

**34<sup>th</sup>**  
**Annual Report**  
**2016 - 2017**



**UNIPRODUCTS (INDIA) LTD.**



ISO/TS 16949:2009  
ISO 14001:2004  
OHSAS 18001:2007

## BOARD OF DIRECTORS

### Chairman

Mr. Ravinder Mehra

### Managing Director

Dr. Ashwan Kapur

### Directors

Dr. Bhaskar Dutta

Mr. P. R. Khanna

Mr. S. L. Kapur

Mr. A. P. Gandhi

Mr. Arun Kumar Seth

Mr. Arun Mehra

Mr. Arjun Mehra (Alternate Director)

### Chief Finance Officer

Mr. Aditya Capoor

### Company Secretary

Mrs. Preeti Sondhi

### Head Office

Khasra No. 360-361

Village Jonapur, Mehrauli,

New Delhi-110047

### Registered Office

Jarthal Village Road

84 Km. Stone, Delhi-Jaipur Road,

P.O. Sangwari, Distt. Rewari

Haryana-123401

### Corporate Office

C-15, Sector-57,

Noida-201307 (U.P.)

### Auditors

S. N. Dhawan & Co.

Chartered Accountants

410, Ansal Bhawan

16, Kasturba Gandhi Marg,

New Delhi-110001

### Bankers

Yes Bank Limited

### Registrar & Share Transfer Agent

MAS Services Limited

T-34, 2<sup>nd</sup> Floor,

Okhla Industrial Area,

Phase-II, New Delhi-110020

Tel. : 011-26387281-83

Fax : 011-26387384

E-mail : info@masserv.com

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# UNIPRODUCTS (INDIA) LTD.

**Registered office:** Jarthal Village Road, 84 Km. Stone, Delhi-Jaipur Road,  
P.O. Sangwari, Distt. Rewari, Haryana-123401

**Phone:** (01274) 249348-50 **Fax :** (01274) 249347

**Website:** www.unitexindia.com, **Email:** uniproducts@unitexindia.com

**CIN:** U45201HR1982PLC014785

## NOTICE

**NOTICE** is hereby given that the 34<sup>th</sup> Annual General Meeting (AGM) of the members of **Uniproducts (India) Limited** will be held on Friday, August 18, 2017 at 11.30 a.m. at the Registered Office of the Company at Jarthal Village Road, 84 Km. Stone, Delhi-Jaipur Road, P.O. Sangwari, Distt. Rewari, Haryana-123401, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon and the audited consolidated financial statements of the Company for the financial year ended March 31, 2017 and the report of Auditors thereon.
2. To appoint a Director in place of Mr. Arun Mehra (DIN: 06507579), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and on the recommendations of the Audit Committee, M/s Bansal Gupta & Associates, Chartered Accountants (Firm Registration No. 017358N), be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 39<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their appointment by the members at every AGM), to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203, and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V to the Companies Act, 2013, and the recommendations of the Nomination and remuneration Committee, consent of the Company be and is hereby accorded for an increase in the remuneration payable to Dr. Ashwan Kapur (DIN: 00568432) as the Managing Director of the Company w.e.f August 1, 2017 for the remaining period of his tenure as set out below:-

- I. Salary  
Rs. 4,23,000/- per month (from August 1, 2017 to July 31, 2018)
- II. Commission  
1% (one percent) of the net profits of the Company for the financial year as computed in the manner laid down in Section 198 of the Companies Act, 2013.

### III. Allowances & Perquisites

- a. House Rent Allowance: House Rent Allowance @ 60% of basic Salary.
- b. Medical Reimbursement: Expenses incurred for self and family (consisting of spouse, dependent children and dependent parents) subject to a maximum of one month's basic salary.
- c. Leave Travel Allowance: For self and family (consisting of spouse, dependent children and dependent parents) subject to a maximum of one month's basic salary.
- d. Personal Accident and Mediclaim Insurance: Premium not to exceed Rs. 30,000/- per annum.
- e. Car: A Company maintained Car with driver for use in the Company's business.
- f. Electricity: Reimbursement of electricity bills not exceeding Rs. 2,50,000 p.a.
- g. Security: Provision of security guards for residence through a security agency subject to a maximum of Rs. 40,000/- per month.

