

Annual Report 2009-10

Unno Industires Limited

Certified True Copy

For UNNO INDUSTRIES LTD.

[Signature]
Authorized Signatory/Director

Contents

- Notice
- Directors Report
- Report on Corporate Governance
- Auditors Report on Corporate Governance
- Auditors Report
- Balance Sheet
- Profit and Loss Account
- Schedules-A to I
- Schedule-J As per RBI Norms
- Accounting Policies & Notes on Accounts
- Addition information
- Proxy Form
- Attendance Slip

Notice is hereby given that the 18th Annual General Meeting of the members of Unno Industries Limited will be held at Registered office at 2/53, Parijat Housing Society, Mahaveer Nagar, Kandiwali (W), Mumbai (Maharashtra) on 30th September, 2010, Thursday at 10.00 A.M. to transact the following business:

I. ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2010 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. Neelima Kasliwal, Director who retires by rotation and being eligible offer herself 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.

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 pursuant to the provisions of section 198, 269 and 309 and other applicable provisions, if any, of the companies act, 1956 ("the act") read with Schedule XIII, consent of the company be and is hereby given for the re-appointment of Mr. Narendra Kumar Gangwal, as a Managing Director of the company for a period of five years on the terms and condition mentioned below :

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 though fit, to pass with or without modification the following resolution as an ordinary resolution;

"RESOLVED THAT pursuant to the provisions of section 198, 269 and 309 and other applicable provisions, if any, of the companies act, 1956 ("the act") read with Schedule XIII, consent of the company be and is hereby given for the appointment of Mr. Pradeep Patni as a whole time director of the company designated as "Executive Director" for a period of five year w.e.f. 30th September 2010 on the terms and condition mentioned below:-

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.

For and on behalf of the Board

Narendra Kumar Gangwal

Managing Director

Mumbai, dated 21 August, 2010

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 26th September, 2010 to 30th September, 2010 (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 IN TERMS OF SECTION 173 OF THE COMPANIES ACT, 1956.

ITEM NO. :4

Mr. Narendra Kumar Gangal, was re- appointed as Managing Director of the company in 16th AGM of the company, he is aged about 71 years and having wide knowledge of finance, accounts administration etc. with an experience of more than 50 years. Keeping in view his long experience, your board of directors has recommended at its meeting held to pay remuneration subject to your approval.

Except Mr Narendra Kumar Gangwal, MD, None of the director of the company is interested in the above resolution.

You are requested to consider and pass with or without modification the resolution as an "Ordinary Resolution".

ITEM NO.-5

Mr. Pradeep Patni, was re- appointed as a Director of the company in 16th AGM of the company, he is aged about 50 years and having wide knowledge of finance, accounts administration etc. with an experience of more than 30 years. Keeping in view his long experience, your board of directors has recommended at its meeting held to appoint him as whole time Director and Fix remuneration subject to your approval.

Except Mr Pradeep Patni, Director None of the director of the company is interested in the above resolution.

You are requested to consider and pass with or without modification the resolution as an "Ordinary Resolution".

For and on behalf of the Board

Narendra Kumar Gangwal

Managing Director

Mumbai, dated 21 August, 2010

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AT THE FORTCOMING ANNUAL GENERAL MEETING.

(Pursuant to clause 49 of the Listing Agreement)

Name of the Director	Mrs Neelima Kasiwal	Mr Pradeep Patni
Date of Birth	28.02.1970	30.11.1960
Date of Appointment	Ensuing A.G.M.	Ensuing A.G.M.
Expertise in specific Functional Area	Administration	Finance
Qualification	Bachelor of Arts	Master of Commerce
Public Cos. In which Directorship held as on date of appointment	None	None
Membership in Committees	Audit Committee Investors' Grievance Committee	Audit Committee Investors' Grievance Committee Share Transfer Committee

Unno Industries Ltd.

DIRECTORS' REPORT

Your directors have pleasure in presenting the 18th Annual Report together with the audited financial results for the period ended on 31st March, 2010.

FINANCIAL PERFORMANCE (Rs. in Lacs)

Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
Income	67.94	58.97
Loss before Taxation	(6.50)	(7.46)
Provision for Taxation (Deferred Tax Assets)	1.81	0.17
Loss for the year	(4.69)	(7.63)
Provision for Deferred Tax Assets(Prev. Years)	21.94	0.00
EPS	(0.11)	(0.11)

There was a increase in the interest income due to increase in advances during the year. The company has incurred a net loss of Rs. 25.28 lakhs on account of share transaction. Your company has incurred a loss of Rs. 6.50 lakhs. After providing Fringe benefit Tax for previous year , loss comes to Rs. 6.58 lakhs. During the year Deferred Tax assets have been taken in books Rs. 23.83. NPA of the company have increased by Rs. 5.22 Lakhs. During the year no amount have been written off as bad debts.

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.

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.

Unno Industries Ltd.

DIRECTORS

Mrs. Neelima Kasliwal is retiring director by rotation and being eligible offer herself for re-appointment. Your directors recommend for the appointment.

Mr Pradeep Patni director is proposed to appoint as Whole Time Director at a remuneration to be fixed in ensuing annual general meeting. Your directors recommend for the appointment.

Remuneration of Mr. Narendra Kumar Gangwal is proposed to be fixed w.e.f. 01.04.2010 in ensuing general meeting. Your directors recommend for fixing remuneration.

CHANGE IN REGISTERED OFFICE

It may be recalled that resolution for shifting of Registered office of the company from Madhya Pradesh to Maharashtra was passed Postal Ballot on 03.01.2009 to give effect of change in Memorandum of Association. Your company had made petition under section 17 of Companies Act, 1956 for sanction to company Law Board and same is being accepted by the Company Law Board, Mumbai Bench vide dated 03/03/2010. Consequentially change in MOA has been made and Certificate of change is received from Registrar of Companies, Mumbai.

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 2009-10 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 21st August, 2010

Unno Industries Ltd.

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
Shri Narendra Kumar Gangwal	M.D.	0	1
Shri Pradeep Patni	Non Executive	1	3
Gaurav Jain	Independent	0	3
Mrs. Neelima Kasliwal	Independent	0	1

*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 2010. The said meetings were held on 30.04.09, 18.07.09, 21.08.09, 29.10.09, 29.01.10, 30.03.10.

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
Shri Pradeep Patni	Member	Non Executive	6
Mrs. Neelima Kasliwal	Member	Independent Director	6

Investors Grievances Committee

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