

34th
Annual Report
2016 - 2017



UNIPRODUCTS (INDIA) LTD.



ISO/TS 16949:2009
ISO 14001:2004
OHSAS 18001:2007

BOARD OF DIRECTORS

Chairman

Mr. Ravinder Mehra

Managing Director

Dr. Ashwan Kapur

Directors

Dr. Bhaskar Dutta

Mr. P. R. Khanna

Mr. S. L. Kapur

Mr. A. P. Gandhi

Mr. Arun Kumar Seth

Mr. Arun Mehra

Mr. Arjun Mehra (Alternate Director)

Chief Finance Officer

Mr. Aditya Capoor

Company Secretary

Mrs. Preeti Sondhi

Head Office

Khasra No. 360-361

Village Jonapur, Mehrauli,

New Delhi-110047

Registered Office

Jarthal Village Road

84 Km. Stone, Delhi-Jaipur Road,

P.O. Sangwari, Distt. Rewari

Haryana-123401

Corporate Office

C-15, Sector-57,

Noida-201307 (U.P.)

Auditors

S. N. Dhawan & Co.

Chartered Accountants

410, Ansal Bhawan

16, Kasturba Gandhi Marg,

New Delhi-110001

Bankers

Yes Bank Limited

Registrar & Share Transfer Agent

MAS Services Limited

T-34, 2nd Floor,

Okhla Industrial Area,

Phase-II, New Delhi-110020

Tel. : 011-26387281-83

Fax : 011-26387384

E-mail : info@masserv.com

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UNIPRODUCTS (INDIA) LTD.

Registered office: Jarthal Village Road, 84 Km. Stone, Delhi-Jaipur Road,
P.O. Sangwari, Distt. Rewari, Haryana-123401

Phone: (01274) 249348-50 **Fax :** (01274) 249347

Website: www.unitexindia.com, **Email:** uniproducts@unitexindia.com

CIN: U45201HR1982PLC014785

NOTICE

NOTICE is hereby given that the 34th Annual General Meeting (AGM) of the members of **Uniproducts (India) Limited** will be held on Friday, August 18, 2017 at 11.30 a.m. at the Registered Office of the Company at Jarthal Village Road, 84 Km. Stone, Delhi-Jaipur Road, P.O. Sangwari, Distt. Rewari, Haryana-123401, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon and the audited consolidated financial statements of the Company for the financial year ended March 31, 2017 and the report of Auditors thereon.
2. To appoint a Director in place of Mr. Arun Mehra (DIN: 06507579), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and on the recommendations of the Audit Committee, M/s Bansal Gupta & Associates, Chartered Accountants (Firm Registration No. 017358N), be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 39th Annual General Meeting of the Company (subject to ratification of their appointment by the members at every AGM), to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203, and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V to the Companies Act, 2013, and the recommendations of the Nomination and remuneration Committee, consent of the Company be and is hereby accorded for an increase in the remuneration payable to Dr. Ashwan Kapur (DIN: 00568432) as the Managing Director of the Company w.e.f August 1, 2017 for the remaining period of his tenure as set out below:-

I. Salary

Rs. 4,23,000/- per month (from August 1, 2017 to July 31, 2018)

II. Commission

1% (one percent) of the net profits of the Company for the financial year as computed in the manner laid down in Section 198 of the Companies Act, 2013.

III. Allowances & Perquisites

- a. House Rent Allowance: House Rent Allowance @ 60% of basic Salary.
- b. Medical Reimbursement: Expenses incurred for self and family (consisting of spouse, dependent children and dependent parents) subject to a maximum of one month's basic salary.
- c. Leave Travel Allowance: For self and family (consisting of spouse, dependent children and dependent parents) subject to a maximum of one month's basic salary.
- d. Personal Accident and Mediciam Insurance: Premium not to exceed Rs. 30,000/- per annum.
- e. Car: A Company maintained Car with driver for use in the Company's business.
- f. Electricity: Reimbursement of electricity bills not exceeding Rs. 2,50,000 p.a.
- g. Security: Provision of security guards for residence through a security agency subject to a maximum of Rs. 40,000/- per month.

