

17th  
Annual Report  
2011-2012

**UNITECH INTERNATIONAL LIMITED**

## ***Unitech International Ltd***

### **BOARD OF DIRECTORS**

PANKAJ HARIBHAI VALIA	-	Managing Director
DHRUV RAJESH DESAI	-	Executive Director
JOSEPH KURIAKOSE MATHOOR	-	Independent Director
JAGDISHCHANDRA H. GHUMARA	-	Independent Director
PANKAJ JAYANTILAL MEHTA	-	Independent Director
MADHUSUDAN HIRALAL YADAV	-	Independent Director

### **BANKERS**

- DENA BANK
- HDFC BANK

### **AUDITORS**

- **M/s. S. S. AGARWAL & CO.**  
501 DHIRAJ GAURAV HEIGHTS,  
OFF NEW LINK ROAD,  
ANDHERI (WEST), MUMBAI- 400053.

### **REGISTERED OFFICE & INVESTOR SERVICE CENTRE**

- 1/A, 3<sup>RD</sup> FLOOR, BOMBAY MUTUAL  
BUILDING, SIR P. M. ROAD, FORT,  
MUMBAI- 400001.

### **AUDIT COMMITTEE**

- MR. PANKAJ H VALIA  
MR. DHRUV R. DESAI  
MR. JOSEPH MATHOOR

### **REGISTRAR AND TRANSFER AGENT**

- **M/s. SYSTEM SUPPORT SERVICES**  
209, SHIVAI INDUSTRIAL ESTATE,  
89, ANDHERI KURLA ROAD,  
SAKI NAKA, ANDHERI EAST,  
MUMBAI - 400 072.

## 17th Annual Report 2011-2012

### NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of UNITECH INTERNATIONAL LIMITED will be held on Saturday, the 29<sup>th</sup> September, 2012 at 11.00 a.m. at 1/A 3<sup>rd</sup> Floor, Bombay Mutual Building, Sir P.M. Road, Fort, Mumbai - 400001, to transact the following business:

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#### ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2012 and the Profit and Loss Account for the year ended on that date along with the Director's Report and Auditor's report thereon.
- 2) To appoint a Director in place of Shri. Joseph Mathoor who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To re-appoint retiring Auditor, Shri. S S Agarwal, Chartered Accountants, to hold the office from the conclusion of this meeting to the conclusion of next Annual General meeting of the Company and to fix their remuneration.

#### REGISTERED OFFICE

1/A, 3rd Floor,  
Bombay Mutual Building.,  
Sir P.M. Road, Fort,  
Mumbai - 400 001.

Dated : 1<sup>st</sup> September, 2012

By Order of the Board of Directors  
For **UNITECH INTERNATIONAL LIMITED**

Sd/-  
**Dhruv R. Desai**  
Director

#### 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 / herself and a proxy need not be a member. The instrument of proxy should, however, be deposited at the registered office of the company, not less than forty eight hours before the commencement of the meeting.
2. Members desiring any information on the accounts at the Annual general meeting are requested to write to the company at least 7 days in advance, so as to enable the company to keep the information ready.
3. The members are requested to :
  - (a) Intimate changes, if any, in their registered addresses at an early date.
  - (b) Quote ledger folio nos in all their correspondence.
  - (c) Bring copies of Annual Report and the attendance slips duly filled in at the Annual General Meeting.
4. A copy of the Memorandum & Articles of Association of the Company is available for inspection by the members of the Company at its Registered Office between 11.00 a.m. to 2.00 p.m., on any working day of the Company.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 28<sup>th</sup> September, 2012 and Saturday 29<sup>th</sup> September, 2012 (both days inclusive).

By Order of the Board of Directors  
For **UNITECH INTERNATIONAL LIMITED**

#### REGISTERED OFFICE

1/A, 3rd Floor,  
Bombay Mutual Building.,  
Sir P.M. Road, Fort,  
Mumbai - 400 001.

Dated : 1<sup>st</sup> September, 2012

Sd/-  
**Dhruv R. Desai**  
Director

**DIRECTORS' REPORT**

To,  
The Members of  
Unitech International Ltd.

