

Unno Industries Ltd.
Annual Report

2005-06

Report  Junction.com

Unno Industries Ltd.

Annual Report 2005-06

BOARD OF DIRECTORS

Mr. Narendra Kumar Gangwal

Mrs. Chandrikadevi Gangwal

Mr. Gaurav Jain

Mrs. Neelima Kasliwal

Report  Junction.com

AUDITORS

Rakesh Narendra Kumar & Co.,
Chartered Accountants

BANKERS

State Bank of Indore

Bank of Rajasthan

Syndicate Bank

REGISTERED OFFICE

317, Transport Nagar,

Scheme No. 44,

INDORE. 452 001,

MADHYA PRADESH.

Unno Industries Ltd.**Annual Report 2005-06****NOTICE**

Notice is hereby given that the 14th 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 Friday, 30th September, 2006 Saturdays 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, 2006 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 Directors who retires by rotation and offer themselves for reappointment.
3. To re-appoint 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 thought fit, to pass, with or without modification the following resolution as an ordinary Resolution :

Resolved that Mr. Narendra Kumar Gangwal, appointed as Managing Director of the Company in previous annual general meeting, being fulfills the conditions specified in part I Part II of Schedule XIII of the Companies Act, 1956, Terms of the appointment be and is hereby modify to fix his remuneration with effective from 01.04.2006 as under :

Salary : Rs. 1,20,000/ Per Annum

Housing: Furnished accommodation, hired by the company shall be provided, if required.

Medical Benefits: Reimbursement of medical expenses incurred by the director and his family.

Leave Travel : Leave Travel concession for self and concession for family once in a year with the company's rules.

Club Fees Club Fee subject to maximum 2 clubs, excluding admission and life membership fees

Personal Insurance: Premium not to exceed Rs. 5000/- p.a.

Use of car: The Company shall provide use of car for company's business. Use of car for private purpose shall be billed by the company.

Telephone: free Telephone facility at residence, personal long distance calls shall be borne by the director.

Provision for car company's business and telephone at residence will not be considered as perquisites.

5. To consider and if thought fit, to pass, with or without modification the following resolution as an ordinary Resolution :

"Resolved that subject to the provisions of the Companies Act every director of the Company shall be paid such fees as may, from time to time, be determined by the board for each meeting of the board or committee of the board attended by him. But no sitting fees shall be payable to Managing or whole time director(s)".

CHANGE IN SITUATION OF REGISTERED OFFICE OF THE COMPANY :

6. To consider and if thought fit, to pass with or without modifications(s) the following resolution Special Resolution.

"RESOLVED THAT pursuant to the provisions of Section 17 and other applicable provisions if any, of the Companies Act, 1956 and subject to the confirmation of the Company Law Board and any other statutory authorities if required, and subject to such terms and conditions and modifications as may be specified in granting such approvals. Clause II of the Memorandum of Association of the Company be altered by substituting the words " State of Maharashtra " for the words "State of Madhya Pradesh ".

"RESOLVED FUTHER THAT on obtaining the confirmation from the Company Law Board, Western Region Bench, Mumbai the Registered Office of the Company be shifted from the " State of Madhya Pradesh" to the " State of Maharashtra ".

"RESOLVED FUTHER THAT the Board of Directors of the Company and/or persons/officers authorized by the Board be and is/are hereby authorised to file the necessary application form, petitions and such other documents as may be required with the office of Company Law Board, The Registrar of Companies and any other Statutory and Government Offices and to do all such acts, deeds and things as may be deemed necessary for the purpose of giving effect to the above resolution."

For and on behalf of the Board

Narendra Kumar Gangwal

Managing Director

Mumbai, dated : 25.08.2006

Unno Industries Ltd.**Annual Report 2005-06****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 27th September, 2006 to 30th September, 2006 (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 along with 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 Narendra Kumar Gangwal, was appointed as Managing Director of the Company in previous annual general meeting without any remuneration. Considering the present conditions and overall working of the company it now propose to pay remuneration and other perquisites. Remuneration payable to him shall be as per provisions of the act and articles of the association of the company.

Except Mr. Narendra Kumar Gangwal, no other Directors are concerned or interested in the above said resolution.

Item No. 5

Clause 93 of the Articles of association of the company empowers company to pay directors sitting fees for attending Board and committee meetings. It is now propose to pay such fees. Since all the directors are interest in the resolution, members permission is seek to pay such sitting fees.

All the directors except Mr. Narendra Kumar Gangwal, are concerned or interested in the above said resolution.

Item No. 6

Clause II of the memorandum of Association of the Company provided that the Registered office of the Company is situated in the State of Madhya Pradesh.

In the opinion of the Board of Directors, at present the financial services market in M.P. is not so encouraging and remunerative thus it is better to centralise all activities in and around Mumbai one of the director of the company has also consented to shift its residence from M.P. to Maharashtra After considering all these factors the Board has decided that the Registered office should be shifted.

