

Unno Industries Ltd.

317, Transport Nagar, Scheme No. 44, Indore (M.P.) 452001

Annual Report

2006-07

Report  junction.com

BOARD OF DIRECTORS

Mr. Narendra Kumar Gangwal

Mrs. Chandrikadevi Gangwal

Mr. Gaurav Jain

Mrs. Neelima Kasliwal

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.

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NOTICE

Notice is hereby given that the 15th 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 , 28th September, 2007, Friday 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,2007 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Mrs Shilpi Gangwal as a Director (being eligible) in place of Mrs.Chandrika Devi Gangwal who retires by rotation and does not offer to re appoint.
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.

For and on behalf of the Board

Narendra Kumar Gangwal
Managing Director
Mumbai, dated : 25.08.2007

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 24th September, 2007 to 28th September, 2007 (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.

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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.

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

Information about the appointees

Name of the Director	Mrs. Shilpi Gangwal
Date of Birth	12. 01.1977
Date of Appointment	Ensuring in Annual General Meeting
Expertise in specific Functional Area	Administration
Qualification	Beechlore of Arts (Psychology)
Public Cos. In which Directorship held as on date of appointment	None

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DIRECTORS' REPORT

Your directors have pleasure in presenting the 15th Annual Report together with the audited Financial results for the period ended on 31st March, 2007.

FINANCIAL PERFORMANCE (Rs. in Lacs)

Particulars	Year Ended 31.03.2007	Year Ended 31.03.2006
Income	56.60	62.60
Loss before Taxation	(7.96)	(1.01)
Provision for Taxation (FBT)	0.21	0.21
Loss for the year	(8.17)	(1.22)
EPS	(0.13)	(0.02)

There was a decrease in the interest income due to collection of Loans during the year. However, the company has incurred a net loss of Rs. 20.82 lakh on account of share transaction. Your company has incurred a loss of Rs. 7.96 lakhs. After providing Fringe benefit Tax loss comes to Rs. 8.17 lakhs.

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

Dematerialisation of Shares are pending for want of listing of 13,00,000 additional shares with the Bombay Stock Exchange Ltd. Mumbai issued by the company in the year 2002-03. The stock exchange Mumbai has raised matter of application of SEBI Takeover code for which legal opinion has been sought from consultants and matter is under review. 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.

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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.

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

Mrs Chandrikadevi Gangwal is retiring director by rotation and do not offer herself for re-appointment. The Board acknowledge value of support provided to the company during her tenure.

Mrs. Shilpi Gangwal, being eligible and offer herself for the appointment as a Director and a notice has been received from the shareholders for the proposed appointment. Your directors recommend for her 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 judgments 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 2006-07 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 25.08.2007

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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 6 meeting were held. One of which was before finalisation of accounts for the year 2007. The said meetings were held on 30.04.06, 31.07.06, 25.08.06, 30.10.06, 31.01.07, 30.03.07.

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.

Director	Designation	Whole-time/ Independent Director	Committee Meeting Attended
Mr. Gaurav Jain	Chairman	Independent Director	6
Chandrikadevi Gangwal	Member	Non Executive	6
Mrs. Neelima Kasliwal	Member	Independent Director	6

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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

No Complaint has been received by the company from the investors during the period.

Board meeting & Attendance at Board meeting & Annual meeting

The Board of the company met 9 times during the financial year on

Name	Designation	Whole-Time / Independent Director	Board Meetings Attended	Last AGM Attended
Chandrikadevi Gangwal	Chairman	Independent Director	9	Yes
Narendra Kumar Gangwal	Member	M.D.	9	Yes
Gaurav Jain	Member	Independent Director	9	Yes
Mrs. Neelima Kasliwal	Member	Independent Director	9	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
2003-04	September, 30, 2004	Registered Office	11.00 a.m.
2004-05	September, 30, 2005	Registered Office	11.00 a.m.
2005-06	September, 29, 2006	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.

Management Discussion & Analysis

The Management Discussion & Analysis Report for the year ended 31st March, 2007 is published separately in this Annual Report.

Disclosures

No transactions of material nature is entered into by the company with Promoters, Directors or Management, their relatives etc. that may have a potential conflict with interests of the company. The register of contract containing the transactions in which the directors are interested is placed before the board regularly.

There is no pecuniary transaction with the independent / non- executive directors.

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No penalty is imposed by the stock exchange or SEBI or any other statutory authority on the matter related to Capital Market.

Means of Communication

Quarterly and half yearly reports are published in one English daily newspaper (Free press Journal) circulating in the country and one Hindi newspaper (Chotha Sansar) published from Indore.

All the investors related information are first released to the stock exchange and to the media later on.

Share Transfers

To expedite the transfer process, authority has been delegated to the Share Transfer Committee, which comprises of :

Name	Designation	Whole-Time / Independent Director	No. Meetings Attended
Chandrikadevi Gangwal	Chairman	Non Executive	10
Narendra Kumar Gangwal	Member	M.D.	10
Mr. Gaurav Jain	Member	Independent Director	10

Share transfer/transmissions approved by the Committee are placed at the Meeting from time to time. Details of complaints received, number of shares transferred during the last book closure as well as average time taken for effecting these transfer are highlighted in the "Shareholder Information" section of the Annual Report.

Shareholder Information**I. Annual General Meeting**

Date and Time : 28th September , 2007, 11.00 A.M.
 Venue :
 Registered office : 317, Transport Nagar,
 Scheme No. 44,
 INDORE (M.P.)