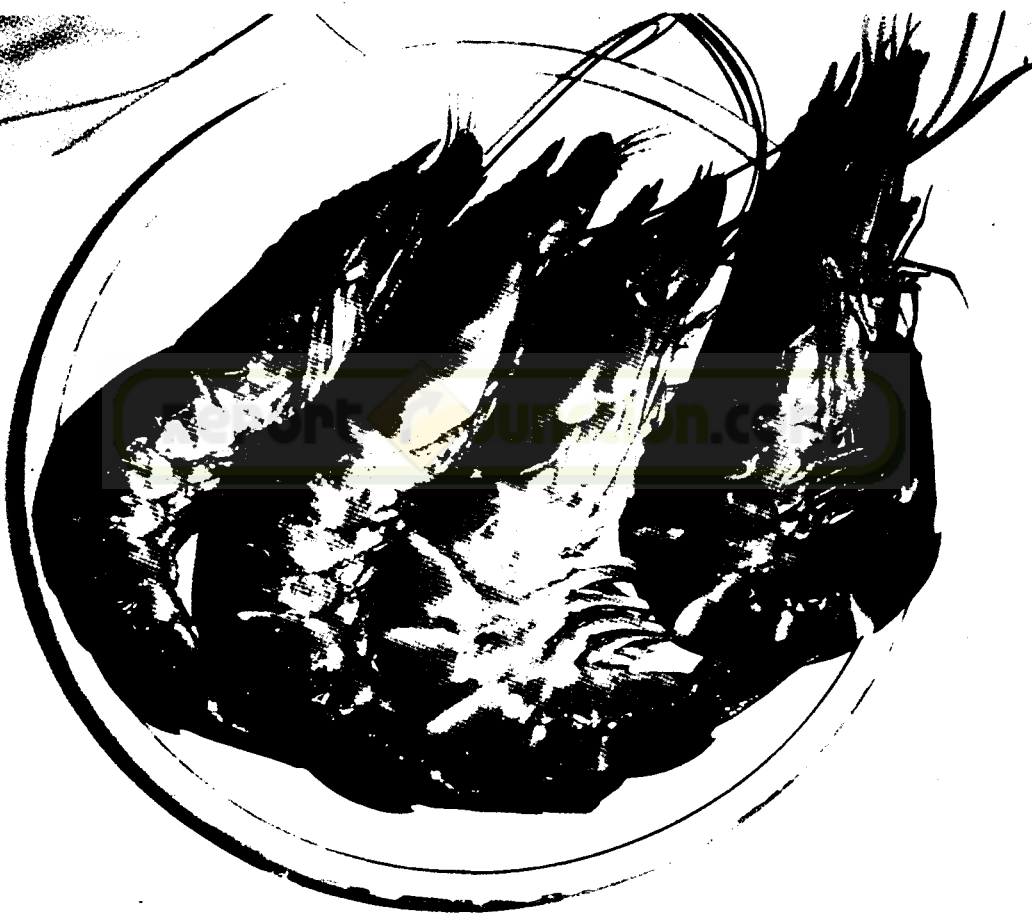




Uniroyal Marine Exports Ltd.



ANNUAL REPORT
2006-2007



UNIROYAL MARINE EXPORTS LTD.

CHAIRMAN AND MANAGING DIRECTOR

K.C.BABU

DIRECTORS

K.C. THOMAS
IYPE MATHEW
V.MOHANLAL
VARGHESE THOMAS
V.T. JOHN
P. SHRINIVAS
NATH RAM

GENERAL MANAGER

THOMAS P KOSHY

COMPANY SECRETARY

T.P. UDAYAKUMAR

AUDITORS

SUDHIR & KURUVILLA,
Chartered Accountants
Kochi - 682018

BANKERS

1. THE FEDERAL BANK LTD
Nadakkavu West
Kozhikode - 673 011

2. UCO Bank
Kozhikode - 673 001

REGISTERED OFFICE

11/19, Vengalath P.O
Chemancherry Panchayat
Kozhikode Dist.
Kerala - 673303
INDIA.
Ph - 0496 - 2633781, 2633782

