



For, Unjha Formulations Limited

A handwritten signature in black ink, appearing to read "Devi", positioned above the title "Managing Director".

Managing Director

**FIFTEENTH
ANNUAL
REPORT
2008-2009**

UNJHA FORMULATIONS LIMITED

UNJHA FORMULATIONS LIMITED



BOARD OF DIRECTORS

CHAIRMAN	:	Shri Shambhubhai A. Patel
MANAGING DIRECTOR	:	Shri Mayankbhai S. Patel
DIRECTOR	:	Shri Hirabhai A. Patel
DIRECTOR	:	Shri Chandrakant V. Modh
DIRECTOR	:	Shri Hasmukh C. Chavda
DIRECTOR	:	Shri Chetan O. Thakker
DIRECTOR	:	Shri Jyotindra S. Patel
AUDITORS	:	M/s. Kantilal Manilal Shah & Co. Chartered Accountants G-3, Indraprastha Flat, Jail Road, Mehsana - 384002 (N. G.)
COMPANY LAW CONSULTANTS	:	M/s. Ajay Parikh Associates Company Secretaries C-4, Yashpal Apartments, Navrangpura, Ahmedabad - 380 009.
BANKERS	:	DENA BANK Sidhpur Branch, Sidhpur (N. G.)
REGISTERED OFFICE & CORPORATE OFFICE	:	Khali Char Rasta, State Highway, Ta. Sidhpur - 384151 (N. G.)
REGISTRAR & SHARE TRANSFER AGENT	:	Pinnacle Shares Registry Pvt. Ltd. Near Asoka Mills, Naroda Road, Ahmedabad - 380025

FIFTEENTH ANNUAL REPORT 2008-2009

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UNJHA FORMULATIONS LIMITED**NOTICE :**

NOTICE IS HEREBY GIVEN THAT THE FIFTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF UNJHA FORMULATIONS LIMITED WILL BE HELD AS SCHEDULED BELOW:

Day & Date : Monday, 24th August'2009
 Time : 4.00 P.M.
 Place : Registered Office
 Khali Char Rasta, State Highway,
 Khali, Sidhpur 384151 (N. G.)

TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Balance Sheet as at 31st March'2009 and the Profit & Loss Account for the year ended on that date, together with the Reposts of Directors and Auditors thereon.
- 2) To appoint a Director in place of Shri.Hirabhai A. Patel who retires by rotation and being eligible, offer himself for re-appointment.
- 3) To appoint a Director in place of Shri Jyotindra S. Patel who retires by rotation and being eligible, offer himself for re-appointment.
- 4) To appoint Auditors of the Company and to fix their remuneration. The retiring Auditors M/s. Kantilal Manilal Shah & Co., Chartered Accountants are eligible for re-appointment.

SPECIAL BUSINESS

- 5) To consider and if though fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION.

"RESOLVED THAT subject to such consents, permissions or sanctions as may be required from any authority, statutory or otherwise, particularly from the Securities and Exchange Board of India (SEBI) and pursuant to Section 61 and all other applicable provisions of the Companies Act, 1956 and Guidelines, Rules framed by SEBI in this regard, the Board of Directors of the Company be and is hereby authorized to seek Voluntary Delisting of its Equity Shares listed at the Stock Exchange, Ahmedabad at Ahmedabad and for that matter to apply the Stock Exchange Ahmedabad and / or any other concerned authority(ies) for Voluntary Delisting of the Equity Shares from the said Stock Exchange."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle all questions, difficulties or doubts as may arise, with regard to the Voluntary Delisting of Shares, as it may in its absolute discretion deem fit."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all necessary steps in this regard in order to comply with all the legal and procedural formalities and further to authorize any of the Committee or Director(s) or Officers of the Company to do all such acts, deeds or things, as may be necessary, to give effect to this resolution."

