

18th  
Annual Report  
2012-2013

**UNITECH INTERNATIONAL LIMITED**

# UNITECH INTERNATIONAL LIMITED

## BOARD OF DIRECTORS

Mr. Dhruv R. Desai	Executive Director
Mr. Joseph K. Mathoor	Director
Mr. Jagdischandra Ghumara	Independent Director
Mr. Pankaj Mehta	Independent Director
Mr. Madhusudan Yadav	Independent Director
Mr. Reynold Micquitta	Independent Director
Mr. Pankaj Valia	Managing Director (resigned on 08.07.2013)

### REGISTERED OFFICE

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

### AUDITORS

**M/S. S S Agarwal & Co.**  
Chartered Accountants, Mumbai.

### COMPLIANCE OFFICER

Mr. Joseph Mathoor

### AUDIT COMMITTEE

Mr. Dhruv R. Desai  
Mr. Joseph Mathoor  
Mr. Pankaj Mehta

### Registrar & Share Transfer Agents

System Support Services  
209 Shivai Ind. Estate, 89, Andheri Kurla  
Road, Saki Naka, Andheri E, Mumbai 72.

### INVESTOR SERVICE CENTRE

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

### MAIN BANKERS

State Bank of India  
HDFC Bank

### 18<sup>TH</sup> ANNUAL GENERAL MEETING

Date : 30<sup>th</sup> September, 2013.

Day : Monday

Time : 11.00 a.m.

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

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### NOTICE

Notice is hereby given that the Eighteen Annual General Meeting of the Members of **UNITECH INTERNATIONAL LIMITED** will be held on Monday, the 30<sup>th</sup> September, 2013 at 11.00 a.m. at the registered office of the Company situated at, 1/A 3<sup>rd</sup> Floor, Bombay Mutual Building, Sir P.M. Road, Fort, Mumbai - 400 001, to transact the following business:

\*\*\*\*\*

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2013 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 Mr. DHARUV DESAI who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of **Mr. Jagdishchandra H. Ghumara** who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint retiring Auditor, Mr. 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.

#### **SPECIAL BUSINESS:**

1. "To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution."

Appointment of Mr. REYNOLD VINCENT MISQUITTA as a Director

"RESOLVED THAT Mr. REYNOLD VINCENT MISQUITTA who was appointed as an Additional Director of the Company by the Board of Directors, pursuant to Section 260 of the Companies Act, 1956, and who holds the office up to date of this Annual General Meeting, and who is eligible for reappointment under the relevant provisions of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956:**

Item No. 1

Mr. Reynold Misquitta was opted as an Additional Director of the Company with effect from 25<sup>th</sup> June, 2013, pursuant to Section 260 of the Companies Act, 1956. Mr. Reynold Misquitta holds the office upto the date of the Annual General Meeting.

The Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, signifying intentions to propose Mr. Reynold Misquitta for the office of the Director.

None of the Directors of the Company other than Mr. Reynold Misquitta are interested or concerned in the resolution.

## ***Unitech International Ltd***

The Board of Directors considers that in view of the background and experience of Mr. Reynold Misquitta, it would be in the interest of the Company to appoint him as the Director of the Company. The Board recommends the resolution set forth in the item No. 1 for the approval of the members.

### **REGISTERED OFFICE**

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

Dated: 02<sup>nd</sup> September, 2013.

**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 Tuesday, 24<sup>th</sup> September, 2013 to Monday 30<sup>th</sup> September, 2013 (both days inclusive).

### **REGISTERED OFFICE**

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

Dated: 02<sup>nd</sup> September, 2013.

**By order of the Board of Directors  
FOR UNITECH INTERNATIONAL LIMITED**

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

## 18th Annual Report 2012-2013

### DIRECTORS' REPORT

To,  
The Members of  
**UNITECH INTERNATIONAL LIMITED.**

Your Director's have pleasure in presenting the 18th ANNUAL REPORT together with Audited Statement of Accounts along with the report of the Auditors for the year ended 31<sup>st</sup> March 2013.

#### 1. FINANCIAL RESULTS:

(Amt in Rs.)

PARTICULARS	YEAR ENDED	
	2012-13	2011-12
Total Income	417353923	404233443
Total Expenditure	412488324	399200966
Profit/(Loss) before Taxation	4865599	5032476
Profit/(Loss) after Taxation	3362129	3477441
Profit/(Loss) Brought Forward	15042428	11564987
Balance carried to Balance Sheet	18404557	15042428

#### 2. REVIEW OF OPERATIONS:

The Company has made Profits of Rs.3, 362,129 during the financial year. The shares of your Company are listed at BSE Limited and Ahmedabad Stock Exchange Limited. The past trend indicates that the Company has made growth over the years and continues to diversify its business operations in coming years.