Your Director's have pleasure in Presenting the 17th ANNUAL REPORT together with Audited Statement of Accounts along with the report of the Auditors for the year ended 31st March 2012.

**1. FINANCIAL RESULTS:**

**(Amt in Rs.)**

	<b>31<sup>st</sup> March, 2012</b>	<b>31<sup>st</sup> March, 2011</b>
	<b>Rs.</b>	<b>Rs.</b>
Turnover	404,233,443	192,377,491
Profit Before Depreciation, Interest & Taxation	5,081,317	1,299,177
Interest	48,841	0
Profit Before Depreciation & Tax	5,032,476	12,99,177
Depreciation	0	0
Profit After Depreciation & Interest	5,032,476	12,99,177
Provision for Tax	1,555,035	401,446
Provision for Deferred Tax	0	0
Profit after Tax	3,477,441	897,731
Surplus / (Deficit) Of Earlier Year	1,790,232	892501
Balance carried over to Balance Sheet	3,580,464	1,790,232

**2. PUBLIC DEPOSITS:**

The Company has not accepted any Fixed Deposits during the year under review within the meaning of the Companies Act, 1956 and the rules made there under.

**3. DIVIDEND:**

The directors feel it prudent to plough back profits for meeting the growing requirements of the funds for diversification programmes and hence the Directors have decided not to recommend any dividends for the year under review.

**4. AUDITORS:**

M/s. S. S. Agarwal & Co., Chartered Accountants, auditors of your Company, retire at the forth coming Annual General Meeting and being eligible, offer them for reappointment, to hold office from conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

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### 5. **AUDIT COMMITTEE:**

In terms of the provisions of Section 292A of the Companies Act, 1956 your Company has constituted the Audit Committee at their meeting held on 30th April, 2011, comprising of the following for the year ended 31st March 2012. The Committee met 4 times during the Year:

Name	Designation	Non-executive Director/Independent	Number of Meetings Attended
Mr. Pankaj Valia	Chairman	Promoter Director	4
Mr. Dhruv.R.Desai	Director	Promotor Director	4
Mr. Joseph Mathoor	Director	Independent Director	4

The Audit Committee of Unitech International Limited performs the following functions:

- Overseeing the company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, Sufficient and credible;
- Recommending the appointment and removal of external auditor, fixation of audit fee and approval for payment of any other services;
- Reviewing with management the annual financial statement before submission to the board;
- Reviewing with the management and external and internal auditors, the adequacy of internal control Systems;
- Reviewing the adequacy of internal audit function;
- Discussing with auditors any significant finding and follow up on such issues;
- Reviewing the findings of any internal investigations by the auditors in matters where there is suspected fraud or irregularity, or a failure of internal control system of a material nature and then reporting such matters to the Board;
- Discussing with auditors before the audit the commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern;
- Reviewing the Company's financial and Risk Management policies; and
- To review the quarterly, half yearly and Annual Financial results of the Company before submission to the Board.

All members of the audit committee are Knowledgeable in project finance, accounts and company Law.

### 12. **EARNINGS AND OUTGO:**

Management recognizes that the company's human resources represent a vital contribution to its success and to enable them to perform the better manner.

**13. CORPORATE GOVERNANCE:**

The Corporate Governance Report forms an integral part of this Report and are set out as separately in this Report. The Certificate of the Auditors of the Company certifying compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges is annexed with the Report on Corporate Governance.

**14. HUMAN RESOURCES:**

Progressive policies to encourage excellence both in individual and team spirit. The Industrial relations during the year have been cordial and harmonious at all levels of the organization and the Directors wish to place on record their appreciation of the contribution made by the Company's entire work force for the success and progress of the Company.

**15. ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their appreciation for the assistance and co-operation received from the Company's Bankers, Government Agencies, Financial Institutions, Customers, Investors and Business constituents and look forward to maintain the same in future.