Place: Sidhpur

Date : 30.05.2009

By order of the Board

sd/ Shambhubhai A. Patel (CHAIRMAN)

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND SUCH PROXY NEED NOT BE MEMBER OF THE COMPANY PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company shall remain closed form Monday 17th August'2009 to Monday 24th August'2009. (Both days inclusive).
3. The members are requested to notify immediately of any change in their address in physical as well as Demat form to Registrar and Share Transfer Agent, Pinnacle Shares Registry Pvt. Ltd., Ahmedabad.
4. Members desirous of obtaining any information concerning the accounts of the Company may write to the Company at least 10 days in advance before the date of the Annual General Meeting so that the information required may be made available at the meeting.

Place: Sidhpur

Date : 30.05.2009

By order of the Board

sd/
Shambhubhai A. Patel (CHAIRMAN)

UNJHA FORMULATIONS LIMITED

**ANNEXURE TO THE NOTICE**

Explanatory Statement as required by Section 173(2) of the Companies Act, 1956

Item No.5**EXPLANATORY STATEMENT:****VOLUNTARY DELISTING OF EQUITY SHARES FROM THE AHMEDABAD STOCK EXCHANGE LIMITED :**

Members are aware that equity shares of the company are listed at the Stock Exchange, Mumbai and the Stock Exchange, Ahmedabad. The Board of Directors of the Company have recommended for delisting of its shares from the Stock Exchange, Ahmedabad in terms of the guidelines laid down by the Securities Exchange Board of India viz. SEBI (Delisting of Securities) Guidelines 2003.

The trading volume in the company's shares on the Stock Exchange, Ahmedabad are Nil which does not justify the payment of considerable amounts of listing fees and other expenses which the company is presently incurring. The Board of Directors vide its meeting held on 31ST May, 2009 propose to voluntarily delist Company's equity shares from the Stock Exchange, Ahmedabad to save the recurring costs without affecting the interest of the investors of the Company and without affecting the liquidity of equity shares of the Company. The Equity Shares of the Company will continue to be listed in the Stock Exchange, Mumbai (BSE) which has the connectivity in most of the cities across the country and hence the proposed delisting from the Stock Exchange, Ahmedabad will not be prejudicial to the interest of the Shareholders / Investors.

Accordingly Board have recommended the Special Resolution for approval of members for delisting of Company's equity shares from the Stock Exchange, Ahmedabad in terms of the SEBI (Delisting of Securities) Guidelines 2003.

All material documents, copies of the listing agreements are open for inspection to the members till the conclusion of the meeting at the registered office of the Company.

None of the Directors of the Company is, in any way, concerned or interested in this resolution.

Place: Sidhpur

Date : 30.05.2009

By order of the Board

sd/

Shambhubhai A. Patel
(CHAIRMAN)

Details of Directors seeking appointment/re-appointment at the Annual General Meeting
(Pursuant to Clause 49 of the Listing Agreement with the Stock

Name of Directors	Shri Hirabhai A. Patel	Shri Jyotindra S. Patel
Date of Birth		
Date of Appointment	02.09.1994	01.12.2005
Expertise in specific function areas	51 yr experience in Isabgol processing mftg. & exporting	Administration, Accounts & Financial Activities
Qualification	B. Sc.	B. Com
List of other cos. In which Directorship held on 31.03.09	None	None
Chairman/member of the committee of other public cos.	None	None

UNJHA FORMULATIONS LIMITED**DIRECTOR'S REPORT**

To the Members,

Your Directors have pleasure in presenting this Fifteenth Annual Report together with audited statement of Accounts of the Company for the year ended 31st March'2009.

FINANCIAL RESULTS

The highlights of the financial results are as under:

	2008-2009	(Rupees in Lacs) 2007-2008
Turnover	527.72	355.76
Other Income	2.04	0.45
Total Income	529.74	356.21
Profit before Deprecation and	31.63	(-) 17.39
Taxation Less: Depreciation	10.69	11.68
Profit before tax	20.94	(-) 29.07
Less: Provision for Taxation	Nil	Nil
Profit for the year	20.94	(-) 29.07
Balance as per last Balance Sheet	(-)494.53	(-) 465.46
Total Profit/Loss	(-)473.59	(-) 494.53

BUSINESS OPERATIONS & PROSPECTS

During the year under review your company has achieved a sales turnover of Rs. 5.29 Crores (in respect of its existing activities) with increase of 48% over the previous year.

