Total (B)	48	38
Total (A) + (B)	17,478	18,695

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

Aggregate amount of unquoted investment	17,478	18,695
Aggregate provision for diminution in value of investment	27	-

* Amount is below the rounding off norm adopted by the Company.

- (a) Transfer of 3,044,451 Ordinary Shares in UMICOR Africa (Proprietary) Limited (UMICOR) in the name of the Company could not be processed as UMICOR have gone into liquidation and placed under final winding up vide Order dated 30th July, 2008 of the High Court of South Africa (Witwatersrand Local Division). Such Shares were acquired during the year ended 31st March, 2006 at a nil consideration.
- (b) The Company's ownership interest and other particulars relating to the Joint Venture Companies have been set out in Note 48.
- (c) For classification of investment in accordance with AS13:Accounting for investments, Refer Note 52.

15. Long-term Loans and Advances		
	As at 31st March, 2013	As at 31st March, 2012
Unsecured Considered Good (unless otherwise stated)		
Capital Advances	16,728	11,958
Security Deposits	2,160	2,195
Loans and Advances to Related Parties [Refer Note 47]	525	1,081
Loans and Advances to Employees		
Considered good	45	98
Considered doubtful	-	6
Less: Provision for Doubtful Advances	-	(6)
Other Loans and Advances		
Prepaid Expenses	4	7
Electricity Duty Receivable - Considered doubtful	92	92
Less : Provision for Electricity Duty Receivable	(92)	(92)
MAT Credit Entitlement	5,399	5,246
Balances with Government Authorities	664	271
Total	25,525	20,856

16. Other Non-Current Assets		
	As at 31st March, 2013	As at 31st March, 2012
Unsecured Considered Good (unless otherwise stated)		
Derivative Assets	636	2,021
Total	636	2,021

17. Current Investments		
	As at 31st March, 2013	As at 31st March, 2012
Unquoted (value at Cost unless stated otherwise)		
Trade Investment		
Current Portion of Long-term Investments		
8,00,000 (31st March, 2012; Nil) Investment in 2% Redeemable Cumulative Preference Shares of Rs.100 each fully paid in U M Cables Limited, a subsidiary company	800	-
Total	800	-

- (a) For classification of investment in accordance with AS13:Accounting for investments, Refer Note 52.

18. Inventories		
	As at 31st March, 2013	As at 31st March, 2012
[Refer Note 2.7]		
Raw Materials [includes in transit - Rs. 7,532 (31st March, 2012 : Rs.3,662)]	41,431	41,411
Work-in-progress [Refer (a) below]	36,079	31,405
Finished Goods [includes in transit - Rs.1,229 (31st March, 2012 : Rs.2,478)] [Refer (b) below]	43,850	39,347
Stock-in-trade (i.e. Traded Goods)	50	70
Stores and Spares Parts [includes in transit - Rs.464 (31st March, 2012 : Rs. 163)]	6,870	6,342
Loose Tools	2,094	2,081
Scrap	191	618
Total	130,565	121,274

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at 31st March, 2013	As at 31st March, 2012
(a) Details of Work-in-progress		
Steel Products in process (including Mined inputs)	22,870	19,236
Wire and Wire Rope Products in process	13,209	12,169
	36,079	31,405
(b) Details of Finished Goods		
Wire Rods	4,916	5,078
Bars	12,494	13,210
Billets	9,986	6,565
Rolled Product	325	576
Wire Ropes, Strands including Locked Coil Wire Ropes	2,898	2,839
Wires	1,720	1,558
Bright Bar	411	626
Conveyor Cord	35	14
Miscellaneous Items	11,065	8,881
	43,850	39,347

19. Trade Receivables		
	As at 31st March, 2013	As at 31st March, 2012
Unsecured		
Outstanding for a period exceeding six months from the date they became due for payment:		
Considered Good	229	518
Considered Doubtful	689	742
Less: Provision for Doubtful Debts	(689)	(742)
	229	518
Others		
Considered Good	48,843	35,453
	48,843	35,453
Total	49,072	35,971

20. Cash and Bank Balances		
	As at 31st March, 2013	As at 31st March, 2012
Cash and Cash Equivalents		
Cash on hand	13	8
Cheques, Drafts on hand	-	25
Remittance in transit	40	158
Bank Balances		
In current accounts	63	256
In Unclaimed Dividend Accounts @	64	69
Demand deposits (less than 3 months maturity)	23	8,902
	203	9,418
Other Bank Balances		
Long-term deposits with maturity more than 3 months but less than 12 months	12,108	15,900
	12,108	15,900
Total	12,311	25,318

@ Earmarked for payment of unclaimed dividend.

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

21. Short-term Loans and Advances		
	As at 31st March, 2013	As at 31st March, 2012
Unsecured Considered Good (unless otherwise stated)		
Loans and Advances to Related Parties [Refer Note 47]	5,475	23
Advances against procurement of goods, services etc.		
Considered good	2,955	4,818
Considered doubtful	325	385
Less: Provision for Doubtful Advances	(325)	(385)
Advance Income Tax [Net of provision for tax Rs 16,326 (31st March 2012; Rs16,596)]	1,746	1,021
Others Loans and Advances		
Deposits		
Considered Good	209	280
Considered Doubtful	15	15
Less: Provision for Doubtful Deposits	(15)	(15)
Prepaid Expenses	1,806	1,256
Balance with Government Authorities	8,256	5,861
Other Advances		
Considered Good	203	76
Considered Doubtful	8	3
Less: Provision for Doubtful Other Advances	(8)	(3)
Total	20,650	13,335

22. Other Current Assets		
	As at 31st March, 2013	As at 31st March, 2012
Unsecured Considered Good (unless otherwise stated)		
Interest accrued on deposits and others	155	1,546
Export Incentive Receivables	1,436	1,119
Claims Receivable	577	842
Derivative Assets	2,312	1,119
Other Recoverables	18	12
Unamortised Expenses:		
Unamortised Premium on Forward Contracts	337	123
Total	4,835	4,761

23. Contingent Liabilities		
	As at 31st March, 2013	As at 31st March, 2012
(a) Claims against the Company not acknowledged as debt		
Disputed Tax and Duty for which the Company has preferred appeal before appropriate authorities.		
Demand for Income Tax Matters	1,940	1,940
Demand for Sales Tax #	1,977	465
Demand for Excise Duty and Service Tax #	6,493	5,812
Demand for Customs Duty	83	83
Outstanding Labour Disputes	44	31
Disputed Electricity duty rebate matters which is subjudice	528	504
# Out of the above, stay orders against demand for Sales Tax amounting to Rs. 744 (31st March, 2012 : Rs. Nil) and demand for Excise Duty and Service Tax amounting to Rs. 2,606 (31st March, 2012 : Rs. 556) have been obtained by the Company.		
(b) Guarantees		
Corporate Guarantee Given by the Company to secure the financial assistance/accommodation extended to other Bodies Corporate	12,878	6,779
(c) Bills discounted with Banks including against Letter of Credit	8,189	12,682
(d) In respect of the contingent liabilities mentioned in Note 23(a) above, pending resolution of the respective proceedings, it is not practicable for the company to estimate the timings of cash outflows, if any. In respect of matters mentioned in Note 23 (b) above, the cash outflows, if any, could generally occur during the validity period of the respective guarantees. The Company does not expect any reimbursements in respect of the above contingent liabilities.		

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

24. Commitments		
	As at 31st March, 2013	As at 31st March, 2012
(a) Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	18,138	31,629
(b) Other Commitments		
The Company has imported Capital Goods under the Export Promotion Capital Goods Scheme, of the Government of India, at concessional rates of duty on an undertaking to fulfil quantified export in the next five years.	250,932	207,265
Outstanding Letter of Credit for materials yet to be received	1,362	9,301

25. Proposed Dividend		
	Year ended 31st March, 2013	Year ended 31st March, 2012
The dividend proposed for the year is as follows:		
On Equity Shares of Re. 1/- each		
Amount of dividend proposed	457	-
Dividend per Equity Share	Re. 0.15 per Share	-

26. Revenue from Operations (Gross)		
	Year ended 31st March, 2013	Year ended 31st March, 2012
(i) Sale of Products		
Manufactured Items		
Wire Rods	54,319	51,479
Bars	90,483	87,443
Billets	8,490	684
Rolled Product	21,885 (a)	16,185 (a)
Wire Ropes, Strands including Locked Coil Wire Ropes	94,836	87,421
Wires	41,319	40,703
Bright Bar	8,733	10,144
Conveyor Cord	3,041	1,310
Miscellaneous Items	2,431	4,726
	325,537	300,095
(a) Excluding trial production sale of Rs. Nil (Previous Year Rs. 334)		
Traded Goods		
Tube Unit	473	369
Miscellaneous Items	25	45
	498	414
Total	326,035	300,509
(ii) Sale of Services		
Service Charges	337	375
Total	337	375
(iii) Other Operating Revenue		
Product Scrap Sales	6,190	5,391
Export Incentives	2,136	1,801
Total	8,326	7,192
Total Revenue from Operations (Gross)	334,698	308,076

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

27. Other Income		
	Year ended 31st March, 2013	Year ended 31st March, 2012
Interest Income	1,069 @	215 @
Income from Non-current Investments		
-Dividend from subsidiary companies -Other than Trade	414	199
Income from Current Investments - Dividend -Other than Trade	188	20
Non Product Scrap Sales	250	363
Net Gain on Derivative Contracts	1,389	2,331
Provision for Doubtful Debts and Advances no longer required written back	122	169
Liabilities no longer required written back	543	526
Profit on sale of Tangible Assets (Net)	14	-
Claims Received	199	380
Miscellaneous Income	134	61
Total	4,322	4,264

@ Net of Rs.1,034 (Previous Year : Rs.2,940) credited against interest capitalisation towards temporary investment of project borrowings.

28. Cost of Materials Consumed		
	Year ended 31st March, 2013	Year ended 31st March, 2012
Opening Stock	41,411	38,876
Add: Purchases	112,888	133,935
	154,299	172,811
Deduct: Closing Stock	41,431	41,411
Total	112,868	131,400
Details of Materials Consumed		
Metallic (Ferrous bearing)	7,153	23,807
Coke	60,958	61,504
Alloys	15,770	16,539
Other Materials [individual item does not exceed 10% of total materials consumed]	28,987	29,550
Total	112,868	131,400

29. Purchases of Stock-in-Trade		
	Year ended 31st March, 2013	Year ended 31st March, 2012
Tube Unit	351	320
Miscellaneous Items	-	34
Total	351	354

30. Change in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade and Scrap		
	Year ended 31st March, 2013	Year ended 31st March, 2012
(Increase)/Decrease in stocks:		
Finished Goods		
Opening Stock	39,347	22,523
Deduct : Closing Stock	43,850	39,347
	(4,503)	(16,824)
Work-in-progress		
Opening Stock	31,405	24,439
Deduct : Closing Stock	36,079	31,405
	(4,674)	(6,966)
Stock-in-trade		
Opening Stock	70	33
Deduct : Closing Stock	50	70
	20	(37)
Scrap		
Opening Stock	618	875
Deduct : Closing Stock	191	618
	427	257
(Increase) / Decrease in stocks	(8,730)	(23,570)

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

31. Employees Benefits Expense		
	Year ended 31st March, 2013	Year ended 31st March, 2012
Salaries, Wages and Bonus	13,925	12,004
Contribution to Provident and Other Funds	1,715	1,311
Workmen and Staff Welfare Expenses	2,038	1,894
Total	17,678	15,209

(a) Post Employment Defined Contribution Plans		
	Year ended 31st March, 2013	Year ended 31st March, 2012
Amount recognised in the Statement of Profit and Loss		
(i) Provident Fund paid to the authorities @	26	27
(ii) Pension Fund paid to the authorities	314	295
(iii) Superannuation Fund - Contribution paid to a Trust	252	219
	592	541

@ Contribution towards Provident Fund for certain employees is made to the regulatory authorities. Such Provident Fund benefit is classified as Defined Contribution Scheme as the Company does not carry any further obligations, apart from the contribution made on a monthly basis which is recognised as expense in the Statement of Profit and Loss, indicated above.

(b) Post Employment Defined Benefit Plans

1. Gratuity (Funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust Funds managed by the Life Insurance Corporation of India (LIC) and other insurance companies make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days (ranging from fifteen days to one month) depending upon the tenure of service subject to a maximum limit of twenty months' salary. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 2.12 (b) above, based upon which, the Company makes contributions to the Gratuity Funds.

The following Table sets forth the particulars in respect of the aforesaid Gratuity fund of the Company :

(i) Reconciliation of Opening and Closing balances of the Present Value of the Defined Benefit Obligation

	As at 31st March, 2013	As at 31st March, 2012
Present Value of Obligation at the beginning of the year	3,415	3,137
Current Service Cost	138	111
Interest Cost	276	252
Past Service Cost	-	(172)
Actuarial (Gains)/ Losses	459	418
Benefits Paid	(127)	(331)
Present Value of Obligation at the end of the year	4,161	3,415

(ii) Reconciliation of Opening and Closing balances of the Fair Value of Plan Assets

	As at 31st March, 2013	As at 31st March, 2012
Fair Value of Plan Assets at the beginning of the year	2,894	2,840
Expected Return on Plan Assets	239	241
Actuarial Gains/ (Losses)	39	10
Contributions	226	134
Benefits Paid	(127)	(331)
Fair Value of Plan Assets at the end of the year	3,271	2,894

(iii) Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets

	As at 31st March, 2013	As at 31st March, 2012
Present Value of Obligation at the end of the year	4,161	3,415
Fair Value of Plan Assets at the end of the year	3,271	2,894
Assets/(Liabilities) recognised in the Balance Sheet	(890)	(521)

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

(iv) Expense recognised in the Statement of Profit and Loss

	As at 31st March, 2013	As at 31st March, 2012
Current Service Cost	138	111
Interest Cost	276	252
Past Service Cost	-	(172)
Expected Return on Plan Assets	(239)	(241)
Actuarial (Gains)/ Losses	420	408
Total Expense (Recognised under Contribution to Provident and Other Funds)	595	358

(v) Category of Plan Assets

	As at 31st March, 2013	As at 31st March, 2012
Fund with LIC	3,172	2,807
Fund with SBI Life Insurance	38	35
Fund with HDFC Standard Life	37	34
Others (including Bank balances)	24	18
Total	3,271	2,894

(vi) Actual Return on Plan Assets

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(vii) Principal Actuarial Assumptions

	As at 31st March, 2013	As at 31st March, 2012
Discount Rate	8.25%	8.50%
Salary Escalation	6.00%	6.00%
Expected Return on Asset	8.25%	8.50%

(viii) Other Disclosure (Amount recognised in current year and previous four years)

	31st March 2013	31st March 2012	31st March 2011	31st March 2010	31st March 2009
Present Value of the Plan Obligation as at the end of the year	4,161	3,415	3,137	2,896	2,465
Fair Value of Plan Assets as at the end of the year	3,271	2,894	2,840	2,423	2,240
Surplus / (Deficit) as at the end of the year	(890)	(521)	(297)	(473)	(225)
Experience Adjustments on Plan Assets [Gain/ (Loss)]	39	10	28	31	18
Experience Adjustments on Plan Obligation [(Gain)/Loss]	459	418	179	403	183

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets, the Company's policy for plan asset management and other relevant factors.

II. Provident Fund

Provident Fund contributions in respect of employees [other than those covered in (a) above] are made to Trusts administered by the Company and such Trusts invest funds following a pattern of investments prescribed by the Government. Both the employer and the employees contribute to this Fund and such contributions together with interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of services by the employee. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company. In terms of the Guidance on implementing Accounting Standard (AS) 15 on Employee Benefits issued by the Accounting Standards Board of the Institute of Chartered Accountants of India, a provident fund set up by the Company is treated as a defined benefit plan in view of the Company's obligation to meet interest shortfall, if any.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the Balance Sheet date using PUCM and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate obligation of the Company as at the balance sheet date. Further during the year, the Company's contribution of Rs. 528 (31st March, 2012 : Rs.412) to the Provident Fund Trust, has been expensed under "Contribution to Provident and Other Funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

Principal Actuarial Assumptions	As at 31st March, 2013	As at 31st March, 2012
Discount Rate	8.50%	8.50%
Expected Return on Exempted Fund	8.59%	8.61%
Expected EPFO Return	8.50%	8.25%

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

32. Finance Costs		
	Year ended 31st March, 2013	Year ended 31st March, 2012
Interest Expenses	31,389	25,097
Other Borrowing Costs	1,288	388
Total	32,677 @	25,485 @
@ Net of Capitalisation	6,747	4,176

33. Depreciation and Amortisation Expense		
	Year ended 31st March, 2013	Year ended 31st March, 2012
Depreciation and Amortisation on Tangible assets	23,454	19,754
Amortisation of Intangible assets	70	22
Total	23,524	19,776

34. Other Expenses		
	Year ended 31st March, 2013	Year ended 31st March, 2012
Consumption of Stores and Spare Parts	20,707	20,290
Power and Fuel	40,974	40,472
Material Handling Charges	20,631	15,653
Repairs to Buildings	1,384	1,257
Repairs to Machinery	9,567	9,275
Royalty	5,537	3,366
Rent	250	260
Rates and Taxes [including Wealth Tax of Rs.15; (Previous Year : Rs.15)]	163	159
Insurance	737	573
Freight, Transport and Delivery	11,513	10,562
Processing Charges	8,690	7,138
Travelling Expenses	987	977
Directors' Fees	6	3
Net loss on foreign currency transaction and translation	2,609	4,998
Provision for Doubtful Debts and Advances	8	50
Provision for Diminution in the value of long term Investment	27	-
Bad Debt and Advances Written off	121	73
Excise Duty on Stocks, Replacements etc.	868	2,113
Loss on Sale of Tangible Assets (Net)	-	105
Miscellaneous Expenses [Refer (a) below]	6,308	6,706
Total	131,087	124,030
(a) Includes remuneration paid/payable to Auditors' :		
As Auditors'		
Audit Fee	54	45
Tax Audit Fee	6	6
Other matters (Certificates etc.)	32	30
Reimbursement of Expenses [including Service Tax Rs. 1,048 (Previous Year: Rs. 848) not routed through the Statement of Profit and Loss]	2	2
Total	94	83

35. (a) The following are included under different heads of Other Expenses in the Statement of Profit and Loss:		
	Year ended 31st March, 2013	Year ended 31st March, 2012
Consumption of Stores and Spare Parts	595	764
Material Handling Charges	573	637
Repairs to Plant and Machinery	403	474
Repairs to Building	13	2
(b) Total Consumption of Stores and Spare Parts	21,302	21,054

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

36. Research and Development Expenditure				
	Year ended 31st March, 2013		Year ended 31st March, 2012	
Revenue	111		93	
Capital	-		649	

37. Value of Imports Calculated on C.I.F basis:				
	Year ended 31st March, 2013		Year ended 31st March, 2012	
Raw Materials	54,828		53,633	
Components and Spare Parts	3,154		3,604	
Capital Goods	16,062		4,193	

38. Value of imported and indigenous materials consumed				
	Year ended 31st March 2013		Year ended 31st March 2012	
	Value	%	Value	%
(i) Materials				
Imported	68,155	60%	60,080	46%
Indigenous	44,713	40%	71,320	54%
Total	112,868	100%	131,400	100%
(ii) Stores and Spare Parts				
Imported	2,073	10%	3,025	14%
Indigenous	19,229	90%	18,029	86%
Total	21,302	100%	21,054	100%

39. Expenditure (including on Capital Account) in Foreign Currency on account of				
	Year ended 31st March, 2013		Year ended 31st March, 2012	
Professional and Consultancy Fees	217		79	
Interest including Other Borrowing Costs	2,592		1,813	
Other Matters	604		921	

40. Amount Remitted in Foreign Currency on account of				
	Year ended 31st March, 2013		Year ended 31st March, 2012	
Dividend paid during the year	-		*	
Year to which the dividend relates	Year ended 31st March 2012		Year ended 31st March 2011	
Number of non-resident Shareholders	2		2	
Number of Shares held by non-resident Shareholders	1,040		1,040	

* Amount is below the rounding off norm adopted by the Company.

41. Earnings in Foreign Currency on account of				
	Year ended 31st March, 2013		Year ended 31st March, 2012	
Revenue from Export of Goods on F.O.B basis	49,672		46,814	
Interest Received	62		57	
Service Charges	7		4	
Dividend Received	298		199	

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

42. Information relating to Micro and Small Enterprises (MSEs)		
	As at 31st March, 2013	As at 31st March, 2012
	The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:	
(i)	The principal amount and interest due thereon remaining unpaid to any supplier registered under MSMED Act as at the end of the year	
	Principal	57
	Interest	-
(ii)	The amount of interest paid by the buyer in terms of Section 16 to the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the year.	
	Principal	Nil
	Interest	Nil
	* Amount is below the rounding off norm adopted by the Company.	
	The above particulars, as applicable, have been given in respect of MSEs to the extent they could be identified on the basis of information available with the Company and pursuant to amendment of Schedule VI of the Companies Act, 1956 (the Act) vide Notification dated 16th November 2007 issued by the Central Government.	

