



UNIWORTH INTERNATIONAL LIMITED

Report  junction.com

ANNUAL REPORT

2000 - 2002

(01.10.2000 to 31.03.2002)



UNIWORTH
INTERNATIONAL
LIMITED

BOARD OF DIRECTORS

(As on 29.06.2002)

SAJJAN KUMAR DALMIA
KRISHNAMURTHI SRINIVASAN
BIJAY KUMAR DALMIA
PARTHO PAL CHOWDHURY

Executive Director

AUDIT COMMITTEE

(As on 29.06.2002)

KRISHNAMURTHI SRINIVASAN
BIJAY KUMAR DALMIA
PARTHO PAL CHOWDHURY

AUDITORS

SINGHI & CO.
Chartered Accountants

BANKERS

CENTURION BANK LTD.
THE HONGKONG & SHANGHAI
BANKING CORPORATION LTD.
INDUSIND BANK LTD.
PUNJAB & SIND BANK
PUNJAB NATIONAL BANK

SOLICITORS

KHAITAN & CO.

REGISTERED OFFICE

'UNIWORTH CENTRE'
70A, Shakespeare Sarani
Kolkata - 700 017
Phone : (033) 240-8885
Fax : (033) 240-8301/02

REGISTRAR

AXC Computers Private Limited
(Formerly ABC Computers Pvt. Ltd.)
National Council of Education Building
Jadavpur University Campus
Kolkata - 700 032
Phone : (033) 414-6363/6292
Fax : (033) 418-7900



UNI WORTH
INTERNATIONAL
LIMITED



NOTICE :

Notice is hereby given that the 9th Annual General Meeting of the Members of UNI WORTH INTERNATIONAL LIMITED will be held at Science City, Mini Auditorium, JBS Haldane Avenue, Kolkata - 700 046 on Monday, the 30th day of September, 2002 at 11.30 A.M. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and the Audited Balance Sheet as at 31st March, 2002 and the Profit & Loss Account for the 18 months period ended on that date and the Auditors' Report thereon.
2. To appoint a director in place of Mr. B. K. Dalmia, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modification, the following resolutions :

As Ordinary Resolution :

- (a) **RESOLVED THAT** Mr. S. K. Dalmia, who was appointed an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 80 (a) of the Company's Articles of Association and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received due notice in writing under Section 257 of the Companies Act, 1956 alongwith requisite deposit, proposing his candidature for the Office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.
- (b) **RESOLVED THAT** pursuant to all applicable provisions of the Companies Act, 1956 and subject to compliance of all Statutory formalities and approvals as may be required and further subject to such conditions or modifications as may be imposed by the Central Government or by any enactment or amendment in the existing provisions of law, and which are agreed to by the Board of Directors of the Company, the Company hereby approves the appointment of Mr. S. K. Dalmia as a Wholtime Executive Director of the Company for a period of 5 years with effect from 31st October, 2001 on such remuneration and terms as set out in the Explanatory Statement.

5. To consider and, if thought fit, to pass with or without modification, the following resolution

As Ordinary Resolution :

RESOLVED THAT Mr. K. Srinivasan, who was appointed an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 80 (a) of the Company's Articles of Association and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received due notice in writing under Section 257 of the Companies Act, 1956 alongwith requisite deposit, proposing his candidature for the Office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.



UNI WORTH
INTERNATIONAL
LIMITED

6. To consider and, if thought fit, to pass with or without modification, the following resolution

As Ordinary Resolution :

RESOLVED THAT Mr. P. P. Chowdhury, who was appointed an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 80 (a) of the Company's Articles of Association and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received due notice in writing under Section 257 of the Companies Act, 1956 alongwith requisite deposit, proposing his candidature for the Office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

Registered Office
'UNI WORTH CENTRE'
70A Shakespeare Sarani
Kolkata - 700 017
Place : Kolkata
Date : 29th June, 2002

By Order of the Board

P. P. Chowdhury
Director

NOTES :

