



UNIROYAL MARINE EXPORTS LTD.

report  junction.com

Seventeenth Annual Report 2008-2009



UNIROYAL MARINE EXPORTS LTD.

CHAIRMAN

IYPE MATHEW

MANAGING DIRECTOR

ANUSH K THOMAS

DIRECTORS

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

CHIEF EXECUTIVE

THOMAS P KOSHY

COMPANY SECRETARY

V. BALACHANDRAN

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, Vengalam 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 Seventeenth 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 Saturday the 26th September, 2009 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, 2009 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.T. John who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri. Varghese Thomas 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.

Report Junction.com

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

Kozhikode,
11-07-2009

V. BALACHANDRAN
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 24th September 2009 to 26th September, 2009(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.T. JOHN

Date of birth	- 24/05/1952
Date of appointment	- 21/08/1992
List of other Directorship held	- 1
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.T. John is a dynamic business entrepreneur. He is the founder partner of the Thomson Group, Dubai. He is also a partner in Thomson Supermarket Dubai and a director of East Fish (P) Ltd, Ajman. UAE.

**Shri. Varghese Thomas**

Date of birth	- 10/02/1948
Date of appointment	- 21/08/1992
List of other Directorship held	- 1
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. Varghese Thomas is a dynamic business entrepreneur. He is the founder partner of the Thomson Group, Dubai. He is also a partner in Thomson Supermarket Dubai and a director of East Fish (P) Ltd Ajman, UAE

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

Kozhikode,
11-07-2009

V. BALACHANDRAN
Company Secretary.

DIRECTORS' REPORT

Dear Member,

Your Directors are pleased to present the 17th Annual Report on the business and operations of the company together with the Audited Accounts for the year ended 31st March, 2009.

Financial Results.

	Rs. in lakhs	
	2008-2009	2007-2008
Sales	2709.69	2432.10
Profit before tax	200.91	14.47
Profit after tax and depreciation	115.20	11.33

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

Operation Analysis

During the year under review, your Company could achieve a digger turn over of Rs.2709.69 lakhs, an increase of 11.5%, compared to last year. Consequently, the Company has been able to earn a net profit of 115.20 lakhs after providing 85.71 lakhs towards tax and 70.15 lakhs for depreciation, thus an increase in earning per share from Rs. 0.17 in the previous year to Rs. 1.77 in this financial year, inspite of raw material scarcity, lack of products demand due to global recession and rise in energy charges.

Your Directors have great pleasure in informing you that our accumulated loss of Rs.11.5 crores in the financial year ending in 2002 has been reduced to Rs.1.5 crores in 2009.



Approximately 1,00,000 Public Limited Companies have been registered in India, out of which hardly 1,250 Companies are listed in NSE/BSE. As you know, our company is one of the listed companies in BSE. **Our Company's shares are not being traded actively in any of the Stock Exchanges., due to lack of dematted shares. Hence your directors are requesting all our valued shareholders to demat the shares as early as possible.**

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.

As members are aware, our founder director Shri. K.C. Babu resigned from the board on 20.09.2008. The board place on record the invaluable services rendered by him during the tenure of his office.

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.

	<u>Unit</u>	<u>Energy Consumption during</u>	
		2008-2009	2007-2008
(A) Power and Consumption			
1. Electricity			
i) Purchased Units	KWH	2303961.00	2219238.00
ii) Total Amount	Rs.	12826213.00	10380470.00
iii) Rate per unit	Rs.	5.57	4.67
2. Own Generation through Diesel Generator			
i) Unit	KWH	42156.00	129040.00
ii) Unit per Ltr. of Diesel Oil	KWH	2.63	2.53
iii) Cost per Unit	Rs.	13.48	13.45
(B) Consumption per Unit of Production			
a) Electricity	KWH	1.52	1.46
b) Diesel	Ltrs.	0.49	0.40

FOREIGN EXCHANGE EARNINGS AND OUTGO

- i) Foreign Exchange earned during the year (On FOB basis) - Rs. 23,84,27,280
- ii) Foreign Exchange Outgo - Rs. 14,38,936

PARTICULARS OF EMPLOYEES

There were no employees drawing salary exceeding Rs. 2,00,000 lakh per month and therefore, no information is required to be furnished as per Sec. 217(2A) of the Companies Act, 1956.



DIRECTORS

Your directors place on record their sincere appreciation of the constructive contribution made by Shri. Anus K Thomas, Managing Director and Shri. Thomas P Koshy, Chief Executive of the company.

In terms of Article 95 of the Articles of Association, Shri. V.T. John and Shri. Varghese Thomas will be retiring at the end of the ensuing Annual General Meeting. They are eligible and offer themselves for re-appointment.

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, 2009 and of the profit/loss for the period ended 31st March, 2009.
- (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,
11-07-2009

Iype Mathew
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.

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/Risks

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 Puthiyappa 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.

**Internal Control System and their adequacy**

Company has been maintaining adequate internal control systems commensurate with the size and volume of the business with respect to the purchase of stocks, raw materials, (including components), plant and machinery, other assets and sale of goods. It also ensures that all the assets of the company are adequately protected against loss and all the transactions are properly authorized, recorded and reported. The Internal Control System is supplemented by Internal Audit conducted by a Chartered Accountant.

Financial Performance

The performance of the company shows an improvement in value terms from Rs.11.33 lakh as at the end of March 2008 to Rs.115.19 lakh as at the end of March 2009.

As the company is engaged in manufacture of marine products only, segment wise analysis is not significant.

Industrial relation and human resource management

Your Management firmly believes that success of any organization comes from good Human resources. Employees are considered as important and valuable assets of the organization and key to its success. Total number of employees directly employed by the company is 96.

Cautionary Statement

Statement given in this section describing the company's objectives, projection, estimates, and expectations may be "forward looking statements" based on the present environment, rules and regulations. The actual result could differ materially from those expressed or implied. The important factors that could make a difference among others are economic situation affecting demand and supply, price fluctuation both in domestic and international markets in which the company operates, changes in Govt. regulations, consumer taste, tax laws and other statutes and other incidental factors. The company assumes no responsibility to publicly amend, modify or revise any of the forward-looking statements on the basis of any subsequent developments or events.



REPORT ON CORPORATE GOVERNANCE

I. Philosophy:

The importance of Corporate Governance has always been recognised by your Directors. Your Directors believe in accountability and had set up the Audit, Remuneration and shareholder's Grievances Committees and every effort has been made to ensure transparency and professionalism in Governance.

II. Board of Directors:

The Board consists of 8 Directors, Shri. Iype Mathew is the Chairman and Shri. Anush K Thomas is the Managing Director of the Company. All the Directors except Managing Director are non-executive.

Composition of the Board

Name of Directors

Category

1. Iype Mathew	Non-executive
2. Anush K Thomas	Managing Director
3. K.C. Thomas	Non-executive
4. V. Mohanlal	"
5. V.S.Nath Ram	Independent non-executive
6. V.T. John	"
7. Varghese Thomas	"
8. P. Shrinivas	"

III. Meeting and Attendance of each Director at the Board and the last Annual General Meeting:

During the period 2008-2009, your Board met 6 times. They were on-

1. 30th June, 2008
2. 26th July, 2008
3. 29th September, 2008
4. 23th October, 2008
5. 17th January, 2009
6. 30th March, 2009