43. Computation of Earning/(Loss) per Equity Share		
(I) Basic		
	Year ended 31st March, 2013	Year ended 31st March, 2012
(a)	(i) Number of Equity Shares at the beginning of the year	
	304,741,780	304,741,780
	(ii) Number of Equity Shares at the end of the year	
	304,741,780	304,741,780
	(iii) Weighted average number of Equity Shares outstanding during the year	
	304,741,780	304,741,780
	(iv) Face Value of each Equity Share Re.	
	1	1
(b)	Profit /(Loss) after tax attributable to Equity Shareholders	
	Profit /(Loss) for the period	
	705	(3,277)
(c)	Basic Earning/(Loss) per Share [(b)/(a)(iii)] - Rs.	
	0.23	(1.08)
(II) Diluted		
(a)	Dilutive Potential Equity Shares	
	-	-
(b)	Diluted Earning /(Loss) per Share [same as I (c) above]	
	0.23	(1.08)

44. Expenses (net of revenue/ captive consumption) on trial run production of various projects incurred during the year and added to cost of fixed assets are as follows :		
	Year ended 31st March, 2013	Year ended 31st March, 2012
Cost of Materials Consumed	7,118	982
Consumption of Stores and Spares Parts	-	23
Repairs to Plant and Machinery	-	26
Material Handling Charges	-	92
Power and Fuel	-	32
Salaries, Wages and Bonus	-	7
Other Expenses	-	2
Total (A)	7,118	1,164
Revenue from Operations during trial run (net of excise duty)	-	348
Absorbed in subsequent production process during trial run for captive consumption	4,246	591
Total (B)	4,246	939
Net Trial Run Expenses (A - B)	2,872	225

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

45. Segment Information for the year ended 31st March, 2013

A. Primary Segment Reporting (by Business Segments)

Composition of Business Segments

Segments have been identified in accordance with the Accounting Standard on Segment Reporting (AS-17) prescribed under the Act.

Details of products included in each of the above Segments are given below :

Steel	:	Steel Wire Rods, Rolled Products, Billets, Pig Iron and allied products.
Wire and Wire Ropes	:	Steel Wires, Strands, Wire Ropes, Cord, Bright Bar, related accessories, etc.
Others	:	Jelly Filled Telecommunication Cables, Wire Drawing and allied machineries, etc.

Change in Segment Composition :

Based on a review of product portfolio of various segments, related risks and returns, business developments etc., Wire Drawing and allied machinery products, hitherto included in 'Wire and Wire Ropes' segment, have been identified with 'Others' segment with effect from this year. Accordingly previous year figures relating to 'Wire and Wire Ropes' and 'Others' segments have been regrouped / rearranged to conform to this year's presentation.

Segment Revenues, Results and Other Information

	Steel	Wire and Wire Ropes	Others	Total of Reportable Segment
External Revenue from Operations @	156,040 150,597	147,406 132,779	1,007 313	304,453 283,689
Inter Segment Revenue from Operations @	83,723 70,544	58 303	1,704 339	85,485 71,186
Other Income	807 1,148	1,476 371	237 -	2,520 1,519
Segment Revenues	240,570 222,289	148,940 133,453	2,948 652	392,458 356,394
Segment Results	20,558 8,129	14,910 15,600	(108) (291)	35,360 23,438
Segment Assets	547,783 444,822	122,412 116,947	12,992 8,784	683,187 570,553
Segment Liabilities	205,157 169,014	24,000 20,605	45 54	229,202 189,673
Capital Expenditure (Net)	97,444 60,855	5,043 13,484	- -	102,487 74,339
Depreciation and Amortisation	18,665 16,745	4,596 2,880	116 48	23,377 19,673
Non cash expenses other than depreciation and amortisation	12 135	11 9	107 -	130 144

@ Net of excise duty

Reconciliation of Reportable Segments with the Financial Statements

	Revenues	Results/Net Profit (Loss)	Assets	Liabilities #
Total of Reportable Segments	392,458 356,394	35,360 23,438	683,187 570,553	229,202 189,673
Corporate - Unallocated /Others (Net)	1,802 2,745	(1,651) (2,334)	24,768 38,816	324,261 266,609
Inter Segment Revenue from Operations	(85,485) (71,186)	- -	- -	- -
Finance Costs	-	(32,677) (25,485)	-	-
Tax expenses -Current Tax	-	(66) -	-	-
MAT Credit Entitlement	-	153 -	-	-
Tax expenses -Deferred Tax (Charge)/Credit	-	(414) 1,104	-	-
As per Financial Statements	308,775 287,953	705 (3,277)	707,955 609,369	553,463 456,282

Excluding Shareholders' Funds.

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

45. Segment Information for the year ended 31st March, 2013 (Contd.)

B. Secondary Segment Reporting (by Geographical Segments)

	Domestic	Exports	Total
Segment Revenue from external customers	255,621 237,000	51,352 48,208	306,973 285,208
Total Assets	683,187 570,553	- -	683,187 570,553
Capital Expenditure	102,487 74,339	- -	102,487 74,339

Figures in normal type relates to Previous Year.

46. Lease Commitments

(a) Operating Lease Commitments

The Company has two non-cancellable operating lease agreements both having a tenure of fifteen years, in connection with establishment and operation of plants, by the lessor, for production of gaseous oxygen to cater to the Company's Steel Plant at Jamshedpur. One of such agreements became operative in 2001-02 (Lease A) and the other one has become operative in 2007-08 (Lease B). During the year, both these agreements have been extended till 2026-27. The Company pays minimum lease rent and fixed, as well as, variable operating and maintenance charges for both the Leases.

In respect of Lease A, 30% of lease rent, fixed and variable operation and maintenance charges are escalated every quarter in the same proportion as increase in Wholesale Price Index published by the Reserve Bank of India in its bulletin (base period 1st August, 1999).

In respect of Lease B, 70% of lease rents and operation and maintenance charges are escalated every quarter in the same proportion as increase in Wholesale Price Index published by the Reserve Bank of India in its bulletin (base period 20th April, 2007).

The future minimum lease commitments of the Company relating to aforesaid leases are as follows:

	Lease Rent		Operation and Maintenance Charges	
	As at 31st March 2013	As at 31st March 2012	As at 31st March 2013	As at 31st March 2012
Up to one year	894	894	296	296
More than one year and up to five years	3,578	3,385	1,184	1,081
More than five years	7,112	3,500	2,797	875

The above amount is exclusive of taxes and duties and escalation charges. The Company has charged the following amount in the Statement of Profit and Loss on account of the aforesaid leases.

	Year ended 31st March 2013	Year ended 31st March 2012
Lease Rent	894	894
Operation and Maintenance Charges	296	296
Escalation Charges and Taxes	229	337
Total	1,419	1,527

- (b) The Company has entered into cancellable operating lease arrangements for taking on lease accommodation for office spaces, employees residential accommodation etc. Tenure of leases generally vary between 1 and 3 years. Terms of the lease include operating term for renewal, increase in rent in future periods and term of cancellation. Related lease rentals aggregating Rs. 554 (31st March, 2012 : Rs. 558) have been debited to the Statement of Profit and Loss.

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

47. Related party disclosures pursuant to Accounting Standard 18 prescribed under the Act.

(i) Related Parties	
(a) Where control exists :	
Name	Relationship
Usha Martin International Limited (UMIL)	Subsidiary
Usha Martin Americas Inc. (UMAI)	-do-
Usha Martin UK Limited (UMUK)	-do-
UMICOR Africa (Pty) Limited (UMICOR)	-do-
Usha Martin Vietnam Co. Limited (UMVCL)	-do-
Usha Martin Australia Pty Limited (UMAUS)	-do-
European Management and Marine Corporation Limited (EMMC)	-do-
EMM Caspian Limited (EMM Caspian)	-do-
Usha Siam Steel Industries Public Company Limited (USSIL)	-do-
Brunton Shaw UK Limited (BSUK)	-do-
Usha Martin Singapore Pte. Limited (UMSPL)	-do-
Brunton Wolf Wire Ropes FZCO. (BWWR)	-do-
P. T. Usha Martin Indonesia (PTUMI)	-do-
De Ruiter Staalkabel B.V. (De Ruiter)	-do-
Usha Martin Europe B.V. (UMEBV)	-do-
Usha Martin Italia S.R.L (UMISRL)	-do-
U M Cables Limited (UMCL)	-do-
Usha Martin Power and Resources Limited (UMPRL)	-do-
Bharat Minex Private Limited (BMPL)	-do-
(b) Others :	
Gustav Wolf Speciality Cords Limited (GWSCl)	Joint Venture Company
Pengg Usha Martin Wires Private Limited (PUMWPL)	-do-
CCL Usha Martin Stressing Systems Limited (CCLUMSSL)	-do-
Dove Airlines Private Limited (DAPL)	-do-
UMI Special Steel Limited (UMISSL) - (under liquidation)	Substantial Interest in voting power of the entity
Mr. Rajeev Jhavar, Managing Director	Key Management Personnel
Dr. P Bhattacharya, Joint Managing Director (up to 4th August, 2011)	-do-
Dr. Vijay Sharma, Joint Managing Director (Steel Business) #	-do-
Mr. P.K.Jain, Joint Managing Director (Wire & Wire Ropes Business) #	-do-
Mr. Brij K Jhavar	Relative of a Key Management Personnel
Mrs. Shanti Devi Jhavar	-do-
Mrs. Susmita Jhavar	-do-
Mrs. Vineeta Ruia	-do-
Ms. Stuti Jhavar	-do-
Ms. Shreya Jhavar	-do-
Ms. Amisha Jhavar	-do-

Executive Director up to 31st January, 2012.

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

47. Related party disclosures pursuant to Accounting Standard 18 prescribed under the Act. (contd.) (ii) Particulars of Transactions during the year ended 31st March, 2013

Name and Relationship	Transactions during the year										Balance outstanding at the year end								
	Sale of Products and Services	Purchase of Goods	Dividend Received	Dividend Paid	Interest Expenses (Income) (Net)	Directors' Remuneration	Brokerage and Discount on Sale of Products	Directors' Commission/ Incentive Paid (net of tax deducted at source)	Reimbursement/ (Recoveries) of Expenses (Net)	Rendering/ (Recoveries) of Management and other Services	Investment in Equity and Preference Shares	Loans/ Advances (taken)/ given (net)	Corporate Guarantees Given	Trade Receivables	Trade Payables/ Other Current Liabilities	Loans and Advances (Long-term / Short-term)	Other Current Assets	Investments in Equity and Preference Shares	
Substantial interest in voting power of the Company																			
UMISSL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*
Subsidiary Companies																			
UMIL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,181
UMAI	6,032	-	-	-	-	-	53	(2)	-	-	-	2,986	654	31	22	-	-	6,181	
UMUK	4,491	-	-	-	-	32	32	(73)	-	3	2,798	670	29	20	-	-	-	1,660	
UMVCL	6,505	145	-	-	-	40	40	1	-	-	-	2,241	28	-	-	-	-	-	
UMVCL	9,833	53	-	-	-	63	63	15	-	-	-	2,762	-	-	-	-	-	-	
UMVCL	206	-	-	-	-	-	-	*	-	-	-	62	-	-	-	-	-	-	
UMVCL	347	-	-	-	-	-	-	-	-	-	-	*	-	-	-	-	-	-	
UMVCL	2,635	-	-	-	-	3	3	(1)	-	-	-	1,089	-	-	-	-	-	-	
UMVCL	2,279	-	-	-	-	6	6	1	-	-	-	1,191	-	-	-	-	-	-	
UMVCL	-	-	-	-	-	-	-	*	-	-	-	-	-	-	-	-	-	4	
UMVCL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	
UMVCL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	
UMVCL	6,279	-	-	-	(62)	-	-	(22)	-	-	267	2,140	3,872	-	520	-	-	2,620	
UMVCL	3,320	105	-	-	(57)	-	1	(2)	-	85	226	1,001	2,863	-	254	-	-	4,171	
UMVCL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	823	-	-	2,620	
UMVCL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
UMVCL	9,928	-	-	-	-	14	14	68	-	-	-	4,905	2,994	-	-	-	-	268	
UMVCL	9,019	-	-	-	-	52	52	*	-	-	-	2,563	2,563	-	-	-	-	268	
UMVCL	10,173	-	298	-	-	-	-	6	-	-	-	1,693	2,304	-	6	-	-	1,777	
UMVCL	8,354	-	199	-	-	-	-	40	-	2	-	1,827	1,410	-	2	-	-	1,777	
UMVCL	846	-	-	-	-	-	-	-	-	-	-	-	239	-	-	-	-	-	
UMVCL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
UMVCL	32	1	116	-	(182)	-	-	(5)	-	4,500	4,500	-	8	-	4,504	-	-	3,771	
UMVCL	25	3	-	-	5	-	-	(16)	-	-	-	-	7	-	-	-	-	4,171	
Total	42,636	146	414	-	(244)	-	110	45	-	(400)	4,767	11,724	13,463	59	5,995	-	-	16,281	
	37,668	161	199	-	(52)	-	154	(35)	-	-	316	5,626	11,466	29	1,099	-	-	16,692	

* Amount is below the rounding off norm adopted by the Company.

Refer Note 14.

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

47. Related party disclosures pursuant to Accounting Standard 18 prescribed under the Act. (contd.)

(i) Particulars of Transactions during the year ended 31st March, 2013

Name and Relationship	Transactions during the year										Balance outstanding at the year end							
	Sale of Products and Services	Purchase of Goods	Dividend Received	Dividend Paid	Interest Expenses/(Income) (Net)	Directors' Remuneration	Brokerage and Discount on Sale of Products	Directors' Commission/ Incentive Paid (net of tax deducted at source)	Reimbursement/(Recoveries) of Expenses (Net)	Rendering/ (Recoveries) of Management and other Services	Investment in Equity and Preference Shares	Loans/ Advances (taken)/ given (net)	Corporate Guarantees Given	Trade Receivables	Trade Payables/ Other Current Liabilities	Loans and Advances (Long-term / Short-term)	Other Current Assets	Investments in Equity and Preference Shares
Joint Venture Company																		
GWSSCL	-	-	-	-	-	-	-	-	-	37	-	-	-	-	438	-	-	73
PUMWPL	2,029	*	*	*	-	-	-	-	40	21	-	-	-	865	187	-	-	73
CCLUMSSL	-	-	-	-	-	-	-	-	(582)	164	-	-	1,154	924	-	-	-	1,520
	-	-	-	-	-	-	-	(523)	200	-	-	-	940	-	-	-	-	1,520
DAPL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47
Total	2,029	*	*	*	(3)	(3)	(3)	(129)	201	221	-	75	1,154	865	439	5	5	1,949
	2,098	*	*	*	(3)	(3)	9	9	221	221	-	75	1,153	924	187	5	5	1,965

Key Management Personnel and Relatives

Mr. Rajeev Jhavar	-	-	-	-	-	107	-	-	-	-	-	-	-	-	-	-	-	-
Dr. P. Bhattacharya	-	-	-	3	-	99	-	219	-	-	-	-	-	-	3	-	-	-
Mr. Bijl K. Jhavar	-	-	-	*	-	47	-	110	-	-	-	-	-	-	-	-	-	-
Mrs. Shanti Devi Jhavar	-	-	-	7	-	*	-	7	-	-	-	-	-	-	-	-	-	-
Mrs. Susmita Jhavar	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. Sruji Jhavar	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. Shreya Jhavar	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. Amisha Jhavar	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. P. K. Jain	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dr. Vijay Sharma	-	-	-	183	-	157	-	23	-	-	-	-	-	-	30	-	-	-
Mrs. Vineeta Rulia	-	-	-	250	-	215	-	32	-	-	-	-	-	-	42	-	-	-
Total	-	-	-	19	-	540	-	391	-	-	-	-	-	-	75	-	-	-

* Amount is below the rounding off norm adopted by the Company.

(iii) Figures in normal font relates to previous year. # Refer Note 14.

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

48. Disclosure in respect of Joint Ventures

(a) Details of Joint Ventures

Name of Joint Venture	Country of Incorporation	Description of Interest	Proportion of Ownership Interest	
			As at 31st March, 2013	As at 31st March, 2012
Pengg Usha Martin Wires Private Limited (PUMWPL)	India	Jointly Controlled Entity	40%	40%
Gustav Wolf Speciality Cords Limited (GWSCCL)	India	Jointly Controlled Entity	49%	49%
CCL Usha Martin Stressing Systems Limited (CCLUMSSL)	India	Jointly Controlled Entity	49.99%	49.99%
Dove Airlines Private Limited (DAPL)	India	Jointly Controlled Entity	50%	50%

(b) The Company's Financial Interest in the aforesaid Joint Venture companies are set out below :

	PUMWPL	GWSCCL	CCLUMSSL	DAPL
ASSETS as at 31st March, 2013				
Tangible Assets	1,754	-	-	486
	1,625	-	-	581
Intangible Assets	1	-	-	-
	2	-	-	-
Capital Work-in-Progress	*	-	-	-
	53	-	-	-
Long-term Loans and Advances	51	-	-	2
	21	-	-	1
Other Non-current Assets	46	-	-	12
	-	-	-	-
Inventories	428	-	-	-
	399	-	-	-
Trade Receivables	467	-	-	12
	386	158	-	13
Cash and Bank Balances	2	44	30	5
	3	12	28	17
Short-term Loans and Advances	129	235	1	80
	172	108	1	67
Other Current Assets	21	-	1	1
	-	-	1	2
Total	2,899	279	32	598
	2,661	278	30	681
LIABILITIES as at 31st March, 2013				
Long-term Borrowings	613	-	-	-
	420	-	-	-
Deferred Tax Liabilities (Net)	-	-	-	28
	-	-	-	21
Other Long-term Liabilities	-	-	-	5
	-	-	-	5
Long-term Provisions	14	-	-	-
	9	-	-	-
Short-term Borrowings	291	80	-	-
	288	80	-	-
Trade Payable	431	83	*	10
	369	77	*	8
Other Current Liabilities	246	1	*	2
	244	2	*	111
Short-term Provisions	12	14	*	58
	8	14	*	53
Total	1,607	178	*	103
	1,338	173	*	198

* Amount is below the rounding off norm adopted by the Company.

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

48. Disclosure in respect of Joint Ventures (Contd)

	PUMWPL	GWSCL	CCLUMSSL	DAPL
INCOME for the year ended 31st March, 2013				
Revenue from operations (Net of Excise Duty)	1,727	18	-	457
	1,584	30	-	488
Other Income	6	-	3	1
	3	5	2	6
Total	1,733	18	3	458
	1,587	35	2	494
EXPENSES for the year ended 31st March, 2013				
Cost of Materials Consumed	965	-	-	-
	920	-	-	-
Change in inventories of Finished Goods, Work-in-progress and Stock-in-trade and Scrap	17	-	-	-
	(59)	-	-	-
Employees Benefits Expense	75	-	-	73
	60	-	-	70
Finance Costs	102	*	*	4
	71	-	-	42
Depreciation and Amortisation Expense	139	-	-	95
	98	-	2	113
Other Expenses	466	22	1	262
	437	13	3	137
Tax expenses - Current Tax	-	-	-	5
	-	2	-	26
Tax expenses - Deferred Tax Charge/(Credit)	-	-	-	7
	-	-	-	21
Total	1,764	22	1	446
	1,527	15	5	409
Share of estimated outstanding Capital Commitments	-	-	-	-
	115	-	-	-

(c) Figures in normal type relate to previous year

* Amount is below the rounding off norm adopted by the Company.

49. Disclosure pursuant to SEBI's circular No. SMD/POLICY/CIR-02/2003

I.	Name	Classification
	Bharat Minex Private Limited	a
	Rs.520	b, e
	Rs.520	d
	Usha Siam Steel Industries Public Company Limited	a
	Rs. 943	b, e
	Rs. 943	d
	Usha Martin Americas Inc.	a
	Rs.22	c
	Rs.22	d
	Brunton Wolf Wire Ropes FZCO.	a
	Rs. 6	c
	Rs. 6	d
	U M Cables Limited	a
	Rs. 4,504	b
	Rs. 4,504	d

Legends to classification :-

a - denotes Subsidiaries;

b - denotes Loans outstanding as at 31st March, 2013

c - denotes amount due on account of accrued interest, management service charges and recovery of expenses outstanding as at 31st March, 2013

d - denotes maximum amount outstanding during the year ended 31st March, 2013

e - denotes no repayment schedule or repayment beyond seven years.

II. In view of voluminous data furnishing of particulars such as name, amount outstanding at the year end and maximum amount outstanding during the year in respect of loans and advances in the nature of loan given to employees for medical, furniture, housing, vehicle etc. with interest rate varying from 0 - 6 per cent and repayment terms varying from 1 - 10 years is not considered practicable. Aggregate amount of such advances and loans outstanding at the year end is Rs. 131 (31st March, 2012 : Rs.124).

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

50. During the year, the management has identified fraudulent encashment of four cheques aggregating Rs.9 from one of the bank accounts of the Company, which have since been fully recovered from the concerned bank upon lodgement of claim.

51. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

(a) Derivative Instrument outstanding as at the reporting date

Particulars	Purpose	As at 31st March, 2013			As at 31st March, 2012		
		Currency	Amount in Foreign Currency	Amount	Currency	Amount in Foreign Currency	Amount
Forward Contracts	Hedge of Foreign Currency Payables	USD	37,154,345	20,169	USD	28,774,841	14,638
	Hedge of Foreign Currency Receivable	USD	3,141,214	1,705	-	-	-
	Hedge of Foreign Currency Receivable	AUD	375,750	213	-	-	-
Interest Rate Swaps	Hedge of Floating Interest Rate on Foreign Currency	USD	60,000,000	32,571	USD	94,250,000	47,945
Option	Hedge of Foreign Currency Loan	USD	60,000,000	32,571	USD	94,250,000	47,945
	Hedge of Foreign Currency Payables	USD	38,060,000	20,661	USD	43,800,000	22,281

(b) Particulars of unhedged foreign currency exposure as at the reporting date

Particulars	As at 31st March, 2013			As at 31st March, 2012		
	Currency	Amount in Foreign Currency	Amount	Currency	Amount in Foreign Currency	Amount
Loans Payable	USD	125,000,000	67,856	USD	125,000,000	63,588
Loan Receivables	THB	50,000,000	927	THB	50,000,000	822
Payables	USD	13,398,061	7,273	USD	23,872,375	12,144
Payables	EURO	782,199	544	EURO	251,010	170
Payables	GBP	84,792	70	GBP	46,810	38
Payables	JPY	11,312,000	65	-	-	-
Payables	SEK	580,981	46	-	-	-
Receivables	-	-	-	SEK	262,335	20
Receivables	USD	24,880,996	13,507	USD	23,699,318	12,056
Receivables	EURO	399,369	278	EURO	279,032	189
Receivables	GBP	712,132	586	GBP	254,619	207
Receivables	AUD	128,339	73	AUD	863,240	457

	2012-2013	2011-2012
(c) Mark-to-Market losses provided for	12	-

52. The following table includes the classification of investments in accordance with AS-13 : Accounting for Investments

	As at 31st March, 2013	As at 31st March, 2012
Long Term Investments		
Usha Martin International Limited 59,09,388 (31st March, 2012 : 59,09,388) Ordinary Shares of GBP 1 each fully paid	6,181	6,181
Usha Siam Steel Industries Public Company Limited 1,32,00,000 (31st March, 2012 : 1,32,00,000) Ordinary Shares of Thai Baht 10 each fully paid	2,620	2,620
Usha Martin Singapore Pte Limited 10,00,000 (31st March, 2012 : 10,00,000) Ordinary Shares of SGD 1 each fully paid	268	268
Brunton Wolf Wire Ropes, FZCO 114 (31st March, 2012 : 114) Ordinary Shares of AED 1,00,000 each fully paid	1,777	1,777
Usha Martin Americas Inc 40,00,000 (31st March, 2012 : 40,00,000) Shares of USD 1 each fully paid	1,660	1,660
UMICOR Africa (Proprietary) Limited [under liquidation ; Refer Note 14(a)] 30,44,451 (31st March, 2012 : 30,44,451) Ordinary Shares of Rand 1 each fully paid	-	-
U M Cables Limited 1,11,29,660 (31st March, 2012 : 1,11,29,660) Equity Shares of Rs.10/- each fully paid	1,271	1,271
Usha Martin Power and Resources Limited 49,940 (31st March, 2012 : 49,940) Equity Shares of Rs. 10/- each fully paid [Net of provision for other than temporary diminution amounting to Re.1 (31st March, 2012 : Nil)]	4	5

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

52. The following table includes the classification of investments in accordance with AS-13 : Accounting for Investments (Contd.)

	As at 31st March, 2013	As at 31st March, 2012
Bharat Minex Private Limited 2,00,000 (31st March, 2012 : 2,00,000) Equity Shares of Rs. 10/- each fully paid [Net of provision for other than temporary diminution amounting to Rs. 10 (31st March, 2012: Nil)]	-	10
Pengg Usha Martin Wires Private Limited 1,08,00,000 (31st March, 2012 : 1,08,00,000) Equity Shares of Rs.10/- each fully paid	1,080	1,080
Gustav Wolf Speciality Cords Limited 73,500 (31st March, 2012 : 73,500) Equity Shares of Rs.10/- each fully paid up	73	73
CCL Usha Martin Stressing Systems Limited 4,73,195 (31st March, 2012 : 4,73,195) Equity Shares of Rs.10/- each fully paid up [Net of provision for other than temporary diminution amounting to Rs. 16 (31st March, 2012: Nil)]	31	47
Dove Airlines Private Limited 10,38,000 (31st March, 2012 : 10,38,000) Equity Shares of Rs.10/- each fully paid	325	325
U M Cables Limited 25,00,000 (31st March, 2012 : 29,00,000) 2% Redeemable Cumulative Preference Shares of Rs.100/- each fully paid	2,500	2,900
Pengg Usha Martin Wires Private Limited 4,40,000 (31st March, 2012 : 4,40,000) 0.50% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid	440	440
Adityapur Toll Bridge Company Limited 1,00,000 (31st March, 2012 : 1,00,000) Equity Shares of Rs.10/- each fully paid	10	10
Adityapur Auto Cluster 1,000 (31st March, 2012 : Nil) Equity Shares of Rs.1000/- each fully paid	10	-
Usha Communications Technology Limited BVI 1,21,10,242 (31st March, 2012 : 1,21,10,242) Ordinary Shares of USD 0.50 each fully paid	28	28
UMI Special Steel Limited (under liquidation) 1,80,68,472 (31st March, 2012 : 1,80,68,472) Equity Shares of Rs.10/- each fully paid [At cost less write-down - Rs.327 (31st March, 2012 : Rs.327)]	*	*
Total	18,278	18,695
Total Investments (Current and Long Term)	18,278	18,695
Disclosed Under :		
Non Current Investments (Refer Note 14)	17,478	18,695
Current Investment (Refer Note 17)	800	-
Totalv	18,278	18,695

* Amount is below rounding off norm adopted by the Company.

53. The previous year figures have been reclassified where considered necessary to conform to this year's classification.

Signature to Note '1' to '53'.

For PRICE WATERHOUSE

Firm Registration Number : 301112E
Chartered Accountants

(P. Law)

Partner
Membership No. 51790

Place : Kolkata
Date : 9th May, 2013

P. Jhwar
Chairman

R. Jhwar
Managing Director

A. K. Somani
Company Secretary

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Usha Martin Limited

1. We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of Usha Martin Limited ("the Company") and its subsidiaries and jointly controlled entities; hereinafter referred to as the "Group" (refer Note 2 to the attached consolidated financial statements) which comprise the consolidated Balance Sheet as at March 31, 2013 and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements and AS 27 – Financial Reporting of Interests in Joint Ventures notified under Section 211(3C) of the Companies Act, 1956.
7. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group as referred to in paragraph 8 below, and to the best of our information and according to the explanations given to us, in our opinion, the accompanying consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
 - (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

8. We did not audit the financial statements of eight subsidiaries and four jointly controlled entities included in the consolidated financial statements, which constitute total assets of Rs. 1,15,204 lakhs and net assets of Rs 80,527 lakhs as at March 31, 2013, total revenue of Rs. 1,02,290 lakhs, net profit of Rs 9,198 lakhs and net cash flows amounting to Rs. 4,847 lakhs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

For Price Waterhouse

Firm Registration Number: 301112E

Chartered Accountants

P.Law

Partner

Membership Number 51790

Kolkata
May 9, 2013

Consolidated Balance Sheet of Usha Martin Limited and its Subsidiaries as at 31st March 2013

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note No.	As at 31st March 2013	As at 31st March 2012
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	3,054	3,054
Reserves and Surplus	4	190,474	179,907
		193,528	182,961
Minority Interest			
		2,296	2,150
Non-current Liabilities			
Long-term Borrowings	5	232,635	200,947
Deferred Tax Liabilities (Net)	6	21,688	21,228
Other Long-term Liabilities	7	50,170	41,130
Long-term Provisions	8	4,484	3,241
		308,977	266,546
Current Liabilities			
Short-term Borrowings	9	50,337	29,417
Trade Payables	10	153,706	146,105
Other Current Liabilities	11	73,418	41,201
Short-term Provisions	12	1,627	701
		279,088	217,424
TOTAL		783,889	669,081
Assets			
Non-current Assets			
Fixed Assets			
Tangible Assets	13A	358,300	315,826
Intangible Assets	13B	5,845	5,896
Capital Work-in-progress	13C	129,381	77,151
Non-current Investments	14	48	38
Long-term Loans and Advances	15	25,129	20,392
Other Non-current Assets	16	730	2,026
Deferred Tax Assets (Net)	17	136	89
		519,569	421,418
Current Assets			
Inventories	18	162,994	148,193
Trade Receivables	19	57,968	42,761
Cash and Bank Balances	20	18,370	36,224
Short-term Loans and Advances	21	17,269	14,958
Other Current Assets	22	7,719	5,527
		264,320	247,663
TOTAL		783,889	669,081

This is the Consolidated Balance Sheet referred to in our report of even date.

The notes are an integral part of the financial statements.

For PRICE WATERHOUSE

Firm Registration Number : 301112E
Chartered Accountants

(P. Law)

Partner
Membership No. 51790

Place : Kolkata
Date : 9th May, 2013

P. Jhavar
Chairman

R. Jhavar
Managing Director

A. K. Somani
Company Secretary

Consolidated Statement of Profit and Loss of Usha Martin Limited and its Subsidiaries for the year ended 31st March 2013

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note No.	Year ended 31st March 2013	Year ended 31st March 2012
Income			
Sale of Products		381,822	351,964
Sale of Services		2,597	1,599
Other Operating Revenue		9,108	7,911
Revenue from Operations (Gross)		393,527	361,474
Less: Excise Duty		31,344	25,392
Revenue from Operations (Net)		362,183	336,082
Other Income	25	8,908	6,394
Total Revenue		371,091	342,476
Expenses			
Cost of Materials Consumed	26	144,916	158,644
Purchases of Stock-in-trade		482	508
Changes in inventories of Finished Goods, Work-in-progress, Stock-in-trade and Scrap	27	(13,657)	(24,474)
Employees Benefits Expense	28	28,543	23,841
Finance Costs	29	33,786	26,365
Depreciation and Amortisation Expense	30	26,384	22,271
Other Expenses	31	142,791	134,711
Adjustment for Items Capitalised and Departmental Orders for own consumption		(2,504)	(530)
Total Expenses		360,741	341,336
Profit before Exceptional and Extraordinary items, Tax and Minority Interest		10,350	1,140
Exceptional items		-	-
Profit before Extraordinary items, Tax and Minority interest		10,350	1,140
Extraordinary items		-	-
Profit before Tax and Minority interest		10,350	1,140
Tax Expenses			
Current Tax		1,954	1,747
Less : MAT Credit Entitlement		(153)	-
Excess Provision of Current Tax [including Fringe Benefit Tax Rs.2 (Previous Year Rs.Nil)] relating to earlier years written back		(87)	-
Deferred Tax Charge / (Credit)		410	(1,269)
Profit for the period before Minority Interest		8,226	662
Minority Interest		342	301
Profit for the period		7,884	361
Earning per Equity Share [Nominal Value per Share Re. 1/- (31st March 2012 Re. 1/-)]	32		
Basic		2.59	0.12
Diluted		2.59	0.12

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

The notes are an integral part of the financial statements.

For PRICE WATERHOUSE

Firm Registration Number : 301112E
Chartered Accountants

P. Jhawar
Chairman

(P. Law)

Partner
Membership No. 51790

R. Jhawar
Managing Director

Place : Kolkata
Date : 9th May, 2013

A. K. Somani
Company Secretary

Consolidated Cash Flow Statements for the year ended 31st March, 2013

(All amounts in Rs. Lakhs, unless otherwise stated)

	Year ended 31st March, 2013	Year ended 31st March, 2012
A. Cash Flow from Operating Activities		
Profit/(Loss) before taxation	10,350	1,140
Adjustment for:		
Depreciation and Amortisation Expense	26,384	22,271
Impairment Loss on Tangible Assets	-	31
Profit on sale of Tangible Assets (Net)	(34)	-
Loss on sale of Tangible Assets (Net)	-	93
Interest Income	(859)	(199)
Dividend received from Current Investments - Other than Trade	(195)	(20)
Finance Costs	33,786	26,365
Unrealised Foreign Currency (gains)/losses (Net)	(686)	3,718
Unrealised Derivative gains (Net)	(1,389)	(2,851)
Effect of change in Foreign Exchange Translation	1,773	2,601
Provision for Doubtful Debts and Advances	71	217
Provision for slow moving items and diminution in realisable value	87	249
Provision no longer required written back	(314)	(251)
Liabilities no longer required written back	(947)	(689)
Bad Debt/Advances written off	135	95
Tangible Assets written off	2	42
Operating profit before working capital changes	68,164	52,812
Changes in Working Capital:		
Increase in Trade Payable	8,625	36,609
Increase in Long-term Provisions	302	287
Increase in Short-term Provisions	402	184
Increase in Other Current Liabilities	969	1,716
(Decrease) in Other Long-term Liabilities	(43)	(6)
(Increase)/Decrease in Trade Receivables	(15,047)	1,234
(Increase) in Inventories	(14,888)	(29,059)
(Increase)/ Decrease in Long Term Loans and Advances	(343)	2
Decrease in Other Non-Current Assets	1,508	17
(Increase) in Short-term Loans and Advances	(1,358)	(1,725)
(Increase)/ Decrease in Other Bank balances	226	(410)
(Increase) in Other Current Assets	(2,785)	(725)
	(22,432)	8,124
Cash generated from operations	45,732	60,936
Direct tax paid	(2,821)	(3,585)
Net cash generated from operating activities	42,911	57,351
B. Cash flow from Investing Activities:		
Purchase of Tangible and Intangibles Assets [Refer (b) below]	(85,291)	(72,357)
Sale of Tangible Assets	308	694
Purchase of Long-term Investments	(10)	-
Advance against purchase of Land	-	(101)
Refund receipt of Inter Corporate Loans Given	-	37
Interest Income received	700	201
Placement of fund in long-term deposits with bank having maturity of more than 3 months but less than 12 months	(12,108)	(15,900)
Realisation of long-term deposits with bank having maturity of more than 3 months but less than 12 months	15,900	-
Dividend received from Current Investments - Other than Trade	195	20
Net cash used in investing activities	(80,306)	(87,406)

Consolidated Cash Flow Statements for the year ended 31st March, 2013

(All amounts in Rs. Lakhs, unless otherwise stated)

	Year ended 31st March, 2013	Year ended 31st March, 2012
C. Cash flow from Financing Activities		
Long-term Borrowings - Receipts	37,262	59,339
Short-term Borrowings - Receipts	20,918	5,786
Finance Costs paid	(33,673)	(25,882)
Dividend paid (including tax thereon Rs. 18 ; Previous Year Rs. 485)	(23)	(3,520)
Dividend paid by a subsidiary Company to Minority Shareholders	(197)	(143)
Net Cash from Financing Activities	24,287	35,580
Net (increase) / decrease in cash and cash equivalents during the year	(13,108)	5,525
D. Exchange differences on Translation of Foreign Currency Cash and Cash Equivalent	(728)	(381)
	(13,836)	5,144
Cash and Cash equivalents at the beginning of the year	19,470	14,326
Cash and Cash equivalents at the end of the year	5,634	19,470
Cash and cash equivalents comprises of:		
Cash on hand	41	19
Cheques, Drafts on hand	103	281
Remittance in transit	40	158
Balance with Banks		
In Current accounts	5,361	9,139
In Unclaimed Dividend Accounts [Refer (c) below]	64	69
Demand deposits (less than 3 months maturity)	25	9,804
	5,634	19,470

- (a) The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statements prescribed under the Companies Act, 1956 of India.
- (b) Includes interest expense capitalised Rs.5,713 (Previous Year : Rs.1,236) which is net of interest income Rs.1,034 (Previous Year : Rs.2,940) from deposits out of project funds pending utilisation.
- (c) Earmarked for payment of unclaimed dividend.
- (d) Refer Note 43.

This is the Cash Flow Statement referred to in our report of even date.

For PRICE WATERHOUSE

Firm Registration Number : 301112E
Chartered Accountants

(P. Law)

Partner
Membership No. 51790

Place : Kolkata
Date : 9th May, 2013

P. Jhavar
Chairman

R. Jhavar
Managing Director

A. K. Somani
Company Secretary

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

1. Summary of significant accounting policies

1.1 Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis except for certain tangible assets which are being considered at revalued amounts and also to comply in all material aspects, with the applicable accounting standards notified under Section 211 (3C) of the Companies Act, 1956 (the Act).

All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle and other criteria set out in the revised Schedule VI to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of classification of current and non-current assets and liabilities.

1.2 Fixed Assets

(a) Tangible Assets

Tangible Assets are stated at cost or revalued amount net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises cost of acquisition, construction and subsequent improvements thereto including taxes and duties (net of credits and draw backs), freight and other incidental expenses related to acquisition and installation. Preoperative expenses, where appropriate, are capitalised till the commercial use of the assets.

(b) Intangible Assets

Intangible Assets are stated at cost of acquisition net of accumulated amortisation and accumulated impairment losses, if any. Cost comprises cost of acquisition and subsequent improvements thereto including taxes and duties (net of credits and drawbacks) and other incidental expenses etc. related to acquisition and installation.

(c) Capital Work-in-progress

Capital Work-in-progress are stated at cost and inclusive of preoperative expenses, project development expenses etc.

1.3 Depreciation and Amortisation

- (a) Depreciation (including amortisation) is provided on Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956 other than the following :

- Certain items of Plant and Machinery - 20%
- Computer Softwares - 20% - 50%

In respect of assets existing as on 16th December, 1993, the specified period has been recomputed in terms of the Notification No.GSR 756E dated 16th December, 1993 read with Circular No.14/93 dated 20th December, 1993 with respect to revised rates and depreciation has been provided by allocating net book value of fixed assets as at the beginning of the year over the remaining recomputed lives of respective assets.

- (b) Leasehold Land is amortised over the tenure of respective leases.
(c) Mining Lease and Development is amortised over the tenure of

lease or estimated useful life of the mine, whichever is shorter.

- (d) In case of certain subsidiaries and a joint venture company, depreciation is provided under "Reducing Balance Method" and/or "Straight Line Method" at the following rates which are different from those applied by the Parent Company:

Class of Assets	Reducing Balance Method	Straight Line Method
Land and Site Development - Leasehold		20%
Buildings		2% - 5%, 10%
Plant and Machinery		7% - 10%, 20%
Furniture and Fitting	10% - 25%	10%, 15%, 25%
Office Equipment	10% - 25%	10% - 12.5%, 25%, 100%
Vehicles	25.89%	10% - 25%
Aircraft	16.20%	
Computer	40%	

1.4 Borrowing Cost

Borrowing Cost attributable to the acquisition and construction of qualifying assets (ie. assets that necessarily take a substantial period of time to get ready for their intended use) are added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are recognised as expenses in the period in which these are incurred.

1.5 Impairment Loss

An impairment loss, if any, is recognised wherever the carrying amount of the fixed assets exceeds the recoverable amount i.e. the higher of the assets' net selling price and value in use.

1.6 Investments

Investments that are readily realisable and are intended to be held for not more than one year are classified as current investments and are carried at lower of cost and fair value. All other investments are classified as long term investments and are stated at cost. However diminution in carrying amount, other than temporary, is either written down or provided for and netted off against the cost.

1.7 Inventories

Inventories other than scrap are valued at lower of cost and estimated net realisable value. Cost is determined on Weighted Average basis other than in case of two foreign subsidiaries which follow specific identification method for determining cost. Scrap is valued at estimated net realisable value.

1.8 Transactions in Foreign Currencies

Initial Recognition

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction.

Subsequent Recognition

At the reporting date, foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate. With respect to long-term foreign currency monetary items, from 1st

April, 2011 onwards, the Group has adopted the following policy:

- (a) Foreign exchange difference on account of a depreciable asset, is adjusted in the cost of depreciable asset, which would be depreciated over the balance life of the asset.
- (b) In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of such long term asset/liability.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability expressed in a foreign currency has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement/settlement of all other monetary items are recognised in the Statement of Profit and Loss.

1.9 Derivative Instruments and Hedge Accounting

The Group uses derivative financial instruments such as foreign exchange contracts, currency swaps, option contracts, interest rate swaps etc. to hedge its exposure to movements in foreign exchange rates and interest rates relating to the underlying transactions, highly probable forecast transactions and firm commitments.

Effective 1st April, 2009 the Group adopted Accounting Standard 30, "Financial Instruments: Recognition and Measurement" issued by The Institute of Chartered Accountants of India (ICAI) to the extent the adoption does not contradict with existing Accounting Standards and other authoritative pronouncements of the Companies Act, 1956 of India and other regulatory requirements.

For option contracts and interest rate swaps that are designated as effective cash flow hedges, the gain or loss from the effective portion of the hedge is recorded and reported directly in reserves (under the "Hedging Reserve Account") and are reclassified into the Statement of Profit and Loss upon the occurrence of the hedged transactions.

The Group recognises gains or losses from changes in fair values of option contracts and interest rate swaps that are not designated as effective cash flow hedges in the Statement of Profit and Loss in the period in which they arise. In respect of forward exchange contracts with underlying transactions, the premium or discount arising at the inception of such contract is amortised as expenses or accounted for as income over the life of contracts.

Other Derivative contracts outstanding at the Balance Sheet date are marked to market and resulting net loss, if any, is provided for in the financial statements.

Any profit or loss arising on cancellation of derivative instruments are recognised as income or expenses for the period.

1.10 Revenue Recognition

Sale of Goods: Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates, sales taxes but including excise duties.

Sale of Services: Sales are recognised upon the rendering of services and are recognised net of service tax.

Other items are recognised on accrual basis.

1.11 Other Income

Interest: Interest income is generally recognised on a time proportion basis taking into account the amount outstanding and the rate applicable, when there is reasonable certainty as to realisation.

Dividend: Dividend income is recognised when the right to receive dividend is established.

All other items are recognised on accrual basis.

1.12 Employees Benefits

(a) Short-term Employee Benefits :

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

(b) Post Employment Benefit Plans :

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the year.

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method (PUCM), with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets where such plans are funded. Measurement of any assets resulting from this calculation is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the scheme.