- A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received at the Registered Office not less than 48 hours before the meeting.
- The Register of Members and Transfer Books of the Company will remain closed from 23rd September, 2002 to 30th September, 2002, both days inclusive.
- Intimation of any change of address should be given to the Registrar & Transfer Agent/Company immediately.
- Explanatory Statement U/s 173 (2) of the Companies Act, 1956 is annexed herewith in respect of items of Special Business.
- Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.
- The Equity Shares of the company were initially listed with the Stock Exchanges at Ahmedabad, Kolkata and Mumbai. At the last Annual General Meeting held on 21st February, 2001, the members had passed a resolution approving delisting of the shares at Ahmedabad Stock Exchange. Listing fees have been paid to Calcutta Stock Exchange and Stock Exchange, Mumbai upto 2001-2002.
- The unclaimed Dividend that are due for transfer to the Central Government are as follows :-

<u>PARTICULARS</u>	<u>FINANCIAL YEAR</u>	<u>DUE FOR TRANSFER ON</u>
2nd Dividend	1994-95	06.02.2003
3rd Dividend	1995-96	12.02.2004
Preference Dividend	1996-97	04.05.2006

Members who have not encashed their aforesaid Dividend Warrants are requested to approach the Company's Registrars and Transfer Agents, quoting their Folio No., Dividend Warrant No. and No. of Shares held for obtaining duplicate Dividend Warrants.

MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF THE ANNUAL REPORT TO THE MEETING



UNIWORTH
INTERNATIONAL
LIMITED



ANNEXURE TO THE NOTICE :

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS

Item No. 4(a)

Mr. S. K. Dalmia who was appointed as Additional Director of the Company with effect from 31st October, 2001 in terms of Section 260 of the Companies Act, 1956 and Article 80(a) of the Articles of Association of the Company, vacates his office at this Annual General Meeting. A Notice under Section 257 of the Companies Act, 1956 alongwith requisite deposit has been received by the Company from a member proposing the appointment of Mr. S. K. Dalmia as a Director of the Company, liable to retire by rotation.

The proposed resolution is recommended for adoption. None of the Directors except Mr. S. K. Dalmia is concerned and/or interested in the aforesaid resolution.

Item No. 4(b)

The Board of Directors had appointed Mr. S. K. Dalmia as an Executive Director of the Company for a period of five years with effect from 31.10.2001 on remuneration and terms as given below.

Mr. S. K. Dalmia is a Chartered Accountant with excellent hands-on experience in the Textiles Industry. In view of his qualification and experience, it was considered that the appointment of Mr. S. K. Dalmia as an Executive Director of the Company would benefit the Company.

In accordance with the terms of appointment, Mr. S. K. Dalmia is entitled to the following remuneration :

1. Salary : Rs. 22500/- per month in the range of Rs. 20000/- to Rs.25000/- per month. The Annual increments in the aforesaid salary will be decided by the Board of Directors.
2. Housing : House Rent Allowance of Rs. 7500/- per month.
3. Medical : He will be reimbursed medical expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
4. Leave Travel Assistance : He will be entitled to avail leave travel assistance for self and family, once in a year in accordance with the rules of the Company but limited to one month's salary in a year.
5. Other Terms : As per rules of the Company

The proposed resolution is recommended for adoption. None of the Directors except Mr. S. K. Dalmia is concerned and / or interested in the aforesaid resolution.

Item No. 5

Mr. K Srinivasan, who was appointed as Additional Director of the Company with effect from 4th April, 2001 in terms of Section 260 of the Companies Act, 1956 and Article 80(a) of the Articles of Association of the Company, vacates his office at this Annual General Meeting. A Notice under Section 257 of the Companies Act, 1956 alongwith requisite deposit has been received by the Company from a member proposing the appointment of Mr. K. Srinivasan as a Director of the Company, liable to retire by rotation.



**UNI WORTH
INTERNATIONAL
LIMITED**

The proposed resolution is recommended for adoption. None of the Directors except Mr. K. Srinivasan is concerned and/or interested in the aforesaid resolution.

Item No. 6

Mr. P. P. Chowdhury, who was appointed as Additional Director of the Company with effect from 31st October, 2001 in terms of Section 260 of the Companies Act, 1956 and Article 80(a) of the Articles of Association of the Company, vacates his office at this Annual General Meeting. A Notice under Section 257 of the Companies Act, 1956 along with requisite deposit has been received by the Company from a member proposing the appointment of Mr. P. P. Chowdhury as a Director of the Company, liable to retire by rotation.

The proposed resolution is recommended for adoption. None of the Directors except Mr. P. P. Chowdhury is concerned and/or interested in the aforesaid resolution.