REGISTRARS & SHARE TRANSFER AGENTS

S K D C Consultants Limited
No.7, (Old No.11), Street No.1
S N Layout, West Power House Road
Coimbatore - 641 012

ISIN

NSDL & CDSL - INE602H01010



NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of the members of UNIROYAL MARINE EXPORTS LTD., will be held at the Registered Office of the Company at 11/19, Vengalam P.O., Kozhikode District, Kerala - 673303 on Friday the 28th September, 2007 at 2.30 p.m. to transact the following business

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2007 and the Balance Sheet as at that date along with the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. V. Mohanlal who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri. P. Shrinivas who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s Sudhir & Kuruvilla, Chartered Accountants, Kochi, as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modifications the following as an **ORDINARY RESOLUTION.**

"Resolved that in Mr. Anush K Thomas, who was appointed as an Additional Director in terms of Section 260 of the Companies Act, 1956, and holds such office until this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956, signifying his intention to propose Mr. Anush K Thomas's candidature for the office of a Director, be and is hereby appointed as Director of the Company, liable to retire by rotation.

6. To consider and if thought fit to pass with or without modifications the following as an **ORDINARY RESOLUTION.**

"Resolved that in accordance with Section 198, 269, 309, 310, 349 and 350 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 or statutory modification or amendment or re-enactment thereof and subject to such other approvals as may be necessary, Shri. Anush K Thomas be and is hereby appointed as Managing Director of the company for a period of 5 years with effect from 21/08/2007 on the terms and conditions set herein.

Salary	Rs. 15000/- (Rupees Fifteen thousand only) per month
Perquisites	Rs. 6000/- (Rupees Six thousand only) per month



Resolved further that the minimum remuneration and perquisites to be paid in the event of loss or inadequacy of profit in year during the tenure of office shall be as per Schedule-XIII to the Companies Act, 1956

Resolved further that Shri Iype Mathew be and is hereby authorized to take such steps as may be necessary to give effect to the resolution"

By Order of the Board
For UNIROYAL MARINE EXPORTS Ltd.,

Kozhikode,
28th July, 2007

T.P. UDAYAKUMAR
Company Secretary.

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 and such proxy need not be a member of the Company. In order to be valid, the instrument appointing the proxy duly stamped and executed should be sent so as to reach the Registered Office of the Company at Uniroyal Marine Exports Ltd, 11/19, Vengalam (P.O.)Kozhikode - 673303, not less than 48 hours before the scheduled commencement of the meeting.
2. The Register of Members and Share Transfer Register of the Company will remain closed from 26th September 2007 to 28th September, 2007(both days inclusive)
3. Members are requested to notify their change of address, if any, quoting their folio number to the Regd. Office of the company/our Registrars and Share Transfer Agents, M/s. SKDC Consultants Ltd, No.7 (Old No.11), Street No.1, S.N.Layout, West power House Road, Coimbatore 641 012. Similarly members holding shares in Demat form shall intimate the change of address, if any, to their respective Depository Participants (DP)
4. Members/Proxies must bring the original attendance slip sent herewith duly filled in, signed and hand it over at the entrance of the meeting hall.
5. In terms of Clause-49 of the listing agreement with the Stock Exchange, a brief resume of Directors who are proposed to be re-appointed at this meeting is given below:

Shri. V. Mohanlal

Date of birth	- 21/05/1960
Date of appointment	- 21/08/1992
List of other Directorship held	- Nil
Chairman / Member of the Committees of the Board	- Nil
Chairman / Member of the Committees of Directors of other Companies in which he is member.	- Nil

Shri. V. Mohanlal is a famous film actor who has won various Awards. He is the Proprietor of "Pranavam Arts"

**Shri. P. Shrinivas**

Date of birth	- 01/12/1936
Date of appointment	- 11/12/1992
List of other Directorship held	- 2
Chairman / Member of the Committees of the Board	- Nil
Chairman / Member of the Committees of Directors of other Companies in which he is member.	- Nil

Shri. P. Shrinivas is a founder partner of the Thomsun group, Dubai. He is also a Director in SAM Property Developers & Hotels (P) Ltd, and East Fish (P) Ltd, Ajman, U A E. He is a dynamic entrepreneur.