(c) Other Long-term Employment Benefits (unfunded)

The cost of providing long-term employee benefits is determined using PUCM with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Other long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

1.13 Research and Development expenditure

Revenue expenditure on Research and Development (R & D) is charged in the year in which it is incurred. Capital Expenditure for R & D are capitalised.

1.14 Government Grants

(a) Government grants of the nature of promoters' contribution are credited to Capital Reserve.

(b) Government grants related to specific fixed assets are deducted from gross values of related assets in arriving at their book values.

- (c) Government grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with their related costs.

1.15 Taxation

Current Tax in respect of taxable income is provided for the year based on applicable tax rates and laws. Deferred tax is recognised subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date to reassess realisation.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets and liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax Credit is recognised as an asset only when and to the extent there is convincing evidence that the respective entity of the Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the respective entity of the Group will pay normal income tax during the specified period.

1.16 Provision and contingent liabilities

The Group recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or there is a present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

1.17 Leases

Leases in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a systematic basis over the period of lease.

1.18 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Further, inter-segment revenues have been accounted for based on prices normally negotiated between the segments with reference to the costs, market prices and business risks, within an overall optimisation objective for the Group. Revenue and

expenses have been identified with segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Corporate-Unallocated/Others (Net)".

1.19 Cash and Cash Equivalents

In the Cash Flow Statement, cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments, if any, with original maturities of three months or less.

1.20 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit or loss for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.21 Consolidation

(i) Consolidated Financial Statements relate to Usha Martin Limited, the Parent Company and its subsidiaries (the Group). The Consolidated Financial Statements are in conformity with the Accounting Standard (AS) - 21 on Consolidated Financial Statements, prescribed under the Act and are prepared as set out below :

- (a) The financial statements of the Parent Company and its subsidiaries have been combined on a line by line basis by adding together book values of like items of assets, liabilities, income and expenses, after adjustments / elimination of inter-company balances and transactions including unrealised profits on inventories etc.
- (b) The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respect and are presented to the extent possible, in the same manner as the Parent Company's separate financial statements.
- (c) The excess of cost to the Parent Company of its investment in the subsidiaries over the Parent's portion of equity of the subsidiaries at the dates they became subsidiaries is recognised in the financial statements as goodwill.
- (d) Minority interest in the consolidated financial statements is identified and recognised after taking into consideration :
 - The amount of equity attributable to minorities at the date on which investments in a subsidiary is made.
 - The minorities' share of movement in equity since the date

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

parent - subsidiary relationship came into existence.

-Adjustment of the losses attributable to the minorities against the minority interest in the equity of the subsidiaries and thereafter adjustment of the excess of loss, if any, over the minority interest in the equity against the majority interest.

- (e) The results of operations of subsidiary with which parent-subsidiary relationship ceases to exist are included in the consolidated financial statements until the date of cessation of the relationship.
- (f) The translation of the functional currencies into Indian Rupees (reporting currency) is performed for assets and liabilities

using the closing exchange rates at the Balance Sheet date, for revenues and costs and expenses using average exchange rates prevailing during the year. The resultant exchange difference arising out of such transactions is recognised as part of equity (Foreign Currency Translation Adjustment Account) by the Parent Company until the disposal of investment.

- (ii) Investments in Joint Ventures (i.e. jointly controlled entities) are accounted for in accordance with AS-27 on Financial Reporting of Interest in Joint Ventures, prescribed under the Act, using proportionate consolidation principles based on the financial statements of the respective entities.

2. (a) The Consolidated Financial Statements comprise the financial statements of the Parent Company and its subsidiaries and joint venture companies as detailed below :

	Name of the Company	Country of Incorporation	Proportionate Ownership Interest	
			As at 31st March, 2013	As at 31st March, 2012
(i) Subsidiary				
Domestic:				
	U M Cables Limited	India	100%	100%
	Usha Martin Power and Resources Limited	India	99.88%	99.88%
	Bharat Minex Private Limited	India	100%	100%
Overseas:				
	Usha Martin International Limited [Note (b) below]	United Kingdom	92%	100%
	Usha Martin UK Limited@	United Kingdom	100%	100%
	European Management and Marine Corporation Limited@	United Kingdom	100%	100%
	EMM Caspian Limited@	United Kingdom	100%	100%
	Brunton Shaw UK Limited@	United Kingdom	100%	100%
	De Ruiters Staalkabel B.V. @	Netherlands	100%	100%
	Usha Martin Europe B.V. [Note (c) below]@	Netherlands	100%	-
	Usha Martin Italia S.R.L. [Note (d) below]@	Italy	100%	-
	Brunton Wolf Wire Ropes FZCO.	United Arab Emirates, Dubai	60%	60%
	Usha Martin Americas Inc.	United States of America	100%	100%
	Usha Siam Steel Industries Public Company Limited	Thailand	97.98%	97.98%
	Usha Martin Singapore Pte. Limited	Singapore	100%	100%
	Usha Martin Australia Pty Limited@	Australia	100%	100%
	Usha Martin Vietnam Company Limited @	Vietnam	100%	100%
	PT Usha Martin Indonesia @	Indonesia	100%	100%
(ii) Joint Venture Company				
	Gustav Wolf Speciality Cords Limited (GWSCL)	India	49%	49%
	Pengg Usha Martin Wires Private Limited (PUMWPL)	India	40%	40%
	CCL Usha Martin Stressing Systems Limited (CCLUMSSL)	India	49.99%	49.99%
	Dove Airlines Private Limited (DAPL)	India	50%	50%
	Tesac Usha Wire Rope Company Limited (TUWCL) [Note (e) below]	Thailand	50%	-

@ Represents step-down subsidiary.

- (b) During the year, Usha Martin International Limited (UMIL), a subsidiary of the Company has issued and allotted 5,13,860 'C' ordinary shares of nominal value GBP 0.61 per share with voting rights to a party with resultant reduction in Company's control from 100% to 92% in UMIL. However, such reduction in control has not been considered in this Consolidated Financial Statement in view of restrictions on the said party's right on participation in profit, capital distribution etc. in terms of the related subscription agreement.
- (c) During the year UMIL has formed Usha Martin Europe B.V. (UMEBV), a company incorporated in Netherland with effect from 26th June, 2012 and accordingly the financial statements of UMEBV has been considered in these Consolidated Financial Statements.
- (d) During the year UMIL has formed Usha Martin Italia S.R.L. (UMISRL), a company incorporated in Italy with effect from 20th December, 2012 for research and development of wire ropes as a centre of excellence and also for distribution of wire ropes from Italy and accordingly the financial statements of UMISRL has been considered in these Consolidated Financial Statements.
- (e) During the year, Usha Siam Steel Industries Public Company Limited, a subsidiary of the Company along with Usha Martin Singapore Pte. Limited a wholly owned subsidiary of the Company, have formed a 50:50 joint venture in Thailand with effect from 21st December, 2012 with Tesac Wire Ropes Company Limited of Japan, under the name and style 'Tesac Usha Wire Rope Company Limited (TUWCL) for manufacture of high performance steel wire ropes and accordingly the financial statements of TUWCL has been proportionately considered in these Consolidated Financial Statements.
- (f) The accounts of UMICOR Africa (Pty) Limited (UMICOR), a wholly owned subsidiary has been excluded for consolidation since it has gone into liquidation and placed under final winding up vide Order dated 30th July, 2008 of the High Court of South Africa (Witwatersrand Local Division) and according to the management the control is intended to be temporary.

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

3. Share Capital		
	As at 31st March, 2013	As at 31st March, 2012
Authorised:		
50,00,00,000 (31st March, 2012 : 50,00,00,000) Equity Shares of Re 1/- each	5,000	5,000
1,00,00,000 (31st March, 2012 : 1,00,00,000) Redeemable Cumulative Preference Shares of Rs.50/- each	5,000	5,000
Total	10,000	10,000
Issued Subscribed and Paid-up:		
30,47,41,780 (31st March, 2012 : 30,47,41,780) Equity Shares of Re. 1/- each fully paid up	3,047	3,047
Add: Shares Forfeited	7	7
Total	3,054	3,054

4. Reserves and Surplus		
	As at 31st March, 2013	As at 31st March, 2012
Capital Reserve	3,721	3,721
Capital Redemption Reserve		
Balance as at the beginning of the year	3,731	3,731
Addition during the year [Note (a) below]	400	-
Balance as at the end of the year	4,131	3,731
Securities Premium Account	85,593	85,593
Revaluation Reserve [Refer (b) below]		
Balance as at the beginning of the year	2,339	3,208
Less: Transferred during the year [Note (c) below]	656	869
Balance as at the end of the year	1,683	2,339
Foreign Currency Translation Adjustments Account [Refer Note 1.21 (i) (f)]		
Balance as at the beginning of the year	2,375	(2,010)
Addition during the year	2,648	4,385
Balance as at the end of the year	5,023	2,375
General Reserve [Refer (d) below]		
Balance as at the beginning of the year	56,605	56,605
Add: Transferred from Surplus in Statement of Profit and Loss during the year	408	-
Balance as at the end of the year	57,013	56,605
Foreign Currency Monetary Item Translation Difference Accounts [Refer (f) below and Note 1.8]		
Balance as at the beginning of the year	(67)	-
Add: Additions during the year	105	(247)
Less : Transfer during the year	(43)	(180)
Balance as at the end of the year	81	(67)
Hedging Reserve Account (Refer Note 1.9)		
Balance as at the beginning of the year	(1,128)	(1,854)
Add: Additions during the year	1,793	1,400
Less : Transfer during the year	706	674
Balance as at the end of the year	(41)	(1,128)
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	26,738	26,386
Profit for the year	7,884	361
Less : Appropriations		
Proposed dividend on Equity Shares for the year	457	-
Dividend distribution tax on proposed dividend [Refer (e) below]	87	9
Transfer to Capital Redemption Reserve	400	-
Transfer to General Reserve	408	-
Balance as at the end of the year	33,270	26,738
Total	190,474	179,907

- (a) Arising out of redemption of 4,00,000 2% Redeemable Cumulative Preference Shares of Rs.100 each of a wholly owned subsidiary company.
- (b) Relates to revaluation of certain Tangible Assets as mentioned in Note 40.
- (c) Comprises withdrawals of Rs. 669 (31st March, 2012: Rs.888) on account of depreciation on the amount added on revaluation (Refer Note 41) and Rs.13 (31st March, 2012: Rs.19) on adjustment against Minority Interest.
- (d) Represents a free reserve not held for any specific purpose.
- (e) Includes Rs.9 [31st March, 2012 : Rs. 9] on account of Tax on dividend proposed by a wholly owned subsidiary on its Preference Shares.
- (f) Previous year figures have been regrouped to conform to current year's presentation which is in accordance with ICAI Announcement dated 30th March, 2013.

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

5. Long-term Borrowings		
	As at 31st March, 2013	As at 31st March, 2012
Secured:		
Term Loans		
From Financial Institution (Rupee Loans)	42,000	45,000
From Banks		
Rupee Loans	109,680	58,420
Other than Rupee Loans	79,414	96,451
Finance Lease Obligation	-	4
Unsecured:		
Term Loans		
From Financial Institution (Other than Rupee Loan)	-	11
From Corporate Body (Foreign Currency Loan)	333	-
Deferred Payment Liabilities	1,194	1,059
Finance Lease Obligation	14	2
Total	232,635	200,947

6. Deferred Tax Liabilities (Net)		
	As at 31st March, 2013	As at 31st March, 2012
Deferred Tax Liabilities		
Depreciation as per tax law and books	35,377	29,503
Exchange gain pertaining to fixed assets as per tax law and books	398	1,011
Total (A)	35,775	30,514
Deferred Tax Assets		
Unabsorbed tax depreciation/loss @	13,242	8,148
Disallowances allowable for tax purpose on payment	453	710
Provision for doubtful debts and advances	390	423
Deferred Revenue Expenditure	2	5
Total (B)	14,087	9,286
Net Deferred Tax Liabilities (A) - (B)	21,688	21,228

@ Absorption expected based on future Taxable Income.

Deferred Tax charge/(credit) for the year includes exchange loss of Rs.10 (31st March, 2012 : Rs. 45) on account of re-instatement of year-end deferred tax assets and liabilities.

7. Other Long-term Liabilities		
	As at 31st March, 2013	As at 31st March, 2012
Trade Payables	16	24
Others		
Capital Liabilities (Acceptances)	49,600	38,380
Derivative Liabilities	470	2,607
Security Deposits Received	84	119
Total	50,170	41,130

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

8. Long-term Provisions		
	As at 31st March, 2013	As at 31st March, 2012
Provision for Employees Benefits	1,774	1,472
Others Provisions		
Provision for Restoration of Mines Sites [Refer (a) below]	1,926	1,035
Provision for Demolition and Erection of Building Costs and Others [Refer (b) below]	784	734
Total	4,484	3,241
(a) Movement of Provision for Restoration of Mine Sites		
Balance as at the beginning of the year	1,034	1,038
Additions	993	-
Amounts used	101	4
Balance as at the end of the year	1,926	1,034
Provision for Restoration of Mines Sites is held for the purpose of meeting site restoration obligation pursuant to Rule 23 under Mineral Conservation and Development (Amendment Rules, 2003) read with Section 18 of the Mines and Minerals (Development and Regulation) Act, 1957.		
(b) Movement of Provision for Demolition and Erection of Building Costs		
Balance as at the beginning of the year	734	643
Additions	-	-
Amounts used	-	-
Exchange Loss	50	91
Balance as at the end of the year	784	734
Represents provision for estimated costs of dismantle, removal or restoration of Building arising from the acquisition or use of such asset, which was capitalised and included in the cost.		

9. Short-term Borrowings		
	As at 31st March, 2013	As at 31st March, 2012
Secured:		
Loans repayment on demand		
Vehicle Loans from Banks	-	1
Working Capital Loans from Banks	50,228	29,335
Unsecured:		
Deposits	29	1
Loans from Corporate Bodies		
Other than Rupee Loans	80	80
Total	50,337	29,417

10. Trade Payables		
	As at 31st March, 2013	As at 31st March, 2012
Acceptances	124,082	120,263
Others	29,624	25,842
Total	153,706	146,105

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

11. Other Current Liabilities		
	As at 31st March, 2013	As at 31st March, 2012
Current maturities of long-term debt (Refer Note 5)	36,290	24,418
Current maturities of finance lease obligations	24	13
Interest accrued but not due on borrowings	2,003	1,192
Interest accrued and due on borrowings	6	1
Interest accrued on Trade payables and others	181	836
Unclaimed Dividend	64	69
Unclaimed Matured Fixed Deposits	2	4
Unclaimed Interest on above	1	2
Advances from Customers	1,900	1,797
Derivative Liabilities	800	445
Capital Liabilities [including Acceptances Rs.14,216 (31st March, 2012 : Rs. 228)]	23,867	4,770
Security Deposits Received	209	152
Employees Benefits payable	1,937	1,902
Statutory dues (including Provident Fund, Tax deducted at Source, etc.)	4,773	4,243
Other Payables	1,361	1,357
Total	73,418	41,201

12. Short-term Provisions		
	As at 31st March, 2013	As at 31st March, 2012
Provision for Employees Benefits	1,077	675
Provision for Fringe Benefit Tax [Net of advance tax Rs. Nil (31st March, 2012: Rs. 335)]	*	2
Provision for Wealth Tax	15	15
Provision for Proposed Dividend on Equity Shares	457	-
Provision for Dividend Distribution Tax	78	9
Total	1,627	701

* Amount is below the rounding off norm adopted by the Group

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

- (g) Gross Block includes Rs. 2,054 [31st March, 2012 : Rs.1,061] on account of provision for meeting mine sites restoration obligation as referred to in Note 8 (a). The depreciation for the current year includes Rs. 334 [31st March, 2012 : Rs.161] on account of amortisation of the same.
- (h) Gross Block includes Rs. 784 [United States Dollar 14 lakhs] [31st March, 2012 : Rs.734 (United States Dollar 14 lakhs)] on account of provision for meeting the cost of dismantle, removal or restoration as referred to in Note 8 (b), which was created in earlier years. The depreciation for the current year includes Rs. 27 [United States Dollar 0.50 lakhs] [31st March, 2012 : Rs.24 (United States Dollar 0.50 lakhs)] on account of amortisation of the same.

(i) Obligation under Finance Lease : @

The Group has acquired certain fixed assets under finance lease arrangements. Minimum Lease Payments outstanding as at 31st March, 2013 and other particulars in respect of leased assets are as under:

	31st March, 2013			31st March, 2012		
	Total minimum lease payments outstanding	Interest	Present value of minimum lease payments	Total minimum lease payments outstanding	Interest	Present value of minimum lease payments
Within One year	27	3	24	15	2	13
Later than one year and not later than five years	15	1	14	7	1	6
Total	42	4	38	22	3	19

@ Included in Notes 5 and 11

13B. Intangible Assets

	Gross Block at Cost / Valuation				Amortisation			Impairment Loss			Net Block		
	As on 31st March 2012	Additions during the year	Disposal/ Adjustments during the year [Refer (a) below]	Other Adjustments	As on 31st March 2012	For the year	On Disposal/ Adjustments during the year [Refer (b) below]	Total up to 31st March 2013	As on 31st March 2012	During the year	On Items Sold/ Adjustments during the year	As on 31st March 2013	As on 31st March 2012
Goodwill													
Arising on Consolidation	5,634	-	-	-	5,634	-	-	-	103	-	-	103	5,531
Others	336	-	(2)	-	336	-	(2)	338	-	-	-	-	-
Computer Softwares (Acquired)	992	35	(2)	-	746	76	(3)	825	-	-	-	204	246
Trade Marks	118	-	-	-	118	8	*	8	-	-	-	110	118
Technical Know-how	69	-	-	-	69	1	-	69	-	-	-	-	1
	7,149	35	(4)	-	7,188	85	(5)	1,240	103	-	-	103	5,845
31st March 2012	6,871	237	(41)	-	7,149	30	(25)	1,150	103	-	-	103	5,896

* Amount is below the rounding off norm adopted by the Group.

(a) Net of Rs. 4 (Net) [31st March, 2012 : Rs. 41 (Net)] on account of foreign exchange translation adjustment.

(b) Net of Rs. 5 (Net) [31st March, 2012 : Rs. 26 (Net)] on account of foreign exchange translation adjustment.

13C. Capital Work-in-progress @

@ Capital work-in-progress includes Project Development Expenses Rs. 1,709 (31st March 2012: Rs.774), Borrowing Costs Rs.4,979 (31st March, 2012 : Rs.1,340) and Exchange Loss Rs.9,351 (31st March, 2012 : Rs. 7,891).

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

14. Non-current Investments (At Cost or Under)		
	As at 31st March, 2013	As at 31st March, 2012
Long-term - Unquoted (valued at Cost unless stated otherwise)		
Investments in Equity Instruments :		
Investments in a Subsidiary Company :		
UMICOR Africa (Proprietary) Limited		
[under liquidation ; Refer 2 (f)]		
30,44,451 (31st March, 2012 : 30,44,451) Ordinary Shares of Rand 1 each fully paid	-	-
Other Companies :		
Adityapur Toll Bridge Company Limited		
1,00,000 (31st March, 2012 : 1,00,000) Equity Shares of Rs.10/- each fully paid	10	10
Adityapur Auto Cluster		
1,000 (31st March, 2012 : Nil) Equity Shares of Rs.1000/- each fully paid	10	-
Usha Communications Technology Limited BVI		
1,21,10,242 (31st March, 2012 : 1,21,10,242) Ordinary Shares of USD 0.50 each fully paid	28	28
UMI Special Steel Limited (under liquidation)		
1,80,68,472 (31st March, 2012 : 1,80,68,472) Equity Shares of Rs.10/- each fully paid [At cost less write-down - Rs.327 (31st March, 2012 : Rs.327)]	*	*
Total	48	38

* Amount is below the rounding off norm adopted by the Group.

15. Long-term Loans and Advances		
	As at 31st March, 2013	As at 31st March, 2012
Unsecured Considered Good [unless otherwise stated]		
Capital Advances	16,794	12,553
Security Deposits	2,183	2,208
Loans and Advances to Employees		
Considered good	45	98
Considered doubtful	-	6
Less: Provision for Doubtful Advances	-	(6)
Other Loans and Advances		
Prepaid Expenses	4	7
Electricity Duty Receivable - Considered Doubtful	92	92
Less: Provision for Doubtful Electricity Duty Receivable	(92)	(92)
Balances with Government Authorities	704	280
MAT Credit Entitlement	5,399	5,246
Total	25,129	20,392

16. Other Non-Current Assets		
	As at 31st March, 2013	As at 31st March, 2012
Long term deposits with banks with maturity period more than 12 months	48	5
Derivative Assets	636	2,021
Unamortised Expenses		
Premium on Forward Contracts	46	-
Total	730	2,026

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

17. Deferred Tax Assets (Net)		
	As at 31st March, 2013	As at 31st March, 2012
Deferred Tax Assets		
Provision for doubtful debts, advances and slow moving items and diminution in realisable value	130	86
Cost of goods sold tax adjustment	34	17
Alternative minimum tax credit carry forward	-	11
Total (A)	164	114
Deferred Tax Liabilities		
Depreciation as per tax law and books	28	25
Total (B)	28	25
Net Deferred Tax Assets (A) - (B)	136	89

Deferred Tax charge/(credit) for the year includes exchange gain of Rs.7 (31st March, 2012 : Rs. 6) on account of re-instatement of year-end deferred tax assets and liabilities.

