

# ***Annual Report***

***2003-04***



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***Unno Industries Ltd.***

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# Unno Industries Ltd.

Annual Report 2003-2004

## BOARD OF DIRECTORS

Mr. Narendra Kumar Gangwal

Mrs. Chandrikadevi Gangwal

Mr. Gaurav Jain

Mrs. Neelima Kasliwal

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## AUDITORS

Rakesh Narendra Kumar & Co.,  
Chartered Accountants

## BANKERS

State Bank of Indore

## REGISTERED OFFICE

317, Transport Nagar,  
Scheme No. 44,  
INDORE. 452 001,  
MADHYA PRADESH.

# Unno Industries Ltd.

Annual Report 2003-2004

## NOTICE

Notice is hereby given that the 12th Annual General Meeting of the members of **Unno Industries Limited** will be held at Registered office : 317, Transport Nagar, Scheme No. 44, Indore, 452 001, Madhya Pradesh on Thursday, 30th September, 2004 day at 11.00 A.M. to transact the following business :

### I. ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2004 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To re-appoint Director Mrs. Chandrikadevi Gangwal who retires by rotation and offer herself for reappointment.
3. To appoint M/s. RAKESH NARENDRA KUMAR & Co., Chartered Accountants, Indore as Auditors of the company to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting and fix their remuneration.

### II. SPECIAL BUSINESS :

4. To consider and if though fit, to pass with or without modification(s), the following resolution as an ordinary Resolution

**Resolved** that Shri Gaurav Jain, be and hereby appointed as Director of the company to hold office and liable to be retired by rotation.

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

**Resolved** that Smt. Neelima Kasliwal be and hereby appointed as Director of the company to hold office and liable to be retired by rotation.

6. To consider and if though fit, to pass with or without modification(s), the following resolution as a Special Resolution :

**Resolved** that consent of the Company be and hereby granted pursuant to section 149(2A) and other applicable provisions of the Companies Act, 1956 for commencing and carrying on all and any of the business activities specified in sub clause 31 of the clause III part C of Memorandum of Association. of the company at such time as may be deemed fit by the board of directors of the Company.

For and on behalf of the Board

Narendra Kumar Gangwal  
Managing Director  
Place : Mumbai  
Date : 02.09.2004

# Unno Industries Ltd.

## Annual Report 2003-2004

### 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, and a proxy need not be a member. The proxy form, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The explanatory statement pursuant to section 173(2) of the Companies Act, 1956, setting out all material facts in respect of item no 4 to 6 of the notice is attached and the statement of particulars of the directors seeking appointment under clause 49 of the listing agreement is enclosed.
3. Register of Members shall be closed from 25<sup>th</sup> September, 2004 to 30<sup>th</sup> September, 2004 (Both days inclusive).
4. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the office of the Company well in advance so that the same are received at least Ten days before the date of the meeting to enable the Management to keep the information readily available at the meeting to the best extent possible.
5. Members are requested to bring at the meeting with them the printed Annual Accounts & Reports being sent to them alongwith the notice to avoid inconvenience.
6. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such folios and send the relevant share certificates to the Company.
7. Members are requested to notify immediately any change in their address to the Company with their respective folio numbers and number of shares held details.
8. As per the provisions of the Companies Act., 1956 (As amended), the facility for making nominations is now available to individuals holding shares in the company. Those who desire to avail this facility may send their requests for nomination in prescribed Form 2B duly filled in and signed to the company.

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

#### Item No. 4

Mr. Gaurav Jain was appointed by the board on 01.03.2004 to fill up casual vacancy caused by resignation of Mr. Pranay Gangwal. He holds office up to the date of ensuing Annual General Meeting. In terms of section 257 of the Company's Act, 1956 the company has received a notice in writing from a member proposing candidature of Mr. Gaurav Jain for the office of a Director.

Mr. Gaurav Jain, is a bachelor of commerce and having experience in the field of Accounting and General Administration. Mr. Jain is proposed to be appointed as an Independent Director of the Company. Your Director recommend the said ordinary resolution for your approval.  
None of the Directors are concerned or interested in any way in the above Resolution.

