

REPORT ON CORPORATE GOVERNANCE

The philosophy of corporate governance process at UNIABEXALLOY PRODUCTS LIMITED (UA) has its foundation in the rich legacy of fair, ethical and transparent Governance practices which have been in vogue at UA before they were mandated. Highest standards of professionalism, honesty, integrity and ethical behavior have been the way of life at UA in its working with all its stake holders.

UA's business objective and that of its management and employees is to manufacture and market the Company's products in such a way as to create value that can be sustained over the long term for consumers, shareholders, employees, other business establishments and the national economy.

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

The business principles in harmonization with the code of conduct developed in line with the relevant regulations, underline the Company's strong commitment to follow high ethical standards not only in realizing its mission of optimization of the performance of its customers' processes, time and time again, but also in the evolution of a distinct corporate personality. The Company's Management places considerable emphasis on compliance aimed at providing good governance.

The Company has established an efficient and transparent division of tasks and responsibilities, effective control instruments and an open information policy as a proof of its commitment, fairness and business integrity.

At UA Governance is a self-disciplinary code designed to secure the ultimate goal of making the Company a value driven organization.

1. COMPANY STRUCTURE

The Company has a total strength of 133 permanent employees as on 31st March, 2011 comprising of

Managers-	19
Officers -	39
Staff -	20
Workers -	55

2. BOARD OF DIRECTORS:

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

2.1 COMPOSITION

The Board of Directors comprises of a Non-Executive Chairman Emeritus, Non-Executive Chairman, an Executive Director and 5 other Non-Executive Directors. Out of the 7 Non-Executive Directors, 4 members are Independent Directors. The composition of the Board of Directors with reference to the number of Non-Executive / Independent Directors meets with the requirements of Clause 49 of the Listing Agreement.

Name of Director	Categor	No. of other Directorship		No. of Outside Committees	
		Public	Private	Member	Chairman
Mr. D. M. Neterwala	Promoter Non-Executive Director Chairman Emeritus	8	6	3	1
Mr. F. D. Neterwala	Promoter Non-Executive Chairm	6	8	4	-
Mr. R. B. Mehta	Promoter Non-Executive	-	2	-	-
Mr. K. M. Elavia	Independent and Non-Executive	9	2	5	2
Mr. H. R. Prasad	Independent and Non-Executive	3	-	-	2
Mr. E. B. Desai*	Independent and Non-Executive	-	-	-	-
Mr. P. Subrahmanyam	Independent and Non-Executive	3	1	1	-
Mr. M. P. Bharucha#	Independent and Non-Executive	1	1	-	-
Mr. M. K. Fondekar (Appointed as Ex- ecutive Director on 01.07.09)	Executive Director	3	-	-	-

* Mr. E. B. Desai expired on 24th December, 2010.

Mr. M. P. Bharucha was appointed as a Director on 1st February, 2011 in the casual vacancy caused due to demise of Mr. E. B. Desai.

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

Mr. M. K. Fondekar was appointed as an Executive Director of the Company on 01.07.2009 for a period of 2 years which is being renewed for a further period of 2 years from 01.07.2011, subject to the approval of the Members of the Company at the ensuing Annual General Meeting.

2.2 MEETINGS

During the period from 1st April, 2010 to 31st March, 2011, 6 Board Meetings were held as under:

- 18th May, 2010
- 28th May, 2010
- 26th July, 2010
- 5th August, 2010
- 29th October, 2010
- 1st February, 2011

Attendance of Directors at Board Meetings and at the 37th Annual General Meeting held on 5th August, 2010 and details of remuneration paid to the Directors for the period under review are as follows:

Name of Director	No of Board Meetings		Sitting fees paid Rs.	Attendance at the last AGM	Commission Paid Rs.
	Held	Attended			
Mr. D. M. Neterwala	6	5	25000	No	82490
Mr. F. D. Neterwala	6	6	30000	Yes	155456
Mr. R. B. Mehta	6	4	20000	Yes	80754
Mr. K. M. Elavia	6	5	25000	Yes	48413
Mr. H. R. Prasad	6	5	25000	Yes	53720
Mr. P. Subrahmanyam	6	5	25000	Yes	48413
Mr. E. B. Desai*	6	3	15000	Yes	23065
Mr. M. P. Bharucha#	6	1	5000	-	7688
Mr. M. K. Fondekar\$	6	6	NIL	Yes	NIL

*Mr. E. B. Desai expired on 24th December, 2010. # Mr. M. P. Bharucha was appointed as a Director on 1st February, 2011 in the casual vacancy caused by the demise of Mr. E. B. Desai. \$ Mr. M. K. Fondekar is not entitled to Commission and Sitting Fees being an Executive Director.

2.3 BOARD PROCEDURE

The meetings of the Board of Directors are scheduled well in advance and are held normally at the Registered Office of the Company. The Company Secretary prepares a detailed agenda for each meeting. The Board papers comprising the agenda along with the draft of relevant resolutions, documents and explanatory notes, wherever, required are sent at least a week in advance to all the Directors. This enables the Board to discharge its responsibilities effectively and take informed decisions. The draft minutes of the Board and Audit Committee Meetings confirmed by the Chairman of the Board / Chairman of Audit Committee are circulated to all the Directors. The information generally provided to the Board for its consideration and approvals include:

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

3. BOARD COMMITTEES

The Company follows procedures and practices in conformity with the code of Corporate Governance. In keeping with the spirit of the code, the Board has constituted the following committees:

I. Audit Committee:

The Audit Committee as at March 31, 2011 comprises of:

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

Mr. L. V. Gandhi the Company Secretary is the Secretary of the Audit Committee. He is also the Compliance Officer of the Company.

The terms of reference of this committee cover the matters under clause 49 of the Listing Agreement.

The details of meetings held during the year 2010-2011 and the attendance thereat are as follows:

4 Meetings of the Audit Committee were held during the year on:

- 28th May, 2010
- 05th August, 2010
- 29th October, 2010
- 1st February, 2011

Attendance at the Meetings

Name of Director	No of Audit Committee Meetings		Total Sitting fees paid
	Held	Attended	Rs.
Mr. K.M. Elavia	4	3	3000
Mr. F. D. Neterwala	4	4	4000
Mr. H. R. Prasad	4	4	4000
Mr. P. Subrahmanyam	4	3	3000

II. Remuneration Committee:

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

Sitting Fees:

The Company paid to the Directors Rs.5000/- as sitting fees for attending each meeting of the Board and Rs.1000/- for attending each meeting of the Audit Committee.

III. Shareholders' / Investors' Grievances Committee:

The composition of the Shareholders' / Investors' Grievance Committee as at March 31, 2011 is as under:

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

The Committee meets as often as necessary. No sitting fees are payable for the meetings of this committee. In accordance with the authority granted by the Board/Share Transfer Committee, Mr. L. V. Gandhi deals with the following matters concerning shareholders, once in a fortnight:

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

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

The communications received from the shareholders are generally pertaining to change of address, non-receipt of dividend warrants, annual reports, bank mandates, revalidation of dividend warrant/

consolidation/split/remat /transmission of shares etc.

All of these have been addressed and redressed to the satisfaction of the shareholders by Registrar & Share Transfer Agents. There was neither unattended nor pending investor grievance as on 31st March, 2011. The Board has consented to the understanding that complaints of non-receipt of Dividend and Annual Reports are not be treated as complaints under Clause 49 (G)(iii), as the Company's liability is discharged when the relevant articles are posted at the last known address of the investor. However in the above cases the letters received from the investors are being serviced promptly in addition to the responsibility under clause 49 of the Listing Agreement, as an investor friendly measure beyond the legal obligations.