18. Inventories		
	As at 31st March, 2013	As at 31st March, 2012
[Refer Note 1.7]		
Raw Materials [includes in transit - Rs. 12,264 (31st March, 2012 : Rs.4,907)]	51,439	50,673
Less: Provision for slow moving items and diminution in realisable value in respect of Raw Materials	(144)	(101)
Work-in-progress	38,990	32,570
Finished Goods [includes in transit - Rs.2,247 (31st March, 2012 : Rs.2,478)]	63,911	56,249
Less: Provision for slow moving items and diminution in realisable value in respect of Finished Goods	(744)	(676)
Stock-in-trade (in respect of goods acquired for trading)	50	69
Stores and Spares Parts [includes in transit - Rs.464 (31st March, 2012 : Rs.163)]	7,154	6,676
Loose Tools	2,096	2,085
Scrap	242	648
Total	162,994	148,193

19. Trade Receivables		
	As at 31st March, 2013	As at 31st March, 2012
Unsecured		
Outstanding for a period exceeding six months from the date they became due for payment:		
Considered Good	353	594
Considered Doubtful	813	812
Less: Provision for Doubtful Debts	(813)	(812)
	353	594
Others		
Considered Good	57,615	42,167
Considered Doubtful	151	293
Less: Provision for Doubtful Debts	(151)	(293)
	57,615	42,167
Total	57,968	42,761

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

20. Cash and Bank Balances		
	As at 31st March, 2013	As at 31st March, 2012
Cash and Cash Equivalents		
Cash on hand	41	19
Cheques, Drafts on hand	103	281
Remittance in transit	40	158
Bank Balances		
In Current Accounts	5,361	9,139
In Unclaimed Dividend Accounts @	64	69
Demand deposits (less than 3 months maturity)	25	9,804
	5,634	19,470
Other Bank Balances		
Long-term deposits with maturity more than 3 months but less than 12 months	12,147	16,063
Margin money deposits	589	691
	12,736	16,754
Total	18,370	36,224

@ Earmarked for payment of unclaimed dividend.

21. Short-term Loans and Advances		
	As at 31st March, 2013	As at 31st March, 2012
Unsecured Considered Good (unless otherwise stated)		
Advance Income Tax [Net of Provision for tax Rs. 16,826 (31st March, 2012 : Rs. 18,534)]	1,352	399
Advances against procurement of goods, services etc.		
Considered good	3,200	5,079
Considered doubtful	325	385
Less: Provision for Doubtful Advances	(325)	(385)
Others Loans and Advances		
Deposits		
Considered good	313	353
Considered doubtful	15	15
Less: Provision for Doubtful Deposits	(15)	(15)
Prepaid Expenses	2,348	1,590
Balance with Government Authorities		
Considered good	9,911	7,450
Considered doubtful	2	2
Less: Provision for Doubtful Advances	(2)	(2)
Others Advances		
Considered Good	145	87
Considered Doubtful	8	3
Less: Provision for Doubtful Other Advances	(8)	(3)
Total	17,269	14,958

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

22. Other Current Assets		
	As at 31st March, 2013	As at 31st March, 2012
Unsecured Considered Good (unless otherwise stated)		
Interest accrued on deposits and others	159	1,550
Export Incentive Receivables		
Considered good	1,496	1,163
Considered doubtful	2	2
Less: Provision for doubtful advances	(2)	(2)
Claims Receivable		
Considered good	3,273	1,420
Considered doubtful	56	56
Less: Provision for doubtful advances	(56)	(56)
Derivative Assets	2,312	1,119
Other Recoverables	78	121
Unamortised Expenses:		
Premium on Forward Contracts	401	154
Total	7,719	5,527

23. Contingent Liabilities		
	As at 31st March, 2013	As at 31st March, 2012
(a) Claims against the Company not acknowledge as debt Disputed Tax and Duty for which the Company has preferred appeal before appropriate authorities.		
Demand for Income Tax Matters	2,036	1,940
Demand for Sales Tax #	1,977	465
Demand for Excise Duty and Service Tax #	6,493	5,818
Demand for Customs Duty	575	575
Outstanding Labour Disputes	44	31
Disputed Electricity duty rebate matters which is subjudice	528	504
# Out of the above, stay orders against demand for Sales Tax amounting to Rs. 744 (31st March, 2012 : Rs. Nil) and demand for Excise Duty and Service Tax amounting to Rs. 2,606 (31st March, 2012 : Rs. 556) have been obtained by the Company.		
(b) Bills discounted with Banks including against Letter of Credit	8,189	12,682
(c) In respect of the contingent liabilities mentioned in Note 23(a) above, pending resolution of the respective proceedings, it is not practicable for the company to estimate the timings of cash outflows, if any. In respect of matters mentioned in Note 23 (b) above, the cash outflows, if any, could generally occur during the validity period of the respective guarantees. The company does not expect any reimbursements in respect of the above contingent liabilities.		

24. Commitments		
	As at 31st March, 2013	As at 31st March, 2012
(a) Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	26,873	34,190
(b) Other Commitments		
The Company has imported Capital Goods under the Export Promotion Capital Goods Scheme, of the Government of India, at concessional rates of duty on an undertaking to fulfill quantified export in the next five years.	250,932	207,265
Outstanding Letter of Credit for materials yet to be received	1,750	9,301

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

25. Other Income		
	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Interest Income	859 @	199 @
Income from Current Investments - Dividend - Other than Trade	195	20
Non Product Scrap Sales	267	363
Net Gain on Derivative Contracts	1,389	2,331
Provision for Doubtful Debts and Advances no longer required written back	314	251
Liabilities no longer required written back	947	689
Profit on sale of Tangible Assets (Net)	34	-
Claims Received	4,544	2,336
Miscellaneous Income	359	205
Total	8,908	6,394

@ Net of Rs. 1,034 (Previous Year : Rs.2,940) credited against interest capitalisation towards temporary investment of project borrowings.

26. Cost of Materials Consumed		
	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Opening Stock	50,673	44,934
Add: Purchases	145,682	164,383
	196,355	209,317
Deduct: Closing Stock	51,439	50,673
Total	144,916	158,644

27. Change in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade and Scrap		
	Year Ended 31st March, 2013	Year Ended 31st March, 2012
(Increase) / decrease in stocks:		
Finished Goods		
Opening Stock	56,249	38,517
Deduct : Closing Stock	63,911	56,249
	(7,662)	(17,732)
Work-in-Progress		
Opening Stock	32,570	25,621
Deduct : Closing Stock	38,990	32,570
	(6,420)	(6,949)
Stock-in-Trade		
Opening Stock	69	34
Deduct : Closing Stock	50	69
	19	(35)
Scrap		
Opening Stock	648	890
Deduct : Closing Stock	242	648
	406	242
(Increase) / Decrease in stocks	(13,657)	(24,474)

28. Employees Benefits Expense		
	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Salaries, Wages and Bonus	24,436	20,363
Contribution to Provident and Other Funds	1,981	1,525
Workmen and Staff Welfare Expenses	2,126	1,953
Total	28,543	23,841

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(All amounts in Rs. Lakhs, unless otherwise stated)

(a) Post Employment Defined Contribution Plans		
	Year ended 31st March, 2013	Year ended 31st March, 2012
Amount recognised in the Statement of Profit and Loss		
(i) Provident Fund paid to the authorities @	130	79
(ii) Pension Fund paid to the authorities	464	450
(iii) Superannuation Fund - Contribution paid to a Trust	252	219
	846	748

@ Contribution towards Provident Fund for certain employees is made to the regulatory authorities. Such Provident Fund benefits are classified as Defined Contribution Scheme as the Group does not carry any further obligations, apart from the contribution made on a monthly basis which is recognised as expense in the Statement of Profit and Loss, indicated above.

(b) Post Employment Defined Benefit Plans

I. Gratuity (Funded)

The Parent Company provides for gratuity, a defined benefit retirement plan covering its eligible employees. As per the scheme, the Gratuity Trust Funds managed by the Life Insurance Corporation of India (LIC) and other insurance companies make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days (ranging from fifteen days to one month) depending upon the tenure of service subject to a maximum limit of twenty months' salary. Vesting occurs upon completion of five years of service.

Further one Indian subsidiary also provides for gratuity, a defined benefit retirement plan covering its eligible employees. As per this scheme, the Gratuity Trust Fund managed by LIC, makes payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's eligible salary and the tenure of employment. Vesting occurs upon completion of five years of service.

Liabilities with regard to the aforesaid gratuity plans are determined by actuarial valuation as set out in Note 1.12 (b) above, based upon which, the respective entities make contributions to the employees' gratuity funds.

II. Gratuity (Unfunded)

An overseas subsidiary provides for gratuity, a defined benefit retirement plan, covering its eligible employees. Pursuant to the plan, gratuity benefit equivalent to eligible salary for specified number of days for each year of completed service is paid to respective employees upon retirement, death or cessation of service. Vesting generally occurs upon completion of five years of service.

A joint venture company provides for gratuity, a defined benefit retirement plan covering its eligible employees. As per the scheme, gratuity benefit equivalent to eligible salary for specified number of days (ranging from fifteen days to one month) depending upon the tenure of service subject to a maximum limit of twenty months' salary is paid to respective employees upon retirement, death or termination of employment. Vesting occurs upon completion of five years of service.

Liabilities with regard to the aforesaid unfunded gratuity plans are determined by actuarial valuation as set out in Note 1.12 (b) above.

III. Retirement Compensation (Unfunded)

An overseas subsidiary provides for retirement compensation, a defined benefit plan, covering its employees. Pursuant to the plan, retirement compensation is paid to employees based on last drawn salary and length of service upon retirement, death or resignation. Vesting occurs upon completion of 120 days of service. Liability with regard to the aforesaid plan is determined by actuarial valuation as set out in Note 1.12(b) above.

The following Tables set forth the particulars in respect of the aforesaid Defined Benefit plans of the Group (including proportionate amount of a joint venture company).

Description	Year ended 31st March, 2013			Year ended 31st March, 2012		
	Gratuity (Funded)	Gratuity (Unfunded)	Retirement Compensation (Unfunded)	Gratuity (Funded)	Gratuity (Unfunded)	Retirement Compensation (Unfunded)
(a) Reconciliation of Opening and Closing balances of the Present Value of the Defined Benefit Obligation						
Present Value of Obligation at the beginning of the year	3,453	59	667	3,166	40	644
Actuarial adjustment/Plan Amendments to above	-	-	-	-	-	-
Current Service Cost	144	16	52	118	12	11
Interest Cost	279	5	24	254	3	5
Past Service Cost	-	-	-	(172)	-	-
Actuarial (Gains)/ Losses	467	12	(41)	419	6	(53)
Exchange Differences of Foreign Plans	-	-	86	-	6	71
Benefits Paid	(128)	(3)	(31)	(332)	(8)	(11)
Present Value of Obligation at the end of the year	4,215	89	757	3,453	59	667

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(All amounts in Rs. Lakhs, unless otherwise stated)

The following Tables set forth the particulars in respect of the aforesaid Defined Benefit plans of the Group (including proportionate amount of a joint venture company)

Description	Year ended 31st March, 2013			Year ended 31st March, 2012		
	Gratuity (Funded)	Gratuity (Unfunded)	Retirement Compensation (Unfunded)	Gratuity (Funded)	Gratuity (Unfunded)	Retirement Compensation (Unfunded)
(b) Reconciliation of Opening and Closing balances of the Fair Value of Plan Assets						
Fair Value of Plan Assets at the beginning of the year	2,937	Not applicable as the Scheme is unfunded	Not applicable as the Scheme is unfunded	2,863	Not applicable as the Scheme is unfunded	Not applicable as the Scheme is unfunded
Expected Return on Plan Assets	243			244		
Actuarial Gains/ (Losses)	40			10		
Contributions	233			152		
Benefits Paid	(128)			(332)		
Fair Value of Plan Assets at the end of the year	3,325			2,937		
(c) Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets						
Present Value of Obligation at the end of the year	4,215	89	757	3,453	59	667
Fair Value of Plan Assets at the end of the year	3,325	-	-	2,937	-	-
Assets/(Liabilities) recognised in the Balance Sheet	(890)	(89)	(757)	(516)	(59)	(667)
(d) Expense recognised in the Statement of Profit and Loss						
Current Service Cost	144	16	52	118	12	11
Interest Cost	279	5	24	254	3	5
Past Service Cost	-	-	-	(172)	-	-
Expected Return on Plan Assets	(243)	-	-	(244)	-	-
Actuarial (Gains)/ Losses	427	12	(41)	409	6	(53)
Total Expense recognised	@607	# 33	# 35	@ 365	# 21	# (37)
(e) Category of Plan Assets :						
Fund with LIC	3,226	Not applicable as the Scheme is unfunded	Not applicable as the Scheme is unfunded	2,850	Not applicable as the Scheme is unfunded	Not applicable as the Scheme is unfunded
Fund with SBI Life Insurance	38			35		
Fund with HDFC Standard Life	37			34		
Others (including bank balances)	24			18		
Total	3,325			2,937		
(f) Actual Return on Plan Assets	282			254		
(g) Principal Actuarial Assumptions						
Discount Rate	8.25%	8.25%/8.50%	3.32%	8.50%/8.75%	8.50%/8.75%	3.33%
Salary Escalation	5% / 6%	10% / 12%	3.00%	5% / 6%	10% / 12%	3.00%
Expected Return on Asset		Not Applicable	Not Applicable		Not Applicable	Not Applicable

@ Recognised under Contribution to Provident and Other Funds

Recognised under Salaries, Wages and Bonus

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(h) Other Disclosure (Amounts recognised in current year and previous four years)					
	31st March, 2013	31st March, 2012	31st March, 2011	31st March, 2010	31st March, 2009
Gratuity (Funded)					
Present Value of the Plan Obligation as at the end of the year	4,215	3,453	3,166	2,912	2,482
Fair Value of Plan Assets as at the end of the year	3,325	2,937	2,863	2,450	2,261
Surplus/(Deficit) as at the end of the year	(890)	(516)	(303)	(462)	(221)
Experience Adjustments on Plan Obligation [(Gain)/ Loss]	467	420	179	401	189
Experience Adjustments on Plan Assets [Gain/ (Loss)]	40	10	24	31	18
Gratuity (Unfunded)					
Present Value of the Plan Obligation as at the end of the year	89	59	40	32	26
Fair Value of Plan Assets as at the end of the year	-	-	-	-	-
Surplus/(Deficit) as at the end of the year	(89)	(59)	(40)	(32)	(26)
Experience Adjustments on Plan Obligation [(Gain)/ Loss]	9	4	(3)	3	(3)
Experience Adjustments on Plan Assets [Gain/ (Loss)]	-	-	-	-	-
Retirement Compensation (Unfunded)					
Present Value of the Plan Obligation as at the end of the year	757	667	644	590	588
Fair Value of Plan Assets as at the end of the year	-	-	-	-	-
Surplus/(Deficit) as at the end of the year	(757)	(667)	(644)	(590)	(588)
Experience Adjustments on Plan Obligation [(Gain)/ Loss]	(41)	(100)	(90)	(83)	(88)
Experience Adjustments on Plan Assets [Gain/ (Loss)]	-	-	-	-	-

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets, the Company's policy for plan asset management and other relevant factors.

IV. Provident Fund

Provident Fund contributions in respect of employees [other than those covered in (a) above] are made to Trusts administered by the Parent Company and such Trusts invest funds following a pattern of investments prescribed by the Government. Both the employer and the employees contribute to this Fund and such contributions together with interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefit vests immediately on rendering of services by the employee. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Parent Company. In terms of the Guidance on implementing Accounting Standard (AS) 15 on Employee Benefits issued by the Accounting Standards Board of the Institute of Chartered Accountants of India, a provident fund set up by the Company is treated as a defined benefit plan in view of the Company's obligation to meet interest shortfall, if any.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the Balance Sheet date using PUCM and Deterministic Approach as outlined in the Guidance Note 29 issued by the Institute of Actuaries of India. Based on such valuation, there is no future anticipated shortfall with regard to interest rate obligation of the Company as at the Balance Sheet date. Further during the year, the Company's contribution of Rs.528 (Previous year Rs.412) to the Provident Fund Trust, has been expensed under "Contribution to Provident and Other Funds". Disclosures given hereunder are restricted to the information available as per the Actuary's report.

Principal Actuarial Assumptions	Year ended 31st March, 2013	Year ended 31st March, 2012
Discount Rate	8.50%	8.50%
Expected Return on Exempted Fund	8.59%	8.61%
Expected EPFO Return	8.50%	8.25%

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29. Finance Costs	Year ended 31st March, 2013	Year ended 31st March, 2012
Interest Expenses	32,466	25,939
Other Borrowing Cost	1,320	426
Total	33,786 @	26,365 @
@ Net of Capitalisation	6,747	4,176

30. Depreciation and Amortisation Expense	Year ended 31st March, 2013	Year ended 31st March, 2012
Depreciation and Amortisation on Tangible assets	26,968	23,129
Less : Transferred from Revaluation Reserve	669	888
	26,299	22,241
Amortisation of Intangible assets	85	30
Total	26,384	22,271

31. Other Expenses	Year ended 31st March, 2013	Year ended 31st March, 2012
Consumption of Stores and Spare Parts	21,759	21,218
Power and Fuel	43,231	42,229
Material Handling Charges	20,639	15,659
Repairs to Buildings	1,552	1,501
Repairs to Machinery	10,194	10,156
Royalty	5,537	3,366
Rent	1,000	856
Rates and Taxes	376	364
Insurance	1,155	893
Freight, Transport and Delivery	15,332	13,928
Processing Charges	8,634	7,070
Travelling Expenses	946	811
Non-executive Directors' Sitting Fees and Remuneration	48	48
Impairment Loss	-	31
Net loss on foreign currency transaction and translation	2,557	5,009
Provision for Doubtful Debts and Advances	71	217
Provision for slow moving items and diminution in realisable value	87	249
Bad Debt and Advances Written off	135	83
Excise Duty on Stocks, Replacements etc.	888	2,271
Loss on Sale of Tangible Assets (Net)	-	93
Miscellaneous Expenses	8,650	8,659
Total	142,791	134,711

32. Computation of Earning per Equity Share		Year ended 31st March, 2013	Year ended 31st March, 2012
(I) Basic			
(a)	(i) Number of Equity Shares at the beginning of the year	304,741,780	304,741,780
	(ii) Number of Equity Shares at the end of the year	304,741,780	304,741,780
	(iii) Weighted average number of Equity Shares outstanding during the year	304,741,780	304,741,780
	(iv) Face Value of each Equity Share Re.	1	1
(b)	Profit after tax and minority interest attributable to Equity Shareholders of the Parent Company		
	Profit for the period	7,884	361
(c)	Basic Earning per Share [(b)/(a)(iii)] - Rs.	2.59	0.12

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		Year ended 31st March, 2013	Year ended 31st March, 2012
(II) Diluted			
(a)	Dilutive Potential Equity Shares	-	-
(b)	Diluted Earning per Share [same as I (c) above]	2.59	0.12

33. Expenses (net of revenue/ captive consumption) on trial run production of various projects incurred during the year and added to cost of fixed assets are as follows:

	Year ended 31st March, 2013	Year ended 31st March, 2012
Cost of Materials Consumed	7,118	982
Consumption of Stores and Spares Parts	-	23
Repairs to Plant and Machinery	-	26
Material Handling Charges	-	92
Power and Fuel	-	32
Salaries, Wages and Bonus	-	7
Other Expenses	-	2
Total (A)	7,118	1,164
Revenue from Operations during trial run (net of excise duty)	-	348
Absorbed in subsequent production process during trial run for captive consumption	4,246	591
Total (B)	4,246	939
Net Trial Run Expenses (A - B)	2,872	225

34. Segment Information for the year ended 31st March, 2013

A. Primary Segment Reporting (by Business Segments)

Composition of Business Segments

Segments have been identified in accordance with the Accounting Standard on Segment Reporting (AS-17) prescribed under the Act.

Details of products included in each of the above Segments are given below :

Steel : Steel Wire Rods, Rolled Products, Billets, Pig Iron and allied products.

Wire and Wire Ropes : Steel Wires, Strands, Wire Ropes, Cord, Bright Bar, related accessories

Others : Jelly Filled Telecommunication Cables, Wire Drawing and allied machineries, etc.

Change in Segment Composition

Based on a review of product portfolio of various segments, related risks and returns business developments etc., Wire Drawing and allied machinery products, hitherto included in 'Wire and Wire Ropes' segment, have been identified with 'Others' segment with effect from this year. Accordingly previous year figures relating to 'Wire and Wire Ropes' and 'Others' segments have been regrouped / rearranged to conform to this year's presentation.

Segment Revenues, Results and Other Information

	Steel	Wire and Wire Ropes	Others	Total of Reportable Segment
External Revenue from Operations @	149,319	201,094	11,770	362,183
	147,397	177,779	10,906	336,082
Inter Segment Revenue from Operations @	90,444	90	2,596	93,130
	73,744	328	626	74,698
Other Income	807	6,343	159	7,309
	1,148	2,546	12	3,706
Segment Revenues	240,570	207,527	14,525	462,622
	222,289	180,653	11,544	414,486
Segment Result	20,558	24,699	696	45,953
	8,129	21,371	396	29,896
Segment Assets	549,734	196,264	13,810	759,808
	442,568	173,846	14,747	631,161
Segment Liabilities	205,157	52,642	4,965	262,764
	169,014	43,752	3,684	216,450
Capital Expenditure (Net)	97,444	16,083	6,617	120,144
	60,855	15,081	150	76,086

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	Steel	Wire and Wire Ropes	Others	Total of Reportable Segment
Depreciation and Amortisation	18,665 16,745	6,928 4,852	644 572	26,237 22,169
Impairment Loss	- -	- 31	- -	- 31
Non cash expenses other than Depreciation and Amortisation	12 135	137 457	123 11	272 603

@ Net of excise duty.

