



**UNIORTH
INTERNATIONAL
LIMITED**



**ANNUAL
REPORT
2005-2006**



UNI WORTH
INTERNATIONAL
LIMITED

BOARD OF DIRECTORS

(As on 30.06.2006)

RAJ KUMAR — *Executive Director*
BIJAY KUMAR DALMIA
PARTHO PAL CHOWDHURY
MAHESH SHARMA

AUDIT COMMITTEE

(As on 30.06.2006)

BIJAY KUMAR DALMIA
PARTHO PAL CHOWDHURY
MAHESH SHARMA

AUDITORS

M/s. SINGHI & CO.,
Chartered Accountants

BANKERS

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

REGISTERED OFFICE

'UNI WORTH CENTRE'
70A, Shakespeare Sarani
Kolkata - 700 017
Phone : (033) 2290-8885
Fax : (033) 2290-8301

REGISTRARS

M/s. Intime Spectrum Registry Limited
59C, Chowringhee Road, 3rd Floor
Kolkata - 700 020
Phone : (033) 2289-0540
Fax : (033) 2289-0539



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NOTICE :

Notice is hereby given that the 13th Annual General Meeting of the Members of UNI WORTH INTERNATIONAL LIMITED will be held at Science City, Seminar Hall (C.V. Raman Hall), JBS Haldane Avenue, Kolkata – 700 046 on Thursday, the 21st day of September, 2006 at 12.30 P.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, 2006 and the Profit & Loss Account for the year 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 a Director in place of Mr Mahesh Sharma, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

Registered Office :

'UNI WORTH CENTRE'
70A, Shakespeare Sarani
Kolkata – 700 017
Date : 30th June, 2006

By Order of the Board

P. P. Chowdhury
Director

NOTES :

- a) 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.
- b) The Register of Members and Transfer Books of the company will be closed from 14th September, 2006 to 21st September, 2006, both days inclusive.
- c) Intimation of any change of address should be given to the Registrar & Transfer Agent/Company immediately.
- d) Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.
- e) Listing fees have been paid to Calcutta Stock Exchange upto 2005-2006

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



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DIRECTORS' REPORT TO THE MEMBERS :

Your Directors have pleasure in presenting the 13th Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2006

FINANCIAL HIGHLIGHTS :

	31st March 2006 (Rs. In Lacs)	31st March 2005 (Rs. In Lacs)
Turnover & other Income	1.80	5.58
Profit /(Loss) before Interest and Depreciation	(30.38)	(69.30)
Less : Interest	591.07	586.10
Profit /(Loss) before Depreciation	(621.45)	(655.40)
Less : Depreciation	—	—
Profit /(Loss) before Tax	(621.45)	(655.40)
Less : Provision for Taxation		
Fringe Benefit Tax	0.23	—
Profit /(Loss) after Tax for the year	(621.68)	(655.40)
Add : Balance Brought Forward from the Previous year	(4413.70)	(3758.30)
Profit /(Loss) carried to Balance Sheet	(5035.38)	(4413.70)

OPERATIONS AND MANAGEMENT DISCUSSION & ANALYSIS :

There has been no commercial activity during the year under review with consequent no generation of funds, whereas expenses constituting of mainly legal expenses had to be incurred for protection of the Company's interests. However, the gross loss reflect mainly Bank Interest which continue to be provided in the Books as per accounting norms.

Further progress has been made during the year to negotiate with some of the Banks for settlement of their dues by utilisation of the proceeds of recovery of outstanding debts of the Company through UK Court Decrees.

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 :

- That in the preparation of accounts, applicable accounting standards have been followed.
- That appropriate accounting policies have been selected and applied consistently with reasonable and prudent judgements and estimates so as to give true and fair view of the state of affairs of the Company.
- 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.
- That the Annual Accounts have been prepared on a going concern basis.



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CORPORATE GOVERNANCE :

As a Listed Company, necessary measures are taken to comply with Clause 49 of Listing Agreements with the Stock Exchanges. A report on Corporate Governance along with a certificate from the Auditors is annexed hereto and forms part of this Report.

AUDITORS' REPORT :

The 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 and Mr. Mahesh Sharma retire by rotation at the ensuing Annual General meeting and, being eligible, offers themselves for re-appointment.

AUDITORS :

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

PARTICULARS OF EMPLOYEES :

The Company has no employee whose remuneration is more than the limit specified in Section 217 (2A) of the Companies Act, 1956

ADDITIONAL INFORMATION :

The statement showing required particulars pursuant to Section 217(1) (e) of the Companies Act, 1956 and the rules framed thereunder, as far as applicable to the Company, is annexed hereto and forms part of this Report.

ACKNOWLEDGEMENT :

Your Directors acknowledge with gratitude the co-operation and assistance received from all concerned and particularly the Shareholders of the Company for continuing to bear with the adversities of the Company.