**For and on behalf of the Board of Directors**

Sd/-

**Dhruv R. Desai**

Director

Place : Mumbai

Date : 1<sup>st</sup> September, 2012

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### ANNEXURE 'A' TO DIRECTORS' REPORT

Particulars as required under Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 and forming part of Directors' Report for the year ended 31st March 2012.

I) RESEARCH & DEVELOPMENT (R & D):		
a) Specific areas in which R & D carried out by the Company		None
b) Benefits derived as a result of the above R & D		None
c) Further plan of Action		None
d) Expenditure on Research & Development		None

II) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:		
a) Efforts in brief made towards Technology, Absorption, Adaptation and Innovation		Nil
b) Benefit derived as a result of above effort		Nil
c) Particulars of Technology imported during the last 5 years		Nil

III) FOREIGN EXCHANGE EARNINGS & OUTGO:		
a) Activists relating to exports and exports plans:		Nil
	<b>Current Year</b>	<b>Previous Year</b>
b) Total Foreign Exchange Used & Earned;	Nil	Nil
i) Foreign Exchange used	Nil	Nil
ii) Foreign Exchange Earned	Nil	14,634,174

**For and on behalf of the Board of Directors**

Place : Mumbai  
Date : 1<sup>st</sup> September, 2012

Sd/-  
**Dhruv R. Desai**  
Director

**ANNEXURE 'B'**  
**CORPORATE GOVERNANCE REPORT**

**1. Company's Philosophy Corporate Governance:**

The Company is committed to good Corporate Governance. The Company's Governance Policies aim to facilitate the creation of Long-Term value for its shareholders. The Compliance Report is prepared and given below is in conformity with the mandatory requirements of Listing Agreement with the Stock Exchanges. It encourages wide participation from all the stakeholders. Its objective and that of its management and employees is to operate in a way so as to create value that can be sustained over long term for consumers, shareholders, employees, business partners and the national economy in general.

**2. Board of Directors:**

**a. Composition of Board of Directors**

The Board of Directors of the Company comprised of Six Directors.

**b. Board Procedure**

During the year under report the Board met 6 times on the following dates 14/05/2011, 12/08/2011, 01/09/2011, 10/10/2011, 02/11/2011 and 02/01/2012.

Name of Director	Designation	Number of Board Meetings Held	Number of Board Meetings Attended
Mr. Pankaj Valia	Chairman	6	6
Mr. Dhruv.R.Desai	Director	6	6
Mr. Joseph Mathoor	Director	6	6
Mr. Pankaj Mehta	Director	6	6
Mr. J H Ghumara	Director	3	3
Mr. Madhusudan Yadav	Director	6	6

**3. Disclosures:**

No Transactions of Material nature have been entered into by the company with its promoters, Directors or the management or relatives, etc. that may have potential conflict with the interest of the company.

**4. Compliance of non-mandatory requirements as set out in Annexure 3 to Clause 49 of the Listing Agreement :**

- i) Chairman of the Board:  
The Chairman is an Executive Chairman hence not applicable.
- ii) Remuneration Committee:  
The powers of Remuneration Committee are exercised by the Board.
- iii) Postal Ballot:  
The Company has not passed any resolution by Postal Ballot.

**5. Compliance Certificate:**

The Auditors Certificate on Corporate Governance is attached herewith.



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### MARKET PRICE DATA:

Your Company has paid the annual listing fees to the BSE for the financial year 2011-12. Month wise data is mentioned below:

Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* Spread H- L	C-O
Apr 11	64.35	67.50	55.05	63.50	1,61,200	103	1,03,41,500	1,61,200	100.00	12.45	-0.85
May 11	65.95	69.10	56.65	60.75	3,900	18	2,38,625	3,900	100.00	12.45	-5.20
Jun 11	57.75	63.40	36.15	36.15	3,94,600	199	1,96,87,340	3,94,600	100.00	27.25	-21.60
Jul 11	34.35	34.35	15.40	18.65	3,31,500	259	63,81,660	3,31,500	100.00	18.95	-15.70
Aug 11	17.75	19.25	7.80	8.60	1,37,600	249	18,38,975	1,37,600	100.00	11.45	-9.15
Sep 11	9.03	15.78	9.00	13.74	1,96,100	275	24,57,906	1,96,100	100.00	6.78	4.71
Oct 11	13.47	13.47	11.80	11.80	90,600	42	10,97,526	90,600	100.00	1.67	-1.67
Nov 11	11.60	13.80	9.73	9.73	13,300	53	1,61,634	13,300	100.00	4.07	-1.87
Dec 11	9.30	10.90	7.25	10.48	1,44,100	94	12,85,406	1,44,100	100.00	3.65	1.18
Jan 12	9.97	9.97	7.64	8.45	29,900	96	2,60,541	29,900	100.00	2.33	-1.52
Feb 12	8.03	9.23	7.61	8.30	50,000	118	4,27,350	50,000	100.00	1.62	0.27
Mar 12	8.30	8.46	7.03	8.13	30,300	75	2,38,370	30,300	100.00	1.43	-0.17

### 6. General Shareholder information

Distribution of Shareholding as on 31st March, 2012.

Shareholding Pattern	Total Number of Shares	Shareholding %
Individual	4,744,500	46.97
Corporate Bodies	637,501	6.31
Public	4,718,699	46.72
<b>TOTAL</b>	<b>1,01,00,700</b>	<b>100.00</b>

Share holding of Nominal Value of Rs.	Shareholders No.	% of holding	No. Share	% of Share
0001 to 00500	2,703	84.99	13,51,500	13.38
0501 to 01000	303	9.50	1,40,600	1.39
1001 to 02000	59	1.85	1,00,900	1.00
2000 to 05000	78	2.45	3,50,000	3.46
5001 to 10000	27	0.85	8,41,400	8.33
Above 10001	18	0.56	73,16,300	74.44
<b>Total</b>	<b>3188</b>	<b>100</b>	<b>10100700</b>	<b>100</b>

For and on behalf of the Board of Directors

Place : Mumbai  
Date : 1<sup>st</sup> September, 2012

Sd/-  
**Dhruv R. Desai**  
Director

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **INDUSTRY OUTLOOK**

The Company is a 100% EOU. The Company is engaged in manufacturing of ferrous and non-ferrous items. It converts copper, brass and aluminum and make ingots out of it. The Company is in the business of re-cycling of E-waste.

The Company has also initiated following measures:

- Initiation of Internal audit process of generation and recycling of e-waste
- Product design keeping in mind the easy dismantling and recovery or reuse of parts.

As a manufacturing Company we require that all the vendors abide by the applicable environmental laws and follow environment practices that reflect the spirit of those laws.

### **OPPORTUNITIES AND THREATS**

The business faces an unprecedented increase in the cost of power and also steep increase in the cost of metallic and ferro alloys. After having taken steps to enhance the capacity and balancing the Company has now decided to address the issues relating to metallic and power

In India, every gram of e-waste is sold, all go on bidding war to dispose E-waste. PSU's auction E-waste informal buyers pay higher prices as they don't pay tax or bother to follow any regulation. However, there have been no efforts to curb informal operators. Scrutiny is not applied to informal sector due to lack of will power and manpower. Export requires special license and overall e-waste is not managed efficiently. Therefore Company follows ethical practices while disposing waste, not just looking for scrap value.

### **RISK AND CONCERNS**

Our business operations are subject to various risk and uncertainties which are no different from any other Company and our competitors. Such risk is the result of not only the business environment within which we operate but also of other factors over which we have no control. These risks may be categorized between operational, financial, environmental, health and safety, political, market related and strategic related. We have well documented risks management practices that act as an effective tool in minimizing various risk to which our business is exposed to during the course of our day to day operations. Our risk management process is approved by the Board of Directors and is set up across the enterprise. Recycling process typically involves dismantling the unit, recover plastics and metal and send for further processing.

### **FINANCIAL PERFORMANCE**

During the year under the report your Company achieved a turnover of Rs.39,995,901/- as against the turnover of Rs. 192,239,211/- in the previous year. The profit after depreciation and tax was 3,477,441 as against profit of Rs. 897,730/- in the year ended 31<sup>st</sup> March 2011.