

CORPORATE GOVERNANCE REPORT

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

Company's Philosophy on Corporate Governance

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

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

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

Governance framework

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

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

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

1. COMPANY STRUCTURE

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

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

2. BOARD OF DIRECTORS

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

2.1 COMPOSITION

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

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

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

2.2 MEETINGS

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

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

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

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

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

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

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

2.3 BOARD PROCEDURE

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

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

3. COMMITTEES OF THE BOARD

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

I. Audit Committee:

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

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

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

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

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

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

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

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

5 Meetings of the Audit Committee were held on:

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

Attendance at the Audit Committee Meetings

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

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

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

Sitting Fees:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4. DETAILS OF ANNUAL GENERAL MEETINGS

The last three Annual General Meetings were held as under:

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

No Ordinary or Special Resolution was passed through Postal Ballot.

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

5. DISCLOSURES

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

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

6. MEANS OF COMMUNICATION

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

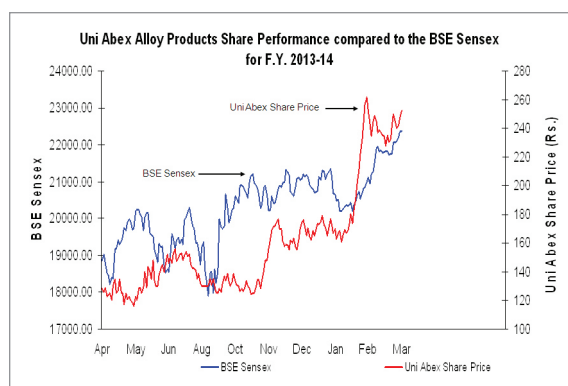
7. GENERAL SHAREHOLDER INFORMATION

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

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

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

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



9. SHARE TRANSFER SYSTEM

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

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

10. DISTRIBUTION OF SHAREHOLDINGS AS ON 31ST MARCH, 2014

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

CATEGORY	No of Shares held	Percentage of shareholding
PROMOTERS' HOLDING		
1. Promoters		
- Indian Promoters	1251327	63.36 %
- Foreign Promoters	0	0.00 %
Sub-Total	1251327	63.36 %
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	90493	4.58%
b. Indian Public	628611	31.83%
c. NRIs/OCBs	3963	0.20%
d. Independent Directors & Relatives	-	-
e. Present Employees	-	-
f. Any Other	0	0.00 %-
Sub-Total	723067	36.61 %
GRAND TOTAL	1975000	100.00 %

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

12. ADDRESS FOR CORRESPONDENCE:

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

M/s. Computech Sharecap Ltd., 147, Mahatma Gandhi Road, 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, 2014.

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

Thane
May 30, 2014.

CEO / CFO CERTIFICATION

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

For Uni Abex Alloy Products Ltd.

Thane
May 30, 2014.

M.K. Fondekar
Executive Director

J.D. Divekar
General Manager Finance

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

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

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

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

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

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

Mumbai, 30th May, 2014.