



*Unipol  
Industries Limited*

Report  junction.com

15TH ANNUAL REPORT 2007-2008

## BOARD OF DIRECTORS

Shri Arvind Mahajan	Managing Director
Smt. Rashmi Mahajan	Executive Director
Shri Akhil Mahajan	Executive Director
Shri Abhay Mahajan	Executive Director
Shri Pritam Chand Mahajan	Director
Shri Sanjiv Kumar	Director
Shri K.K. Malik	Director
Shri Pardeep Aggarwal	Director
Shri Anirudh Khullar	Director
Shri Sushil Gupta	Director

## AUDITOR

M/s Sud Gupta & Associates  
Chartered Accountants  
50-51, Nehru Shopping Complex,  
2nd Floor, Lawrence Road,  
Amritsar  
Phone : 0183-2211352, 2212993

## REGISTERED OFFICE CUM FACTORY

365, Phase-II, Industrial Estate,  
Panchkula - 134 113 (Haryana)  
Ph. : 0172-2593592, 5066531-34  
Fax : 0091-172-2591837

## SHARE TRANSFER AGENTS CUM DEMAT REGISTRAR

M/s In-time Spectrum Registry Ltd.  
A-40, 2nd Floor, Naraina Industrial Area,  
Phase-11, Near Batra Banquet Hall,  
New Delhi-110028

## BANKERS

State Bank of India  
Specialised Commercial Branch,  
Sector 17, Chandigarh

# UNIROYAL INDUSTRIES LIMITED

## ANNUAL GENERAL MEETING NOTICE

Notice is hereby given that the 15th Annual General Meeting of the members of M/s Uniroyal Industries Limited will be held on Tuesday, 30th September, 2008 at 10.00 a.m. at Hotel Parbhat Inn Sector 10, Panchkula to transact the following business:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2008 and the Profit & Loss Account for the financial year ended on that date and the Report of Board of Directors and Auditors' thereon.
2. To appoint a director in place of Mr. Pritam Chand Mahajan who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Akhil Mahajan who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mrs. Rashmi Mahajan who retires by rotation and being eligible offers herself for re-appointment.
5. To appoint Auditors of the company and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modifications the following resolution as an **Ordinary Resolution**:

"Resolved that Mr. Anil Khanna proprietor of M/s J. R Khanna & Co. Chartered Accountants, be and is hereby appointed as the Auditors of the Company in place of retiring auditors M/s Sud Gupta & Associates to hold office until the conclusion of next Annual General Meeting at a remuneration to be fixed by the Board."

**By order of the Board**

Dated : 30<sup>th</sup> July, 2008  
Place : Panchkula

Sd/-  
(Akhil Mahajan)  
Executive Director



## UNIROYAL INDUSTRIES LIMITED

### NOTES :

1. A member who is entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. The proxy form duly filled in and signed must reach the Registered Office of the company at least 48 hours before the meeting.
2. All documents referred to in this meeting notice and the accompanying statements are open for inspection at the Registered Office of the company on all working days (except Holidays) during business hours upto the date of Annual General Meeting.
3. Members are requested to notify to the company immediately change in their address, if any.
4. The Register of Members and Transfer Books of the company will remain closed from 27<sup>th</sup> September, 2008 to 30<sup>th</sup> September, 2008 (both days inclusive) at the time of Annual General Meeting of the company.
5. Members having any query relating to the Annual Report are requested to write to the company at least 7 days before the date of Annual General Meeting so as to enable the Management to keep the information ready.
6. Members are requested to bring their copy of the Annual Report along with them to the meeting, as copies of the Annual Report will not be distributed at the meeting.
7. Members are requested to produce the Attendance Slip at the entrance to the venue.
8. M/s Sud Gupta & Associates, Chartered Accountants, are the present Auditors of the company. Pursuant to section 224 of the Companies Act, 1956, they would retire as auditors at the forthcoming 15<sup>th</sup> Annual General Meeting of the company. **They have expressed their inability in the appointment as statutory auditor for the financial year 2008-09.**

**Mr. Anil Khanna proprietor of M/s J. R Khanna & Co., Chartered Accountants have given his consent to act as Statutory Auditors of the company for the financial year 2008-2009. The members may consider and appoint M/s J. R Khanna & Co., Chartered Accountants as Statutory Auditors of the company.**

**UNIROYAL INDUSTRIES LIMITED****15th Annual Report  
2007-2008****DIRECTORS' REPORT**

(Pursuant to Section 217 of the Companies Act, 1956)

The Members  
Uniroyal Industries Limited,

Your directors have pleasure in presenting their 15<sup>th</sup> Annual Report together with Audited accounts of the company for the Financial Year ended 31<sup>st</sup> March, 2008 and the Auditor's Report thereon.

