



17th
ANNUAL REPORT
2009

Unique Organics Limited



UNIQUE ORGANICS LIMITED

Board of Directors

Mr. J. P. Kanodia, *Managing Director*
Mrs. Madhu Kanodia
Mrs. Vinita Mishra
Mr. Sajjan K. Gupta

Auditors

M/s. Gupta Abhishek & Co;
Chartered Accountants
203, Shyam Anukampa,
O-11, Ashok Marg
C-Scheme, Jaipur-302 001.

Bankers

Bank of Baroda
Nehru Place, Tonk Road, Jaipur

Regd. Office & Works

E-521, Sitapura Industrial Area,
Near Sanganer, Tonk Road, Jaipur-(Raj.)
E-mail : unique@uniqueorganics.com

Registrar & Chartered Accountant

ABS Consultants (P) Ltd.

99, Stephen House, 6th Floor,
4, B.B.D. Bag, (East)
Kolkata-700 001
E-mail : absconsultant@vsnl.net

SEVENTEENTH ANNUAL REPORT 2009**NOTICE**

NOTICE is hereby given that Seventeenth Annual General Meeting of the members of Unique Organics Limited will be held on Tuesday, the 7th July, 2009, at 11.00 a.m. at the Registered Office of the company, at E-521, Sitapura Industrial Area, Near Sanganer, Tonk Road, Jaipur (Rajasthan) to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date, alongwith the Reports of Directors and Auditors thereon.
2. To appoint a director in place of Mrs. Madhu Kanodia, who retires by rotation and being eligible offers herself for reappointment.
3. To reappoint the auditors and fix their remuneration.

Registered office :
E-521, Sitapura Industrial Area,
Near Sanganer, Tonk Road,
Jaipur (Rajasthan).
Dated : 28th May, 2009.

By Order of the Board,

Sd/-
(J. P. Kanodia)
Managing Director

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and on poll to vote instead of himself. The proxy need not be a member of the company. The proxy should be lodged with the company's Registered office not less than 48 hours before the commencement of the meeting.
2. The Register of members and share transfer books of the company will remain closed from 01.07.2009 to 07.07.2009 (both days inclusive).
3. The members are requested to notify change of their addresses, if any, at the registered office of the company at an early date.
4. As required under Clause 49 (vi) of the Listing Agreement, brief resume including experience, other directorship and committee membership of the person proposed for appointment/re-appointment as Director, are given below:

Mrs. Madhu Kanodia (born on 03.11.1961)

Education : B.Sc. (Hon.)

Experience : 16 years in spice business.

Other Directorships : Nil

Committee memberships : 2.

DIRECTORS' REPORT

To,
All Members

The Board of Directors are pleased to present the Seventeenth Annual Report together with the Audited Statement of Accounts for the year ended on 31st, March 2009.

Financial Results

(Rs. in Lacs)

	As at 31.3.2009	As at 31.3.2008
Sales	3508.94	2018.02
Other Income	156.06	54.06
Total Operational Cost	674.25	259.49
Interest	-	-
Depreciation	24.54	24.50
Tax Provision	0.30	0.26
Net Profit (Loss)	145.21	66.42
Paid-up share capital	696.83	696.83
Reserve & Surplus	18.08	22.35
Profit & Loss A/c (debit balance)	(209.75)	(354.96)

OPERATIONS :

During the year under review, the company registered a phenomenal growth in turnover and profitability. The company also diversified in the area of export of animal feed which added to the profitability of the company. As is evident, the turnover increased to Rs 3508.94 lac during the year 2008-09 from Rs. 2018.02 lac during the previous year, thus registering an increase by 73.80%. Similarly net profit increased from Rs.66.42 lac to Rs. 145.21 lac, registering an increase by 119.50%.

Your directors are glad to inform you that the company has successfully embarked its programme to expand the market abroad and hope to achieve better working results in the current year except the unforeseen circumstances beyond the control of the company.

Foreign Exchange earnings & outgo :2008-09

F.E. Earnings : Export sales	Rs. 35,02,72,597.92.
F.E. Outgo : Travelling & other exp.	Rs. 3,93,890.00

2007-08

F.E. Earnings : Export sales	Rs. 19,96,67,347.10.
F.E. Outgo : Travelling & other exp.	NIL.

DIRECTORS :

Mrs. Madhu Kanodia, Director of the Company, retires at the ensuing Annual General Meeting and being eligible offers herself for re-appointment, in terms of provisions of Articles of Association of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

UD **UNIQUE ORGANIC: LIMITED**

Pursuant to provisions of section 217(2AA) of Companies Act, 1956, your directors hereby state:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- (ii) that the directors had 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 or loss of the company for that period;
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) that the directors had prepared the annual accounts on a going concern basis.

