

Uni
Uniroyal
Textile Industries Limited

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10TH ANNUAL REPORT 2002-2003

BOARD OF DIRECTORS

Shri Pritam Chand Mahajan
Shri Arvind Mahajan
Smt. Rashmi Mahajan
Shri Sanjiv Kumar
Shri K.K. Malik
Shri Pardeep Aggarwal
Shri Akhil Mahajan
Shri Anirudh Khullar
Shri Sushil Gupta

Chairman
Managing Director
Executive Director
Director
Director
Director
Director
Director
Director

AUDITOR

M/s Sud Gupta & Associates
Chartered Accountants
1st Floor, 4-A, Khurana Bhawan,
Lawrence Road, Amritsar
Phone : 2212993, 2211352

REGISTERED OFFICE CUM FACTORY

365, Phase-II, Industrial Estate,
Panchkula - 134 113 (Haryana)
Ph. : 0172-591912, 591960
Fax : 0091-172-591837

SHARE TRANSFER AGENTS CUM DEMAT REGISTRAR

M/s In-time Spectrum Registry Ltd.
A-31, 3rd Floor, Near PVR Cinemas,
Naraina Industrial Area, Phase-I,
New Delhi - 110 028
Phone : 011-51410592-93-94

BANKERS

Punjab National Bank
Sector 16, Chandigarh

UNIROYAL TEXTILE INDUSTRIES LIMITED**10th Annual Report
2002-2003****ANNUAL GENERAL MEETING NOTICE**

Notice is hereby given that the 10th Annual General Meeting of the members of **M/s Uniroyal Textile Industries Limited** will be held on Monday, 29th September, 2003 at 10 a.m. at Hotel Prabhat Inn Sector 10, Panchkula to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the company as at 31st March, 2003 and the audited Profit & Loss Account for the financial year ended on that date alongwith the Directors' and Auditors' Reports thereupon.
2. To appoint a director in place of Mr. P.C. Mahajan who retires by rotation, but being eligible has offered himself for re-appointment.
3. To appoint a director in place of Mr. Pardeep Aggarwal who retires by rotation, but being eligible has offered himself for re-appointment.
4. To appoint Auditors of the company and fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modifications, the following resolution as Special Resolution :-
"RESOLVED THAT pursuant to the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 and other provisions applicable, if any, in this regard, the approval of shareholders of the company be and is hereby accorded by way of special resolution for delisting the equity shares of the company from the Ludhiana, Jaipur and Calcutta Stock Exchanges.
"FURTHER RESOLVED THAT Mr. Arvind Mahajan, Managing Director, Mrs. Rashmi Mahajan, Executive Director and Mr. Akhil Mahajan, Director of the Company be and are hereby severally and independently authorised to file the delisting applications with the Stock Exchanges of Ludhiana, Jaipur and Calcutta and to complete all legal formalities for and on behalf of the Company as may be required or as may be ancillary or incidental thereto."
6. To consider and if thought fit to pass with or without modifications, the following resolution as Special Resolution :-
"RESOLVED THAT approval of the members of the company be and is hereby accorded by way of Special Resolution to avail the services of Mr. K.K. Malik, Director of the company for marketing the products of the company and in lieu of these services, Mr. K.K. Malik be paid a remuneration @ Rs. 1000/- per visit to the marketing office of the company at Delhi and he be reimbursed out of pocket expenses w.e.f. 1st November, 2002."
7. To consider and if thought fit to pass with or without modifications, the following resolution as Ordinary Resolution :-
"RESOLVED THAT Mr. Anirudh Khullar, who retire as Additional Director at this Annual General Meeting of the Company be and is hereby re-appointed as Director of the Company"
"FURTHER RESOLVED THAT Mr. Anirudh Kilullar shall be liable to retire by rotation in accordance with the provisions of Section 256 of the Companies Act, 1956."
8. To consider and if thought fit to pass with or without modifications, the following resolution as Ordinary Resolution :-
"RESOLVED THAT Mr. Sushil Gupta , who retire as Additional Director at this Annual General Meeting of the Company be and is hereby re-appointed as Director of the Company"
"FURTHER RESOLVED THAT Mr. Sushil Gupta shall be liable to retire by rotation in accordance with the provisions of Section 256 of the Companies Act, 1956."