Place : Kolkata
Date : 30th June, 2006

Raj Kumar
Executive Director

On Behalf of the Board
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 2006 (Rs. In Lacs)	31st March 2005 (Rs. In Lacs)
a) Foreign Exchange Earnings		
Export on FOB Basis	-	-
Branch Offices (Net)	-	-
b) Foreign Exchange Outgo		
i) CIF Value of Imports	-	-
ii) Others	-	-



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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 of the Company.

2. Board of Directors :

Your Board presently consists of a majority of Non-Executive and Independent Directors, many of whom are acknowledged as leading professionals in their respective fields. The Board presently comprises of 1 (one) Executive Director and 3 (three) Non-Executive and Independent Directors.

The constitution of Board as it was during the Year 2005-2006 is given below :

Name of Directors	Executive/Non-Executive/ Independent*	No. Of other Directorships**	Other Committee(s)	
			Member	Chairman
Mr. B. K. Dalmia	Non- Executive & Independent	2	—	—
Mr. P. P. Chowdhury	Non- Executive & Independent	2	3	—
Mr. Raj Kumar	Executive Director	1	—	—
Mr. Mahesh Sharma	Non- Executive & Independent	1	—	—

* An Independent Director is a Director who apart from receiving Director's Remuneration (Sitting Fees) does not have any material pecuniary relationship or transactions with the Company or its promoters or its management or its subsidiaries, 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 6 (six) times during the year 2005-2006 on the following dates: **20.04.2005, 29.04.2005, 28.06.2005, 29.07.2005, 27.10.2005 and 31.01.2006**

The Company regularly placed before the Board Internal Audit Reports, Financial Results with Provisional Balance Sheets, Performance Review Report of various Units together with Executive Summary, Current Workings and all Current matters of commercial importance and various other information as generally required under the Listing Agreement from time to time.

The Attendance of Directors at the Board Meetings and Annual General Meeting during the year 2005-2006 were as under :

Name of Directors	Attendance*	
	Board Meeting	Last AGM
Mr. B. K. Dalmia	5	Yes
Mr. P. P. Chowdhury	6	Yes
Mr. Raj Kumar	6	No
Mr. Mahesh Sharma	3	No

* Members present at the meeting elect one of themselves as Chairman of the Meeting.



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b) Remuneration of Directors :

Details of remuneration paid / payable to directors for the year ended 31st March, 2006 are as follows :

(Amount in Rs.)

Name of Directors	Sitting fees*	Salary & perquisites	Commission	Total
Mr. B. K. Dalmia	18000	-	-	18000
Mr. P. P. Chowdhury	22000	-	-	22000
Mr. Raj Kumar	-	30000	-	30000
Mr. Mahesh Sharma	12000	-	-	12000

* Includes fees for Committee Meetings.

c) Code of Conduct

The Board of Directors play an important role in ensuring good governance and is therefore in the process of formulating a Code of Conduct applicable to all Board Members and Senior Executives of the Company. Till such time the Code is not formally determined and adopted all Board Members and senior executives are expected to adhere to the following :-

- ☞ To observe the highest standards of ethical conduct and integrity and to work to the best of their ability and judgement.
- ☞ To maintain and help the Company in maintaining highest degree of Corporate Governance practices.
- ☞ To act in utmost good faith and exercise due care, diligence and integrity in performing their official duties.
- ☞ To not seek, accept or receive, directly or indirectly, any gift, payments or favour in whatsoever form from Company's Business Associates, which can be perceived as being given to gain favour or dealing with the Company and to ensure that the Company's interests are never compromised.
- ☞ To maintain confidentiality of information entrusted by the Company or acquired during performance of their duties and not to use it for personal gain or advantage.
- ☞ To not commit any offences involving moral turpitude or any act contrary to law or opposed to the public policy.

3. Audit Committee :

The Terms of Reference of this Committee cover the matters specified for Audit Committees under clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

The Committee reviews the efficacy of the internal control mechanism and monitors the risk management policies adopted by the Company. The Committee also reviews the report furnished by the internal and statutory auditors and ensures that suitable follow up actions are taken. Besides, the Committee also examines accounting, taxation and disclosure aspects of all significant transactions.

During the year 2005-2006, 5 (five) meetings of the Audit Committee were held on the following dates : **29.04.2005, 28.06.2005, 29.07.2005, 27.10.2005 and 31.01.2006**



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The Constitution of the Committee and the attendance of each member of the Committee during the year 2005-2006 are given below :-

Name	Designation	Executive/Non-Executive/ Independent	Profession	Committee Meetings Attended*
Mr. B. K. Dalmia	Member	Non- Executive & Independent	Service	4
Mr. P. P. Chowdhury	Member	Non- Executive & Independent	Service	5
Mr. Mahesh Sharma	Member	Non- Executive & Independent	Service	3

*Members present at the meeting elect one of themselves as a Chairman of the Meeting.

