

# **UNION QUALITY PLASTICS LTD**



**27<sup>TH</sup>**  
**ANNUAL REPORT**  
**2010-2011**

# UNION QUALITY PLASTICS LTD.

## BOARD OF DIRECTORS

**Mr. Zuzar A Kathawala**  
Chairman & Managing Director

**Mrs. Durriya Z Kathawala**  
Director

**Mr. Ahmedally G Kathawala**  
Director

**Mr. Sunil R Tripathi**  
Director

**Mr. Jayaram Ananthanarayan**  
Independent Director

**Mrs. Naseem Arsiwala**  
Independent Director

## BANKERS

**ICICI BANK**  
**HDFC Bank Limited**  
**Bank of Baroda**

## AUDITOR

**Chaturvedi & Chaturvedi,**  
Chartered Accountants

## SHARE REGISTRAR & TRANSFER AGENT Ltd.

**Bigshare Services Pvt.**  
E – 2/3, Ansa Industrial Estate,  
Sakivihar Road, Sakinaka,  
Andheri (E), Mumbai – 400 072.  
Tel. No. 28523474, 28560652/53,  
56936291 Fax No. 28525207.  
Email : bigshare@bom7.vsnl.net.in

## REGISTERED OFFICE

**UNION QUALITY PLASTICS LTD.**  
5th Floor, A.G.H Chambers  
379/381 Narsi Natha Street,  
Mumbai – 400009.

## WORKS

Plot No.204, G.I.D.C. Industrial Estate,  
Umbergoan -396171 , Dist. Bulsar,  
Gujart.



**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE TWENTY SEVENTH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON SEPTEMBER 30TH, 2011 AT 10.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 5TH FLOOR, A.G.H CHAMBERS, 379/381 NARSI NATHA STREET MUMBAI – 400009, TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS**

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2011, Profit & Loss Account for the year ended as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ahmedally Gulamhusein Kathawala who retire by rotation and, being eligible, offer himself for re-appointment.
3. To appoint a Director in place of Mr. Sunil Ramakanth Tripathi who retire by rotation and, being eligible, offer himself for re-appointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be mutually agreed upon between the Board of Directors and the Auditor's plus service tax, traveling and out of pocket expenses.

**Registered Office:**  
5th Floor, A.G.H Chambers,  
379/381 Narsi Natha Street,  
Mumbai – 400009

Place: Mumbai  
Date: 8th August, 2011

By order of Board of Directors of  
**Union Quality Plastics Limited**

**Z. A. KATHAWALA**  
Chairman & Managing Director



**Notes :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself only on poll and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered office of the Company not less than forty eight before the commencement of the meeting.
2. Members/Proxies should bring the Attendance slip duly filled in for attending the meeting and members who hold shares in electronic form (Demat) are requested to bring their Client ID and DP ID numbers for identification of attendance at the meeting
3. The Register of Members and Share Transfer Books will remain closed from 23rd September, 2011 to 30th September, 2011 (both days inclusive)
4. Members are requested to notify the change in their address to the Company and/or Registrar & Share Transfer Agent of the Company in physical mode and always quote their folio no. in all correspondence with the Company. In respect of holding in electronic form, members are requested to notify any change of address and change in bank details in their Depository participants.
5. Members are requested to bring their copy of Annual Report to the Meeting.
6. Members seeking further information on the accounts or any other matter contained in the Notice are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.

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**Z. A. KATHAWALA**  
Chairman & Managing Director



## DIRECTOR'S REPORT

To,  
The Members

Your Directors have pleasure in presenting the 27th Annual Report on the business and operations of the Company together with the Audited Accounts for the year ended 31st March, 2011.