Dated : 30.05.2003

Place : Panchkula

By order of the Board

Sd/-

(Pritam Chand Mahajan)
Chairman



UNIROYAL TEXTILE INDUSTRIES LIMITED

NOTES :

1. A member who is entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. The proxy form duly filled in and signed must reach the Registered Office of the company at least 48 hours before the meeting.
2. Explanatory Statements pursuant to Section 173 (2) of the companies Act, 1956 in respect of Item No. 5, 6, 7 and 8 are enclosed herewith and form part of this Meeting Notice.
3. All documents referred to in this meeting notice and the accompanying Statements are open for inspection at the Registered Office of the company on all working days (except Holidays) during business hours upto the date of Annual General Meeting.
4. Members are requested to notify to the company immediately change in their address, if any.
5. The Register of Members and Transfer Books of the company will remain closed from 23rd September, 2003 to 29th September, 2003 (both days inclusive) at the time of Annual General Meeting of the Company.
6. Members having any queries relating to the Annual Report are requested to write to the company at least 7 days before the date of Annual General Meeting so as to enable the Management to keep the information ready.
7. Members are requested to bring their copy of the Annual Report alongwith them to the Meeting as copies of the Annual Report will not be distributed at the meeting.
8. Members are requested to produce the Attendance Slip at the entrance to the venue.
9. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) for providing dematerialisation facilities to the members of the Company. Members are required to take note that M/s In-time Spectrum Registry Ltd. A-31, 3rd Floor, Near PVR Cinemas, Naraina Industrial Area, Phase-I, New Delhi - 110 028 India are the share transfer agents and Demat Registrar of the Company. Hence all correspondence and queries relating to the shares may be addressed by the members directly to M/s In-time Spectrum Registry Ltd.
10. M/s Sud Gupta and Associates, Chartered Accountants are the present Auditors of the Company. Pursuant to section 224 of the Companies Act, 1956 they would retired as Auditor at this Annual General Meeting of the Company. Being eligible they have offered themselves for re-appointment.

UNIROYAL TEXTILE INDUSTRIES LIMITED**10th Annual Report
2002-2003****EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****ITEM NO. 5**

The equity shares of your company are listed on the stock exchanges of Mumbai, Delhi, Ludhiana, Jaipur, Calcutta. However, the trading of shares of the company in the stock exchanges of Ludhiana, Jaipur and Calcutta have almost become nil. Thus there is no justification for continuing with the listing of the shares in these stock exchanges.

The Securities and Exchange Board of India have issued fresh guidelines dated 17.02.2003 for delisting of securities. As per these guidelines, a company may delist from stock exchanges where its securities are listed provided however, that the securities of the company have been listed for a minimum period of three years on any stock exchange. The guidelines further provide that in cases where securities continue to be listed in a stock exchange having nation wide terminals the company need not give exit opportunity to the shareholders for getting its shares delisted from other stock exchanges.

In accordance with SEBI guidelines, it is proposed to get the shares delisted from the stock exchanges of Ludhiana, Jaipur and Calcutta and continue to be listed at the Mumbai and Delhi stock exchanges, because Mumbai stock exchange has nation-wide terminals and Delhi stock exchange is the regional stock exchange.

The members may consider and pass the special resolution.

None of the Directors of the company is directly or indirectly concerned or interested in the proposed resolution.

ITEM NO. 6

Mr. K.K. Malik was appointed as Director w.e.f. 20th July, 1998. He is post graduate in Statistics and is having an experience of nearly 30 years in marketing. He is devoting his adequate time for marketing the products of the company.

In view of his services, the Board of Directors of the company had decided to pay him remuneration @ Rs. 1000/- per visit to the marketing office of the company at Delhi and to reimburse him out of pocket expenses w.e.f. 1st November, 2002. But the resolution of the Board was subject to the approval of the members of the company by way of special resolution. The proposed resolution is therefore being placed before the members for their approval by way of special resolution. The members may consider and pass the resolution.