In addition, he will be entitled to avail leaves with full pay and allowances as per the rules of the Company.

The value of allowances and perquisites shall be taken as per Income Tax Rules, wherever applicable. In the absence of any applicable rules, allowances and perquisites shall be valued at cost.

IV. The following benefits paid to Dr. Ashwan Kapur as per the policy/rules of the Company in force shall not be included in the aforesaid allowances and perquisites:

1.
 - a. Company's contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
 - c. Encashment of leave at the end of the tenure.
2. Telephone and other Communication Facilities

The Company shall reimburse expenses of mobile phone, telephone & other communication facilities at the residence of Dr. Ashwan Kapur.

V. Dr. Ashwan Kapur will also be entitled to re-imburement of entertainment and other expenses actually and properly incurred by him in the course of legitimate business of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be considered necessary, proper or expedient to give effect to this resolution."

By order of the Board
For UNIPRODUCTS (INDIA) LTD.

Place : New Delhi
Date : May 22, 2017

Registered Office:
Jarthal Village Road
84 Km. Stone, Delhi-Jaipur Road,
P.O. Sangwari, Distt. Rewari,
Haryana-123401

DR. ASHWAN KAPUR
Managing Director
DIN : 00568432
Address : 15 , Ring Road,
Lajpat Nagar- IV, New Delhi-110024



NOTES

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting 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 HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10 (TEN) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10 (TEN) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SAME PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY DOES NOT HAVE THE RIGHT TO SPEAK AT THE MEETING AND CAN VOTE ONLY ON A POLL.
THE INSTRUMENT APPOINTING THE PROXY, DUTY COMPLETED AND SIGNED, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE MEETING IS ENCLOSED WITH THIS NOTICE.
3. The Register of Members and Share Transfer Books of the company will remain closed from August 12, 2017 to August 18, 2017 (both days inclusive) in terms of the provisions of the Companies Act, 2013.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Members/proxies/authorized representatives are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
6. All the documents referred to in the accompanying notice will be open for inspection by the members at the Registered Office of the Company on all working days between 10.00 a.m. to 5.00 p.m. up to the date of the Meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained u/s 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained u/s 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.
8. Members seeking clarifications on the financial statements are requested to send in written queries to the Company at least 10 days before the date of the Meeting. This would enable the Company to compile the information and provide replies in the meeting.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company / MAS Services Limited.
10. Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government and no claim shall lie against the said fund or the Company for the amount so transferred. The unpaid/unclaimed dividend pertaining to the financial year 2009-10 will become due for transfer to IEPF on August 1, 2017 Those shareholders who have not encashed their dividend warrant for the financial year 2009-10 are, therefore, requested to immediately forward the same to the Company for revalidation.

Also, in terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

11. Pursuant to Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in prescribed form SH-13 (which will be made available on request) to the Registrar & Share Transfer Agent- M/s MAS Services Limited. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
12. Ministry of Corporate Affairs (MCA) is promoting electronic communication as a contribution to greener environment. Accordingly, as a part of green initiative soft copy of the Annual Report 2016-17 including the Notice, Attendance Slip and Proxy Form is being sent through electronic mode only to the members whose email addresses are registered with the Company/ Depository Participant(s), unless a member has requested for a physical copy of the same. Members requiring a soft copy of the Annual Report may write to the Company at the preeti@unitexindia.com and/or at the registered address of the Company. For members who have not registered their email addresses, physical copies of the Annual Report 2016-17 including the Notice, Attendance slip and Proxy Form will be sent at their registered address through permitted mode. Members whose e-mail ids are registered with the Company and who wish to receive printed copy of the Annual Report may send their request to the Company at its registered office address.
13. The Annual Report together with the Notice of the Annual General Meeting is also being hosted on the website of the Company www.unitexindia.com
14. The members are requested to take the following steps to register their e-mail address and changes therein:
 - a. In respect of shares held in physical form, members should register their e-mail address with our Registrar and Share Transfer Agent, M/s Mas Services Limited at their website www.masserv.com and;
 - b. In respect of shares held in demat mode, members should register their e-mail address with their respective Depository Participants and also with our Registrar and Share Transfer Agent, M/s Mas Services Limited at their website www.masserv.com
15. Voting through electronic means
 - (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 a member of the Company holding shares either in physical form or in dematerialized form, may exercise his right to vote by electronic means (e-voting) in respect of resolution(s) contained in this notice.
 - (ii) The Company has engaged the services of National Securities Depository Limited (NSDL) as Authorised Agency to provide re-mote facility (i.e. the facility of casting votes by member by using electronic voting system from a place other than the venue of the meeting).
 - (iii) The facility for voting through ballot paper shall be made available at the Meeting and the members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.



