



**UNIWORTH  
LIMITED**

**ANNUAL  
REPORT  
2010-2011**



**UNI WORTH  
LIMITED**

## **BOARD OF DIRECTORS**

*(As on 26.08.2011)*

SHRIPAD NARAYAN SHENWAI - *Executive Director*  
KISHORE JHUNJHUNWALA  
ANAND GOPAL BHATNAGAR  
SUBID CHANDRA MAJUMDER  
SANJEEV SAXENA - *MPSIDC Nominee*

## **AUDIT COMMITTEE**

*(As on 26.08.2011)*

KISHORE JHUNJHUNWALA  
ANAND GOPAL BHATNAGAR  
SUBID CHANDRA MAJUMDER  
SHRIPAD NARAYAN SHENWAI

## **COMPANY SECRETARY**

PARTHO PAL CHOWDHURY

## **AUDITORS**

M/s. S. S. KOTHARI & CO.  
Chartered Accountants

## **BANKERS**

ABN AMRO BANK  
ALLAHABAD BANK  
BANK OF AMERICA  
CENTURION BANK LTD.  
DEUTSCHE BANK  
HDFC BANK LTD.  
THE FEDERAL BANK LTD.  
STATE BANK OF MYSORE  
STATE BANK OF INDIA  
UNITED BANK OF INDIA  
UTI BANK LTD.

## **REGISTERED OFFICE**

'UNI WORTH CENTRE'  
70A, Shakespeare Sarani  
Kolkata - 700 017  
Phone : (033) 4000-3100  
Fax : (033) 2280-3620

## **REGISTRARS**

M/s. C.B. Management Services (P) Limited  
P-22, Bondel Road  
Kolkata - 700 019  
Phone : (033) 4011-6700/6711/6718/6723  
Fax : (033) 2287-0263

## **WORKS**

Spinning Unit (100% EOU & DTA)  
Urla Growth Centre  
Raipur, Chattisgarh

## **SILK DIVISION**

Amriti	Urla Growth Centre
Malda, W.B.	Raipur, Chattisgarh





**UNI WORTH  
LIMITED**

**NOTICE :**

Notice is hereby given that the 23rd Annual General Meeting of the Members of UNI WORTH LIMITED will be held at Science City, Seminar Hall, JBS Haldane Avenue, Kolkata – 700 046 on Thursday, the 29th day of September, 2011 at 10.30 A.M. to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Directors' Report and the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. K. Jhunjhunwala, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. A. G. Bhatnagar, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS :**

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

**As Ordinary Resolution :**

- (a) **RESOLVED THAT** Mr. Shripad Narayan Shenwai, who was appointed as Additional Director and also Executive/Whole-time Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 93 of the Company's Article of Association and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received due notice in writing under Section 257 of the Companies Act, 1956 alongwith requisite deposit, proposing his candidature for the Office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.
- (b) **RESOLVED THAT** pursuant to all applicable provisions of the Companies Act, 1956 and subject to compliance of all Statutory formalities and further approvals as may be required of such appropriate authorities as may be applicable and further subject to such conditions or modifications as may be imposed by the Central Government or any such other appropriate authority, or by any enactment or amendment in the existing provisions of law, and which are agreed to by the Board of Directors of the Company, the Company hereby approves the appointment of Mr. Shripad Narayan Shenwai as an Executive/Whole-time Director of the Company, for a period of 5 years with effect from 28th January, 2011 on such remuneration and terms, as set out in the Explanatory Statement.

**Registered Office :**

'UNI WORTH CENTRE'  
70A, Shakespeare Sarani  
Kolkata - 700 017  
Date : 26th August, 2011

By Order of the Board

P. P. Chowdhury  
Company Secretary





**NOTES :**

- a) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received at the Registered Office not less than 48 hours before the meeting.
- b) The Register of Members and Transfer Books of the Company will be closed from 22nd September, 2011 to 29th September, 2011 both days inclusive.
- c) Intimation of any change of address should be given to the Registrar & Transfer Agent/ Company immediately.
- d) Explanatory Statement U/s 173 (2) of the Companies Act, 1956 is annexed herewith in respect of items of Special Business.
- e) Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.

**MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF THE ANNUAL REPORT TO THE MEETING**

**ANNEXURE TO THE NOTICE :**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS**

**Item No. 5(a)**

Mr. S. N. Shenwai, who was appointed as an Additional Director of the Company with effect from 28th January, 2011 in terms of Section 260 of the Companies Act, 1956 and Article 93 of the Article of Association of the Company, vacates his office at this Annual General Meeting. A notice under Section 257 of the Companies Act, 1956 alongwith requisite deposit has been received by the Company from a member proposing the appointment of Mr. S. N. Shenwai as a Director of the Company, liable to retire by rotation.

