

# **Eighteenth Annual Report 2000-2001**

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## **UNIPRODUCTS (INDIA) LTD.**





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latest Corporate Lifestyle.*



**UNIPRODUCTS (INDIA) LTD.**

8, Balaji Estate, Guru Ravidas Marg, Kalkaji, New Delhi-110 019

Tel. : 6002752/53/54/55/56 • Fax : 011-6002751

Website : [www.unitexindia.com](http://www.unitexindia.com)

## BOARD OF DIRECTORS

### Chairman

Ravi Mehra

### Managing Director

Ashwan Kapur Ph.D.

### Directors

Chand Kishan Hazari F.C.A.

Govind Narain I.C.S. (Retd.)

Bhaskar Dutta Ph.D.

M.M. Kohli

S.L. Kapur I.A.S. (Retd.)

(Additional Director)

### AUDITORS

S N Dhawan & Co.

Chartered Accountants

C-37, Connaught Place

New Delhi-110001

### President

Arun Seth

### General Manager (Finance)

R.N. Bansal

### BANKERS

Standard Chartered Grindlays Bank

## HEAD OFFICE/SHARES DEPARTMENT

8, Balaji Estate

Guru Ravidas Marg, Kalkaji

New Delhi-110019

## REGISTERED OFFICE & WORKS

Jarthal Village Road

84 Km. Stone, Delhi-Jaipur Road

P.O. Sangwari, Distt. Rewari

Haryana-123401

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## NOTICE

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company at Janta Village Road, 84 Km. Stone, Delhi-Jaipur Road, P.O. Sangwari, Distt. Rewari, Haryana 123 401, on Wednesday, the 26<sup>th</sup> September, 2001 at 11.30 A.M. to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended March 31, 2001 and the report of the Auditors and Directors thereon.
2. To declare a Dividend.
3. To appoint a Director in place of Dr. Bhaskar Dutta who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Govind Narain who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting upto the conclusion of next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS

6. To consider and if though fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED that Mr. S.L. Kapur, who was appointed by the Board of Directors as an Additional Director on December 27, 2000 and who holds office upto the date of this Annual General Meeting under Section 260 of Companies Act, 1956 read with Article 89 of Article of Association and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Mr. S.L. Kapur for the office of Director under Section 257 of Companies Act, 1956 be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. To consider and if though fit, to pass, with or without modifications, the following resolution as an SPECIAL RESOLUTION:

“RESOLVED that pursuant to Section 31 of the Companies Act, 1956 and other applicable provisions, if any, the Articles of Association of the Company be and are hereby altered, substituted or inserted suitably in the manner enumerated below:

In Article 2 the existing definition of ‘Member’ shall be substituted by the following definition:

“Member” means duly registered holder from time to time of the shares of the Company and includes subscribers to the Memorandum of Association of the Company and also every person holding equity share of the Company, whose name has been entered as beneficial owner in the records of the depository.

A new Article 52A be inserted under the new heading after Article 52 as under

#### **52A Dematerialisation/Rematerialisation of Shares**

(i) Definitions:

For the purpose of this Article:

‘Beneficial Owner’ means a person whose name is recorded as such with a depository;

'SEBI' means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992;

'Depository' means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under Sub-section 1A of Section 2 of the Securities and Exchange Board of India Act, 1992 to act as a depository;

'Depository Act, 1996'- Depository Act, 1996 shall include any statutory modification or re-enactment thereof for the time being in force;

'Security' means such security as may be specified by the SEBI from time to time.

(ii) Dematerialisation of Securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

(iii) Options for investors

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities.

If a person opt to holds his security with a depository, the Company shall intimate such depository the details of the allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

(iv) Securities in Depositories to be in fungible form

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187A, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(v) Transfer of Securities

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee, both of whom are entered as beneficial owners in the records of a depository.

The following Article be inserted as Article 52B under the new heading after Article 52A

**52B Nomination**

- a) Every shareholder or debenture holder of the Company, may at any time, nominate, in the prescribed manner, a person to whom his shares in , or debenture of, the Company shall vest in the event of his death.
- b) Where the shares in or debenture of, the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debenture of the Company shall vest in the event of death of all the joint holders.
- c) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in, or debentures of, the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest shares in, or debenture of, the Company, the nominee shall, on the death of shareholder or debenture holder of the Company or, as the case may be, on the death of the joint holders become

entitled to all the rights in the shares, or debentures of the Company or, as the case may be, all the joint holders, in relation to such shares in, or debentures of the Company to the exclusion to all other persons, unless the nomination is varied or cancelled in the prescribed manner.

- d) Where the nominee is a minor, it shall be lawful for the shareholder, or debenture holder, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares in, or debentures of, the Company, in the event of his death, during the minority.
- e) Any person who becomes a nominee may upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

to be registered himself as holder of the share(s); or

to make such transfer of the share(s) as the deceased shareholder could have made."

Registered Office :  
84 Km.Stone, Delhi-Jaipur Road,  
P.O. Sangwari, Distt. Rewari,  
Haryana 123 401.