Reconciliation of Reportable Segments with the Financial Statements

	Revenues	Results/Net Profit	Assets	Liabilities @
Total of Reportable Segments	462,622 414,486	45,953 29,896	759,808 631,161	262,764 216,450
Corporate - Unallocated / Others (Net)	1,599 2,688	(1,816) (2,391)	24,081 37,920	325,301 267,520
Inter Segment Sales	(93,130) (74,698)	- -	- -	- -
Interest (Net)	- -	(33,786) (26,365)	- -	- -
Tax Expenses - Current Tax	- -	(1,867) (1,747)	- -	- -
MAT Credit Entitlement	- -	153 -	- -	- -
Tax Expenses - Deferred Tax Charge/(Credit)	- -	(410) 1,269	- -	- -
As per Financial Statements	371,091 342,476	8,227 662	783,889 669,081	588,065 483,970

@ Excluding Shareholders' Funds and Minority Interest

@@

@@ Profit After Taxation and before Minority Interest.

B. Secondary Segment Reporting (by Geographical Segments)

	Within India	Outside India	Total
Segment Revenue from external customers	263,550 246,854	105,942 92,934	369,492 339,788
Total Assets	669,381 558,223	90,427 72,938	759,808 631,161
Capital Expenditure	109,048 74,713	11,096 1,373	120,144 76,086

Figures in normal type relates to Previous Year.

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35. The Group's financial interest in the joint venture companies accounted for using proportionate consolidation principles based on its financial statements are set out below:

	PUMWPL	GWSCl	CCLUMSSL	DAPL	TUWCL
ASSETS as at 31st March, 2013					
Tangible Assets (Net Block)	1,754 1,625	- -	- -	486 581	- -
Intangible Assets (Net Block)	1 2	- -	- -	- -	- -
Capital Work-in-Progress	* 53	- -	- -	- -	- -
Long-term Loans and Advances	51 21	- -	- -	2 1	442 -
Other Non-current Assets	46 -	- -	- -	12 -	- -
Inventories	428 399	- -	- -	- -	- -
Trade Receivables	467 386	- 158	- -	12 13	- -
Cash and Bank Balances	2 3	44 12	30 28	5 17	947 -
Short-term Loans and Advances	129 172	235 108	1 1	80 67	- -
Other Current Assets	21 -	- -	1 1	1 2	- -
Total	2,899 2,661	279 278	32 30	598 681	1389 -
EQUITY and LIABILITIES as at 31st March, 2013					
Shareholders' Funds					
Securities Premium Account	- -	66 66	- -	221 221	- -
Surplus in Statement of Profit and Loss	(228) (197)	28 32	(15) (17)	170 158	(3) -
Long-term Borrowings	613 420	- -	- -	- -	- -
Deferred Tax Liabilities (Net)	- -	- -	- -	28 21	- -
Other Long-term Liabilities	- -	- -	- -	5 5	- -
Long-term Provisions	14 9	- -	- -	- -	- -
Short-term Borrowings	291 288	80 80	- -	- -	- -
Trade Payable	431 369	83 77	* *	10 8	- -
Other Current Liabilities	246 244	1 2	* *	2 111	* -
Short-term Provisions	12 8	14 14	* *	58 53	- -
Total	1,379 1,141	272 271	(15) (17)	494 577	(3) -

* Amount is below the rounding off norm adopted by the Group.
Figures in normal type relates to Previous Year.

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

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(All amounts in Rs. Lakhs, unless otherwise stated)

35. The Group's financial interest in the joint venture companies accounted for using proportionate consolidation principles based on its financial statements are set out below: (Contd.)

	PUMWPL	GW SCL	CCLUMSSL	DAPL	TUWCL
INCOME for the year 31st March, 2013					
Revenue from operations (Net of Excise Duty)	1,727	18	-	457	-
	1,584	30	-	488	-
Other Income	6	-	3	1	-
	3	5	2	6	-
Total	1,733	18	3	458	-
	1,587	35	2	494	-
EXPENSES for the year ended 31st March, 2013					
Cost of Materials Consumed	965	-	-	-	-
	920	-	-	-	-
Changes in inventories of finished goods, work-in-progress, stock-in-trade and product scrap	17	-	-	-	-
	(59)	-	-	-	-
Employees Benefits Expense	75	-	-	73	-
	60	-	-	70	-
Finance Costs	102	*	*	4	-
	71	-	-	42	-
Depreciation and Amortisation Expense	139	-	-	95	-
	98	-	2	113	-
Other Expenses	466	22	1	262	3
	437	13	3	137	-
Total	1,764	22	1	434	3
	1,527	13	5	362	-

	PUMWPL	GW SCL	CCLUMSSL	DAPL	TUWCL
RESULTS					
Profit/(Loss) before Tax	(31)	(4)	2	24	(3)
	60	22	(3)	132	-
Tax expenses - Current Tax	-	-	-	5	-
	-	2	-	26	-
Tax expenses - Deferred Tax Charge/(Credit)	-	-	-	7	-
	-	-	-	21	-
Profit/(Loss) after Tax	(31)	(4)	2	12	(3)
	60	20	(3)	85	-
Share of estimated outstanding Capital Commitments @	-	-	-	-	-
	115	-	-	-	-

Figures in normal type relate to previous year

@ Not included in Note 24 above

* Amount is below the rounding off norm adopted by the Group.

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36. Related party disclosures pursuant to Accounting Standard 18 prescribed under the Act.

(i) Related Parties	
Name	Relationship
Mr. Rajeev Jhawar, Managing Director	Key Management Personnel
Dr. P. Bhattacharya, Joint Managing Director (upto 4th August, 2011)	-do-
Dr. Vijay Sharma, Joint Managing Director (Steel Business) #	-do-
Mr. P.K.Jain, Joint Managing Director (Wire & Wire Ropes Business) #	-do-
Mr. Brij K Jhawar	Relative of a Key Management Personnel
Mrs. Shanti Devi Jhawar	-do-
Mrs. Susmita Jhawar	-do-
Mrs. Vineeta Ruia	-do-
Ms. Stuti Jhawar	-do-
Ms. Shreya Jhawar	-do-
Ms. Amisha Jhawar	-do-

(ii) Particulars of Transactions during the year ended 31st March, 2013				
Name and Relationship	Transactions during the year			Balance outstanding at the year end Trade Payable/Other Current Liabilities
	Dividend Paid	Directors' Remuneration	Directors' Commission/ Incentive Paid (Net of tax deducted at source)	
Key Management Personnel and Relatives				
Mr. Rajeev Jhawar	-	107	-	-
	3	99	219	3
Dr. P. Bhattacharya	-	-	-	-
	*	47	110	-
Dr. Vijay Sharma	-	250	-	-
	-	215	32	42
Mr. P. K. Jain	-	183	-	-
	-	157	23	30
Mr. Brij K Jhawar	-	*	-	-
	7	*	7	-
Mrs. Shanti Devi Jhawar	-	-	-	-
	2	-	-	-
Mrs. Susmita Jhawar	-	-	-	-
	1	-	-	-
Mrs. Vineeta Ruia	-	-	-	-
	1	-	-	-
Ms. Stuti Jhawar	-	-	-	-
	2	-	-	-
Ms. Shreya Jhawar	-	-	-	-
	1	-	-	-
Ms. Amisha Jhawar	-	-	-	-
	2	-	-	-
Total	-	540	-	-
	19	518	391	75

Figures in normal type relate to previous year.

* Amount is below the rounding off norm adopted by the Group.

Executive Director up to 31st January, 2012.

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37. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

(a) Derivative Instrument outstanding as at the reporting date							
Particulars	Purpose	As at 31st March, 2013			As at 31st March, 2012		
		Currency	Amount in Foreign Currency	Amount	Currency	Amount in Foreign Currency	Amount
Forward Contracts	Hedge of Foreign Currency Payables	USD	41,482,150	22,519	USD	33,264,039	16,921
	Hedge of Foreign Currency Receivable	USD	3,141,214	1,705	-	-	-
	Hedge of Foreign Currency Receivable	AUD	375,750	213	-	-	-
Interest Rate Swaps	Hedge of Floating Interest Rate on Foreign Currency Loan	USD	60,000,000	32,571	USD	94,250,000	47,945
Principal Only Swaps	Hedge of Foreign Currency Loan	EURO	480,000	335	-	-	-
Option	Hedge of Foreign Currency Loan	USD	60,000,000	32,571	USD	94,250,000	47,945
	Hedge of Foreign Currency Payables	USD	38,060,000	20,661	USD	43,800,000	22,281

(b) Particulars of unhedged foreign currency exposure as at the reporting date							
Particulars	As at 31st March, 2013			As at 31st March, 2012			
	Currency	Amount in Foreign Currency	Amount	Currency	Amount in Foreign Currency	Amount	
Loans Payable	USD	125,000,000	67,856	USD	125,000,000	63,588	
Loan Payable	EURO	2,822,588	1,962	-	-	-	
Loan Receivables	THB	50,000,000	927	THB	50,000,000	822	
Payables	USD	39,462,774	21,422	USD	42,217,660	21,476	
Payables	EURO	3,427,942	2,382	EURO	878,893	597	
Payables	GBP	181,401	149	GBP	64,584	53	
Payables	JPY	11,312,000	65	-	-	-	
Payables	SEK	580,981	46	-	-	-	
Payables	SGD	158,246	69	SGD	282,328	114	
Payables	VND	75,000,000	2	VND	75,000,000	2	
Payables	NOK	116,104	11	-	-	-	
Payables	IDR	89,490,144	5	IDR	99,211,945	6	
Payables	CHF	5,701	3	CHF	3,724	2	
Receivables	IDR	98,463,960	5	IDR	153,200,564	8	
Receivables	-	-	-	CHF	-	-	
Receivables	-	-	-	SEK	262,335	20	
Receivables	CAD	211,794	113	CAD	198,472	101	
Receivables	USD	37,778,215	20,508	USD	37,659,405	19,157	
Receivables	EURO	4,400,143	3,058	EURO	604,897	411	
Receivables	CHF	2,720	2	-	-	-	
Receivables	SGD	120,938	53	SGD	170,836	-	
Receivables	GBP	712,132	586	GBP	254,619	207	
Receivables	JPY	999	0	-	-	-	
Receivables	AUD	253,339	143	AUD	1,013,240	536	
					2012-2013	2011-2012	
(c) Mark-to-Market losses provided for					12	-	

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

38. Following items, to the extent indicated, have been measured and recognised on the basis of different accounting policies applied by certain Subsidiary Companies and a Joint Venture Company, as compared to those applied by the Parent Company. It is not practicable to use uniform accounting policies in preparing the Consolidated Financial Statements. Had the accounting policies of the Parent Company been applied, the impact thereof in the expenditure for the year and year-end carrying amounts of assets is not ascertainable at this stage.

	Note No.	Year ended 31st March, 2013	Year ended 31st March, 2012
Depreciation	1.3(d)	2,949	2,873
		As at 31st March, 2013	As at 31st March, 2012
Accumulated Depreciation	1.3(d)	27,340	24,162
Inventory of Finished Goods	1.7	12,891	11,096

39. Operating Lease Commitments

- (a) The Group has entered into various non-cancellable operating lease agreements in connection with certain Property and Plant and Equipment in earlier years. The Future minimum lease commitments of the Group are as follows :

	As at 31st March, 2013		As at 31st March, 2012	
	Lease Rent	Operation and Maintenance Charges	Lease Rent	Operation and Maintenance Charges
Up to one year	1,385	296	1,215	296
More than one year and up to five years	3,948	1,184	3,585	1,081
More than five years.	7,379	2,797	3,500	875

In the current financial year the Group has charged the following items in the Statement of Profit and Loss on account of the aforesaid operating lease.

	Year ended 31st March, 2013	Year ended 31st March, 2012
Lease Rent	1,659	1,206
Operation and Maintenance Charges	318	296
Escalation Charges and Taxes	258	339
Total	2,235	1,841

- (b) The Group has entered into cancellable operating leases and transactions for leasing of accommodation for office spaces, employees' residential accommodations etc. Tenure of leases generally vary between 1 and 3 years. Terms of the lease include operating term for renewal, increase in rent in future periods and term of cancellation. Related lease rentals aggregating Rs.591 (31st March, 2012 : Rs.598) have been debited to Statement of Profit and Loss for the year.
40. (a) Land of a subsidiary company was appraised in 1992-93 and was reappraised in 2005-06 by an independent appraiser on the basis of Market Approach. The resultant increase (at the current exchange rate) of Rs. 2,080 [Thai Baht 1,122 lakhs] [31st March, 2012 : Rs.1,845 (Thai Baht 1,122 lakhs)] was added to the carrying amount of the Land and the corresponding amount was recognised as Fixed Assets Revaluation Reserve.
- (b) Building and Plant and Machinery of three subsidiary companies were appraised by independent appraisers on an open Market Approach basis / the basis of fair values in 2005-06. The resultant increases of Rs. 3,019 [Thai Baht 1,627 lakhs] [31st March, 2012 : Rs.2,677 (Thai Baht 1,627 lakhs)] and Rs. 282 [Great Britain Pound 3 lakhs] [31st March, 2012: Rs. 279 (Great Britain Pound 3 lakhs)] at the current exchange rate, have been added to the carrying amount of respective assets and the corresponding amounts were credited to the Fixed Assets Revaluation Reserve.
- (c) Buildings of a subsidiary company have been appraised in 2006-07 by independent appraisers on an open market basis. The resultant increase (at the current exchange rates) of Rs. 530 [Great Britain Pound 6 lakhs] [31st March, 2012 : Rs.525 (Great Britain Pound 6 lakhs)] has been added to the carrying amount of said asset and credited to Fixed Assets Revaluation Reserve.
- (d) Land, Building and Machinery of a subsidiary company were appraised in 2008-09 by an independent appraiser using Market Approach basis. The resultant increases (at the current exchange rate), of Rs. 164 (Thai Baht 88 lakhs), [31st March, 2012 : Rs.146 (Thai Baht 88 lakhs)] have been added to the carrying amount of respective assets and credited to the Fixed Assets Revaluation Reserve.
- (e) Land, Building and Machinery of a subsidiary company were appraised in 2009-10 by an independent appraiser using Market Approach basis. The resultant increases (at the current exchange rate), of Rs. 1988 [Thai Baht 1,072 lakhs] [31st March, 2012 : Rs.1,763 (Thai Baht 1,072 lakhs)] have been added to the carrying amount of respective assets and credited to the Fixed Assets Revaluation Reserve.
41. Depreciation charge of Rs. 669 (Previous year Rs. 888) for the year, which is attributable to amount added on revaluation as indicated in paragraph (b), (c), (d) and (e) of Note 40 above, has been adjusted by way of transfer from Revaluation Reserve.

Consolidated Financial Statements of Usha Martin Limited and its Subsidiaries

Notes to the financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

42. An impairment loss of Rs. Nil (Previous Year : Rs. 31) has been ascertained during the year in respect of certain plant and machinery of a Joint Venture Company of the Group, keeping with accounting policy set out in Note 1.5 above. Accordingly the recoverable amount being the net selling price for the aforesaid plant and machinery has been determined on the basis of a valuation carried out by the technical expert of the said Joint Venture Company.
43. The previous year figures have been reclassified where considered necessary to conform to this year's classification.

Signatures to Note '1' to '43'.

For PRICE WATERHOUSE

Firm Registration Number : 301112E
Chartered Accountants

(P. Law)

Partner
Membership No. 51790

Place : Kolkata
Date : 9th May, 2013

P. Jhwar
Chairman

R. Jhwar
Managing Director

A. K. Somani
Company Secretary



**THE SPIRIT OF A
COMMUNITY
THE WILL OF AN
ORGANISATION
THE FUTURE OF A
GENERATION**

**KGVK, USHA MARTIN LIMITED
AND THE PEOPLE OF JHARKHAND**

The founders of Usha Martin firmly believed success, as a global company was sustainable only if the company targeted inclusive growth. Along with growing the business, Usha Martin set out to help integrated development of rural areas around its operations that could be sustained over generations and scalable across as wide a population that Usha Martin's capabilities would allow.

In 1972, Usha Martin encouraged creation of KGVK, (Krishi Gram Vikas Kendra) an entity dedicated to achieving inclusive growth. KGVK is the soul of Usha Martin; driven by the same ethos history shows many similarities in evolution.

Today KGVK has a dual role in the life of Usha Martin. KGVK implements its inclusive growth model of Total Village Management (TVM) across Usha Martin's entire area of operations in Jharkhand. Through TVM, Usha Martin achieves inclusive growth through a mission that 'transforms beneficiaries to producers, entrepreneurs and customers'.

Through KGVK, Usha Martin's commitment to scale inclusive growth extends beyond its areas of operations in Jharkhand and reaches out to 150 villages through the TVM program. The Clinton Global Development Summit in 2008 provided an impetus as KGVK committed to implement TVM in 350 villages by 2018.

Usha Martin's commitment to Total Village Management is a consistent annual contribution of INR 4.5 crore. It has enabled KGVK to set up the hard and soft infrastructure; develop skills and processes that make TVM scalable and successful. The outcomes of TVM are measured at an intervention-level through a proprietary system - Social Return on Interventions (SROI). Today TVM and SROI is a part of our corporate DNA. We measure because it matters.

Usha Martin takes immense pride in the recognition that comes in different ways to KGVK. In January 2013, a leading Indian magazine, Business Today, published a commemorative issue

– 66 Reasons to Keep Faith In India. It listed KGVK as reason number 66 with the title “Holistic Rural Development” and ended with the following:

“KGVK seems to have found the right formula to make villages a better place to live in” – Business Today, January 6, 2013

Since then India’s Planning Commission through the recently setup IBIN (India Backbone Implementation Network) has included KGVK’s Total Village Management Program as the only model of integrated Rural Development in India and has sought to obtain and publish various case studies.

Usha Martin believes that the best recognition comes from customers and those who wish to be customers. It is but a natural evolution that KGVK should provide CSR; Corporate Social Responsibility services to others. Today it executes multi-crore projects in watershed engineering for the Government of India and the Government of Jharkhand and a livelihood program for the Axis Bank Foundation across 50,000 households in Jharkhand.

Even though it has been 41 years since Usha Martin helped creation of KGVK; it feels like we have just begun and more needs to be done - made possible by Usha Martin and powered by its commitment to achieve sustainable inclusive growth.

What follows is a comprehensive, quantitative account of the progress made in the KGVK-UML areas of operation, over the past one year. These indicators are essential to the understanding of the impact that initiatives under the TVM model have had on the rural economy and the lives of the people.

Captive Power Plant – Operational Areas

The KGVK-UML collaboration is now operational in 29 villages in and around the captive power plant, over three blocks in the district of Ranchi, namely, Namkum, Angara and Kanke. The TVM interventions were carried out in these villages over 90-days implementation cycles which were followed by impact measurement activities. The following is a detailed account of the various activities that were carried out for the interventions under each TVM pillar.

Natural Resources Management

- Three wells were renovated in the villages of Ara and Khijri; in Haratu, Silwai and Mahilong, six water tanks or jal minars and a total of 129 hand-pumps were repaired across 15 villages. These activities were carried out by the villagers themselves with minimal supervision and assistance from KGVK personnel
- 1700 papaya plants and around 500 mango and guava plants were made available in 17 villages; around 800 forestry plants were made available to beneficiaries in 11 other villages
- Plantation by the System of Rice Intensification (SRI) method was carried out by 73 farmers in 21 villages; seeds were made available to 195 farmers in 17 villages and farming communities from seven villages made use of the SRI/SWI weeder
- 18 paddy threshers were sourced to farmers in 9 villages;

field verification for the planning of irrigation structures was carried out in the village of Khatanga

Health

- 360 general health camps were held in 29 villages and 201 eye camps were organised in 29 villages
- One telemedicine programme was organised for women in the village of Masu; 25 sanitation programmes were organised in Government Schools of 19 villages; Awareness programmes on malaria, jaundice and other illnesses and Nukkad Nataks were organised in 10 villages
- Regular Anti Natal check-up (ANC) and Health Education Counseling was conducted in seven villages and 372 kitchen garden calendars were made available in 29 villages
- Water testing was done for 51 drinking water sources and in 23 villages bleaching powder was employed for the purpose of well chlorination
- 140 programmes on community mobilization for the strengthening of Village Health and Nutrition Day (VHND) have been organised in 22 villages
- Dengue Awareness Programme was organised in Haratu village and a Polio Awareness Rally was held in Hahe village
- 51 smokeless chulahs were installed in 12 villages
- Animal Health camps were organised in 14 villages with vaccination of ducks being carried out in 9 villages
- 22 individuals from 11 villages benefitted from the free cataract operation, conducted in Shalini Hospital, Narayansoso

Training and Capacity building

- Eight villagers took part in vaccination training, 11 participated in the programme to make smokeless chulahs and training on para-vets was imparted to three villagers
- Two sahiya orientation training programmes were conducted in Tati and Silwai and 16 sahiyas benefitted from training in safe motherhood practices
- 69 training sessions on SRI method of cultivation were organised in the 29 villages
- Piggery maintenance training was imparted to villagers from Mahilong, Hesar and Bedwari and vocational training in the crafts of rakhi making and making of jute bags was imparted in the village of Tati
- Field-level training on mushroom cultivation was carried out in 24 villages and specialised training on apiculture was imparted to five farmers from five different villages
- Quality Circle meetings were conducted in seven villages

Education

- Upon completion of quality assessment, remedial classes have commenced in government middle schools in Hesar and Hahe
- KGVK Gurukul school is operating at full strength with learning programmes being implemented till the VIth Standard
- 13 activities under the education promotion initiative were



Interventions for water storage and harvesting. Benefit : cropping intensity doubled.