#### Item No. 5

Mrs. Neelima Kasliwal was appointed by the board on 01.03.2004 to fill up casual vacancy caused by resignation of Mr. Pradeep Patni. He holds office up to the date of ensuing Annual General Meeting. In terms of section 257 of the Company's Act, 1956 the company has received a notice in writing from a member proposing candidature of Mrs. Neelima Kasliwal for the office of a Director.

**Unno Industries Ltd.****Annual Report 2003-2004**

Mrs. Neelima Kasliwal, 32 years is a bachelor of commerce and having experience in the filed of General Administration. Mrs. Kasliwal is proposed to be appointed as an Independent Director of the Company. Your Director recommend the said special resolution for your approval.  
None of the Directors are concerned or interested in any way in the above Resolution.

**Item No. 6**

The present clause III of the memorandum of Association of the company sets out the object for which Company is established and the line of business that it is empowered to carry on.

As a diversified strategy, the company is interested investing in agriculture produce and other allied activities and also dealing in Commodities in commodity exchange(s). As the propose extension of activities would amount to the undertaking of new business, not covered under the exciting object carrying on by the company.

As per provisions of the Companies Act, 1956 approval of members is required by a special resolution to the commencement of the new business. Object sub clause 31 of clause III (c) read as under :

to establish and maintain farms, plantation and to establish, own and maintain farms, plantation and to carry on the business of farming, horticulture, floriculture, sericulture, dairies cultivation of all kind of plants, food grains, seeds, fruits, proprietors of orchards, dealers, traders, importers, exporters of all kinds of agricultural products including by products beverages, food grains, flowers, drinks, fruits of various description, description in the from of preserved and extracts, by- products, derivatives whether edible or non – edible, dehydrated and or converted agricultural produce into intermediate or end products with or without the aid of power and to run and maintain plant and machinery for manufacturing, processing and preserving agricultural produce and to do all necessary acts in relation thereto.

Your Directors recommend the said special resolution for your approval.

None of the Directors are concerned or interested in any way in the above Resolution.

**For and on behalf of the Board**

Narendra Kumar Gangwal

Managing Director

Place : Mumbai Dated : 02.09.2004

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AT THE FORTCOMING ANNUAL GENERAL MEETING .(Pursuant to clause 49 of the Listing Agreement)**

**Information about the appointees**

Name of the Director	Mr. Gaurav Jain	Mrs. Neelima Kasliwal	Mrs. Chandrikadevi Gangwal
Date of Birth	13 <sup>th</sup> January, 1983	28 <sup>th</sup> February, 1970	24 <sup>th</sup> October, 1944
Date of Appointment	1 <sup>st</sup> March, 2004	1 <sup>st</sup> March, 2004	28.11.1994
Expertise in specific Functional Are	Accounting & Finance	General Management	General Administration
Qualification	B. Com.	B. Com	B.Com
Public Cos. In which Directorship held as on 31.03.2004	None	None	None

**Unno Industries Ltd.**

Annual Report 2003-2004

**DIRECTORS' REPORT**

Your directors have pleasure in presenting the 12th Annual Report together with the audited Financial results for the period ended on 31st March, 2004.

**FINANCIAL PERFORMANCE (Rs. in Lacs)**

Particulars	Year Ended 31.03.2004	Year Ended 31.03.2003
Income	46.75	35.49
Loss before Taxation	( 2.78 )	( 4.57 )
Provision for Taxation	0.52	0.00
Loss for the year	( 3.30 )	( 4.57 )
EPS	( 0.05 )	( 0.09 )

**DIVIDEND**

Your directors regret their inability to recommend any dividend for the year considering loss during the year.

**DEPOSITS**

Your Company has not accepted any Deposit within the meaning of Section 58A of the Companies Act, 1956 and rules made thereunder during the year under review.

**AUDITORS & AUDITORS' REPORT**

The Auditors' Report given elsewhere in the annual report is self explanatory and does not call any explanation from the Board. M/s. Rakesh Narendra Kumar & Co. Chartered Accountants, auditor of the company hold office until the conclusion of ensuing Annual General Meeting and are recommended for reappointment.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars under Companies (Disclosure of particulars in the report of Directors) Rules, 1988 on conservation of energy and technology absorption are NIL.

**PERSONNEL**

The Company did not have any employee drawing salary in excess of limit prescribed, as such no particulars As required by provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975, as amended is furnished.