The proposed resolution is recommended for adoption. None of the Directors except Mr. S. N. Shenwai is concerned and/or interested in the aforesaid resolution.

**Item No. 5(b)**

The Board of Directors had appointed Mr. S. N. Shenwai as an Executive/Whole-time Director of the Company for a period of five years with effect from 28th January, 2011 on remuneration and terms as given below.

Mr. S. N. Shenwai, has long association with the Company with wide experience in Textiles Industry in both Accounts and Commercial Functions. In view of his qualifications and experience it was considered that the appointment of Mr. S.N. Shenwai as Executive Director would benefit the Company.



UNI WORTH  
LIMITED

In accordance with his terms of appointment, Mr. S. N. Shenwai is entitled to the following remuneration :

1. Salary : Rs. 34,692/- per month with Annual increments as per rules of the Company and based on performance.
2. Housing : House Rent Allowance of Rs. 3,442/- per month with increments linked to salary.
3. Medical : Reimbursement of medical expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months' Salary for a period of three years.
4. Leave Travel Assistance : Leave Travel Assistance for self and family, once in a year in accordance with the rules of the Company but limited to one month's salary per year.
5. Other Terms : As per rules of the Company.

The proposed resolution is recommended for adoption. None of the Directors except Mr. S. N. Shenwai is concerned and/or interested in the aforesaid resolution.

**Registered Office :**  
'UNI WORTH CENTRE'  
70A, Shakespeare Sarani  
Kolkata - 700 017  
Date : 26th August, 2011

By Order of the Board

P. P. Chowdhury  
**Company Secretary**

**GREEN INITIATIVES** – on sending Annual Report and Accounts to the members of the Company through electronic mode.

This initiative is pursuant to two circulars bearing nos. 17/2011 and 18/2011 dated 21st April 2011 and 29th April 2011, respectively, issued by the Ministry of Corporate Affairs, Govt. of India.

Under the aforesaid Circulars, service of documents, including Annual Reports and Accounts, upon the shareholders through e-mail - shall be in compliance with Section 53 of the Companies Act, 1956.

The Shareholders (whether holding shares in physical or electronic mode), who are interested to receive soft copy of the Annual Reports and Accounts of the Company on and from the next year, i.e., 2011-12, are requested to register their respective e-mail ids at the web-page of our Registrar & Share Transfer Agent, C B Management Services (P) Ltd., at : [www.cbmsl.com/green.php](http://www.cbmsl.com/green.php)





## **DIRECTORS' REPORT TO THE MEMBERS :**

Your Directors have pleasure in presenting the 23rd Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2011.

### **FINANCIAL HIGHLIGHTS :**

	<b>31st March 2011 (Rs. in Lacs)</b>	<b>31st March 2010 (Rs. in Lacs)</b>
Total Income	<b>15012.40</b>	10641.08
Profit/(Loss) before Interest and Depreciation		
Before prior period adjustment	<b>1149.92</b>	160.29
Previous year adjustments	<b>4.64</b>	(1.23)
Profit / (Loss) before Interest and Depreciation	<b>1154.56</b>	159.06
Less : Interest for the year	<b>5356.69</b>	5361.17
Profit / (Loss) before Depreciation	<b>(4202.13)</b>	(5202.11)
Less : Depreciation	<b>796.87</b>	978.46
Profit /(Loss) before Tax	<b>(4999.00)</b>	(6180.57)
Less : Provision for Taxation	<b>-</b>	-
Fringe Benefit Tax	<b>-</b>	-
Profit / (Loss) after Tax for the year	<b>(4999.00)</b>	(6180.57)
Add : Balance Brought Forward from the Previous year	<b>(73451.20)</b>	(67270.63)
Profit/(Loss) carried to Balance Sheet	<b>(78450.20)</b>	(73451.20)

### **OPERATIONS AND MANAGEMENT DISCUSSION AND ANALYSIS :**

During the year under review, Turnover increased substantially to Rs. 150.12 crores as against Rs. 106.41 crores in the previous year, thereby reflecting a significant increase of over 41%. This has been achieved inspite of severe cash flow shortcomings by narrowing down the working capital cycle and by optimum rotation of available funds. Cash profit before Interest and Depreciation has accordingly showed a significant increase to Rs. 11.49 crores as against Rs. 1.60 crores in the previous year. Overall performance of the textile industry in India has been encouraging with increased demand, both domestic as well as global. However, continued increase in the price of Merino Wool did not allow the bottom line to improve even further.