None of the director of the company, except Mr. K.K. Malik, is directly or indirectly concerned or interested in the proposed resolution.



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ITEM NO. 7

Mr. Anirudh Khullar was appointed as an Additional Director on 30th January, 2003. In terms of Section 260 of the Companies Act, 1956, he will hold this office only upto the date of the forthcoming 10th Annual General Meeting of the Company.

Now , it is proposed that Mr. Anirudh Khullar be regularised as a director of the Company.

Mr. Anirudh Khullar is a commerce graduate and an MBA from BITS, Pilani. He is having a Banking experience of 9 years, Merchant Banking Stock Broking experience of 2 years and Business experience of 17 years.

ITEM No. 8

Mr. Sushil Gupta was appointed as an Additional Director on 30th January, 2003. In terms of Section 260 of the Companies Act, 1956, he will hold this office only upto the date of the forthcoming 10th Annual General Meeting of the Company.

Now , it is proposed that Mr. Sushil Gupta be regularised as a director of the Company.

He is a Bachelor of Mechanical Engineering, an MBA and an associate in General Insurance from Insurance Institute of India, Mumbai. He is having 20 years of Managerial experience.

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UNIROYAL TEXTILE INDUSTRIES LIMITED

DIRECTORS' REPORT

The Members
 Uniroyal Textile Industries Limited,

Your Directors have pleasure in presenting their 10th Annual Report together with the Audited statements of accounts of the company for the Financial Year ended 31st March, 2003.

FINANCIAL RESULTS

Particulars	(Rs. in Lacs)	
	Financial Year Ended 31.03.2003	Financial Year Ended 31.03.2002
Sales	482.91	456.16
Other Income	0.94	0.47
Total Income	483.85	456.63
Total Expenditure	310.05	304.74
Interest	32.57	45.22
Gross Profit after interest but before depreciation & tax	141.23	106.67
Depreciation	91.29	87.85
Prior Period Adjustments	0.00	(0.95)
Profit Before Tax	49.94	19.77
Provision for Tax		
-Current Year	3.93	1.71
- Deferred Tax Liability	16.27	10.27
Net Profit	29.74	7.79
<u>Appropriations</u>		
Income Tax Adjustment	(0.19)	0.00
Transferred to General Reserve	20.00	5.00
Carried to Balance Sheet	9.93	2.79
Paid up equity share Capital	488.55	488.55
Reserves & Surplus	277.14	230.94

REVIEW OF OPERATIONS

During the year under review sales of the company increased from Rs. 456.63 lacs to Rs. 483.85 lacs thereby registering an increase of 5.96%. Profits before tax registered an increase of 152.60%. In absolute terms PBT increased from Rs. 19.77 lacs to Rs. 49.94 lacs. The other relevant details are mentioned in the management discussion and analysis report annexed to this report.



UNIROYAL TEXTILE INDUSTRIES LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 217 (2AA) of the Companies Act, 1956, it is hereby stated

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) That the directors have prepared the annual accounts on a going concern basis.

LISTING OF SHARES

The Shares of your company are listed on four Stock Exchanges viz. Delhi, Mumbai, Jaipur and Ludhiana. The company has regularly paid listing fees to all the four exchanges.

The Company had earlier applied to Calcutta Stock Exchange for delisting but no response has been received from that Exchange.

In view of the the SEBI (Delisting of Securities) Guidelines, 2003, it is proposed to get the shares of the Company delisted from the stock exchanges of Ludhiana, Jaipur and Calcutta.

DIRECTORS

Mr. P.C. Mahajan and Mr. Pardeep Aggarwal retire by rotation and being eligible offer themselves for re appointment as directors of the company.

The Board recommends the appointment of Mr. P.C. Mahajan and Mr. Pardeep Aggarwal as directors of the company liable to retire by rotation.

AUDITORS' OBSERVATIONS

Auditor's observations have been suitably explained in the notes to accounts.