### 1. FINANCIAL RESULTS:

(Rs. In Lacs)

Particular	(31/03/2011)	(31/03/2010)
Turnover (including other income)	3597.93	2457.30
Profit before Tax & Depreciation	308.73	50.25
Less - Depreciation	29.37	32.52
Less – Provision for Taxation	Nil	Nil
Profit after tax	279.36	17.73
Add : Profit /(loss) B/fd	(2162.12)	(2179.85)
Total amount Available for Appropriations	(1882.75)	(2162.12)
Transfer to reserves	Nil	Nil
Proposed Dividend (Including Corporate Dividend Tax)	Nil	Nil
Balance Carried forward	(1882.75)	(2162.12)

### 2. OPERATIONS AND BUSINESS PERFORMANCE

Total income for the year was increased to Rs. 35.97 crores from 24.57 crores last year.

### 3. DIVIDEND

In view of conservation of profit, the Directors had not recommended any dividend for this year.

### 4. FIXED DEPOSITS:

During the year under review company has not taken any deposits from public.



**5. QUALITY MANAGEMENT**

The company is committed to supply products and services conforming to customers requirements by involving employees, vendors sub – contractors and customers to achieve its vision of being a cost-efficient global suppliers of quality products.

**6. PERSONAL**

As required by the provision of section 217(2A) of the companies act 1956 of the companies act 1956, read with companies (particulars of employees) Rules, 1975 as amended, there are no employees covered for the year under review

**7. DIRECTORS**

In pursuance of the Companies Act, 1956, and articles of association of the company Mr. Ahmedally Gulamhusein Kathawala and Mr. Sunil Ramakanth Tripathi retire by rotation and being eligible, offer themselves for reappointment.

**8. DIRECTORS RESPONSIBILITY STATEMENTS**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm:

- i) That in the preparation of the annual accounts for the financial year ended 31st March 2011, the applicable accounting standards have been followed and no material departures have been made from the same;
- ii) That they had selected such accounting policies, applied them consistently, made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That they had prepared the annual accounts on a going concern basis.

**9. CONSERVATION OF ENERGY , ABSORPTION OF TECHNOLOGY AND FOREIGN EXCHANGE AND OUTGO:**

Additional information as required as per section 217(I)(e) of the companies act, 1956 read along with companies (Disclosures of particulars in the report of board of Directors) Rules, 1988 is given below;



**(I) Conservation of Energy:**

Continuous monitoring and awareness amongst employees has helped to avoid waste of energy. Adequate measures had helped in reducing the consumption of energy and overall electricity bill.

It is planned to extend the measures taken during the current year which yielded good results, to other areas/equipment/offices.

**(II) Technology Absorption:**

Company has not incurred mejour expenditure on R& D activity during the year under review; however the company is searching various technology and methods which will help in reducing the consumption of energy, increase in input / output ratio and produce internationally acceptable quality products, company have the ISO 9001: 2000 Certificate.

**Information regarding technology imported during the last five years:**

- |   |   |                |
|---|---|----------------|
| a. Technology imported  | : | No             |
| b. Year of import   | : | Not applicable |
| c. Has technology been fully absorbed   | : | Not applicable |
| d. If not fully absorbed, areas where<br>this has not taken place, reasons<br>therefore and future plans of actions | : | Not applicable |

**(III) Foreign Exchange:**

During the year company has earned foreign exchange by export turnover which amounts to Rs. 981.64 lacs and had incurred Rs. 279.93 lacs towards expenditure in foreign exchange during the year. Company is making all efforts to capture the international market.

**10. AUDITORS**

M/s. Chaturvedi & Chaturvedi, Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of ensuing annual general meeting and, being eligible, offer themselves for reappointment as statutory auditors. Members are requested to approve the same and fix their remuneration.

**11. AUDITORS OBSERVATION :**

The comment of the auditors in their reports is self explanatory and need no further clarification.



**12. CORPORATE GOVERNANCE:**

Your Company believes in coherent and self-regulatory approach in the conduct of its business to achieve highest standard of Corporate Governance. It has complied with the requirement of the Corporate Governance as stipulated by SEBI. A separate report on Corporate Governance along with Auditor's Certificate on its compliance is annexed to and forms part of the report.