By order of the Board

**ASHWAN KAPUR**  
Managing Director

Date : 30th July, 2001



## NOTES

1. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed herewith.
2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll in the meeting in his stead. The proxy need not be a member.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, September 20, 2001 to Wednesday, September 26, 2001 (both days inclusive).
4. Members attending the Annual General Meeting are requested to bring along with them their copies of the Annual Report as the same will not be distributed at the meeting.
5. Shareholders who wish to raise any queries/comments on the accounts of the Company are requested to send their queries/comments atleast 7 days before the date of the Annual General Meeting.
6. Dividend recommended by the Board of Directors, if approved by the Members at the Annual General Meeting, will be paid to those Members whose names appear on the Register of Members as on September 26, 2001.
7. Members are requested to intimate their Bank Account details, if not already sent, so that the same can be printed on the dividend warrant, to avoid the incidence of fraudulent encashment of the dividend warrant.
8. Members are also requested to notify change in their address immediately to the Company at its Head Office, if shares are held in physical form.
9. The shares of the Company are listed on the following Stock Exchanges and the listing fee to these Stock Exchanges have been paid in time.

(1) The Delhi Stock Exchange Association Limited  
Asaf Ali Road  
New Delhi - 110 002

(2) The Stock Exchange, Mumbai  
Phiroze Jee Jeebhoy Towers  
Dalal Street, Mumbai - 400 001.

### EXPLANATORY STATEMENT (Pursuant to Section 173(2) of the Companies Act, 1956)

#### Item No. 6

Mr. S.L. Kapur, who was appointed by the Board of Directors as an Additional Director of the Company w.e.f December 27, 2000 vacates office at the forthcoming Annual General Meeting pursuant to Section 260 of the Companies Act, 1956.

Notice under Section 257 of Companies Act, 1956 has been received from a Member of the Company signifying his intention to propose Mr. S.L. Kapur as a candidate for the office of Director. Mr. S.L. Kapur has filed his consent pursuant to Section 264(1) of the Companies Act, 1956 to act as a Director, if appointed.

Considering the experience and competence of Mr. S.L. Kapur, the Board considers that it would be in the interest of the Company to appoint him as a Director of the Company.

The Directors commend the Resolution for approval of the shareholders.

No Director other than Mr. S.L. Kapur is interested in the Resolution.

#### Item No. 7

With the introduction of the Depositories Act, 1996 and the introduction of the Depository System, some of the provisions, of the Companies Act, 1956 relating to the issue, holding, transfer, transmission of shares

and other securities have been amended to facilitate the implementation of the new system. The Depository System of holding securities in an electronic form is a far safer and more convenient method for holding and trading in the securities of a company. As per notification of SEBI, the Company's shares were included in compulsory demat form w.e.f. January 29, 2001. Your Company has offered the facility of transfer cum demat to all investors who lodge transfer documents with the Company from January 04, 2001.

Further by the Companies (Amendment) Act, 1999 the holders of the securities of the Company have given an option to nominate a person to whom the rights of security holders of the Company shall vest in the event of his/her death. It is desirable to include such nomination provisions in the Articles of Association of the Company.

In order to be consistent with the provisions of the Companies Act, it is proposed to insert/ amend certain Articles in the Articles of Association of the Company.

The Directors commend the Resolution for approval of the shareholders.

None of the Directors of the Company is interested in the said resolution.

Registered Office:  
84 Km. Stone, Delhi-Jaipur Road,  
P.O. Sangwari, Distt. Rewari,  
Haryana 123 401.

By order of the Board

**ASHWAN KAPUR**  
Managing Director

Date : 30th July, 2001





**AUDITORS' REPORT**

To the Members of

**UNIPRODUCTS (INDIA) LIMITED**

We have audited the attached Balance Sheet of Uniproducts (India) Limited as at March 31, 2001 and the annexed Profit and Loss Account of the Company for the year ended on that date and report that:

1. As required by the Manufacturing & Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above:
  - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books.
  - c) The Balance Sheet and the Profit and Loss Account dealt with by the report are in agreement with the books of account.
  - d) In our opinion, the Profit and Loss Account and the Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.
  - e) On the basis of the written representations received from the directors as on March 31, 2001 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2001 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2001 and
    - ii) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date.

C-37, Connaught Place  
New Delhi-110 001

For **S.N.DHAWAN & CO.**  
Chartered Accountants

Date : 30th July, 2001

**SURESH SETH**  
Partner

**ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF UNIPRODUCTS (INDIA) LIMITED FOR THE YEAR ENDED MARCH 31, 2001.**

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. As explained to us, physical verification of fixed assets is being conducted in a phased manner by the management under a programme designed to cover all the fixed assets over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, during the year no physical verification of fixed assets was conducted.
2. None of the fixed assets have been revalued during the year.
3. As explained to us, the stocks of finished goods and raw materials have been physically verified by the management at reasonable intervals, except for stocks lying with third parties for which certificates of stocks held by them have been obtained in most of the cases.
4. In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies noticed on verification between physical stocks and book records were not material and the same have been properly dealt with in the books of account.