FIXED DEPOSITS:

The company has not invited/accepted any deposits within the meaning of Section 58A of the Companies Act, 1956.

AUDIT COMMITTEE:

In compliance of the provision of section 292A of Companies Act, 1956, and Clause 49 of the Listing Agreement, the audit committee was constituted comprising Shri Sajjan Kumar Gupta and Smt. Vinita Mishra, non – executive & independent directors and Shri J.P. Kanodia, Managing Director. The powers and functions of the said Audit committee are as per Section 292A of Companies Act, 1956, and Clause 49 of the Listing Agreement.

LISTING OF SHARES:

The company's equity shares continue to be listed with stock exchanges at Mumbai, Delhi, Ahmedabad, Jaipur and Kolkata.

AUDITORS:

M/s. Gupta Abhishek & Co., Chartered Accountants, Jaipur, Statutory Auditors of the company, hold office until the conclusion of the ensuing annual general meeting and, being eligible, offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES:

There is no employee covered under section 217 (2A) of the Companies Act, 1956 and thus the particulars under the Companies (Particulars of Employees) Rules, 1975, are Nil.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Being focused on trading for the whole year under review, energy cost constituted a small portion of the total cost and

there is not much scope for energy conservation. However, pursuant to section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the requisite particulars are furnished at Annexure given hereto. Foreign exchange earning and outgo are furnished as aforesaid.

DEPOSITORY SYSTEM:

In order to keep pace with the changing technology and to provide the benefits of electronic trading to our members, your company's shares are tradable compulsorily in electronic form and it established connectivity with depositories, viz. National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited. The company has also appointed common agency for transfer of shares in depository and in physical form.

CORPORATE GOVERNANCE:

Your company has proactively been following some of the best practices adopted by good companies in India. The compliance report on Corporate Governance forms a part of this report. The Auditor's certificate on the compliance of Corporate Governance embodied in Clause 49 of the Listing Agreement is attached as Annexure and forms a part of this report. All board members have affirmed compliance with Code of Conduct on annual basis.

MANAGEMENT DISCUSSION AND ANALYSIS:

Your directors hereby inform you that apart from manufacturing and marketing of all types of spices and oleoresins your company has also occupied a good market share for animal feed. The management discussion and analysis is given as under:

- (a) Industry structure and development: The spices and oleoresin industry continued to pass through a difficult phase during the year under review due to the collapse of world economy. Despite this, your company has not only been able to survive in such a market condition rather it has come up with noteworthy working results with a higher expectation in the years to come.
- (b) Opportunity and threats: Your directors are making efforts to explore new markets both for spices and animal feed and hopefully achieve better working results in future.
- (c) Segment wise performance: The Company has not manufactured spices and oleoresins during the year under review except for a small quantity. The entire demand was met by procurement from outside, thus saving abnormal cost of production etc.
- (d) Outlook: We have excellent forward visibility and expectedly good growth in 2009-10. The company is entering new markets and contacting new buyers overseas to expand business as may be possible by making available the quality products at competitive prices.
- (e) Risk and concerns: The business of the company de-

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depends on the world economic scenario, as the company is in export business which involved greater risk thereby incurring loss due to change in attitude of buyers abroad.

- (f) Internal control system: The Company is maintaining proper and safe internal control systems, providing adequate safeguard and effective monitoring of transactions. The internal audit system of the company is adequate.
- (g) Discussion on financial performance with respect to operating performance: Your company has witnessed a phenomenal rise in turnover, and further improved business is expected in the coming year. The operating performance is highlighted in the para "Financial results:" above.
- (h) Developments in human resources and industrial relations: Your company takes great pride in the commitment, competence and vigour shown by its workforce in all realms of business. The company continues to take new initiatives to further align its HR policies to meet the growing needs of its business. People's development continues to be a focus area at Unique Organics. Cordial and peaceful Industrial relation prevailed throughout the year.
- (i) Cautionary statement: The business of the company depends on the international business scenario,

favourable government policy, continuous demand and government support by way of some assistance for the export of these products.

ACKNOWLEDGMENT:

Your directors express their sincere thanks to Central and State Government departments, Banks, foreign buyers and customers for their cooperation and encouragement they always extended to the company and look forward to their continued support. For the continuous support and meticulous efforts of Dealers, Business Associates and employees in ensuring an all round improved operational performance, your directors wish to place on record their sincere thanks and appreciation.

