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5TH ANNUAL REPORT 1996-97

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For UNIMODE OVERSEAS LTD

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(L.N. OF FIA)

Chairman & Whole time Director



UNIMODE
OVERSEAS LIMITED

UNIMODE

OVERSEAS LIMITED

Board of Directors : **Mr. L.N. GUPTA**
Chairman & Wholetime Director
Mr. SANDEEP GUPTA
Managing Director
Mr. R. K. GUPTA
Mr. INDRA MOHAN GUPTA
Mr. K.C. MEHRA
Mr. SURAJIT CHALIHA

Company Secretary : **Mr. ASHOK GARG**

Auditors : **M/s. K.L. DATTA & CO.**
Chartered Accountants
C-121, Greater Kailash-I
New Delhi-110 048

Internal Auditors : **M/s. ASHOK KANTOOR & CO.**
Chartered Accountants
2659/2, Gurudwara Road,
Karol Bagh, New Delhi-110 005

Registered Office : E-87, Masjid Moth, Greater Kailash-III
New Delhi-110 048

Corporate Office : **UNIMODE HOUSE**
A-79, Sector-57, Noida-201301 (U.P.)

Share Transfer Agent : **ADVANCE BUSINESS CONSULTANTS LTD.**
K-1/52 Chittranjan Park (EPDP)
New Delhi-110 019

Bankers : **CANARA BANK**
NDSE-I, New Delhi-110 049

IMPORTANT

In view of ban imposed by the statutes, Shareholders may please note that no COUPONS/GIFT will be distributed in the AGM

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NOTICE

Notice is hereby given that Fifth Annual General Meeting of the Members of "UNIMODE OVERSEAS LIMITED" will be held on Wednesday, 24th September, 1997 at 1.00 P.M. at R.K. Farm, Alipur Narela Road, Holambi Kurd Mour, Delhi to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1997 and the Profit and Loss Account for the year ended as on that date and the reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. R.K. Gupta, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. K.C. Mehra, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors for the financial year 1997-98 and to fix their remuneration and for this purpose to pass with or without modification(s), the following resolution as Ordinary Resolution.

"RESOLVED THAT M/s K.L. Datta & Co., Chartered Accountants, New Delhi retiring Auditors, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of the this Annual General Meeting till the conclusion of next Annual General Meeting and the Board of Directors of the Company be and is hereby authorised to fix the fees payable to them for the said period."

By order of the Board

Place : New Delhi
 Dated : 30th June, 1997

(ASHOK GARG)
 Company Secretary

NOTES OF NOTICE :

- (1) The Register of Members and Share transfer Books of the Company will remain closed from 23rd September to 24th September, 1997 (Both days inclusive).
- (2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

IF A MEMBER INTEND TO USE PROXY, THE INSTRUMENT APPOINTING PROXY (WHICH IS ANNEXED WITH THIS ANNUAL REPORT) MUST BE LODGE AT THE REGISTERED OFFICE OF THE COMPANY, AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING

- (3) Members are requested to notify immediately, the change, if any in their address.
- (4) Members are requested to send their queries, if any, relating to accounts, at least one week prior to the date of the meeting.
- (5) Members are requested to bring their copy of the Annual Reports, as no extra copy will be distributed at the meeting
- (6) Members/their representative/proxies are requested to bring attendance slip sent herewith duly filled in for attending the meeting.

UNIMODE

OVERSEAS LIMITED

DIRECTORS' REPORT

To,
The Members,
Your Directors have pleasure in presenting the 5th Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 1997.

FINANCIAL RESULTS (Rs. in Lacs)

	Current Year	Previous Year
Gross Profit/Loss of the Year	16.98	(-)146.38
Less : Depreciation	9.31	8.90
Profit/Loss before Tax	7.67	(-)155.28
Less : Tax	0.99	—
Profit/Loss after Tax	6.68	(-)155.28
Surplus for Appropriation :		
Surplus/Loss Available	6.68	(-)155.28
Balance Brought Forward	(-)39.50	115.78
	<u>(-)32.82</u>	<u>(-)39.50</u>
Appropriation :		
(1) Dividend Recommended	0.00	0.00
(2) Transfer to General Reserves	0.00	0.00
(3) Surplus/Loss Carried to Balance Sheet	(-)32.82	(-)39.50
	<u>(-)32.82</u>	<u>(-)39.50</u>

OPERATIONS :

During the year under review, although the net sales of the Company has declined from Rs. 619.52 lacs (Previous Year) to Rs. 549.67 lacs (Current Year), but the Company has registered a net profit of Rs. 6.68 lacs as compared to net losses of Rs. 155.28 lacs of previous year. This has happened due to stringent control over inputs and better sales realisation. During the month of June, 1997, a fire occurred at the ground floor of the factory premises. As a result, the Company has suffered a loss of Rs. 187 lacs (approx.). The Company has lodged its claim with insurance Company i.e. United India Insurance Company Ltd. and the same is under process.