After obtaining shareholder approval the proposal will be submitted to the Company Law Board for approval Under Section 17(2) of the Company Act., 1956.

Alteration sought in Clause II of the Memorandum of association of the Company is consequential.

None of the Directors are concerned or interested in the above said resolution.

For and on behalf of the Board ,

Narendra Kumar Gangwal
Managing Director
Place : Mumbai
Dated : 25.08.2006

Unno Industries Ltd.**Annual Report 2005-06****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
Date of Birth	13.01.1983
Date of Appointment	Ensuing Annual General Meeting
Expertise in specific Functional Are	Administration & Finance
Qualification	Bachelor of Commerce
Public Cos. In which Directorship held as on None	
31.03.2006	
Name of the Director	Mrs Neelima Kasliwal
Date of Birth	28.02.1970
Date of Appointment	Ensuing Annual General Meeting
Expertise in specific Functional Are	Administration & Finance
Qualification	Bachelor of Arts
Public Cos. In which Directorship held as on None	
31.03.2006	


 Report Junction.com

Unno Industries Ltd.

Annual Report 2005-06

DIRECTORS' REPORT

Your directors have pleasure in presenting the 14th Annual Report together with the audited Financial results for the period ended on 31st March, 2006.

FINANCIAL PERFORMANCE (Rs. in Lacs)

Particulars	Year Ended 31.03.2006	Year Ended 31.03.2005
Income	62.60	58.22
Loss before Taxation	(1.01)	(2.73)
Provision for Taxation	0.21	0.67
Loss for the year	(1.22)	(3.40)
EPS	(0.02)	(0.05)

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 there under 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.

LISTING & DEMATERIALISATION OF SHARES

Application of Dematerialisation of Shares are pending with National Securities Exchange of India (NSDL) for want of listing with the Bombay Stock Exchange Ltd. Mumbai of 13,00,000 additional shares issued by the company in the year 2002-03. The stock exchange Mumbai has raised some queries, for which legal opinions has been sought from consultants. Delisting process of shares from M.P. Stock Exchange, Indore and Ahmedabad Stock Exchange is under progress.

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.

Unno Industries Ltd.

Annual Report 2005-06

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 Kaliwal are retiring director by rotation and offer themselves for re-appointment.

Terms of the appointment of Mr Narendra Kumar Gnagwal , M.D. is to be modify to Fix his remuneration w.e.f. 01.04.2006

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 2005-06 and of the Loss 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
Mumbai, Dated 25.08.2006

Unno Industries Ltd.

Annual Report 2005-06

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.

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
Gaurav Jain	Independent	0	3
Mrs. Neelima Kasliwal	Independent	0	2

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

Audit Committee

During the period 14 meeting were held. One of which was before finalisation of accounts for the year 2006. The said meetings were held on 30.04.05, 30.05.05, 30.06.05, 30.07.05,30.06.05,01.09.05, 30.09.05,03.10.05, 31.10.05, 30.11.05, 30.12.05, 31.01.06,28.02.06, 30.03.06.

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.

Unno Industries Ltd.

Annual Report 2005-06

Director	Designation	Whole-time/ Independent Director	Committee Meeting Attended
Mr. Gaurav Jain	Chairman	Independent Director	9
Chandrikadevi Gangwal	Member	Non Executive	9
Mrs. Neelima Kasliwal	Member	Independent Director	9

Investors Grievances Committee

The Board has constituted an "Investors Grievances Committee" as below :

Name	Designation	Whole-Time / Independent Director
Mrs. Neelima Kasliwal	Chairman	Independent Director
Mr. Gaurav Jain	Member	Independent Director
Mrs. Chandrikadevi Gangwal	Member	Non Executive

Two Complaint has been received by the company from the investors during the period and same has been complied with within a period of 7 days from the date of receipt.

Board meeting & Attendance at Board meeting & Annual meeting

The Board of the company met 12 times during the financial year on 30th April, 04, 28th May, 04, 25th June, 04, 30th July, 04 and 19th August, 04, 2nd Sept. 04, 29th Oct, 04, 15th Nov., 04, 15th Dec., 04, 29th Jan. 05, 28th Feb. 05, 15th March, 05.

Name	Designation	Whole-Time / Independent Director	Board Meetings Attended	Last AGM Attended
Chandrikadevi Gangwal	Chairman	Independent Director	10	Yes
Narendra Kumar Gangwal	Member	M.D.	14	Yes
Gaurav Jain	Member	Independent Director	14	Yes
Mrs. Neelima Kasliwal	Member	Independent Director	10	Yes

General Body Meeting

The location and time of the last three Annual General Meeting held by the company are as under :

Year	Date of AGM	Venue	Time
2002-03	September 29, 2003	Registered Office	11 .00 a.m.
2003-04	September, 30, 2004	Registered Office	11.00 a.m.
2004-05	September, 30, 2005	Registered Office	11.00 a.m.

There was no resolution required to be passed under postal ballots at the above three AGMs. All ordinary/special resolution were passed by show of hands.