KGVK demonstrated the benefits of SRI methodology to farmers which reduces input cost by 80% and doubles the yield. Water requirement is reduced by 50%, seed by 90% and fertiliser by 70%

organised in eight villages

- 16 individuals benefitted from computer training in the villages of Tati and Silwai
- Plantation activities, edutainment classes and sanitation and discipline classes were conducted for overall development of children in the villages
- 113 children benefitted from the programme to minimise drop-outs from schools in five villages
- A rally on the issue of child labour, and essay and drawing competitions were organised in three schools of Tati (E), Silwai and Ara. More than 400 students participated in the activity, including children rescued from the menace of child labour

Livelihood generation

- 881 croilers and red divyans which are different breeds of poultry were made available in 16 villages to promote poultry activities
- 125 goats, covering 1250 households in four villages, were sourced for promotion of goatery
- 24 packets of fingerlings and 595 ducks were also made available in 23 villages
- Bee-keeping boxes to promote apiculture were installed in four villages, and to facilitate piggery, 55 pigs were made available, five each in Khatanga, Hesal, Mahilong and 40 in Chatra
- Mushroom cultivation was carried out by 97 farmers in 16 villages

Auxiliary activities

- Hospitality management classes organised in KGVK, Rukka were attended by 16 students from 10 villages
- 10 street lights were installed, five each in the two villages of Tati (E) and Tati (W)

KGVK, Palamu

Home to the coal-mining operations of UML, Palamu consists of nine villages. The community has actively partaken in the development initiatives jointly undertaken by the KGVK-UML

partnership and made rapid strides in the march towards economic self-sufficiency and sustainability. The following is a detailed account of the progress made during the period 2012-13.

Health and Sanitation

- Health camps and health awareness centres catered to almost 1500 people over the course of the year; Dental and eye check-ups were conducted, and need-based health camps were also organised at R&R and other sites
- Village Health Committee (VHCs) and Anganwadi centres were strengthened, sahiyas were provided with refresher trainings, and adolescent health awareness programmes targeted to the youth were also organised
- 100 kitchen gardens were also set up
- To facilitate safe drinking water, 27 new hand pumps were installed, 98 old ones were repaired and 275 wells were sprayed with bleaching powder to keep away contaminants
- International women's day and AIDS day were celebrated to create awareness and empower the community; 36 Nukkad Nataks were organised to educate and inform villagers about various health-related issues

Education

- One school was renovated by the community and seven government schools were provided with support to strengthen the existing infrastructure capabilities
- 30 students were provided with scholarships and tuition classes were conducted at Resettlement & Rehabilitation (R&R) sites to augment the organised classes
- Two sessions of Village Education Committee (VEC) training were conducted and four school health check-up camps were organised; health, hygiene and yoga classes were also conducted for the benefit of the students
- Balmela, National day and other such events were celebrated with active participation of the students

Livelihood and Women Empowerment

- For the purpose of income generation, training in activities such as silk reeling, kantha & embroidery, croiler farming

KGVK concentrated on breed improvement programmes for cows and goats to generate more income.



and mushroom cultivation were provided to almost 50 villagers; 85 women were engaged in mushroom cultivation and 1200 kroilers were sourced for the community as part of this intervention

- 89 individuals benefitted from entrepreneurship trainings; four sessions of mobile repairing training were organised and 11 individuals participated in training programmes for solar panel installations
- Six exposure visits were organised and women literacy classes were also conducted

Capacity building

- One session of training and orientation for the staff was organised
- Display boards and wall writings were used to impart information to villagers and also to help generate interest in the capacity building measures

Infrastructure development

- 27 new hand pumps were installed and 56 old ones were repaired over the course of the year, one dug-well was also renovated
- Gardening and fencing activities were undertaken for three schools and 15 platforms were repaired

Community development

- Exposure visits and training sessions for members of the Village Development Committee were organised; 28 regular meetings and follow-up sessions were also conducted

Auxiliary activities

- 5500 trees, consisting of mango, gulmohar, timber and guava were planted at the various Rehabilitation & Resettlement (R&R) / mining sites
- Eight solar maintenance programmes were organised

KGVK, Saranda

The project area of Saranda includes 14 villages, in two blocks of the West Singhbhum district. Home to a community traditionally dependent on agriculture as the primary and only

source of income, the region is critical to the mining operations of UML. In partnership with KGVK, Government agencies and other corporate entities, UML has kick-started a process of economic transformation, and the community has responded with vigour. The following is an account of the various activities undertaken over 2012-13, in accordance with the TVM model of rural development.

Natural Resources Management

- Three jal minars and three new tube wells were installed in different villages. The repair of 63 hand-pumps was undertaken by the community in 14 villages
- Several plants like papaya, mango, guava, lemon and sapata were made available among the beneficiaries. 30,000 forestry plants were raised and 21,000 more were made available to the villagers in the region
- One earthen irrigation canal was built by the beneficiaries for the purpose of summer cultivation
- 23 farmers from three villages cultivated paddy by adopting the SRI method; 59 farmers from nine different villages were engaged in the cultivation of vegetables, all year round

Health

- 361 general health camps and eight school health camps for government schools were organised in 14 villages, 42 sanitation programmes were also arranged in the schools
- Nukkad Nataks were used in 18 separate awareness programmes in 10 villages to educate the community about malaria, jaundice, alcoholism, diarrhoea, etc.
- Regular ANC check-ups and health education counselling sessions were arranged for pregnant women in 11 villages; activities were carried out in cooperation with Anganwadi workers and sahiyas in the project areas
- 122 programmes for strengthening of the VHND with community mobilisation were carried out in 14 villages, accompanied by the distribution of 38 cohort charts
- Polio awareness rallies were organised in 14 villages; 372 kitchen garden calendars were distributed in 29 villages



Adult literacy in progress



Smokeless Chulahs were installed for healthy indoor cooking

- 10 animal health camps were organised and vaccination programmes for goats were arranged in six villages

Education

- 93 Village Education Committee meetings were conducted in 12 villages in collaboration with government teachers.
- Five government teachers from five villages were provided with training to improve the quality of instruction, impacting 362 children
- 96 children from six schools participated in an inter-school Sports competition. The participants competed across 8 events. Essay and drawing competition were also conducted, with 383 children participating across disciplines
- As a result of the door-to-door programme, 72 children were newly inducted into schools
- Bal Melas were organised in five schools covering 294 children
- 780 fruit-bearing and forestry trees were planted in four schools; two schools were also provided with kitchen garden seeds

Training & Capacity building

- Para-veterinary training was provided to four villagers; 21 Kisan Goshtis (meetings) were organised with 741 farmers participating from 14 villages
- 27 farmers from four villages partook in the training sessions on SRI cultivation
- 147 villagers, including 78 students of Gua high-school participated in the Mushroom Training programmes arranged in two villages
- Five field-level training programmes on Mushroom cultivation, instructed by field officers, were organised in four villages
- 12 villagers from four villages benefitted from 'lac' training at Indian Institute of Natural Resins and Gums (IINRG), Namkum
- 11 villagers from five villages were selected for fishery training by the Fisheries Dept. In Chaibasa

- 36 villagers from three villages were participated in reshram training, organised by the Silk Board, Jaganathpur branch.

Livelihood

- One she-goat and 46 he-goats were allotted to 46 villagers, covering 460 households in nine villages for the purpose of improving the goat breed
- 63 kg of fingerlings given to four villages for use in 8 ponds
- 16 packets of brinjal and tomato seeds were distributed in five villages
- Mushroom cultivation was taken up by 13 farmers in three villages
- To promote bee-keeping practices, four bee-keeping boxes were given to two trained villagers
- Five youths from a particular village started co-operative vegetable cultivation

Renewable energy

- Solar charging stations were provided to six villagers and 300 solar lanterns were distributed amongst the villagers in six villages
- 63 solar lanterns were repaired across six villages

Auxiliary activities

- Celebration of special days such as Teacher's Day, Independence Day, Republic Day, Children's Day were organised across various schools in the 14 villages

KGVK under capacity building, had initiated the TVM Gurukul School of Nursing in 2007, a value added vocational training course with assured placement. This year Sangita Singh did her batch proud by topping the examination held by Mid India Board of Education. Besides her, three more students featured in the top twenty.

IMPACT OF INTERVENTIONS ACROSS THE OPERATIONAL AREAS

S.N	Interventions	Geographical Areas of interventions			SROI (Social Return of Intervention)
		Saranda Iron Ore Mines Area (14 villages)	Palamu Coal Mines Area	Ranchi Power Plant Area	
1 Natural Resource Management					
a	Promotion of System of Rice Intensification (SRI Method) for Paddy Cultivation	23 farmers (8 acres)	-	68 farmers (26 acres)	Additional incomes of more than 5 lakhs have been generated by adopting SRI method in comparison to traditional method of paddy cultivation in just four months.
b	Installation of new hand pumps and repairing of existing hand pumps	New-6 Old-32	New-26 Old-46	New-Nil Old-129	Greater accessibility and availability of safe and clean water for more than 6000 household for cooking, and drinking purpose
c	Construction of overhead water tanks	4	-	6	
d	Construction of wells	12	9	5	
e	Plantations	1,08,000 plants	26,000 plants	1,800 plants	Increasing forest cover for balancing the eco system
2 Health, Hygiene and Nutrition					
a	Health Camps	546Nos	126Nos	243Nos	<ul style="list-style-type: none"> Cases of malaria, diarrhea, TB & asthma have been reduced by 50-60 % within 3- 4 years at Saranda & Palamu. Immunization coverage has gone up from 30% to 70% in Saranda and 40 to 75% in Palamu with our facilitation. Institutional deliveries were as low as 9% at Saranda & 20% at Palamau which gone upto 35% & 45% respectively.
b	Immunization Coverage	70%	75%	90%	
c	Institutional deliveries	35	45	92	
d	Initiatives on malaria and diarrhea <ul style="list-style-type: none"> Street Corner Plays A/V shows Sensitization and behavioural change communication sessions 	106	52	24	The morbidity and mortality rates have been significantly reduced for vector borne and water borne diseases. Awareness level among villagers has become significantly high.
e	Hospitals and health clinics	1 Health clinics	5 Health Clinics	2 Hospitals	Improving the accessibility, availability of health care services
f	Mobile health service unit	1	1	1	Improving the accessibility, availability of health care services
3 Education					
a	Primary school	-	1	1	Providing joyful learning and enabling environment for education
b	Support to government schools for joyful learning	9	10	8	Supportive supervision for ameliorating the grades of students and reducing LODO (Left Outs and Dropouts)
c	Sports and extracurricular activities including school health camps	12	11	15	Giving a comprehensive and robust environment for students where they get awareness on health, nutrition and hygiene.
4 Livelihood and Financial Inclusion					
a	Poultry & duckery	250 chicks	600 chicks	1588 chicks	Skills enhancement of communities and income augmentation by approx..Rs. 15000/- PA per HH (involved with intervention), through gamut of interventions and financial inclusion
b	Mushroom cultivation	24 HH	85 HH	115 HH	
c	Fishery	12 ponds	1 Pond	24 Ponds	
d	Goatery (Breed improvement programmes)	510 HH	20HH	350 HH	
5 Capacity Building/ Vocational Training					
	Skill training on bar bending/ masonry/ carpentry/ welding/ Hospitality Mgmt. etc.	36	78	14	All the participants (trained) have been placed with different organization having salary range of 4K to 9K PM
6 Energy Inclusion					
a	Solar charging stations	6 (300 HH)	4(200 HH)	8(400 HH)	For cleaner and greener energy, and renewable energy sources
b	Street solar lamps	6	20	-	
7 Women's Empowerment					
a	Adult education for women	12	09	08	Supporting women folks in education, empowerment greater social and economic inclusion
b	Skill training on silk reeling	-	32	-	Marketing linkage has been made with Jharcraft
c	Skill training on kantha embroidery and applique work	-	20	16	
d	Skill training on artificial jewellery making	14		08	

NOTICE TO THE SHAREHOLDERS

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the TWENTY SEVENTH ANNUAL GENERAL MEETING of the members and shareholders of USHA MARTIN LIMITED will be held at Vidya Mandir, 1, Moira Street, Kolkata – 700 017 on Tuesday, the 30th day of July, 2013 at 2.00 P.M to transact following businesses:

As Ordinary Business:

- To receive and adopt the Statement of Profit & Loss of the Company for the year ended 31st March, 2013 and the Balance Sheet as at that date, together with the Directors' and Auditors' Reports.
- To declare dividend on the equity shares for the year ended 31st March, 2013.
- To appoint a director in place of Mrs. Ramni Nirula who retires by rotation and, being eligible, offers herself for re-appointment.
- To appoint a director in place of Mr. G N Bajpai who retires by rotation and, being eligible, offers himself for re-appointment.
- To appoint a director in place of Mr. N Misra who retires by rotation and, being eligible, offers himself for re-appointment.
- To appoint a director in place of Mr. Jitender Balakrishnan who retires by rotation and, being eligible, offers himself for re-appointment.
- To appoint Auditors and fix their remuneration and for the purpose to pass the following resolution as Ordinary Resolution :

"RESOLVED THAT pursuant to the provision of Section 224 of the Companies Act, 1956, M/s. Price Waterhouse, Chartered Accountants, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided mutually between the Board of Directors and the Auditors."

As Special Business:

To consider and if thought fit, to pass with or without modification(s), the following resolutions:

8. As Ordinary Resolution

"RESOLVED THAT Mr. R S Thakur be and is hereby appointed as a Director of the Company liable to retire by rotation."

9. As Special Resolution

"RESOLVED THAT pursuant to the provisions of Sections 198,269,309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 and read with Schedule XIII of the said Act (including any statutory modification(s) or re - enactments thereof, for the time being in force) and in terms of the recommendation of the Remuneration Committee and as approved by Board of Directors, approval of members and shareholders of the Company be and is hereby accorded to the re-appointment and payment of the remuneration to Mr. Rajeev Jhawar, Managing Director of the Company for a period of 5 years with effect from 19th May, 2013 on the terms and conditions as set out in the draft agreement to be entered into between the Company on the one part and Mr. Rajeev Jhawar of the other part placed before the meeting and initiated by the Chairman for the purpose of identification is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or agreement in such manner as may be agreed to between the Board of Directors and Mr. Rajeev Jhawar."

"RESOLVED FURTHER THAT where in any financial year, during the tenure of Mr. Rajeev Jhawar, as the Managing Director of the Company, if the Company incurs a loss or its profits are inadequate, subject to the other applicable provisions of the Act (including any statutory modification or re-enactment thereof) and subject to the approval of the Central Government, if required, consent of the members and shareholders of the Company be and is hereby accorded to the Company to pay to Mr. Rajeev Jhawar the above remuneration by way of salary/ performance-linked incentives/reward or bonus, perquisites and other allowances or any combination thereof as above) with an annual increase of upto 20% thereon as minimum remuneration for every year thereafter during the period of his re-appointment, and that Board of Directors of the Company be and is hereby empowered to decide remuneration of any amount and other retirement benefits as may be recommended by the Remuneration Committee, within such overall ceiling."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary for giving effect to the above resolution."

10. As Special Resolution

"RESOLVED THAT in partial modification to the ordinary resolution passed by

the members and shareholders of the Company at the Annual General Meeting held on 27th July, 2010 and subject to the provisions of Sections 198, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956 ("the Act") and other applicable provisions of the Act, and approvals, if any, required, consent of the Company be and is hereby accorded to the following revision in the scale of remuneration payable to Dr. Vijay Sharma, Jt. Managing Director (Steel Business) for the balance period of his appointment from 1st April, 2013 to 31st January, 2015.

Salary (Per month)	Rs 6,00,000 in the scale of Rs 6,00,000 - 25,000 – 12,00,000
Special Pay / Allowance (Per month)	Rs 7,75,000 in the scale of Rs 7,75,000 - 25,000 – 12,00,000
Performance Bonus / Variable Pay	Rs 6,00,000 in the scale of Rs 6,00,000 - 10,00,000

RESOLVED FURTHER THAT other terms and conditions relating to appointment of Dr. Vijay Sharma shall remain unchanged."

11. As Special Resolution

"RESOLVED THAT in partial modification to the ordinary resolution passed by the members and shareholders of the Company at the Annual General Meeting held on 27th July, 2010 and subject to the provisions of Sections 198, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956 ("the Act") and other applicable provisions of the Act and approvals, if any, required, consent of the Company be and is hereby accorded to the following revision in the scale of remuneration payable to Mr. P K Jain, Jt. Managing Director (Wire & Wire Ropes Business) for the balance period of his appointment from 1st April, 2013 to 31st January, 2015.

Salary (Per month)	Rs 5,00,000 in the scale of Rs 5,00,000 - 25,000 – 11,00,000
Special Pay / Allowance (Per month)	Rs 6,00,000 in the scale of Rs 6,00,000 - 25,000 – 11,00,000
Performance Bonus / Variable Pay	Rs 4,00,000 in the scale of Rs 4,00,000 - 10,00,000

RESOLVED FURTHER THAT other terms and conditions relating to appointment of Mr. P K Jain shall remain unchanged."

Registered Office :

2A, Shakespeare Sarani, Kolkata – 700 071

Dated : 28th June, 2013

By Order of the Board

A K Somani

Company Secretary

NOTES:

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxies, in order to be effective, must be deposited at the registered office of the Company at least 48 hours before commencement of the meeting.
- The Registers of Members and the Share Transfer Books of the Company will remain closed from 22nd July, 2013 to 30th July 2013 (both days inclusive).
- The shareholders of the Company are informed that pursuant to the Companies (Amendment) Act, 1999 the amount of dividend which remains unclaimed for a period of 7 years would be transferred to the Investor Education and Protection Fund ["the Fund"] constituted by the Central Government and the shareholder(s) would not be able to claim any amount of the dividend so transferred to the Fund. All unclaimed /unpaid dividends declared for and upto the financial year ended 31st March, 2005 has been transferred to the said Fund. The unclaimed/unpaid dividend declared for the financial year ended 31st March, 2006 shall be deposited in the Fund on or before August, 2013.
- The shareholders who have not encashed their earlier dividend warrants are requested to write to the Company immediately for claiming outstanding dividends declared by the Company.
- Members holding shares in identical order of names in more than one folio are requested to write to the Company's R & T Agent, namely, MCS Limited, 77/2A, Hazra Road, Kolkata - 700029 for consolidation of holding in one folio. The relevant share certificates are also to be sent to them for this purpose.
- As per RBI notification, with effect from 1st October, 2009, the remittance of the money through ECS was replaced by National -Electronic Clearing Service (NECS) and banks have been instructed to move to the NECS Platform. For the shareholders holding shares in electronic form, please furnish the new Bank Account Number as allotted to you by the bank after implementation of

its Core Banking Solutions alongwith a photocopy of a cheque pertaining to the concerned account to your Depository Participant.

7. The Equity shares of the Company are tradable in dematerialized form with effect from 21st March, 2000. In view of the same and to avail of the in-built advantages of the ECS payment, nomination facility and other advantages, the shareholders are requested to get their shares in demat form. The ISIN No. of the Company is INE 228A01035.
8. Pursuant to the Circular Nos. 17/2011 dated 21st April, 2011 and 18/2011 dated 29th April, 2011 issued by the Ministry of Corporate Affairs (MCA), the Company has implemented the "Green Initiative" which will enable electronic delivery of notices/documents and annual reports to the shareholders. Henceforth, the email addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be your registered email address for serving notices/documents including those covered under Section 219 of the Companies Act, 1956. The Notice of AGM and the copies of audited financial statements, directors' report, auditors' report etc will also be displayed on website - www.ushamartin.com and the other requirements of the MCA Circulars will be duly complied with. Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to MCS Limited, 77/ 2A, Hazra Road, Kolkata – 700029, the RTA of the Company quoting their folio number(s).
9. Pursuant to the requirements of the Clause 49 of the listing agreements with the stock exchanges information about the directors proposed to be re-appointed is given below :

Item No.3

Mrs. Ramni Nirula, aged about 61 years, holds a bachelor's degree in Economics and a master's degree in Business Administration from Delhi University. She has experience of over three decades in various functions in financial sector ranging from project financing, strategy, planning and resources, corporate banking, rural banking, government banking, etc., in various capacities in ICICI Bank Limited and its' associates. She was Sr. General Manager at the time of her retirement from ICICI Bank Limited. Mrs. Nirula is not holding any equity shares in the Company

Mrs. Nirula is on the Board of following companies in India:

Sl. No.	Name of the Company	Director / Chairperson	As Committee Member / Chairperson (Audit / Shareholders Grievance)
1.	Jubilant Food Works Limited	Director	Share Transfer & Grievance Committee – Chairperson / Audit Committee – Member
2.	P I Industries Limited	Director	Share Transfer & Grievance Committee- Chairperson
3.	McLeod Russel India Limited	Director	-
4.	Vardhman Special Steels Limited	Director	Audit Committee - Member
5.	Sona Koyo Steering Systems Limited	Director	Audit Committee - Member
6.	Avantha Power & Infrastructure Limited	Director	Audit Committee - Member
7.	Utkarsh Micro Finance Private Limited	Director	Audit Committee - Member
8.	Goldman Sachs Trustee Company (India) Private Limited	Director	Audit Committee - Member
9.	DRN Investments and Agriculture Private Limited	Director	-
10.	Tama Investments & Finance Pvt. Ltd.	Director	-
11.	Computer Age Management Services Pvt. Ltd.	Director	Audit Committee – Member
12.	IKP Knowledge Park (Section 25 company)	Director	-

Item No.4

Mr. G N Bajpai, aged about 72 years holds a master's degree in Commerce from University of Agra and a bachelor's degree in Law (LLB) from University of Indore. Mr. Bajpai has held prominent senior level positions in various bodies during his executive career. He has served as Chairman of Life Insurance Corporation of India and later on as Chairman of Securities and Exchange Board of India, apart from

heading task forces on corporate governance and serving on governing body of Indian Institute of Management, Lucknow. Mr. Bajpai is holding 20,000 equity shares in the Company.