In terms of Clause 43 of the Listing Agreement with the Stock Exchanges, the comparison of the actual

results with the projected results for the Financial Year 1996-97 as per Prospectus dated 20.06.94 is as follow.

(Rs. in Lacs)

Particulars	Projected	Actuals
Net Sales	1899.03	549.67
Net Profit/Loss	385.98	6.68

DIVIDEND :

Your Directors have not recommended any dividend for the Financial Year 1996-97 as the financial results does not permit the same.

FUTURE PROSPECTS :

The Company has passed through a very critical recession during the previous year. However, this year, the Company expect better prospects. The Company has received encouraging response from its new overseas buyers.

PUBLIC DEPOSIT :

Your Company has not accepted any deposit from the public during the year under review.

DIRECTORS :

Mr. R.K. Gupta and Mr. K.C. Mehra retire by rotation and being eligible, offer themselves for reappointment.

AUDITORS' REPORT :

Auditors' Report to the Account have been considered by the Board and clarified wherever necessary in the schedules "Notes on Accounts".

AUDITORS :

M/s. K.L. Datta & Co., Chartered Accountants, who retire at the conclusion of this Annual General Meeting and being eligible for reappointment, have expressed their willingness to be re-appointed as Statutory Auditors of the Company. They have given the certificate to the effect that the appointment, if made, would be within the limits as prescribed under Section 224(1-B) of the Companies Act, 1956.

INDUSTRIAL RELATION :

The industrial relations within the Company have been cordial during the year under review. Your Directors wish to place on record their deep appreciation for the valuable contribution made by the employees at all levels of the operations of the Company.

PERSONNEL :

Information required to be given as per Section 217(2A) of the Companies Act, 1956, read with

Companies (Particulars of Employees) Rules 1975, as amended, are not applicable and hence not being given.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOS :

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, are given in Annexure forming part of this report.

ACKNOWLEDGEMENT :

Your Directors acknowledge with gratitude the assistance, cooperation and support received by the Company from the Government, Banks and various other Agencies.

For and on behalf of the Board

Place : New Delhi (L.N. GUPTA)

Dated : 30th June, 1997 Chairman & Wholetime Director

ANNEXURE FORMING PART OF THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY.

(a) Energy Conservation measures taken :

The Company has installed latest imported plant and machineries which are energy efficient.

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

No. further investment is proposed.

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

As a result of use of the imported plant and machines for manufacture of leather garments, the Company has saved energy considerably.

(d) Total energy consumption and consumption per unit of production :

Form A not applicable.

B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption is as per Form B.

C. FOREIGN EXCHANGE EARNING AND OUTGO.

Particulars	(Rs. in Lacs)
EARNING	304.89
OUTGO	3.16

FORM B

Disclosure of particulars with respect to technology absorption

A. RESEARCH AND DEVELOPMENT (R & D)

(1) Specific Area in which Company carried out the R & D :

New designs & styles of fashion leather garments.

(2) Benefits derived as a result of the above R & D :

Wide acceptability of leather garments.

(3) Future plan of action :

Continue to introduce and develop latest fashion & design of leather garments.

(4) Expenditure on R & D :

Capital : Nil

Recurring : Nil

Total : Nil

Total R & D Exp. as percentage of total sales : Nil

B TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION.

(1) Efforts in brief made towards technology absorption, adaptation and innovation.

No new technology has been imported.

(2) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

Nil

(3) In case of improved technology (Imported during the last 5 years, reckoned from the beginning of the financial year) following information may be furnished.

(A) Technology imported : N.A.

(B) Year of import : N.A.

(C) Has Technology been fully absorbed : N.A.

(D) if not absorbed, area where to absorbed : N.A.