**FINANCIAL RESULTS**

Particulars	(Rs. in Lacs)	
	Financial Year Ended 31.03.2008	Financial Year Ended 31.03.2007
Sales	2625.88	972.68
Other Income	2.81	6.13
Total Income	2628.69	978.81
Total Expenditure	2332.80	849.30
Interest	96.46	68.12
Gross Profit after interest but before depreciation & tax	199.44	61.39
Depreciation	154.72	135.60
Prior Period Adjustments	0.17	8.97
Profit Before Tax	44.55	(83.18)
Provision for Tax		
-Current Year	27.88	3.58
-Deferred Tax Liability	(26.17)	1.55
Net Profit	42.84	(88.31)
<u>Appropriations</u>		
Income Tax Adjustment	1.84	(0.43)
Transferred to General Reserve	0.00	0.00
Carried to Balance Sheet	41.00	(87.88)
Paid up equity share capital	826.87	826.87
Reserves & Surplus	268.37	253.53

**REVIEW OF OPERATIONS**

During the year under review sale increased to Rs. 2625.88 lacs as compared to last year sale of Rs. 972.68 lacs i.e an increase of 169.96%. PBT and Cash accruals were Rs. 44.55 lacs and 171.39 lacs respectively.

Barring unforeseen circumstances, your company expects to do better in the ensuing year.



## UNIROYAL INDUSTRIES LIMITED

### LISTING STATUS OF SHARES

Shares of your company are listed on The Stock Exchange Mumbai and Delhi. Your company is regular in paying annual listing fees to the concerned stock exchanges. There was no change in Authorised/Paid up capital during the year.

### DIRECTORATE

The Board consists of Executive and Non-Executive Directors including independent Directors who have varied experience in different disciplines of corporate functioning

Mr. Pritam Chand Mahajan, Mrs. Rashmi Mahajan and Mr. Akhil Mahajan would retire by rotation as directors of the company at the forthcoming Annual General Meeting and being eligible they offered themselves for re-appointment as directors of the company.

The Board recommends the appointment of Mr. Pritam Chand Mahajan, Mrs. Rashmi Mahajan and Mr. Akhil Mahajan as directors of the company liable to retire by rotation.

### AUDITORS' REPORT

The notes on Accounts referred in the Auditor's Report are self explanatory and therefore do not call for any further comments.

### AUDITORS

M/s Sud Gupta & Associates, Chartered Accountants, are the present Auditors of the company. Pursuant to section 224 of the Companies Act, 1956, they would retire as auditors at the forthcoming 15<sup>th</sup> Annual General Meeting of the company. They have expressed their inability in the appointment as statutory auditor for the financial year 2008-09.

Mr. Anil Khanna proprietor of M/s J. R Khanna & Co., Chartered Accountants have given his consent to act as Statutory Auditors of the company for the financial year 2008-2009. The board recommends the appointment of M/s J. R Khanna & Co., Chartered Accountants as Statutory Auditors of the company.

### CORPORATE GOVERNANCE

As required under clause 49 of the Listing Agreement with the Stock Exchanges, a report on Corporate Governance together with Auditor's Certificate on Corporate Governance is appended to the Annual Report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis Report is appended to the Annual Report.

Management Discussion and Analysis Report as required under clause 49 of the Listing agreement with the stock exchanges forms a part of this Directors' Report.

# UNIROYAL INDUSTRIES LIMITED

## PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956

During the year under report, none of the employees was in receipt of remuneration exceeding the limits prescribed under section 217(2A) of the Companies Act 1956 read with Companies (Particulars of employees) Rules, 1975 as amended.

## ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION

Pursuant of the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, the particulars of energy conservation and technology absorption are enclosed herewith as **Annexure A** forming integral part of this Directors' Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 217 (2AA) of the Companies Act, 1956, it is hereby stated

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

## PERSONNEL AND INDUSTRIAL RELATIONS

The Industrial relations continued to be cordial. The Directors thank all the employees for their sincere efforts, active involvement and devoted services rendered at all levels.

## ACKNOWLEDGEMENT

The board expresses its appreciation and place on record their gratitude for cooperation extended by the Financial Institutions , Banks, Customers, Suppliers and Government Agencies. The Board is also thankful to the shareholders of the company for the confidence reposed in the management of the company.