Performance of the Silk Division continued to improve during the current year. Improved sourcing and pricing of raw materials with stricter cost control measures further contributed towards better returns from this Division.

### **BUSINESS OUT LOOK :**

Demand for textile products have shown encouraging trends and have contributed in improving the performance of the Textiles Industry on a global basis and consequently of Companies in India. However sporadic fiscal instability in certain global markets are a cause of concern. The long term outlook of Dyed Woolen, Polywool worsted and Silk yarn business seems quite potential, and the entire Knitting segment is expected to do even better. The company is continuing its vigorous efforts in domestic market with visible success, and it is therefore expected that with the buoyancy in the international Textiles arena, the future performance of the company will be further strengthened in the coming years.

### **PROCESS OF RESTRUCTURING :**

Under the provisions of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act), ARCIL had taken over possession of the secured assets of the Company's plants appointed Indoworth India Limited as the Custodian of such assets. The Company's business continued throughout the year as usual. However, the matter is subjudice in various suits before the Calcutta High Court and other Forums, and necessary adjustments in the financial statements, if required, would be made upon final adjudication of proceedings.





**UNI WORTH  
LIMITED**

#### **DEPOSITS :**

Your Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereunder.

#### **DIRECTORS' RESPONSIBILITY STATEMENT :**

In compliance of Section 217 (2AA) of the Companies Act, 1956, your Directors state as follows:

- a) That in the preparation of accounts, applicable accounting standards have been followed.
- b) That appropriate accounting policies have been selected and applied consistently with reasonable and prudent judgements and estimates so as to give true and fair view of the state of affairs of the Company.
- c) That proper and sufficient care have been taken for the maintenance of adequate accounting records for safeguarding assets and for preventing fraud and other irregularities.
- d) That the Annual Accounts have been prepared on a going concern basis.

#### **CORPORATE GOVERNANCE :**

As a Listed Company, necessary measures are taken to comply with Clause 49 and all other applicable provisions of Listing Agreements with the Stock Exchanges and other Company Law requirements. A report on Corporate Governance along with a certificate from the Auditors is annexed hereto and forms part of this Report.

#### **AUDITORS' REPORT :**

The observations of the Auditors' Report have been dealt with in the Notes to Profit & Loss Account and the Balance Sheet in Schedule 20 of the Accounts, and being self-explanatory, do not call for any further clarifications.

#### **DIRECTORS :**

Mr. K. Jhunjhunwala and Mr. A. G. Bhatnagar retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

Since the last Annual General Meeting, Mr. Shiv Sharma resigned from the Board w.e.f. 28.01.2011.

Since the last Annual General Meeting, Mr. S. N Shenwai has been appointed as an Additional Director and also as an Executive / Whole-time Director of the Company w.e.f. 28.01.2011.. Appropriate Resolutions seeking your approval for his appointment is appearing in the Notice convening the Annual General Meeting.

#### **AUDITORS :**

M/s S. S. Kothari & Co., Chartered Accountants, Auditors of the Company are retiring at the ensuing Annual General Meeting and are eligible for re-appointment.

#### **PARTICULARS OF EMPLOYEES :**

The Company has no employee whose remuneration is more than the limit specified in Section 217 (2A) of the Companies Act, 1956

#### **ADDITIONAL INFORMATION :**

The statement showing required particulars pursuant to Section 217(1)(e) of the Companies Act, 1956 and the rules framed thereunder is annexed hereto and forms part of this report.

#### **INDUSTRIAL RELATIONS :**

Industrial Relations continued to remain cordial throughout the year. Your Directors wish to place on record their appreciation for dedicated and sincere services rendered by the executives, staff and workmen at all levels.

#### **ACKNOWLEDGEMENT :**

Your Directors acknowledge with gratitude the co-operation and assistance received from the Central and State Government, Financial Institutions, Banks, Shareholders and others during the year under review.