- (iv) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (v) The Board of Directors have appointed Mr. Shashikant Tiwari (ACS No. 28994) and failing him Mr. Lakhan Gupta (ACS No.36583) Practising Company Secretary as the Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.
- (vi) The cut-off date for the purpose of re-mote e-voting is August 11, 2017.
- (vii) The remote e-voting period commences on August 15, 2017 (9:00 am) and ends on August 17, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 11, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (viii) The procedure and instructions for remote e-voting are as under:
 - I. In case of Members receiving e-mail from NSDL [for members whose e-mail addresses are registered with Company/Depository Participant(s)]:
 - (a) Open e-mail and open PDF file viz. "UIL-remote e-Voting.pdf" with your client ID or Folio No. (a)Open e-mail and open PDF file viz. "UIL-remote e-Voting.pdf" with your client ID or Folio No. as password. The said pdf file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
 - (b) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
 - (c) Click on Shareholder - Login
 - (d) Put user ID and password as initial password noted in step (a) above. Click Login
 - (e) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (f) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (g) Select "EVEN" of "**Uniproducts (India) Limited**".
 - (h) Now you are ready for remote e-voting as Cast Vote page opens.
 - (i) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (j) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (k) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (l) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy(PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to shashikant@cacsindia.com with a copy marked to evoting@nsdl.co.in.
 - II. In case of Members receiving physical copy of Notice of the Meeting (for members whose e-mail addresses are not registered with Company/Depository Participant(s) or requesting physical copy):
 - (a) Initial password is provided in the communication being sent separately
 - (b) Please follow all steps from Sl. No. (i) (b) to Sl. No. (i) (l) above, to cast vote.

- (ix) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.:1800-222-990.
- (x) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.
- (xi) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (xii) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. August 11, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, MAS Services Limited.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no: 1800-222-990.
- (xiii) After the items of Notice have been discussed, voting through ballot papers will be conducted under the supervision of the scrutinizer appointed for voting. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date and who have not cast their vote by re-mote e-voting and being present at the meeting, either personally or through proxy, only shall be entitled to vote at the meeting through ballot paper.
- (xiv) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of August 11, 2017
- (xv) The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xvi) The Scrutinizer's decision on the validity of the vote shall be final and binding.
- (xvii) The Result declared along with Scrutinizer's report shall be placed on the website of the Company www.unitexindia.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.
- (xviii) The resolution will be deemed to be passed on the AGM date subject to receipt of requisite number of votes in favour of resolutions.

By order of the Board
For UNIPRODUCTS (INDIA) LTD.

Place : New Delhi
Date : May 22, 2017

Registered Office:
Jarthal Village Road
84 Km. Stone, Delhi-Jaipur Road,
P.O. Sangwari, Distt. Rewari,
Haryana-123401

DR. ASHWAN KAPUR
Managing Director
DIN : 00568432
Address : 15 , Ring Road,
Lajpat Nagar- IV, New Delhi-110024



EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 of the accompanying Notice dated May 22, 2017.

Item No. 4

The Board of directors in its meeting held on May 22, 2017 has approved an increase in remuneration payable to Dr. Ashwan Kapur for the remaining period of his tenure, subject to the approval of members. The Nomination and Remuneration Committee has also recommended the increase in remuneration payable to Dr. Ashwan Kapur as Managing Director. The remuneration so approved by the Board and recommended by the Nomination and Remuneration Committee exceeds the limits specified under Schedule V of the Companies Act, 2013. The details of remuneration and perquisites proposed to be paid by the Company to Dr. Ashwan Kapur have been given in the text of the resolution.