**For and on behalf of the Board**

Sd/-

(Arvind Mahajan)  
Managing Director

Dated : 30<sup>th</sup> June, 2008  
Place : Panchkula



# UNIROYAL INDUSTRIES LIMITED

## ANNEXURE-A

### DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

#### A. POWER AND FUEL CONSUMPTION

Particulars	Current Year 2007-08	Previous Year 2006-07
<b>1. Electricity</b>		
(a) Purchased		
Unit	11,45,160 Units	8,81,412 Units
Total Amount	Rs. 54,54,030	Rs. 37,22,087
Rate/Unit	Rs. 4.76	Rs. 4.22
(b) Own Generation		
(I) Through Diesel Generator		
Unit	2,74,400 Units	299,040 Units
Units Per Ltr. of Diesel	2.80	2.80
Costs/Units	Rs. 11.00	Rs. 11.41
(II) Through Steam Turbine	NIL	NIL
<b>2. Coal (specify Quality and where used)</b>		
Quantity (Tonnes)	NIL	NIL
Total Cost	NIL	NIL
Average Rate	NIL	NIL
<b>3. Furnance Oil</b>		
Quantity (K.Ltr.)	NIL	NIL
Total Amount	NIL	NIL
Average Rate	NIL	NIL
<b>4. Others Internal Generation</b> (Please Give Details)		
Quantity	NIL	NIL
Total Cost	NIL	NIL
Rate/Unit	NIL	NIL

# UNIROYAL INDUSTRIES LIMITED

## B.CONSUMPTION PER UNIT OF PRODUCTION

Particulars	Standards (if any)	Current Year 2007-08	Previous Year 2006-07
Production	Narrow Fabrics/ Woven Lables (in Pieces)	<b>1632.20 Lacs</b>	1422.54 Lacs
Electricity	None	<b>8.70 Unit/1000 Pcs</b>	8.30 Unit/1000 Pcs
Furnance Oil		<b>N.A.</b>	N.A.
Coal		<b>N.A.</b>	N.A.
(Specify Quality)			
Others (Specify)		<b>N.A.</b>	N.A.

## C.TECHNOLOGY ABSORPTION

Not applicable because the company has neither entered into any collabration with the foreign or domes-tic company nor it has spent any amount on research and development.

## D. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. **Activities relating to export, initiative taken to increase exports, development of new export markets for products and services and export plans.**

The company is continuously exploring avenues to increase exports to neighbouring countries.

2. **Total foreign exchange dealing**

	<u>Current Year</u> <b>2007-08</b> (Rs.)	<u>Previous Year</u> 2006-07 (Rs.)
CIF value of imports/consumables	<b>10,55,202</b>	3,60,537
CIF value of imports/capital goods	<b>10,00,125</b>	3,95,05,652
Expenditure in foreign currency	<b>9,99,081</b>	8,27,832
Earning in foreign currency	<b>10,00,174</b>	NIL



# UNIROYAL INDUSTRIES LIMITED

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange)

### (1) Company's Philosophy on Corporate Governance

Your Company acknowledging the need and importance of Corporate Governance which enables shareholders to assess the manner in which the companies are run and how the Board of Directors discharge the company's mission and responsibilities with transparency, accountability, professionalism, risk management and code of ethics, as its basic principles, has adhered to the underlying principles of Corporate Governance and has made compliance with the corporate governance as an integral part of its day to day operations. The company believes in enhancing overall shareholders' wealth over a sustained period of time.

### (2) Board of Directors

#### (a) Composition and category of Directors:

The existing strength of Board of Directors is four (4) whole time Directors including Managing Director, one (1) non -Executive Director and five (5) non executive Independent directors.

The Directors on the Board are experienced and competent persons from their respective fields. The independent Directors take active part in the Board and Committee Meeting which add value to the decision making process of the Board.

The composition of the Board of Director is in conformity with the Corporate Governance requirements.

#### (b) Attendance of Directors:

During the year 2007-08, the Company has held 5 Board Meetings as on 6<sup>th</sup> April 2007, 30<sup>th</sup> June 2007, 28<sup>th</sup> July 2007, 31<sup>st</sup> October 2007, and 30<sup>th</sup> January 2008. The following table gives details of Directors, attendance of directors at the Board Meetings and at the last annual general meeting, the number of membership held by the directors in the Board/ committees of various companies.

Name of the Director	Category	Attendance Particulars		No. of other Directorship and Committee Member/Chairmanship including UIL & other public Ltd. Cos.		
		Board Meetings	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Sh. Arvind Mahajan	E-NI. (M.D.)	5	No	4	1	-
Smt. Rashmi Mahajan	E-NI	5	Yes	1	1	-
Sh. Akhil Mahajan*	E-NI	5	Yes	4	1	-
Sh. Abhay Mahajan	E-NI	5	Yes	1	-	-
Sh. P. C. Mahajan	NE-NI	5	No	-	-	-
Sh. Sanjiv Kumar	NE-I	-	No	5	-	-
Sh. K. K. Malik	NE-I	3	No	-	-	-
Sh. Anirudh Khullar	NE-I	5	Yes	-	-	3
Sh. Sushil Gupta	NE-I	5	No	1	2	-
Sh. Pardeep Aggarwal	NE-I	-	No	-	2	-

NE- Non -Executive; NI-Non -Independent ; M.D- Managing Director ; E: Executive ;I-Independent

This includes chairmanships/memberships of audit committees, shareholders grievance committees and remuneration committees of public limited companies, whether listed or not.