EXPLANATORY STATEMENT PURSUANT TO SEC. 173 (2) OF THE COMPANIES ACT, 1956**Item No. 5**

Shri. Anush K Thomas who was appointed as an additional director w.e.f. 21.08.2007 in terms of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting. The company has received a notice and deposit of Rs. 500/- pursuant to Section 257 of the Companies Act, 1956, from a member of the company proposing Shri. Anush K Thomas's candidature for the office of a Director

Shri. Anush K Thomas is 28 years of age. He is a software engineer with MBA from England. He has been engaged in seafood industry for the last 5 years.

In view of his experience in seafood industry, your Directors are of the view that his appointment will be beneficial to the company and therefore, recommend his appointment to the Board.

Shri. Anush K Thomas, may be deemed to be concerned or interested in the resolution. Further Shri. K.C. Babu and Shri. K.C. Thomas being relatives of Shri. Anush K Thomas may be deemed to be concerned or interested in the resolution. None of other Directors of the company are in anyway concerned or interested in this resolution except to the extent of the shareholding in the company.

Item No. 6

The share holders at the General Meeting held on 28th September, 2002 had approved the re-appointment of Shri K.C. Babu as the Managing Director of the company for a period of 5 years from 21/08/2002 to 20/08/2007



The Board of Directors at their meeting held on 20th August, 2007 appointed Shri. Anush K Thomas as the Managing Director of the company. The Remuneration Committee constituted by the Board to determine the remuneration of Shri. Anush K Thomas, at its meeting held on 17th August, 2007, has recommended a remuneration as set out in the resolution to the proposed Managing Director and the Board at its meeting held on 20.08.2007 has approved the remuneration of the Remuneration Committee.

Shri. Anush K Thomas may be deemed to be concerned or interested in the resolution. Further Shri. K.C Babu and Shri. K.C. Thomas being relatives of Shri. Anush K Thomas may be deemed to be concerned or interested in the resolution. None of other Directors of the company are in anyway concerned or interested in this resolution except to the extent of their share holdings in the company.

The Explanatory Statement together with accompanying notice should be treated as an abstract of the terms of service of Shri. Anush K Thomas and memorandum of interest required to be sent the shareholders under Section 302 of the Companies Act, 1956

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By Order of the Board
For UNIROYAL MARINE EXPORTS Ltd.,

Kozhikode,
28th July.2007

T.P. UDAYAKUMAR
Company Secretary.



DIRECTORS' REPORT

Dear Member,

Your Directors are pleased to present the 15th Annual Report on the business and operations of the company together with the Audited Accounts for the year ended 31st March, 2007.

Financial Results.

	Rs. in lakhs	
	2006-2007	2005-2006
Sales	2912.18	2445.34
Profit before tax	(7.18)	46.34
Profit after tax	(8.05)	17.60

On account of accumulated loss, your Directors have not recommended any dividend.

Operation Analysis

The financial results of the company during the year under review was adversely affected due to fall in Rupee Dollar exchange rate and erratic price variation and availability of the raw-materials. The recent fall in Rupee Dollar exchange rate resulted in lesser Rupee realization on our exports and fall in value of stock. Nevertheless the performance of our company shows an improvement in value terms from Rs. 2445.34 lakh as at the end of March 2006 to Rs.2912.18 lakh as at the end of March 2007, representing a growth to nearly 19% over the previous year. The company incurred a loss of Rs. 8.05 lakh after making provisions. However, we earned a cash profit of Rs.61.81 lakh during the year under review.

The company could control various overheads effectively during the year under review, even though the cost of diesel and other power has increased.

The company continues to implement the Hazard Analysis and Critical Control Points (HACCP) system in the factory and complies with the guidelines issued by the European Union as well as the US in this regard. The antidumping policies of the US has limited our export to that country. Ours being an exporting unit, may find it difficult to overcome the ill-effects of fall in exchange rate unless some relief measures are initiated by the authorities.

As we reported in the last Report, the equity shares of our company had been dematerialized. As on 31/03/2007 only 3.965% of the shares (both NSDL and CDSL) of our company had been dematerialized.



ENERGY CONSERVATION MEASURES

Information on the conservation of energy which are required to be disclosed 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 are given below.