Registered Office
'UNI WORTH CENTRE'
70A Shakespeare Sarani
Kolkata - 700 017
Place : Kolkata
Date : 29th June, 2002

By Order of the Board

P. P. Chowdhury
Director

Report Junction.com



UNIWORTH
INTERNATIONAL
LIMITED

DIRECTORS' REPORT TO THE MEMBERS :

Your Directors have pleasure in presenting the 9th Annual Report together with Audited Statement of Accounts for the 18 months period ended 31st March, 2002.

FINANCIAL HIGHLIGHTS :

	31st March 2002 (18 months) (Rs. in Lacs)	30th September 2000 (12 months) (Rs. in Lacs)
Turnover & Other Income	2795.20	4330.16
Profit/(Loss) before Interest and Depreciation	(182.58)	(656.68)
Less : Interest	1076.50	894.10
Profit before Depreciation	(1259.08)	(1550.78)
Less Depreciation	273.36	291.80
Profit before Tax	(1532.44)	(1842.58)
Less : Provision for Taxation	-	-
Add: Provision for Taxation written back	9.27	1.65
Profit After Tax for the period	(1523.17)	(1840.93)
Add : Balance Brought Forward from the previous year	(9.42)	421.51
Profit available for appropriation	(1532.59)	(1419.42)
Appropriations :		
a) Proposed Dividend	-	-
b) Transfer from General Reserve	-	400.00
Balance carried to Balance Sheet	(1532.59)	(1019.42)
	(1532.59)	(1019.42)

OPERATIONS AND MANAGEMENT DISCUSSION & ANALYSIS :

The financial year of your company has been extended to 31st March, 2002 covering a period of 18 months commencing from 1st October, 2000 and ending on 31st March, 2002, keeping the financial year of the company to coincide with Income Tax financial year.

The period under review resulted in a net loss of Rs. 15.23 crores. The major portion of this losses was due to the following extra-ordinary provisions made in the books.

- i) Your Company has invested in 4593750 Equity Shares of Uniworth Textiles Limited which has been declared Sick under SICA Act, 1985. The value of shares has been made on market value resulting in loss of Rs. 2.10 crores.
- ii) Similarly Uniworth Apparels Ltd. which has been declared sick under SICA Act, 1985 resulting in loss on account of following :
 - a) Permanent diminution in value of investments in 550300 Equity Shares amounting to Rs. 27.5 lacs
 - b) Provision for Debtors, Loans & Advances now doubtful of recovery amounting to Rs. 571.58 lacs.

On the trading side, sales of your company's products reduced substantially due to persistent recessionary conditions.



UNI WORTH
INTERNATIONAL
LIMITED

Your company has commenced the process of revival and discussions have been already initiated with the lenders and your Directors are hopeful of working out a restructuring scheme in consultation with the lenders.

DEPOSITS :

Your Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and the Rules made thereunder.

DIRECTORS' RESPONSIBILITY STATEMENT :

In compliance of Section 217 (2AA) of the Companies Act, 1956, your Directors state as follows :

- a) That in the preparation of accounts, applicable accounting standards have been followed.
- b) That appropriate accounting policies have been selected and applied consistently with reasonable and prudent judgments and estimates so as to give true and fair view of the state of affairs of the Company.
- c) That proper and sufficient care have been taken for the maintenance of adequate accounting records for safeguarding assets and for preventing fraud and other irregularities.
- d) That the Accounts of the 18 months period have been prepared on a going concern basis.

CORPORATE GOVERNANCE :

The Company has already taken initiative to comply with the requirement of Clause 49 of the Listing Agreements. A report on Corporate Governance along with a certificate from the Auditors is annexed hereto and forms part of this Report.

AUDITORS' REPORT :

All outstanding Bills are crystallized and the company is expected to obtain approval of Appropriate Authority for adjustment against import/other dues. Therefore, provision for loss on Exchange revaluation is not necessary. The Stock records on quality basis have not been maintained due to very large number of different qualities of Fabrics and have been valued on weighted average basis as per past practice. All other observations of the Auditors and the Notes on Accounts are self-explanatory and therefore do not call for any further clarifications.

DIRECTORS :

Mr. B. K. Dalmia retires by rotation at the ensuing Annual General meeting and, being eligible, offers himself for re-appointment.

Mr. S. Ghosh, Mr. N. Sitaraman, Mr. R. N. Mody and Mr. A. P. Lohia have resigned from the Board of the Company. Your Directors place on record their appreciation for the valuable services rendered by them.