**ALLOTMENT OF SHARES**

During the year 13 lakh equity shares of Rs. 10/- each at per has been issued as Preferential allotment as per terms and conditions of special resolution passed in the annual shareholder meeting held on 29.09.2003.

# Unno Industries Ltd.

Annual Report 2003-2004

## ADDITIONAL INFORMATION

Part A and part B of the Particulars required to be furnished under the companies (disclosure of particulars in the report of Board of Directors) Rules, 1988 are Nil. There were no foreign exchange earning and out go during the year.

## DIRECTORS

Mr. Gaurav Jain and Mrs. Neelima Kasliwal were appointed as Director of the company to fill the causal vacancy caused by Resignation of Mr. Pranay Gangwal and Mr. Pradeep Patni. Board has recommend for the appointment of Both the directors as Independent Directors.

Board places on record their deep sense of gratitude for the services rendered by the out going directors during their tenure as Director of the Company.

Mrs. Chandrikadevi Gangal is a retiring director by rotation and offer herself for re-appointment.

## CORPORATE GOVERNANCE

Report on corporate governance as required under clause 49 of the Listing Agreement entered into with the stock exchanges is given separately. A certificate from the auditors of the company regarding compliance of the conditions of Corporate governance is also attached with the report.

## DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 217(2AA) of the Companies Act, 1956 your directors confirm that :

1. In the preparation of annual accounts, the accounting standards issued by The Institute of Chartered Accountants of India and the requirements of the Companies Act, 1956, to the extent applicable to the company.
2. The directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affair of the company at the end of the financial year 2003-04 and of the profit of the company for that period.
3. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The directors have prepared the annual accounts on a going concern basis.

## ACKNOWLEDGEMENT

Your Directors would like to express their appreciation of the co-operation and assistance received from the shareholders, bankers and other business constituents during the year under review.

## For and on behalf of the Board

Narendra Kumar Gangwal  
Managing Director  
Place : Mumbai  
Date : 02.09.2004

**Unno Industries Ltd.**

Annual Report 2003-2004

**REPORT ON CORPORATE GOVERNANCE**

The era of Good Corporate Governance came into existence with the insertion of clause 49 of the Listing agreement. Your company believes in attainment of highest levels of transparency in all facets of its operations. the company is committed to maximise the shareholders value by adopting the principle of good Corporate Governance in line with provision stipulated in the Listing agreement.

**1. Board of Directors**

The constitution of the board is given below :

Director	Whole-time/ Independent	Number of outside Directorship held*	Number of membership on Board Committees
Narendra Kumar Gangwal	M.D.	1	1
Chandrikadevi Gangwal	Non Executive	0	3
Pradeep Patni (Up to 01.03.04)	Non Executive	1	3
Pranay Gangwal (Up to 01.03.04)	Non Executive	0	2
Gaurav Jain (w.e.f. 01.03.04)	Independent	0	3
Mrs. Neelima Kasliwal (From 01.03.04)	Independent	0	2

\*This Exclude directorships held in foreign companies, private companies and alternate directorship, If any.

**2.Audit Committee**

During the period Seven meeting were held. One of which one was before finalisation of accounts for the year 2003. The said meetings were held on 2<sup>nd</sup> Sept., 2003, 31<sup>st</sup> Oct. 2003, 22<sup>nd</sup> Dec., 2003, 30<sup>th</sup> January, 2004, 30<sup>th</sup> April, 2004, 30<sup>th</sup> July, 2004 and 19<sup>th</sup> August, 2004

The terms of reference, role and scope were in line with those prescribed by Clause 49 of the Listing Agreement with the Stock Exchanges. The Company also complies with the provisions of section 292A of the Companies Act, 1956 pertaining to audit committee and its functioning.

Terms of reference of the audit committee include a review of :

- ◆ Financial reporting process
- ◆ Draft financial statement and auditors report ( before submission to the Board )
- ◆ Accounting policies and practices
- ◆ Internal controls and internal audit systems
- ◆ Risk management policies and practices
- ◆ Related party transactions

The role of the audit committee includes recommending the appointment and removal of external auditor , discussion of audit plan ,fixation of audit fee and also approval for payment of any other services.