On Behalf of the Board

Place : Kolkata

S. N. Shenwai

S. C. Majumder

Date : 26th August, 2011

Executive Director

Director





**ANNEXURE - I TO THE DIRECTORS REPORT**

**STATEMENT SHOWING PARTICULARS PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1998**

**'FORM A'**

Form for Disclosure of particulars with respect to Consumption of Energy

**ENERGY CONSERVATION :**

<b>A) POWER AND FUEL CONSUMPTION</b>	<b>2010-2011</b>	<b>2009-2010</b>
<b>I. Electricity</b>		
a) Purchase Unit (KWH in lacs)	354.09	249.08
Total Amount (Rs. in lacs)	1254.06	916.35
Rate/KWH (In lacs)	3.54	3.68
b) Own Generation		
Through Generator/Units (KWH in lacs)	7.65	5.25
Units/Ltr.	2.79	3.67
Cost/Unit (Rs./ Unit)	10.84	7.82
<b>II. Coal</b>		
Quantity (tones)	4640.94	3324.27
Total Cost (Rs. in Lacs)	163.90	113.45
Average rate per tone (In Rs.)	3531.62	3412.78
<b>III. Furnace Oil</b>		
Quantity (K. Ltr.)	274.78	142.90
Total Amount (Rs. in Lacs)	82.99	41.04
Average rate per Ltr. (In Rs.)	30.20	28.72
<b>B) CONSUMPTION PER UNIT PRODUCTION</b>		
<b>Production (Kg. in lacs)</b>		
Worsted Yarn	17.16	13.13
Silk Spun Yarn	2.13	1.84
Open End Yarn	0.58	0.21
Noil Yarn	0.25	0.53
Electricity per Kg. (Units)		
Worsted Yarn	8.03	9.23
Silk Spun Yarn	16.12	15.28
Open End Yarn	3.22	2.76
Noil Yarn	2.44	2.32
	<b>1500.95</b>	<b>1070.84</b>

**'FORM B'**

Form for Disclosure of particulars with respect to Technology Absorption

**RESEARCH & DEVELOPMENT (R & D) :**

- Specified areas in which R & D Carried out by the Company :
  - Continuous improvement in Quality Standards to match the International Markets.





- Due to inhouse Research and Development Activities following products were developed and launched during the year.

- i) Wool, Wool blended with Polyester yarn.
- ii) Siro and Siro lycra yarn in Wool and Polywool.
- iii) Polyester/Viscose & polyester Acrylic yarn.
- iv) Blending of Silk with Wool, Nylon and Viscose.

Continuous technological and market innovation to match the changed requirements of the markets.

Incorporated dyeing automation for better receipt management & consistency in shades.

Research & Development lab and pilot plant in Dyeing Department started developing all kinds of shades.

- |   |   |  |
|---|---|--|
| 2. Benefit derived as a result of the above R & D | : | Implemented ISO-9001-2008 - new quality management system duly certify by BIS, during the year.        |
| 3. Future plan of action                          | : | Strengthening the research on quality improvement. To achieve total quality management cost reduction. |
| 4. Expenditure on R & D                           | : |  |
| a) Capital  | : | NIL  |
| b) Recurring                                      | : | Expenses incurred are charged to respective heads and are not allocated separately.                    |

#### TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION :

- |   |   |  |
|---|---|--|
| 1. Efforts in brief made towards technology absorption, adaptation and innovation   | : | The Company always keep close contact with IWS, CSIR and other Internationals, Indian Research Institutes like Inter Wool Lab, Silk Board etc. Various technical experts give their view and suggestion for improving technology. Technical Staff of the Company are sent abroad for training in new technology.   |
| 2. Benefit derived as a result of the above efforts e.g., products improvement, cost reduction, product development, import substitution etc. | : | Benefits derived are :-<br>Better capacity utilization in machine with improved quality.<br>Improvement in productivity per spindle and reduction in cost.<br>By optimizing relative temperature and relative humidity the company has saved considerable amount. By using the latest technology based energy efficient fuses, chokes, tubelight, ballasts and power cables etc., the Company has achieved a significant savings on electricity consumption. |



3. In case of imported technology (Imported during last 5 years reckoned from the beginning of the financial year), following information may be furnished.

a) Technology imported	:	Not Applicable
b) Year of Import	:	Not Applicable
c) Status of Implementation	:	Not Applicable

**FOREIGN EXCHANGE EARNINGS AND OUTGO :**

	2010-2011 (Rs. in Lacs)	2009-2010 (Rs. in Lacs)
a) Foreign Exchange Earnings (including Deemed Export Rs. 1491.15 Lacs)	5784.28	3343.30
b) Foreign Exchange Outgo		
i) CIF Value of Imports		
Raw Material	4372.94	3467.24
Capital Goods	14.26	76.56
Components & Spare Parts	125.63	306.34
ii) Others	1.06	162.45