For & On behalf of the Board of Directors.

Sd/-

J. P. KANODIA

Chairman & Managing Director

Place : Jaipur
Dated : 28.05.2009.

ANNEXURE TO THE DIRECTORS' REPORT

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 and forming part of the Directors' Report :

	As at 31.2.2009	As at 31.3.2008
I. CONSERVATION OF ENERGY		
A. Power & Fuel consumption		
1. Electricity		
(a) Purchase		
Units	7,215	14,850
Total Amount (Rs.)	67,761	1,16,946.00
Rate/Unit (Rs.)	9.39	7.88
(b) Own Generation		
Through Diesel Generator		
Unit	—	—
Unit per litre of Diesel Oil	—	—
Cost/Unit (Average) Rs.	—	—
2. Coal (B-Grade)		
Quantity (MT.)	—	—
Total Cost (Rs.)	—	—
Average Rate (Rs./MT.)	—	—
3. Furnace Oil		
Quantity (Kilo/Ltr.)	—	—
Total Amount (Rs.)	—	—
Average Rate (Rs./Ltr.)	—	—

4. Diesel	—	—
Quantity (Kilo/Ltr.)	—	—
Total Amount (Rs.)	—	—
Average Rate (Rs./Ltr.)	—	—
B. Consumption per unit of production		
Electricity (Unit)	2.67/Kg.	4.10/Kg.
Coal (B-Grade) (Kg/TP)	—	—
Furnace Oil (Kilo/Ltr.)	—	—
Diesel (Kilo/Ltr.)	—	—
II. TECHNOLOGY ABSORPTION:		
A. Research & Development (R & D)	—	—
1. Specific Areas in which R & D carried out by the Company :	N.A.	N.A.
2. Benefit derived as a result of R & D :	N.A.	N.A.
3. Future Plan of Action :	N.A.	N.A.
4. Expenditure on R & D :	NIL	NIL
B. Technology Absorption, Adaptation and Innovation : The indigenous technology was already adopted.		

For & On behalf of the Board of Directors.

Sd/-

J.P. KANODIA

Chairman & Managing Director

Place : Jaipur
Dated : 28th May, 2009.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

It has always been the company's endeavour to excel through better Corporate Governance and fair and transparent practices. Your company does not merely believe in the compliances under regulations to be a compliant company as per the laws of the land, rather it emphasizes that the adoption of best corporate governance practices is a key driver to achieve higher levels of stakeholder's satisfaction. In order to achieve this goal, the workings of the company are based on broad principles of transparency, accountability and integrity in functioning.

The Board of Directors evolved and adopted a Code of Conduct based on the principles of good corporate governance and best management practices being followed. The Company complies with the revised Clause 49 of the Listing Agreement.

II BOARD OF DIRECTORS:

The Board of Directors of the company is duly constituted as per the requirements of the Listing Agreement which requires 50% of the board's strength of Independent Directors. Accordingly the board comprises 4 directors, including one Managing Director (viz. executive director), one non-executive director and two non-executive independent directors. The Non-executive independent directors of your company have experience in business, education and finance.

The directors do not have any pecuniary relationship with the company and no remuneration or sitting fee, etc is paid to the Managing Director or any other director.

A. COMPOSITION OF BOARD OF DIRECTORS AS ON 28th May, 2009

Name of directors	Designation	Executive/ Non-executive/ Independent	No. of other directorship in Pub. Ltd. Companies	No. of other Board/Committees of which member
Shri J. P. Kanodia	Managing Director	Executive	-	-
Smt. Madhu Kanodia	Director	Non-executive Non-Independent	-	-
Shri Sajjan K. Gupta	Director	Non-executive Independent	-	-
Smt. Vinita Mishra	Director	Non-executive Independent	-	-

B. BOARD PROCEDURE:

In compliance with the Listing Agreement, the members of the Board are provided with requisite information within the stipulated time period, which are dealt with properly. The Board of Directors considers all matters required to be considered statutorily.

In addition following matters are discussed at the meetings of the Board:

1. Business Strategies and plans.
2. Annual operating and capital expenditures.
3. Human Resource policies.
4. Compliance with regulatory requirements and review of major outstanding legal issues.
5. Approval of quarterly/half yearly/annual results, after consideration by audit committee, where required.
6. Transactions pertaining to purchases/disposal of assets.
7. Modifications in the financial policies, whenever required.
8. Foreign exchange exposure and risks.