The payment of increased remuneration requires approval of members by way of special resolution.

The statement pursuant to Schedule V of the Companies Act, 2013 is as under:

I. General Information

1. Nature of industry

The Company is engaged in the business of manufacture of wall to wall carpets, interlinings, moulded carpets, noise, vibration and harshness (NVH) insulation parts, roof liner fabrics and heat shields. It also trades in laminated floorings, carpet tiles, engineered wood, loop pile carpets, decorative grass and similar products.

2. Date or expected date of commencement of commercial production

The Company was incorporated in 1982 and commercial production was commenced in 1986.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not applicable

4. Financial performance based on given indicators

(Amount in Rs. lacs)

Particulars	2016-17	2015-16
Sales and other Income	32051.09	23135.75
Profit before tax	514.19	(1101.13)
Profit after tax	284.45	(779.70)

5. Foreign investments or collaborations, if any

The Company has not made any foreign investments or foreign collaboration till date.

II. Information about the appointee

1. Background details

Age : 62 years
Qualification : Ph.D (University of Leeds)
Experience : 33 years

Dr. Ashwan Kapur, after receiving his Doctorate in Textile Engineering from the University of Leeds, returned to India where he jointly promoted Uniproducts (India) Limited and pioneered the setting up of the first fully integrated nonwoven plant to manufacture a wide range of needle-punched and dry-laid consumer durables and industrial products. One of Dr. Ashwan Kapur's notable achievements has been the development of needle-punched jute carpets which are both durable and aesthetically

attractive and jute based NVH components used in cars, for which he has received appreciation from Ministry of Textiles, UNDP & the automobile industry.

Dr. Ashwan Kapur has been the Managing Director of the Company since 1984

2. Past remuneration

(Amount in Rs. Lacs)

Particulars	2016-17	2015-16
Salary	38.12	33.12
House Rent Allowance	22.87	19.87
Contribution to Provident Fund	4.57	3.97
Leave Encashment	-	-
Other Perquisites	12.14	8.26
Commission	5.43	-
Total	83.13	65.22

3. Recognition or awards

Dr. Ashwan Kapur has presented several technical papers in both national and international seminars on various aspects of non-woven technology and has also served on the Advisory Committee of the Textile Department of the Indian Institute of Technology, New Delhi. He has also acted as an external examiner for M.Tech. and Ph.D at the IIT, Delhi and Mumbai University respectively.

Dr. Ashwan Kapur was honoured by The Textile Institute, Manchester, with the Fellowship of the Institute in 1992 at the age of 35. Only a few Fellowship awards are given out each year. Dr. Ashwan Kapur also holds the distinction of being one of the youngest to receive this honour.

Owing to the technical expertise of Dr. Ashwan Kapur, the Company has been able to consistently provide high quality products at lowest possible cost for which it has won several recognitions and awards.

4. Job profile and his suitability

As Managing Director, Dr. Ashwan Kapur oversees various functions of the Company namely manufacturing, research & development, marketing, finance and administration. Being a doctorate in textiles, he is one of the pioneers in India in the field of non-woven textiles. He has a rich and varied background as a self-made industrialist. As a technical expert, he provides solutions to complex problems faced by the Company in manufacturing and/or research, gives foresight and vision in Marketing and Planning. His insight & experience has largely contributed to the Company's progress in the present competitive environment.

5. Remuneration proposed

As referred in the draft resolution at item no. 4 of the Notice.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)

While approving the above remuneration, the Nomination and Remuneration Committee considered the challenges posed by the growth opportunities in the automotive industry, the availability of senior managerial personnel at Board level and remuneration paid by similar sized companies to their Managing Directors. The Committee also considered the achievement of the Managing Director and the responsibilities cast upon him for steering the Company in a competitive and growth oriented scenario in the automotive sector which justified the remuneration. The Committee also noted that the profile of the incumbent Managing Director is eminently suited to the overall profile of this position. For the responsibility shouldered by Dr. Ashwan Kapur, Managing Director of the Company in navigating the business in these challenging times, the remuneration paid to him is commensurate and compares favourably with the compensations paid to the business heads of like sized and similarly positioned businesses.