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

4. DETAILS OF ANNUAL GENERAL MEETINGS

The last three Annual General Meetings were held as under:

Financial year	Date	Time	Location
2007-2008	21.8.2008	3.00 P.M.	M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K.Dubash Marg, Mumbai-400 023
2008-2009	17.8.2009	3.00 P.M.	- do -
2009-2010	26.7.2010	3.30 P.M.	- do -

No Ordinary or Special Resolution was passed through Postal Ballot.

For the Financial year 2010-2011 the Annual General Meeting of the Company will be held on Thursday, 25th August, 2011 at 3.00 P. M. at M. C. Ghia Hall, Bhogilal Hargovindas Building,18/20, K.Dubash Marg,Mumbai-400 023.

5. DISCLOSURES

- The Company did not have any related party transaction which may have potential conflict with the interest of the Company at large. However, related party transactions have been disclosed under Note No. 15 of Schedule 'O' to the accounts for the year under review.
- There were no instances of non-compliance and no penalties/strictures have been imposed/passed by Stock Exchange, SEBI or any other statutory authority during last three years on any matter related to the capital markets.
- During the financial year 2010-2011, there is no audit qualification in the Company's financial statements.

6. MEANS OF COMMUNICATION

- The quarterly, half yearly and full year results are taken on record by the Board of Directors and submitted to the Stock Exchanges in terms of the requirements of Clause 41 of the Listing Agreement and are published in 'Free Press Journal' and 'Nav Shakti' newspapers.
- The financial results are displayed on the Company's Website viz: www.uniabex.com
- The Management Discussion and Analysis Report is attached with the Directors' Report in this 38th Annual Report of the Company posted to the Shareholders.

7. GENERAL SHAREHOLDER INFORMATION

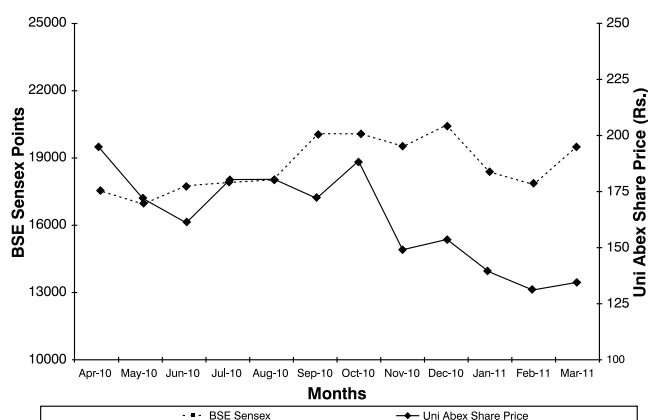
Annual General Meeting	
Date	25th August , 2011
Time	3.00 P.M.
Venue	M.C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 023.

Financial Calendar	Financial Year April to March
First Quarter Results	By 14th of August, 2011 (With Limited Review)
Half Yearly Results	By 14th of November, 2011 (With Limited Review)
Third Quarter Results	By 14th of February, 2012 (With Limited Review)
Unaudited/Audited Results for the year ending 31st March, 2012	By 14th of May, 2012 (With Limited Review) or By 31st of May, 2012
Registrars & Transfer Agents	M/s. Computech Sharecap Ltd. 147, Mahatma Gandhi Road, 3rd Floor, Above Khyber Restaurant, Fort, Mumbai-400 023 Tel: 22635001/02 Email: helpdesk@computechsharecap.com
Dates of Book Closure	12th – 25th August, 2011
Dividend Payout Date	5th September, 2011
Listing on Stock Exchanges	The Stock Exchange, Mumbai. The Delhi Stock Exchange Association Ltd.
Stock Code -	
Stock Exchange, Mumbai	504605
Stock Exchange, Delhi	21029
Demat ISIN Number for N.S.D.L. & C. D. S.L.	ISIN - INE361D01012