Mr. Bajpai is on the Board of following companies in India and holds following committee memberships:

Sl. No.	Name of the Company	Director / Chairman	As Committee Member / Chairman (Audit / Shareholders Grievance)
1.	Future Generali India Life Insurance Company Ltd.	Director	Audit Committee & Shareholders' Grievance Committee – Chairman
2.	Future Generali India Insurance Company Ltd.	Director	Audit Committee & Shareholders' Grievance Committee – Chairman
3.	Mandhana Industries Ltd.	Director	Audit Committee - Member
4.	Future Ventures India Ltd.	Director	Audit Committee – Chairman
5.	Nitesh Estates Ltd.	Director	Audit Committee - Member
6.	Shriram New Horizons Ltd.	Director	-
7.	PNB Housing Finance Ltd.	Director	-
8.	Micromax Informatics Limited	Director	-
9.	Walchandnagar Industries Limited	Director	-
10.	Dalmia Cement (Bharat) Ltd.	Director	Audit Committee - Member
11.	United Spirits Ltd.	Director	-
12.	Intuit Consulting Pvt. Ltd.	Director	-
13.	Invent Asset Securitization & Reconstruction Co. Pvt. Ltd.	Director	-
14.	IDE India (Section 25 company)	Director	-
15.	Invent ARC Pvt. Ltd.	Director	-
16.	Institute of Insurance and Risk Management (Section 25 company)	Director	-

Item No. 5

Mr. N Misra, aged about 68 years is a retired IAS officer and has held positions such as Chairman of Telecom Regulatory Authority of India, Chairman of C-Dot Alcatel Research Centre, Secretary of Department of Telecom, Government of India and various other senior level positions in Government of India and Government of Uttar Pradesh during his work experience of 44 years. He has also authored various publications and is associated with various bodies in field of agriculture, community building and social services.

Mr. Misra is holding 200 equity shares in the Company.

Mr. Misra is on the Board of following companies in India and holds following committee memberships:

Sl. No.	Name of the Company	Director / Chairman	As Committee Member / Chairman (Audit / Shareholders Grievance)
1.	Ginni Filaments Limited	Director	Shareholders Grievance Committee - Chairman
2.	Lanco Babandh Power Limited	Director	-

Item No. 6

Mr. Jitender Balakrishnan aged about 64 years is B.E. [Mech] from National Institute of Technology, Madras University and holds Post Graduate Diploma in Industrial Management from Bombay University. He was Dy. Managing Director & Group Head – Corporate Banking of IDBI Bank Limited at the time of his retirement and has served as IDBI's representative on various committees in fertilizer, oil & gas, telecom sectors and high level committee on ultra mega power projects and has also served on boards of various corporate, housing finance company, asset management company besides state financial institutions.

Mr. Balakrishnan is not holding any equity shares in the Company.

Mr. Balakrishnan is on the Board of following companies in India and holds following committee memberships:

Sl. No.	Name of the Company	Director / Chairman	As Committee Member / Chairman (Audit / Shareholders Grievance)
1.	Bharti AXA Life Insurance Company Ltd.	Director	-
2.	Bharti AXA General Insurance Co. Ltd.	Director	-

3.	Bhoruka Power Corporation Ltd.	Director	-
4.	Aditya Birla Finance Ltd.	Director	-
5.	Polyplex Corporation Ltd.	Director	-
6.	Binani Industries Ltd.	Director	Audit Committee – Member
7.	IL & FS Investment Managers Ltd.	Director	Audit Committee – Member
8.	Sarda Energy & Minerals Ltd.	Director	Investors' Grievance Committee – Member
9.	India Glycols Ltd.	Director	-
10.	Essar Steel India Limited	Director	-
11.	Magus Estates & Hotels Ltd.	Director	Audit Committee - Member
12.	Essar Services India Limited	Director	-
13.	Bharti Infratel Ltd.	Director	Audit Committee – Member
14.	Equinox Realty and Infrastructure Pvt. Ltd	Director	-

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 and pursuant to Clause 49 of the Listing Agreement with stock exchanges in connection with the items of special business is given below:

Item No.8

Mr. R S Thakur aged about 64 years holds a Bachelor's Degree in Mechanical Engineering and MBA from XLRI. He is also a Chartered Management Accountant from Chartered Institute of Management Accountants, London. Mr. Thakur prior to joining Tata Autocomp Systems Limited as Executive Director in 2008 was associated with Tata Motors Limited for over 35 years and was responsible for Finance, Business Planning, Treasury, Mergers & Acquisitions, negotiating with State Governments for new projects and manufacturing engineering. Mr. Thakur was actively involved in the management of the overseas ventures as well as joint ventures in India of Tata Motors Limited. Mr. Thakur is presently the Managing Director and CEO of Tata Autocomp Systems Limited. Mr. Thakur is not holding any equity shares in the Company.

Mr. Thakur is on Board of following companies in India and holds following committee memberships:

Sl. No.	Name of the Company	Director / Chairman	As Committee Member / Chairman (Audit / Shareholders Grievance)
1	Tata Autocomp Systems Limited	Managing Director & CEO	Shareholders / Investors Grievance - Member
2	Tata Autocomp GY Batteries Limited	Director	-
3	TAL Manufacturing Solutions Limited	Director	Audit Committee - Chairman
4	Automotive Stampings and Assemblies Ltd.	Director	Shareholder Grievance & Compliance Committee – Member
5	TACO Sasken Automotive Electronics Ltd.	Director	-
6	Nanjing Tata Autocomp Systems Limited	Director	-
7	Drive India Enterprise Solutions Limited	Director	-
8	Tata Toyo Radiator Limited	Director	Audit Committee - Chairman
9	Taco Engineering (UK) Limited	Director	-

Except Mr. Thakur none of other directors are concerned or interested in the resolution.

Item No.9

Mr. Rajeev Jhavar was reappointed as the Managing Director of the Company with effect from 19th May, 2008 for a period of 5 years and his present term expires on 18th May, 2013. Having regard to his wide knowledge, experience and services to the Company, the Board of Directors on recommendation of Remuneration Committee of the Board of Directors at their meeting held on 9th May, 2013 re – appointed Mr. Jhavar as the Managing Director of the Company for a further period of 5 years with effect from 19th May, 2013. The terms and

conditions of the re – appointment of Mr. Jhavar are set out in the Agreement to be entered into by the Company with him and an abstract of the terms thereof with memorandum of interest is set out below:

Period:

Mr. Rajeev Jhavar shall be the Managing Director of the Company for a period of 5 years from 19th May, 2013.

Duties:

As the Managing Director, Mr. Rajeev Jhavar shall perform such duties and exercise such powers as may from time to time be entrusted to or conferred upon him by the Board, subject to the superintendence, control and direction of the Board.

Remuneration:	
Salary Scale	- Rs.6,00,000 per month in the scale of Rs. 6,00,000 - 3,00,000 - 20,00,000. The annual increment(s) shall be decided by the Board of Directors of the Company or its Committee.
Commission	- As decided by the Board of Directors every year
Housing	- Free furnished residential accommodation or housing allowance @ 60% of salary.
Other allowances	- 50 % of the prevailing salary.
PF/Gratuity/Superannuation/ Personal Accident Insurance	- As per rules of the Company.
LTA	- As per rules of the Company subject to maximum of one month's salary.
Medical expenses for self and family	- At actuals
Car	- 2 Nos. with drivers
Club Fees	- 4 Clubs
Telephone at residence	- Two nos. with one cellular
Leave	- As per rules of the Company.

(However, maintenance and electricity charges for Company provided accommodation, maintenance and running charges for Company provided generators, maintenance and running charges for Company provided car(s), phones at residence and mobile phones and / or Health Insurance Policy within a consolidated limit of Rs.1,50,000 per month).

In the event of loss or inadequacy of profit during the currency of tenure of Mr. Rajeev Jhavar as Managing Director, he shall be entitled to receive a minimum remuneration by way of salary, performance - linked incentives / reward or bonus, perquisites and other allowances or any combination thereof, as above as minimum remuneration with an annual increase of upto 20% thereon for every year thereafter during the period of his re – appointment.

The reappointment and the remuneration payable to Mr. Rajeev Jhavar require the approval of the members of the Company in the general meeting. The above reappointment and the remuneration payable to Mr. Rajeev Jhavar on the terms proposed also satisfies the conditions laid down in Schedule XIII of the Act and steps are being taken for necessary compliance under the Act. The Resolution set out in Item 9 of the convening notice has to be considered accordingly and the Board recommends the same.

Draft of the agreement referred to in the resolution will be available for inspection by the members of the Company at its registered office on any working day during usual business hours and will also be available at the meeting.

The Directors recommend the adoption of the Resolution as mentioned at Item 9 of the Notice. Apart from Mr. Rajeev Jhavar and Mr. Brij Kishore Jhavar, being the relative of Mr. Rajeev Jhavar may be deemed to be interested in the resolution concerning his reappointment and remuneration and no other director of the Company is concerned or interested in the resolution. An abstract of the terms of re-appointment of Mr. Rajeev Jhavar as the Managing Director of the Company and Memorandum of Interest under Section 302 of the Act was sent to the Members of the Company.

Mr. Rajeev Jhavar, aged about 48 years is a commerce graduate and has undergone Management Development courses in Wharton. He is a second generation entrepreneur and has got vast experience and expertise in the management of conglomerates. He is the Managing Director of the Company which has diversified interest in steel, wire ropes, cables and has been associated with the Company since its inception.

Mr. Rajeev Jhavar holds directorships / memberships in the following public / private limited companies in India:

Sl. No.	Name of the Company	As Director	As Committee Member / Chairman (Audit / Shareholders Grievance)
1	Usha Martin Education & Solutions Limited	Director	Shareholder & Investor Grievance Committee – Chairman
2	Usha Breco Realty Limited	Director	-
3	Usha Breco Limited	Director	-
4	Neutral Publishing House Limited	Director	-
5	Redtech Networks India [P] Limited	Director	-
6	PARS Consultancy & Services Private Limited	Director	-
7	Jhavar Venture Management Private Limited	Director	-
8	KGVK Rural Enterprise Limited	Director	-
9	KGVK Social Enterprise Limited	Director	-
10	Orient Cement Limited	Director	-

Mr. Jhavar is holding 1,516,741 equity shares in the Company.

Item Nos 10-11

The Members of the Company at their Annual General meeting held on 27th July, 2010 approved the appointment and remuneration payable to Dr Vijay Sharma, Jt Managing Director (Steel Business) and Mr P K Jain Jt Managing Director (Wire & Wire Ropes Business) for a period of 5 years each with effect from 1st February, 2010.

The Board of Directors of the Company on recommendation of Remuneration Committee at their meeting held on 8th May, 2013 decided the following revision in the scale of remuneration payable to Dr Vijay Sharma Jt Managing Director (Steel Business) and Mr P K Jain, Jt Managing Director (Wire & Wire Ropes Business) for the balance period their appointment from 1st April, 2013 to 31st January, 2015 subject to the approval of the shareholders.

Particulars	Dr Vijay Sharma, Jt Managing Director (Steel Business)	Mr P K Jain, Jt Managing Director (Wire & Wire Ropes Business)
Salary (Per month)	Rs 6,00,000 in the scale of Rs 6,00,000- 25000 – 12,00,000	Rs 5,00,000 in the scale of Rs 5,00,000- 25000 – 11,00,000
Special Pay/ Allowance (Per month)	Rs 7,75,000 in the scale of Rs 7,75,000- 25000 – 12,00,000	Rs 6,00,000 in the scale of Rs 6,00,000- 25000 – 11,00,000
Performance Bonus / Variable Pay	Rs 6,00,000 in the scale of Rs 6,00,000 - 10,00,000	Rs 4,00,000 in the scale of Rs 4,00,000 - 10,00,000

The Directors recommend the adoption of the Resolutions as mentioned at Item 10 and 11 of the Notice. No Director of the Company is in any way concerned or interested in the above Resolutions except for Dr Vijay Sharma and Mr P K Jain to the extent of revision in their respective remuneration. An abstract of the above variation in the scale of remuneration for Dr Vijay Sharma and Mr P K Jain as required under Section 302 of the Act was sent to the Members of the Company. The other terms and conditions of their appointment remain the same.

The general information as per proviso (IV) of Part II of Section II of Section C of Schedule XIII of the Companies Act, 1956 applicable to managerial personnel

- Nature of industry – The Company is engaged in manufacture of steel, steel products and wire & wire ropes.
- Date of commencement of commercial production - The Company is in operation since 1986.
- In case of new company, expected date of commencement of activities - Not applicable.
- Financial performance based on given indicators –

(Rs. in crs)

	31-Mar-13	31-Mar-12	31-Mar-11
Sales	3346.98	3080.76	2740.24
Profit before tax	10.32	(43.81)	145.30
Profit after tax	7.05	(32.77)	99.53
Shareholder's funds	1544.92	1530.87	1557.05
Total Assets	7079.55	6093.69	4968.65

- Export performance – The Company's exports for the past 3 years are as follows:

(Rs. in Crs)

	31-Mar-13	31-Mar-12	31-Mar-11
Exports [FOB]	496.72	468.14	395.61

- Foreign Investments / Collaborators, if any – There are no foreign collaborators at present. However, foreign institutional investors are holding equity in the Company.

- Information about the appointee:

Mr. Rajeev Jhavar

- Background details - Mr. Rajeev Jhavar son of Mr. Brij K Jhavar is one of the promoters and has been associated with the business of the Company since 1987. Mr. Jhavar is a Commerce Graduate and underwent management development course at London Business School. He is the Managing Director of the Company.

- Past remuneration – Mr. Rajeev Jhavar was paid the following remuneration:

(Rs. in lacs)

	31-Mar-13	31-Mar-12	31-Mar-11
Salary	36.00	36.00	36.00
Commission	-	-	317.17
Allowances	21.00	18.00	23.70
Perquisites	39.84	35.75	26.94
Contribution to PF & other funds	13.00	9.48	14.96
Total	109.84	99.23	418.77

- Recognition /Awards – Due to his able guidance, the Company has earned several recognitions for its' products and initiatives in Corporate Social Responsibilities.

- Job profile and his suitability - Mr. Rajeev Jhavar, the Managing Director subject to the supervision and control of the Board of Directors is responsible for overall management of the affairs of the Company. He is also responsible to perform such other duties as may from time to time be entrusted to him by the Board. Taking into consideration his qualification, experience and expertise in the affairs and activities of the Company, he is best suited for the responsibilities assigned to him by the Board of Directors.

- Remuneration Proposed – As stated in the Resolution No.9 of the convening notice.

- Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person – Having regard to the size of the Company, versatile experience and expertise of Mr. Jhavar and responsibilities of the position held by him, the Board of Directors is of the opinion that the proposed remuneration is reasonable.

- Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel - Mr. Rajeev Jhavar is the promoter of the Company holding 1,516,741 equity shares of Re./- each amounting to 0.50% of the paid up capital of the Company (as on March 31, 2013). He is the son of Mr. Brij K Jhavar, promoter- director of the Company.

8. Disclosures

- The remuneration package of the managerial personnel for the years from 2011 to 2013 is given above.
- The following information has been disclosed in the Board of Directors' Report under the heading 'Corporate Governance' attached to the annual report for the year 2012-13.
 - All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc. of the directors.
 - Details of fixed components and performance linked incentive alongwith performance criteria.
 - Service contracts, notice period, Severance fees.
 - Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.
- The Company has not made any default in payment of any debts or debentures or interest payable thereon for a continuous period of 30 days in the preceding financial year before the date of re-appointment of Mr. Rajeev Jhavar.



Usha Martin Limited
2A, Shakespeare Sarani, Kolkata – 700 071

PROXY FORM

I / We.....
of.....
being a Member/Members of Usha Martin Limited, hereby appoint.....
of.....or failing him/her.....
of.....or failing him/her.....
of.....as my/ our proxy to attend and to vote for me/us on my/ our behalf at the
twenty seventh Annual General Meeting of the Company to be held at Vidya Mandir, 1, Moira Street, Kolkata – 700 017 on Tuesday, 30th day of July,
2013 at 2.00 p.m. and at any adjournment thereof.

Signed this..... day of2013

Affix Re 1
Revenue
Stamp

Signature(s) of the Shareholder(s) (1)..... (2)..... (3).....
DP ID No.....Folio No./ Client I.D. No.....No. of Shares held.....

Note:
The Proxy form must be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the aforesaid Meeting



Usha Martin Limited
2A, Shakespeare Sarani, Kolkata – 700 071

ATTENDANCE SLIP

DP ID No.	Attending as	Shareholder/Proxy
Folio No./Client I.D. No.	Representing No. of Shares	

I hereby record my presence at the twenty sixth Annual General Meeting of the Company to be held at Vidya Mandir, 1, Moira Street,
Kolkata – 700 017 on Tuesday, 30th day of July, 2013 at 2.00 p.m. and at any adjournment thereof.

Name of the Shareholder/Proxy
IN BLOCK LETTERS

.....
Signature of the Shareholder/Proxy

Notes:
Please fill the admission slip and hand it over at the entrance of the hall.
Please strike out whichever is not applicable.

Financial Summary

Standalone

(Rs/crs except mentioned)

	31-03-04	31-03-05	31-03-06	31-03-07	31-03-08	31-03-09	31-03-10	31-03-11	31-03-12	31-03-13
Gross Turnover	868.77	1270.58	1377.18	1573.74	1852.77	2307.21	1960.03	2742.24	3080.76	3346.98
Net Turnover	790.91	1189.87	1231.78	1408.60	1655.90	2127.23	1850.39	2526.70	2836.89	3044.53
PBIDT	163.09	198.93	249.89	285.98	357.01	422.43	359.49	496.02	408.80	572.33
Profit Before Tax	23.27	58.27	100.74	138.40	200.71	214.04	139.21	145.30	-43.81	10.32
Profit After Tax	15.52	40.87	64.96	101.48	144.83	146.56	92.21	99.53	-32.77	7.05
EPS - (Rs.) #	4.19	11.04	16.20	22.54	5.76	5.86	3.53	3.23	-1.08	0.23
Rate of Dividend - (%)	15%	30%	55%	75%	100%	100%	100%	100%	-	15%
Net Fixed Assets	898.43	893.78	954.28	1097.07	1449.08	2331.07	2857.54	3130.00	3671.38	4460.83
Net Current Assets Including Cash & Bank Balances	359.53 28.12	345.09 38.97	301.86 51.75	353.62 37.08	372.47 46.36	681.46 76.47	185.21 10.30	463.78 113.01	665.19 253.18	597.09 123.11
Gross Debt	877.19	825.93	687.61	749.37	943.20	2061.23*	1560.91*	2008.80*	2788.14*	3487.80*
Net Worth	419.44	444.79	587.36	717.96	897.38	1015.55	1499.69	1557.06	1531.54	1544.92
Debt Equity Ratio (X)	2.09	1.86	1.17	1.04	1.05	2.03	1.04	1.29	1.82	2.26

Consolidated

(Rs/crs except mentioned)

	31-03-04	31-03-05	31-03-06	31-03-07	31-03-08	31-03-09	31-03-10	31-03-11	31-03-12	31-03-13
Gross Turnover	1145.39	1648.48	1969.31	2148.42	2527.66	3146.79	2630.33	3266.42	3614.74	3935.27
Net Turnover	1062.52	1550.26	1801.96	1964.71	2308.77	2949.85	2514.41	3044.59	3360.82	3621.83
PBDIT	194.49	243.93	313.41	367.96	444.94	531.36	495.01	595.03	497.76	705.03
Profit Before Tax	25.54	70.68	126.47	182.92	246.84	280.59	240.04	204.07	11.40	103.50
Profit After Tax	16.36	50.08	84.34	137.44	175.38	185.33	168.62	137.03	3.61	78.84
EPS - (Rs.) #	4.42	13.53	21.03	30.52	6.97	7.41	6.46	4.50	0.12	2.59
Net Fixed assets	1117.23	1107.01	1194.77	1377.89	1740.97	2623.22	3177.69	3440.37	3988.73	4935.26
Net Current Assets Including Cash & Bank Balances	462.19 38.81	429.21 49.28	423.40 67.66	519.26 49.04	528.91 72.12	924.84 108.80	420.67 47.62	740.32 147.70	1006.57 362.24	926.52 183.70
Gross Debt	1134.88	1047.25	865.11	963.03	1137.47	2266.37*	1716.58*	2155.47*	2931.62*	3688.50*
Net Worth	383.67	415.16	606.01	773.41	967.39	1135.50	1687.52	1784.34	1830.28	1935.28
Debt Equity Ratio (X)	2.96	2.52	1.43	1.25	1.18	2.00	1.02	1.21	1.60	1.91

Face value of each equity share is Rs.5 upto FY 07 and Re.1 thereafter

* Including capex L/Cs

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