Since the last AGM, Mr. K. Srinivasan, Mr. S. K. Dalmia and Mr. P. P. Chowdhury were appointed as Additional Directors of the Company. Mr. S. K. Dalmia was additionally appointed as Executive Director. Appropriate Resolutions seeking your approval is appearing in the Notice convening the Annual General Meeting.

AUDITORS :

M/s Singhi & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

PARTICULARS OF EMPLOYEES :

There are no employee whose remuneration is more than the limit specified in Section 217 (2A) of the Companies Act, 1956.



UNI WORTH
INTERNATIONAL
LIMITED

ADDITIONAL INFORMATION :

The statement showing required particulars pursuant to Section 217(1) (2) of the Companies Act, 1956 and the Rules framed thereunder is annexed hereto and forms part of this Report.

PERSONNEL RELATIONS :

Relations with employees continued to remain cordial throughout the year. Your Directors wish to place on record their appreciation for dedicated and sincere services rendered by the executives, staff and workmen at all levels.

ACKNOWLEDGEMENT :

Your Directors acknowledge with gratitude the co-operation and assistance received from the Central and State Government, Financial Institutions, Banks, Shareholders and others during the year under review.

On Behalf of the Board

Place : Kolkata

Date : 29th June, 2002

S. K. Dalmia
Executive Director

P. P. Chowdhury
Director

ANNEXURE - I TO THE DIRECTORS REPORT

STATEMENT SHOWING PARTICULARS PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1998

FOREIGN EXCHANGE EARNINGS AND OUTGO :

	31st March, 2002 (18 months) (Rs. in Lacs)	30th Sept. 2000 (12 months) (Rs. in Lacs)
a) Foreign Exchange Earnings		
Exports on FOB Basis	816.42	1229.37
Branch Offices (Net)	-	-
b) Foreign Exchange Outgo		
i) CIF Value of Imports	388.43	715.16
ii) Others	0.24	0.62



UNI WORTH
INTERNATIONAL
LIMITED

REPORT ON CORPORATE GOVERNANCE :

(Pursuant to Clause 49 of the Listing Agreement)

1. Company's Philosophy on Corporate Governance :

Your Company believes that the Corporate Governance is the combination of voluntary practices and compliance with the laws and regulations, leading to effective control and management of the Company. Good Corporate Governance leads to long term Shareholder Value and enhances the interest of other Stakeholders, Employees and others connected with the organisation.

2. Board of Directors :

Your Board presently consists of a majority of Non-Executive/ Independent Directors, many of them are acknowledged as leading professionals in their respective fields. The Board presently comprises of 1 (one) Executive Director and 4 (four) Non-Executive and Independent Directors.

The constitution of Board during the 18 months period ending on 31st March, 2002 is given below :

Name of Directors	Executive/Non Executive / Independent *	No. of other Directorships **	Other Committee(s)	
			Member	Chairman
Mr. S. Ghosh (upto 12.12.2000)	Non-Executive & Independent	1	3	-
Mr. N. Sitaraman (upto 24.01.2001)	Non Executive & Independent	-	-	-
Mr. R N Mody (upto 21.02.2001)	Non Executive & Independent	9	2	3
Mr. A. P. Lohia (upto 29.03.2001)	Promoter - Non Executive	1	3	-
Mr. K. Srinivasan (w.e.f. 04.04.2001)	Non Executive & Independent	6	6	-
Mr. B. Rai	Non Executive & Independent	14	5	4
Mr. B. K. Dalmia (w.e.f. 22.12.2000)	Non Executive & Independent	-	-	-
Mr. S. K. Dalmia (w.e.f.31.10.2001)	Executive Director	-	-	-
Mr. P. P. Chowdhury (w.e.f 31.10.2001)	Non Executive & Independent	-	-	-

* An Independent Director is a director who apart from receiving Director's remuneration does not have any material pecuniary relationship or transactions with the Company or its management, which in the judgment of the Board may affect his independence of judgment.

** Excludes Directorship held in Private Limited Companies.

a) Attendance of Directors at Board Meetings and Annual General Meeting :

The Board of Directors of the Company met eight times during the 18 months period ending on 31st March, 2002 on the following dates : 22.12.2000, 04.01.2001, 21.02.2001, 04.04.2001, 02.06.2001, 01.08.2001, 31.10.2001 and 24.01.2002.