All the directors who are members of various committees are within the permissible limits of Listing Agreement. They intimate about their membership in various committees in other companies. During the year 2008-09, six meetings of Board of Directors were held on 26.04.2008, 28.05.2008, 18.06.2008, 26.07.2008, 25.10.2008 and 24.01.2009.

C. ATTENDANCE OF DIRECTORS AT MEETINGS OF THE BOARD AND ANNUAL GENERAL MEETING:

Name of the Directors	No. of Board meetings attended during 1.4.2008 to 31.3.2009	Whether present at AGM
Shri.J.P. Kanodia	5	Yes
Smt. Madhu Kanodia	5	Yes
Shri. Sajjan Kumar Gupta	3	Yes
Smt. Vinita Mishra	6	No

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III. REMUNERATION OF DIRECTORS:

No remuneration including (sitting fee) was paid to Managing Director and any other director, whether non-executive or non-executive and independent director during the period 01.04.2008 to 31.03.2009.

IV. COMMITTEES OF THE BOARD:**A. Audit Committee:**

- (i) The said committee was reconstituted on 15.03.2003 and it comprised Shri Sajjan Kumar Gupta (Chairman) and Smt. Vinita Mishra, independent directors and Shri. J.P. Kanodia, Managing Director.
- (ii) Five meetings of the committee were held during the year on 26.04.2008, 18.06.2008, 26.07.2008, 25.10.2008 and 24.01.2009.
- (iii) The powers and functions of audit committee are as provided in section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

B. Shareholders' Grievance Committee:

As the company focuses on shareholders' satisfaction and enhancing shareholders' value, the shareholders' grievance committee comprising Shri Sajjan Kumar Gupta and Smt. Vinita Mishra was constituted. During the year two meetings of the committee were convened on 25.11.2008 and 15.12.2008 which resolved all queries of shareholders.

C. Remuneration & Appointment Committee:

The Remuneration & Appointment Committee of the company comprises two non-executive independent directors to consider appointment and remuneration payable to directors. No meeting was convened during the year 2008-09, as no remuneration is being paid to any of the directors.

D. Share Transfer Committee:

In order to consider matters pertaining to transfer, transmission, splitting and duplicate share certificates etc. a share transfer committee comprising Shri. J.P. Kanodia, Managing Director, Shri Sajjan Kumar Gupta and Smt. Vinita Mishra non-executive independent directors was constituted on 17.04.2003. The meetings of the committee were convened on 19.04.2008, 20.06.2008, 15.07.2008, 25.08.2008, 04.11.2008, 02.12.2008, 20.01.2009 and 14.02.2009 during the year.

E. Code of Conduct

The board of directors has a code of conduct for all board members who have affirmed compliance with the same on annual basis. A declaration signed by managing director is given as the end of this report.

V. SHARE TRANSFERS:

As the company's shares are compulsorily traded in demat segment on stock exchanges, bulk of transfers take place in electronic form. The company has appointed common agency, M/s, ABS Consultants (P) Ltd, 99 Stephen House, 6th Floor, 4 B.B.D. Bag, (East), Kolkata-700001, for demat as well as physical transfer. The Board has delegated share transfer function to the Share Transfer Committee. Physical transfers are effected well within the statutory period of one month. The Board has designated Miss. Nikita Kumar as Company Secretary.

A. Shareholding Pattern as on 31.3.2009:

S. No.	Category	No. of Shares held	% of shareholding
1.	Promoters	25,22,200	42.24
2.	Mutual Funds & UTI	NIL	NIL
3.	Bank, Financial Institutions, Ins. Companies (Central/Sate Govt, Inst., Non-Govt.Inst.)	1,87,500	3.14
4.	Foreign Inst. Investors	NIL	NIL
5.	Private Corporate Bodies	1,39,700	2.34
6.	Indian Public	31,22,100	52.28
7.	NRIs/OCBs.	NIL	NIL
8.	GDR	NIL	NIL
	Grand Total	59,71,500	100.00%

B. Distribution of Shareholding as on 31.3.2009 :

No. of shares	Share Holder (NOS)	Total % (Share Holders)	No. of Shares	Total % (Shares)
1 to 500	3488	77.32	1090100	18.26
501 to 1000	553	12.26	458400	7.68
1001 to 2000	197	4.37	293900	4.92
2001 to 3000	91	2.02	226200	3.79
3001 to 4000	26	0.58	93400	1.56
4001 to 5000	36	0.80	164500	2.75
5001 to 10000	47	1.04	352400	5.90
10001 to 50000	60	1.33	1858300	31.12
50001 to 100000	8	0.18	476300	7.98
100001 & above	5	0.11	958000	16.04
Total	4521	100%	59,71,500	100%

CEO/CFO Certification

Certification on financial statements pursuant to clause 49V of the listing agreement has been obtained from the Managing Director of the company who also heads the finance and accounts copy to same is given at the end of this report.

