



**UNIWORTH
LIMITED**

**A N N U A L
R E P O R T
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UNI WORTH
LIMITED

BOARD OF DIRECTORS

(As on 27.08.2012)

SUBHASHCHANDRA KALRA - *Executive Director*
KISHORE JHUNJHUNWALA
ANAND GOPAL BHATNAGAR
SUBID CHANDRA MAJUMDER
SANJEEV SAXENA - *MPSIDC Nominee*

AUDIT COMMITTEE

(As on 27.08.2012)

KISHORE JHUNJHUNWALA
ANAND GOPAL BHATNAGAR
SUBID CHANDRA MAJUMDER
SUBHASHCHANDRA KALRA

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) 4011-6739

WORKS

WOOL DIVISION

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

SILK DIVISION

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



UNIORTH
LIMITED

NOTICE :

Notice is hereby given that the 24th Annual General Meeting of the Members of UNIORTH LIMITED will be held at Science City, Seminar Hall, JBS Haldane Avenue, Kolkata - 700 046 on Friday, the 28th day of September, 2012 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, 2012 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. S. C. Majumder, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. K. Jhunjhunwala, 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. Subhashchandra Kalra, 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. Subhashchandra Kalra as an Executive/Whole-time Director of the Company, for a period of 5 years with effect from 27th February, 2012 on such remuneration and terms, as set out in the Explanatory Statement.

Registered Office :

'UNIORTH CENTRE'
70A, Shakespeare Sarani
Kolkata - 700 017
Date : 27th August, 2012

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.



UNIORTH
LIMITED

- b) The Register of Members and Transfer Books of the Company will be closed from 21st September, 2012 to 28th September, 2012 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) Brief profile of the Directors seeking re-appointment/appointment at the ensuing Annual General Meeting is annexed hereto in compliance of Clause 49(IV)(G)(i) of the Listing Agreement with Stock Exchanges.
- f) 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. Subhashchandra Kalra, who was appointed as an Additional Director of the Company with effect from 27th February, 2012 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. Subhashchandra Kalra as a Director of the Company, liable to retire by rotation.

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

Item No. 5(b)

The Board of Directors had appointed Mr. Subhashchandra Kalra as an Executive/Whole-time Director of the Company for a period of five years with effect from 27th February, 2012 on remuneration and terms as given below.

Mr. Subhashchandra Kalra, has long association with the Company with multi- functional experience in Textiles Industry in both Projects and Commercial Functions. In view of his qualifications and experience it was considered that the appointment of Mr. Subhashchandra Kalra as Executive Director would benefit the Company.

In accordance with his terms of appointment, Mr. Subhashchandra Kalra is entitled to the following remuneration :

- | | | |
|------------|---|---|
| 1. Salary | : | Rs. 75,500/- per month with Annual increments as per rules of the Company and based on performance. |
| 2. CCA | : | Rs. 15,750/- per month with increments linked to salary. |
| 3. Medical | : | Rs. 1,875/- per month as Reimbursement of medical expenses incurred for self and family being. |



UNIORTH
LIMITED

4. Leave Travel Assistance : Rs. 3749/- per month as Leave Travel Assistance for self and family being.
5. Other Terms : As per rules of the Company.

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

Particulars relating to Directors seeking re-appointment/appointment pursuant to Clause 49(IV)(G)(i) of the Listing Agreement.

Mr. S. C. Majumder

Mr. S. C. Majumder is a Law Graduate having vast exposure and experience in Legal and Corporate matters. He was appointed as a Director of the Company on 01.05.2004 and continues to hold the said office since then. He does not hold Directorship of any other Company.

He also does not hold, either directly or indirectly, any Equity Shares of the Company.

Mr. K. Jhunjunwala

Mr. K. Jhunjunwala is a Chartered Accountant and is a widely experienced senior management person having long association with the Company. He was appointed as a Director of the Company on 31.12.2004 and continues to hold the said office since then. He does not hold Directorship of any other Company.

He also does not hold, either directly or indirectly, any Equity Shares of the Company.

Mr. Subhashchandra Kalra

Mr. Subhashchandra Kalra, has long association with the Company with multi – functional experience in Textiles Industry in both Projects and Commercial Functions and has been appointed as an Additional Director and also as an Executive/ Whole-time Director of the Company with effect from 27.02.2012. He does not hold Directorship of any other Company.

Registered Office :

'UNIORTH CENTRE'
70A, Shakespeare Sarani
Kolkata - 700 017
Date : 27th August, 2012

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 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



**UNI WORTH
LIMITED**

DIRECTORS' REPORT TO THE MEMBERS :

Your Directors have pleasure in presenting the 24th Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2012.