In addition, he will be entitled to avail leaves with full pay and allowances as per the rules of the Company.

The value of allowances and perquisites shall be taken as per Income Tax Rules, wherever applicable. In the absence of any applicable rules, allowances and perquisites shall be valued at cost.

### IV. The following benefits paid to Dr. Ashwan Kapur as per the policy/rules of the Company in force shall not be included in the aforesaid allowances and perquisites:

1.
  - a. Company's contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
  - b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
  - c. Encashment of leave at the end of the tenure.

### 2. Telephone and other Communication Facilities

The Company shall reimburse expenses of mobile phone, telephone & other communication facilities at the residence of Dr. Ashwan Kapur.

### V. Dr. Ashwan Kapur will also be entitled to re-imburement of entertainment and other expenses actually and properly incurred by him in the course of legitimate business of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be considered necessary, proper or expedient to give effect to this resolution."

**By order of the Board**  
**For UNIPRODUCTS (INDIA) LTD.**

Place : New Delhi  
Date : May 22, 2017

**Registered Office:**  
Jarthal Village Road  
84 Km. Stone, Delhi-Jaipur Road,  
P.O. Sangwari, Distt. Rewari,  
Haryana-123401

**DR. ASHWAN KAPUR**  
**Managing Director**  
DIN : 00568432  
Address : 15 , Ring Road,  
Lajpat Nagar- IV, New Delhi-110024



## NOTES

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed herewith.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**  
**A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10 (TEN) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10 (TEN) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SAME PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY DOES NOT HAVE THE RIGHT TO SPEAK AT THE MEETING AND CAN VOTE ONLY ON A POLL.**  
**THE INSTRUMENT APPOINTING THE PROXY, DUTY COMPLETED AND SIGNED, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE MEETING IS ENCLOSED WITH THIS NOTICE.**
3. The Register of Members and Share Transfer Books of the company will remain closed from August 12, 2017 to August 18, 2017 (both days inclusive) in terms of the provisions of the Companies Act, 2013.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Members/proxies/authorized representatives are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
6. All the documents referred to in the accompanying notice will be open for inspection by the members at the Registered Office of the Company on all working days between 10.00 a.m. to 5.00 p.m. up to the date of the Meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained u/s 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained u/s 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.
8. Members seeking clarifications on the financial statements are requested to send in written queries to the Company at least 10 days before the date of the Meeting. This would enable the Company to compile the information and provide replies in the meeting.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company / MAS Services Limited.
10. Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government and no claim shall lie against the said fund or the Company for the amount so transferred. The unpaid/unclaimed dividend pertaining to the financial year 2009-10 will become due for transfer to IEPF on August 1, 2017 Those shareholders who have not encashed their dividend warrant for the financial year 2009-10 are, therefore, requested to immediately forward the same to the Company for revalidation.