DIVIDEND

Your Directors do not propose any dividend on equity shares for the period ended 31.03.2009 as there is no profit during the period.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

A separate report of Management Discussion and Analysis is attached as a part of the annual report.

MARKETING

Your company has made manufacturing agreement with Reckitt Benckiser India Ltd. For sales of Isabgol Husk based product 'FYBOGEL', Nicholas Piramal India Ltd., for sale of 'FABOLITE' & Apollo Hospitals Enterprise Ltd., for sale of 'LAXATIVE AP'. Your company has also continued manufacturing agreement with Karnataka Antibiotics & Pharmaceuticals Limited for sale of Isabgol Husk based product on Loan Licence basis.

EXPORT

During the period under review your company exported Rs. 0.24 crore. The company continued its focus on development of Export Markets, for ALBendazole Bolus and Fibermate (Isabgol based formulations) to supplement the present low domestic demand situation.

CORPORATE GOVERNANCE

The report on the Corporate Governance code along with a certificate from the Auditors of the Company regarding the Management Discussion and Analysis Report are annexed to this report.

DIRECTORS RESPONSIBILITY STATEMENT:

As required by under Section 217 (2AA) of The Companies Act, 1956 your directors confirmed and state that:

- In the preparation of annual account, the applicable accounting standards have been followed.
- The Directors have selected such accounting policies, applied them consistently made judgement 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 the end of financial year and of the profit of the company for that period.
- The director have taken proper and sufficient care for the main tenance of adequate accounting records in accordance with provisions of The Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- The company has prepared the attach annual statement for the year ended 31st March'2009 pm a going concern basis.

DEPOSITORY SYSTEM

Trading in shares of your company has commenced in Dematerialized form in B2 group in terms of notification issued by Securities & Exchange Board of India (SEBI) Your company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable members to hold shares in Dematerialized form.

LISTING FEES

Your company has paid Listing Fee for the year 2009-10 at Bombay Stock Exchange Ltd., and Ahmedabad Stock Exchange Limited.



UNJHA FORMULATIONS LIMITED

INDUSTRIAL RELATIONS

Industrial relations remained cordial throughout the year. Your Directors place on record their deep appreciation of the contribution made by the employees at all levels.

DEPOSITS

The Company has not invited or accepted any Deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereunder.

DIRECTORATE

Shri Hirabhai A. Patel and Shri Jyotindra S. Patel retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

PERSONNEL

There are no employees covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 and hence no information is required to this Report.

PARTICULARS OF CONSERVATION OF ENERGY ETC.:

Particulars with respect to Conservation of Energy as per Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars the Report of Board of Directors) Rules 1988 and forming part of the Directors.

AUDITORS

M/s. Kantilal Manilal Shah & Co. Chartered Accountants, Auditors of the company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

INSURANCE

All the properties of the company including Building, Plant & Machinery, Stock and Stores have been adequately insured.

CASH FLOW STATEMENT

As required by the amended Clause 32 of the Listing Agreement a Cash Flow Statement is appended.

APPRECIATION

Your Directors express their sincere thanks for the co-operation and assistance received from Dena Bank. Your Directors also express their gratitude to the Investors, Employees Agents, Dealers and Consumers of the company for their valuable support and continued confidence report in the company.

Place: Sidhpur

Date : 30.05.2009

By order of the Board

sd/

Shambhubhai A. Patel
(CHAIRMAN)

Registered Office:

Khali Char Rasta, State Highway,

Khali, Sidhpur 384151 (N. G.)

Dist.: Patan.

ANNEXURE TO THE DIRECTORS' REPORT

FORM A

Form of disclosure of particulars with respect to conservation of energy:

	2008-09	2007-08
A. POWER & FUEL CONSUMPTION		
Electricity Units consumed (Nos.)	52130	73730
Total Amount (Rs.)	371170	352391
Rate per Unit (Rs.)	7.12	5.31

FORM B

FORM DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ETC.