#### 3. DIVIDEND:

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

#### 4. PUBLIC DEPOSITS:

During the year, 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.

#### 5. DIRECTORS :

Mr. Dhruv Desai and Mr. Jagdishchandra Ghumara, Directors of the Company who retires by rotation and being eligible to offers themselves for re-appointment as Directors of the Company.

Mr. REYNOLD MISQUITTA who was appointed as Additional Director of the Company and pursuant to the provisions of the Companies Act, 1956 is appointed as director of the Company and eligible to retire by rotation.

**6. AUDITORS AND THEIR REPORT:**

M/s. S. S. Agarwal & Co., Chartered Accountants, statutory Auditors of your company holds office until the conclusion of the forthcoming Annual General Meeting. They have signified their willingness to accept re-appointment as Statutory Auditors of the Company and further have confirmed their eligibility under Section 224 (1B) of the Companies Act, 1956. There are no adverse observations made by the Auditors in their Report.

**7. AUDIT COMMITTEE:**

Audit Committee consisting of Mr. Pankaj Mehta Chairman, Mr. Joseph Mathoor and Mr. Dhruv Desai as Members.

**8. SHAREHOLDER AND INVESTOR GRIEVANCE COMMITTEE:**

Shareholders and Investor Grievance Committee consist of Joseph Mathoor as Chairman and Mr. Pankaj Mehta and Mr. Madhusudan Yadav as Members.

**9. DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956 As required under Section 217 of the Companies Act, 1956:**

The Board of Directors hereby confirms:

- 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 or Loss of the Company for that period.
- iii. That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this 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.

**10. STATEMENT OF PARTICULARS UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:**

Information in accordance with the provisions of Section 217(1)(e) of the Act read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding Conservation of Energy, Technology Absorption and is not applicable in case of your Company. The Foreign Earning Exchange of the Company for the year is 2005818 and the foreign exchange outgo of the Company during the year is NIL.

**11. STOCK EXCHANGES:**

The Company's shares are listed on the following Stock Exchanges:

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- a) BSE Limited.
- b) Ahmedabad Stock Exchange Limited.

### 12. **Management Discussion and Analysis Report:**

Management Discussion and Analysis Report for the year under the review, as stipulated under Cl.49 of the Listing Agreement, is presented in a separate section forming a part of Annual Report.

### 13. **CORPORATE GOVERNANCE:**

In line with the requirement of Clause 49 of the Listing Agreement, a separate report on Corporate Governance, along with a certificate of Statutory Auditors of the Company is annexed herewith for the information of the members.

### 14. **PERSONNEL:**

No employee of the Company was in receipt of remuneration over and above the sum specified under section 217(2A) of the Companies Act, 1956.

### 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 Board of Directors

Place: Mumbai  
Date: 02<sup>nd</sup> September, 2013

Sd/-                      Sd/-  
Director                      Director

**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 31<sup>st</sup> March 2013.

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	2005818	Nil

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

Place : Mumbai  
Date : 02<sup>nd</sup> September, 2013

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



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### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2013.

#### 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 ax 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. 415,104,223 /- as against the turnover of Rs. 399,955,901/- in the previous year. The profit after depreciation and tax was 3,362,129 as against profit of Rs. 3,477,441/- in the previous year.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The internal control system is looked after by Directors themselves, who also looked after the day to day affairs to ensure compliances of guidelines and policies adhere to the management instructions and policies to ensure improvements in the system. The Company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. Efforts for continued improvement of internal control system are being consistently made in this regard.

**HUMAN RESOURCES VIS-À-VIS INDUSTRIAL RELATIONS**

The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The relations with staff are cordial during the year under review. All issues pertaining to staff matters are resolved in harmonious and cordial manner.

**CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws, and other statutes and other incidental factors.

For and on behalf of Board of Directors

Place: Mumbai  
Date: 02<sup>nd</sup> September, 2013

Sd/-                      Sd/-  
Director                      Director

**DECLARATION UNDER CODE OF CONDUCT**

As the Executive Director of Unitech International Limited and as required by Clause 49 (i) (d) (ii) of the Listing Agreement, I, **Mr. Dhruv Desai**, Executive Director, hereby declare that all the Board Members and the Senior Management personnel of the Company have affirmed Compliance with the Company's Code of Business Conduct and Ethics, for the Financial Year 2012-13.

For and on behalf of Board of Directors

Place: Mumbai  
Date: 02<sup>nd</sup> September, 2013

Sd/-                      Sd/-  
Director                      Director