VI. SHAREHOLDERS INFORMATION:

- 17th Annual General Meeting (to be held)
Date : 07.07.2009 Time : 11.00 a.m.
Venue : E-521, Sitapura Industrial Area, Near Sanganer, Tonk Road, Jaipur (Raj.)
- Dates of Book Closure : 01.07.09 to 07.07.09 (both days inclusive).
- Financial Calendar of company for 2008-09 :
The financial year covers the period from April to March. Quarterly Results for
 - a) First quarter ending June 30, 2009 : before end July, 09
 - b) Half year ending Sept. 30, 2009 : before end Oct., 09
 - c) Third quarter ending Dec. 31, 2009 : before end Jan. 10
 - d) Fourth quarter ending March 31, 2010 : before end April, 10

Note : The above dates are indicative.
- Registered Office** : E-521, Sitapura Industrial Area, Near Sanganer, Tonk Road, Jaipur (Raj.)
- Dematerialisation of shares and liquidity** :
The company's shares are available for dematerialisation on both Depositories, viz. NSDL and CDSL. Shares of the company are to be delivered compulsorily in demat form on stock exchanges by all investors. Shares representing 28.84% of the paid up capital have so far been dematerialised by investors as on 31.3.2009
- Stock Code** :
Number in NSDL and CDSL for equity shares : ISIN : INE 333E 01019
The Stock Exchange, Mumbai : 30977
The Delhi Stock Exchange Association Ltd : 8129
The Jaipur Stock Exchange Limited : 638
The Kolkata Stock Exchange Association Ltd : 5589
The Stock Exchange, Ahmedabad : 62355
- Share Price Datas** : During the year 2008-09, no shares of company were traded on stock exchanges.
- Address for correspondence** :
Shareholders can have correspondence at the following address both for Demat and Physical transfer work and other Grievance if any :
(a) **ABS Consultants (P) Ltd.** 99, Stephen House, 6th Floor, 4, B.B.D. Bag, (East) Kolkata -700 001
(Share Transfer Agent)
(b) **Registered Office of Company** : E-521, Sitapura Industrial Area, Near Sanganer, Tonk Road, Jaipur (Raj.)

SEVENTEENTH ANNUAL REPORT 2009**9. Information on Shareholders meetings :**

The last three annual general meetings of company were held as under

Date	Time	Venue
16.9.2006	10.30 a.m.	E-521, Sitapura Industrial Area, Near Sanganer, Tonk Road, Jaipur
07.7.2007	10.30 a.m.	E-521, Sitapura Industrial Area, Near Sanganer, Tonk Road, Jaipur
27.8.2008	10.30 a.m.	E-521, Sitapura Industrial Area, Near Sanganer, Tonk Road, Jaipur

Note : No special resolution and no special resolution requiring postal ballot were passed in last three AGMs.

10. Disclosures :

The company has complied with provisions of law and no penalties have been imposed by the Stock Exchanges, SEBI or other authority on any matter related to the capital market during last three years. The related party transactions are as given at Sr. No. 5 of schedule 14(B) to the Accounts.

11. Means of Communication :

The quarterly and half yearly results are published in Newspapers, depending on liquidity available.

Information released to the press at the time of declaration of result is also being sent to all stock exchanges where the shares of the company are listed for benefit of investors.

VII. AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE :

The company has obtained a certificate from its auditors regarding compliance of conditions of corporate governance as stipulated in the listing agreement with stock exchanges. The said corporate governance certificate is annexed to this report.

The above report has been placed before the Board at its meeting held on 28th May, 2009, the same has been duly approved.

Place : Jaipur
Date : 28th May, 2009

For Unique Organics Limited.

Sd/-
(J.P. Kanodia)
Chairman & Managing Director

DECLARATION BY CEO ON CODE OF CONDUCT

I, J. P. Kanodia, Managing Director of the company, hereby declare that the company has obtained from all the Board members of the company affirmation that they have complied with the code of conduct as applicable to them. The company has no senior management personnel.

Place : Jaipur
Date : 28th May, 2009

For Unique Organics Limited.

Sd/-
(J.P. Kanodia)
Managing Director