RESEARCH & DEVELOPMENT (R&D)

The company is in processing of identifying area in which research and developments activities can be carried out. Keeping in view the need in future, the company is planning to establish a separate Research & Development Division for which the provision for creation of necessary infrastructure will be made.

TECHNOLOGY ABSORPTION, ADOPTION AND OUTGO

Foreign Exchange earned during the year on account of export sales is US \$ 53973 (equivalent to Rs.23,99,279 crore).

Place: Sidhpur

Date : 30.05.2009

By order of the Board

sd/

Shambhubhai A. Patel
(CHAIRMAN)

UNJHA FORMULATIONS LIMITED

**REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2008-09**

Pursuant to Clause 49 of the Listing Agreement, a report on Corporate Governance is given below:

1. A brief statement on Company's philosophy on code of governance:

The Company always strives to achieve optimum performance of all levels by adhering to corporate governance practices, such as:

- Fair and transparent business practices.
- Effective Management Control by Board.
- Adequate representation of promoters, executive and independent directors on the Board.
- Accountability for performance and fully compliance of law.
- Monitoring of executive performance by the Board.
- Transparent and timely disclosure of financial and management information.
- Company has already completed provisions for Schedule M as per FDI, India norms.

1) Board of Directors (As on 30.05.2009)

The board of directors comprises of a non-executive chairman, a Managing Director and three other non-executive directors.

During the financial under review six board meetings were held on 31.05.08, 31.07.08, 31.10.08, 29.11.08, 31.01.09. Attendance of each director at the board meetings and last annual general meeting and the no. of companies and committees where he is director/member as on 30.05.09:

Name of Director	Category of Directorship	No. of Board Meeting Attended	Attendance At last AGM Held on 15.09.2008	No. of other Companies In which Director	No. of Comm. (other than UFL in which Member)
Shri Shambhubhai A. Patel.	Promoter Non-Executive Chairman	5	Yes	1	Nil
Shri Mayankbhai S. Patel	Managing Director	5	Yes	1	Nil
Shri Hirabhai A. Patel	Independent non-Executive Director	4	Yes	Nil	Nil
Shri Chandrakant V. Modh*	Independent non-Executive Director	5	Yes	Nil	Nil
Shri Hasmukh C. Chavda	Indep. Non-ED	3	No	Nil	Nil
Dr. Chetan O. Thakker	Independent non-Executive Director	4	Yes	Nil	Nil
Mr. Jyotindra S. Patel	Independent non-Executive Director	4	Yes	Nil	Nil

* Employee of Group companies

2) Audit Committee

Terms of reference and composition, name of members and chairman.

The audit committee comprises under the Chairmanship of Shri Hirabhai A Patel, committee comprises other members than him as Shri Chandrakant V Modh and Dr. Chetan O. Thakker & Mr. Jyotindra S. Patel.

Five meeting were held during the year ended 31st March, 2009, Mr. Modh and Mr. Patel have attended all the meetings.

During the financial under review six meetings were held on 31.05.08, 31.07.08, 31.10.08, 29.11.08 & 31.01.09.

Name of Directors	Category	No. of meetings held during the year	No. of meeting Attended
Shri. Hirabhai A. Patel	Independent & Non-Executive	5	5
Shri Chandrakant V. Modh	Independent & Non-Executive	5	5
Shri Jyotindra S. Patel	Independent & Non-Executive	5	5

3) Share Transfer & Share Holders' Grievances Committee:

- 1) The Board of Directors of the company has constituted share transfer & share grievances committee of directors in order to meet the requirement of Clause 49 of the Listing Agreement of the stock exchange. The committee has been constituted with the objective of over seeing redressal of investors complaint pertaining to share transfer/ transmission of share, interest, dematerialization (Demat) of shares and related matters.
- 2) Share transfer & share holders' grievances committee met on 31.05.08, 31.07.08, 31.10.08, 29.11.08 31.01.09 27.02.2009 & 31.03.2009.