	Unit	Energy Consumption during	
		2006-2007	2005-2006
(A) Power and Consumption			
1. Electricity			
i) Purchased Units	KWH	2423232.00	2427640.00
ii) Total Amount	Rs.	10662220.00	10674250.00
iii) Rate per unit	Rs.	4.40	4.40
2. Own Generation through Diesel Generator			
i) Unit	KWH	121648.00	121424.00
ii) Unit per Ltr. of Diesel Oil	KWH	4.00	3.91
iii) Cost per Unit	Rs.	8.87	8.43
(B) Consumption per Unit of Production			
a) Electricity	KWH	1.53	1.50
b) Diesel	Ltrs.	0.38	0.36

FOREIGN EXCHANGE EARNINGS AND OUTGO

- i) Foreign Exchange earned during the year (On FOB basis) - Rs. 26,02,22,779
- ii) Foreign Exchange Outgo - Rs. 25,85,710

PARTICULARS OF EMPLOYEES

There were no employees drawing salary exceeding Rs. 2.00 lakh per month or Rs. 24.00 lakh per annum and therefore, no information is required to be furnished as per Sec. 217(2A) of the Companies Act, 1956.

DIRECTORS

In terms of Article 95 of the Articles of Association, Shri. V. Mohanlal and Shri. P. Shrinivas will be retiring at the end of the ensuing Annual General Meeting. They are eligible and offer themselves for re-appointment. The Board of Directors at their meeting held on 20.08.2007 appointed Shri. Iype Mathew as the Chairman of Board, effective from 21.08.2007.

AUDITORS

M/s Sudhir & Kuruvilla, Chartered Accountants, Kochi, were appointed as Auditors of the Company till the conclusion of this Annual General Meeting. They are eligible for re-appointment.



DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956.

Your Directors confirm:

- (1) that in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- (2) 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 as at 31st March, 2007 and of the profit/loss for the period ended 31st March, 2007.
- (3) that the directors 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.
- (4) that the directors had prepared the Annual Accounts on a going concern basis.

Report on Corporate Governance

Pursuant to Clause 49 of the Listing Agreement (a) Management Discussion and Analysis (b) The Report on Corporate Governance of your Directors in the Company (c) Auditors' certificate on compliance of the Corporate Governance are given as Annexure to the Directors' Report.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere gratitude especially to The Federal Bank Ltd, UCO Bank, Government Authorities, Central Excise Dept., MPEDA, EIA and other statutory authorities, customers, suppliers and share holders. The Directors also acknowledge the contribution made by employees at all levels.

For and on behalf of the Board of Directors

Kozhikode,
28th July, 2007

K.C.BABU
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS

Industry structure and development

Our company was incorporated in August 1992 for setting up a modern seafood factory for the processing and export of value added marine products to USA, the European Union and the Far East.

Over the last decade the organized corporate sector has become increasingly involved in preservation, processing and export of coastal fish. With the liberalized policy, fish processing sector has been attracting more foreign investment. Various imponderables existed in the industry in succession over the last 10-11 years, the latest being the anti-dumping action by the U S and fall in Rupee Dollar exchange rate.

Countries to which a major portion of seafood is destined are becoming increasingly discerning and quality conscious. There is an all round realization at every level that quality production of international standards is the watchdog for survival now. Uniroyal Marine Exports Ltd was conscious about maintenance of quality from the very inception of the company and has fully geared to maintain quality right from the selection of the raw material to that of the ingredients. We had also already taken steps to upgrade the hygienic and sanitary conditions of the workers, plant and machinery so as to ensure quality of the finished product.

Opportunities

1. Our Company has adopted IQF (Individually Quick Frozen) technology, ensuring higher value addition in its production.
2. Proximity to main fish landing centers namely Beypore and Puthiyapa in North Kerala.
3. Our Company enjoys the Green Channel Status for export of cooked product to USA and also approval for export of IQF and Block fishery products to the European Union.
4. The cost control measures introduced by the management are being continued.

Risks/Threats

1. The Company is largely dependent on natural sea caught material. Availability of raw material would depend upon the seasons.
2. Selling prices are governed by international market.
3. Export realization is affected by fall in Rupee Dollar exchange rate.