FINANCIAL HIGHLIGHTS :

	31st March 2012 (Rs. in Lacs)	31st March 2011(*) (Rs. in Lacs)
Total Income	16495.00	14363.59
Profit/(Loss) before Interest and Depreciation Before prior period adjustment	813.29	1154.39
Previous year adjustments	(12.03)	4.64
Profit / (Loss) before Interest and Depreciation	801.26	1159.03
Less : Interest for the year	5361.16	5361.16
Profit / (Loss) before Depreciation	(4559.90)	(4202.13)
Less : Depreciation	558.51	796.87
Profit /(Loss) before Tax	(5118.41)	(4999.00)
Less : Provision for taxation Fringe Benefit Tax	—	—
Profit / (Loss) after Tax for the year	(5118.41)	(4999.00)
Add : Balance Brought Forward from the Previous year	(78450.20)	(73451.20)
Profit/(Loss) carried to Balance Sheet	(83568.61)	(78450.20)

(*) Figures have been regrouped as per advised norms.

OPERATIONS AND MANAGEMENT DISCUSSION AND ANALYSIS :

During the year under review, total revenue increased to Rs. 164.95 crores as against Rs. 143.64 crores in the previous year. 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 consequently showed a decrease to Rs. 8.13 crores as against Rs. 11.54 crores in the previous year. Overall performance of the textile industry in India was under pressure due to increased prices of raw material and other resources.

Performance of the Silk Division was particularly dismal during the current year due to unprecedented price rise in raw material, which could not be transferred to customers.

BUSINESS OUTLOOK :

Demand for textile products have shown encouraging trends and have contributed in improving the top line of the Textiles Industry on a global basis and consequently of Companies in India. However sporadic fiscal instability in certain global markets was a cause of concern. The long term outlook of Dyed Woolen, Poly wool 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 and appointed Indoworth India Limited as the Custodian of such assets. The Company's



UNI WORTH LIMITED

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.

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 of the Accounts, and being self-explanatory, do not call for any further clarifications.

DIRECTORS :

Mr. S. C. Majumder and Mr. K. Jhunjhunwala retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

During the year, Mr. S. N. Shenwai resigned from the Board with effect from 27.02.2012.

Since the last Annual General Meeting, Mr. Subhashchandra Kalra has been appointed as an Additional Director and also as an Executive/Whole-time Director of the Company with effect from 27.02.2012. Appropriate Resolutions seeking your approval for his appointment are 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



UNI WORTH
LIMITED

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	Subhashchandra Kalra	S. C. Majumder
Date : 27th August, 2012	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

A) POWER AND FUEL CONSUMPTION		2011-2012	2010-2011
I Electricity			
a) Purchase Unit (KWH in lacs)	260.22	354.09	
Total Amount (Rs. In lacs)	1089.97	1,254.06	
Rate/KWH (In lacs)	4.19	3.54	
b) Own Generation			
Through Generator/Units (KWH in lacs)	17.42	7.65	
Units/Ltr.	3.45	2.79	
Cost/Unit (Rs./ Unit)	12.18	10.84	
II Coal			
Quantity (tones)	2639.44	4,640.94	
Total Cost (Rs. In Lacs)	108.84	163.90	
Average rate per tone (In Rs.)	4123.76	3,531.62	
III Furnace Oil			
Quantity (K. Ltr.)	504.98	274.78	
Total Amount (Rs. In Lacs)	212.21	82.99	
Average rate per Ltr. (In Rs.)	42.02	30.20	



**UNI WORTH
LIMITED**

B) CONSUMPTION PER UNIT PRODUCTION	2011-2012	2010-2011
Production (Kg. In lacs)		
Worsted Yarn	14.54	17.16
Silk Spun Yarn	1.67	2.13
Open End Yarn	0.99	0.58
Noil Yarn	0.03	0.25
Electricity per Kg. (Units)		
Worsted Yarn	7.32	8.03
Silk Spun Yarn	44.18	16.12
Open End Yarn	4.60	3.22
Noil Yarn		2.44
	1411.02	1,500.95

‘FORM B’

Form for Disclosure of particulars with respect to Technology Absorption

RESEARCH & DEVELOPMENT (R & D) :

1. 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 & polyster 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 receipe 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.



**UNIORTH
LIMITED**

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 :-
Better capacity utilization in machine with improved quality.
Improvement in productivity per spindle and reduction in cost.
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 :

	2011-2012 (Rs. in Lacs)	2010-2011 (Rs. in Lacs)
a) Foreign Exchange Earnings (including Deemed Export Rs. 1105.38 Lacs P.Y. Rs. 1491.15 Lacs)	6649.57	5784.28
b) Foreign Exchange Outgo		
i) CIF Value of Imports		
Raw Material	2940.00	4372.94
Capital Goods	—	14.26
Components & Spare Parts	274.00	125.63
ii) Others	1.90	1.06