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

Sr. No.	Month	High (Rs.)	Low (Rs.)
1	April, 2010	228.90	151.00
2	May, 2010	214.40	150.10
3	June, 2010	184.40	158.00
4	July, 2010	195.00	160.95
5	August, 2010	222.40	163.15
6	September, 2010	207.75	169.00
7	October, 2010	194.00	163.00
8	November, 2010	257.00	142.00
9	December, 2010	168.35	133.65
10	January, 2011	171.00	126.20
11	February, 2011	152.00	122.00
12	March, 2011	142.95	127.00

Uni-abex Alloy Products Limited
Closing Share Price compared to the BSE Sensex for FY 2010-11



9. SHARE TRANSFER SYSTEM

Shares in physical forms are processed by the Registrars and Share Transfer Agents within 15-25 days from the date of its receipt. If the documents are complete in all respects they are forwarded to the Company for approval by any two Directors of the Company who are the members of the Shareholders' / Investors' Grievance Committee. The Committee approves the same within 15 days of receipt from the Registrars and returns to the Registrars for onward transmission to the concerned shareholder.

23.63 % of total Equity Capital is held in dematerialised form with NSDL and CDSL as on 31st March, 2011.

10. DISTRIBUTION OF SHAREHOLDINGS AS ON 31ST MARCH, 2011

No of Equity Shares	No of Shareholders	% of Shareholders	No of Shares held	% of Shareholding
1 – 500	7856	98.16	453354	22.95
501 – 1,000	91	1.14	71951	3.64
1,001 – 2,000	34	0.42	48134	2.44
2,001 – 3,000	8	0.10	20334	1.03
3,001 – 4,000	3	0.04	11145	0.56
4,001 – 5,000	2	0.02	9802	0.50
5,001 – 10,000	4	0.05	28880	1.46
10,001 and above	5	0.06	1331400	67.41
Total	8003	100.00	1975000	100.00

CATEGORY	No of Shares held	Percentage of shareholding
PROMOTERS' HOLDING		
1. Promoters		
- Indian Promoters	1253288	63.46 %
- Foreign Promoters	0	0.00 %
Sub-Total	1253288	63.46 %
NON-PROMOTERS' HOLDING		
2. Institutional Investors		
a. Mutual Funds & UTI	100	0.01 %
b. Banks, Financial Institution, Insurance Companies, Central, State Govt. Institution Non-Govt Institutions	506	0.03 %
c. Foreign Institutional Investors	0	0.00 %
Sub-Total	606	0.03 %
3. Others		
a. Private Corporate Bodies	123405	6.25%
b. Indian Public	588381	29.79%
c. NRIs/OCBs	9320	0.47%
d. Independent Directors & Relatives	-	-
e. Any Other	-	-
Sub-Total	721106	36.51 %
GRAND TOTAL	1975000	100.00 %

11. PLANT LOCATION: Mullabaugh, Swami Vivekanand Road, Manpada, Thane - 400 610

12. ADDRESS FOR CORRESPONDENCE:

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

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

DECLARATION

I, Mohan Krishna Fondekar, Executive Director of Uni Abex Alloy Products Ltd., hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the code of conduct for the year ended March 31, 2011.

Thane
June 28, 2011

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

CEO / CFO CERTIFICATION

As required by sub clause V of Clause 49 of the Listing Agreement with the Stock Exchanges, we have certified to the Board that for the financial year ended 31st March, 2011, the Company has complied with the requirements of the said sub clause.

For Uni Abex Alloy Products Ltd.

Thane
June 28, 2011

M.K. Fondekar
Executive Director

J.D. Divekar
General Manager Finance

AUDITORS REPORT ON CORPORATE GOVERNANCE

To the Shareholders of Uni Abex Alloy Products Ltd.

We have examined the compliance of conditions of Corporate Governance by Uni Abex Alloy Products Ltd. for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

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

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

For Ford, Rhodes, Parks & Co.
Chartered Accountants
Firm's Registration No.102860W

Mumbai, 28th June, 2011

S.B. Prabhu
Partner
Membership No.35296