AUDITORS

M/s Sud Gupta and Associates, Chartered Accountants are the present Auditors of the Company. Pursuant to section 224 of the Companies Act, 1956 they would retire as Auditor at this Annual General Meeting of the Company. Being eligible they have offered themselves for re-appointment.

The Board recommends thier appointment as Auditors of the Company for the financial year 2003-2004.

UNIROYAL TEXTILE INDUSTRIES LIMITED**18th Annual Report
2002-2003****PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956.**

As required by the provisions of section 217(2A) of the Companies Act, 1956 read with company's (Particulars of employees) rules, 1975 as amended, the names and other particulars of the employees are as under:

- A. Persons employed throughout the year, which were in receipt of remuneration not less than Rs. 12,00,000/- per annum.

Sr. No.	Name of the Employee	Designation nature of duties	Qualification	Total Working Experience	Date of Commencement of Employment	Total Remuneration(Rs. in lacs)	Age years	Previous Employment held
1.	Sh. Arvind Mahajan	Managing Director	B.Com DBM	30 years	21.04.1994	12.04	53	Sidhartha Textile Mills Ltd.

- B. Persons employed for part of the year who were in receipt of remuneration for any part of the year at a rate, which in aggregate was not less than Rs. 1,00,000 per month.

- NIL -

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

Pursuant of the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, the particulars of energy conservation, technology absorption and foreign exchange earning & outgo are enclosed herewith as Annexure A forming integral part of this Directors' Report.

CORPORATE GOVERNANCE

In terms of Clause 49 of the Listing Agreement, a report on corporate governance alongwith the certificate from the auditors of the company regarding compliance of the conditions of corporate governance and management discussion and analysis report are given herewith this report.

ACKNOWLEDGEMENT

The Board wishes to place on record its appreciation for the assistance and co-operation received from the participating financial Institutions & Banks, customers, suppliers and investors of the company. The Board also wishes to place on record, their deep sense of appreciation for the devoted services of the executives, staff and workers of the company.

For and on behalf of the Board

Sd/-

(Arvind Mahajan)
Managing Director

Dated : 30.05.2003
Place : Panchkula



UNIROYAL TEXTILE INDUSTRIES LIMITED

ANNEXURE-A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

A. POWER AND FUEL CONSUMPTION

Particulars	Current Year	Previous Year
1. Electricity		
(a) Purchased		
Unit	6,90,504 Units	7,23,772 Units
Total Amount	Rs. 32,50,493	Rs. 31,27,868
Rate/Unit	Rs. 4.71	Rs. 4.32
(b) Own Generation		
(I) Through Diesel Generator		
Unit	68,925 Units	57,119 Units
Units Per Ltr. of Diesel	2.80 Units	2.80 Units
Costs/Units	Rs. 6.26	Rs. 5.88
(II) Through Steam Turbine	NIL	NIL
2. Coal (specify Quality and where used)		
Quantity (Tonnes)	NIL	NIL
Total Cost	NIL	NIL
Average Rate	NIL	NIL
3. Furnance Oil		
Quantity (K.Ltr.)	NIL	NIL
Total Amount	NIL	NIL
Average Rate	NIL	NIL
4. Others Internal Generation		
(Please Give Details)		
Quantity	NIL	NIL
Total Cost	NIL	NIL
Rate/Unit	NIL	NIL

B.CONSUMPTION PER UNIT OF PRODUCTION

Particulars	Standards (if any)	Current Year	Previous Year
Production	Narrow Fabrics		
	Woven Lables (in Pieces)	1,021.48 lacs	982.20 lacs
Electricity	None	7.43 Unit/1000 Pcs	7.950 Unit/1000 Pcs
Furnance Oil	N.A.		N.A.
Coal	N.A.		N.A.
(Specify Quality)			
Others (Specify)	N.A.		N.A.

C.TECHNOLOGY ABSORPTION

Not applicable because the company has neither entered into any collabration with the foreign or domes-tic company nor it has spent any amount on research and development.