4. Remuneration Committee :

The Remuneration Committee was formed with a view to reviewing and making recommendations on annual salaries, performance, commissions, perquisite and other employment conditions of Executive Directors and other Executives and Officials. The Committee's also takes into consideration remuneration practices followed by leading companies as well as information provided by reputed consultants while determining the overall remuneration package. The following are the members of the Committee at present :

Name	Designation *	Executive, Non-Executive/Independent
Mr. B. K. Dalmia	Member	Non-Executive & Independent
Mr. P. P. Chowdhury	Member	Non-Executive & Independent
Mr. Mahesh Sharma	Member	Non-Executive & Independent

* Members present at the meeting elect one of themselves as Chairman of the Meeting.

5. Share Transfer cum Investors Grievance Committee :

The Board has formed the "Share Transfer cum Investors Grievance Committee", which looks into Shareholders and Investors' grievances and Share transfer. Mr. P. P. Chowdhury is the Compliance Officer of the Company. The following are the members of the Committee at present :

Name	Designation *	Executive, Non-Executive/Independent
Mr. B. K. Dalmia	Member	Non-Executive & Independent
Mr. P. P. Chowdhury	Member	Non-Executive & Independent
Mr. Mahesh Sharma	Member	Non-Executive & Independent

* Members present at the meeting elect one of themselves as Chairman of the Meeting.

i) Share Transfers :

- All Shares have been transferred and returned within the prescribed period so long as the documents have been clear in all respects.
- The Share Transfer Committee met approximately once in a month.
- Total number of Equity Shares transferred during the relevant period was 281900.



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(ii) Status of Investor Complaints :

Complaints received from Shareholders have been mostly cleared within the financial year. The complaints are generally replied to within 10-15 days from their lodging with the Company.

No. of Complaints received from the Investors (including brought forward)	104
No. of Complaints resolved	93
Complaints pending as on 31st March, 2006	11
No. of Shares Transfer pending for approval as on 31st March, 2006	NIL

6. General Body Meetings :

The location and time of the Annual General Meetings held during the last 3 years is as follows :

Annual General Meeting (AGM)	Date	Time	Venue	No. of Special Resolutions passed
10th Annual General Meeting	18.12.2003	12.30 P.M.	Science City Mini Auditorium JBS Haldane Avenue, Kolkata – 700 046	—
11th Annual General Meeting	20.09.2004	12.30 P.M.	Science City Mini Auditorium JBS Haldane Avenue, Kolkata – 700 046	—
12th Annual General Meeting	29.09.2005	12.30 P.M.	Science City Mini Auditorium JBS Haldane Avenue, Kolkata – 700 046	—

The Special Resolutions, if any, are usually passed on show of hands and mostly unanimously.

No Postal Ballot were used in last year. The Company does not have any proposal for Postal Ballot at present.

7. Notes on Directors Appointment/ Re-appointment :

Mr. B. K. Dalmia and Mr. Mahesh Sharma are retiring by rotation at the ensuing Annual General Meeting and are eligible for Re-appointment.

Mr. B. K. Dalmia is a qualified Chartered Accountant having wide experience in Accounts, Finance and Management.

Mr. Mahesh Sharma is a professional having wide experience in Industry.



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8. **Disclosures :**

- a) No transaction of material nature has been entered into by the Company with the Directors or Promoters or Management and their relatives, their Subsidiaries etc. that may have a potential conflict with the interest of the Company at a large. The Register of Contracts, in which Directors are interested, was placed before the Board regularly.
- b) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years, as all requirements were complied with.
- c) Company has followed all relevant Accounting Standards while preparing the Financial Statements.

d) **Risk Management**

Your Company is in the process of compiling a comprehensive risk management policy and the same is to be periodically reviewed by the Board of Directors. However, Risk management issues are generally discussed in the Audit Committee.

e) **CEO/CFO CERTIFICATION :**

The Executive Director, who is also heading the finance function have confirmed to the Board that :

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the company, pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the Auditors and the Audit Committee
 - (i) significant changes in internal control over financial reporting during the year ;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

9. **Publication of Consolidated Financial Statement in the Annual Report**

In view of there being no business or trading operations in the subsidiary Company, Uniworth Biotech Limited, during the last financial year, and only a meager amount of Rs. 79387/- was spent for in the books of the Company by way of administrative and statutory expenses, no consolidated Financial Statement have been added separately in the Annual Report as a cost saving measure and to avoid further increase to the losses of the Company, as such additional publication would have only repeated almost the same figures and financial statements of the Holding Company.