**13. APPRECIATION**

Your Directors would like to place on record their appreciation of the consistent support, co-operation and assistance from our customers, suppliers, shareholders, employees and other business associates including various agencies of the central and Maharashtra state governments and Bankers for their continued understanding, assistance and support.

**On Behalf of the Board of Directors**

**Mumbai, August 8, 2011**

**Zuzar A Kathawala**  
**Chairman & Managing Director**





**CORPORATE GOVERNANCE:**

**Annexure - A**

**COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company aims at ensuring high ethical standards in all areas of its business operations to enhance its stake holder's value

In accordance with Clause 49 of the Listing agreement with the Stock Exchanges, the details of governance including compliances by the Company with the provisions of Clause 49 are as under:

**1. BOARD OF DIRECTORS:**

As on 31.03.2011, The Company's Board consisted of Three Promoter Directors and One Executive Director & One independent directors, who have rich experience in their fields.

The Board of the Company met 4 times during the last financial year on the following dates: -- 30.04.10, 31.07.10, 29.10.10, 31.01.11, 10.08.11

**Code of conduct:**

The Company has already implemented a Code of Conduct for all Board Members and Senior Managements of the company in compliance with Clause 49 (1) of the Listing Agreement. But, since the operations of the Company were not much, the application of the code of conduct was limited to that extent

The constitution of the Board (as on 31.03.2011) and the attendance of the Directors are given below:

<b>Name of the Director</b>	<b>Category of the Director</b>	<b>No. of other Directorship (*)</b>	<b>No. of Board meetings Attended</b>	<b>Attendance at Last AGM</b>
Zuzar A. Kathawala	Managing Director	3	4	Yes
Ahmedally Kathawala	Executive Director	4	4	Yes
Durriya Z. Kathawala	Promoter Director	2	4	Yes
Sunil R. Tripathi	Executive Director	Nil	4	Yes
Ananthanarayan Jayaram	Independent Director	Nil	4	Yes
Naseem Shabbir Arsiwala	Independent Director	Nil	4	Yes

- Excludes Directorship in Indian Private Limited Companies, Foreign Companies, Companies u/s 25 of the Companies act, 1956.



- The Director(s) are neither Chairman nor members of any other committee(s) other than Audit committee, grievance committee, remuneration committee of the Company as mentioned in this report.

Detailed Agenda is circulated/ sent to the members of the Board in advance. The Board discusses/ deliberates and decides on all the topics/ matters including those suggested in the Listing Agreement, as and when the requirement arises.

**Risk Mitigation Plan:** The Company has already adopted a risk mitigation plan, suitable to the Company. During the year there were no activities that required the assessment of risk.

## **2. AUDIT COMMITTEE:**

The total strength of the Audit Committee is three. The said committee was constituted to exercise powers and discharge function as stipulated in Clause 49 of the Listing Agreement, and other relevant statutory and regulatory provisions. The Chairman of the audit committee is an independent/non executive director, and of the other two members one is executive director and the other is non-executive / independent director.

During the relevant financial year, Four Audit Committee Meetings were held on 21.04.10, 28.07.10, 27.10.10, 25.01.11

The constitution of the Committee (as on 31.03.2011) and the attendance of each member of the Committee is given below

<b>Name of the Member</b>	<b>Category</b>	<b>No. of meetings</b>	<b>Attendance No.</b>
Jayaram Anantha Narayan	Chairman	4	4
Sunil R. Tripathi	Member	4	4
Naseem Shabbir Arsiwala	Member	4	4

## **3. SHARE HOLDERS GRIEVANCE/ SHARE TRANSFER COMMITTEE:**

### **Share Holder's Grievance Committee**

Share Holders Grievance Committee consists of one independent Director, and two directors who met on last Thursday of the Month

The data for the year is as follows: No Complaints received from share holders/ Exchange during the year 2011 unresolved complaints (including pertaining to the previous year(s):2010. Majority of these complaints pertain to listing matters which the Company is addressing.

During the year company had affected transfers involving nil equity shares.