Also, in terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

11. Pursuant to Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in prescribed form SH-13 (which will be made available on request) to the Registrar & Share Transfer Agent- M/s MAS Services Limited. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
12. Ministry of Corporate Affairs (MCA) is promoting electronic communication as a contribution to greener environment. Accordingly, as a part of green initiative soft copy of the Annual Report 2016-17 including the Notice, Attendance Slip and Proxy Form is being sent through electronic mode only to the members whose email addresses are registered with the Company/ Depository Participant(s), unless a member has requested for a physical copy of the same. Members requiring a soft copy of the Annual Report may write to the Company at the [preeti@unitexindia.com](mailto:preeti@unitexindia.com) and/or at the registered address of the Company. For members who have not registered their email addresses, physical copies of the Annual Report 2016-17 including the Notice, Attendance slip and Proxy Form will be sent at their registered address through permitted mode. Members whose e-mail ids are registered with the Company and who wish to receive printed copy of the Annual Report may send their request to the Company at its registered office address.
13. The Annual Report together with the Notice of the Annual General Meeting is also being hosted on the website of the Company [www.unitexindia.com](http://www.unitexindia.com)
14. The members are requested to take the following steps to register their e-mail address and changes therein:
  - a. In respect of shares held in physical form, members should register their e-mail address with our Registrar and Share Transfer Agent, M/s Mas Services Limited at their website [www.masserv.com](http://www.masserv.com) and;
  - b. In respect of shares held in demat mode, members should register their e-mail address with their respective Depository Participants and also with our Registrar and Share Transfer Agent, M/s Mas Services Limited at their website [www.masserv.com](http://www.masserv.com)
15. Voting through electronic means
  - (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 a member of the Company holding shares either in physical form or in dematerialized form, may exercise his right to vote by electronic means (e-voting) in respect of resolution(s) contained in this notice.
  - (ii) The Company has engaged the services of National Securities Depository Limited (NSDL) as Authorised Agency to provide re-mote facility (i.e. the facility of casting votes by member by using electronic voting system from a place other than the venue of the meeting).
  - (iii) The facility for voting through ballot paper shall be made available at the Meeting and the members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper.



- (iv) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (v) The Board of Directors have appointed Mr. Shashikant Tiwari (ACS No. 28994) and failing him Mr. Lakhan Gupta (ACS No.36583) Practising Company Secretary as the Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.
- (vi) The cut-off date for the purpose of re-mote e-voting is August 11, 2017.
- (vii) The remote e-voting period commences on August 15, 2017 (9:00 am) and ends on August 17, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 11, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (viii) The procedure and instructions for remote e-voting are as under:
  - I. In case of Members receiving e-mail from NSDL [for members whose e-mail addresses are registered with Company/Depository Participant(s)]:
    - (a) Open e-mail and open PDF file viz. "UIL-remote e-Voting.pdf" with your client ID or Folio No. (a)Open e-mail and open PDF file viz."UIL-remote e-Voting.pdf" with your client ID or Folio No. as password. The said pdf file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
    - (b) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
    - (c) Click on Shareholder - Login
    - (d) Put user ID and password as initial password noted in step (a) above. Click Login
    - (e) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (f) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (g) Select "EVEN" of "**Uniproducts (India) Limited**".
    - (h) Now you are ready for remote e-voting as Cast Vote page opens.
    - (i) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - (j) Upon confirmation, the message "Vote cast successfully" will be displayed.
    - (k) Once you have voted on the resolution, you will not be allowed to modify your vote.
    - (l) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy(PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [shashikant@cacsindia.com](mailto:shashikant@cacsindia.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - II. In case of Members receiving physical copy of Notice of the Meeting (for members whose e-mail addresses are not registered with Company/Depository Participant(s)or requesting physical copy):
    - (a) Initial password is provided in the communication being sent separately
    - (b) Please follow all steps from Sl. No. (i) (b) to Sl. No. (i) (l) above, to cast vote.

- (ix) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.:1800-222-990.
- (x) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.
- (xi) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (xii) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. August 11, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA, MAS Services Limited.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no: 1800-222-990.
- (xiii) After the items of Notice have been discussed, voting through ballot papers will be conducted under the supervision of the scrutinizer appointed for voting. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date and who have not cast their vote by re-mote e-voting and being present at the meeting, either personally or through proxy, only shall be entitled to vote at the meeting through ballot paper.
- (xiv) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of August 11, 2017
- (xv) The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xvi) The Scrutinizer's decision on the validity of the vote shall be final and binding.
- (xvii) The Result declared along with Scrutinizer's report shall be placed on the website of the Company [www.unitexindia.com](http://www.unitexindia.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.
- (xviii) The resolution will be deemed to be passed on the AGM date subject to receipt of requisite number of votes in favour of resolutions.

**By order of the Board**  
**For UNIPRODUCTS (INDIA) LTD.**

Place : New Delhi  
Date : May 22, 2017

**Registered Office:**  
Jarthal Village Road  
84 Km. Stone, Delhi-Jaipur Road,  
P.O. Sangwari, Distt. Rewari,  
Haryana-123401

**DR. ASHWAN KAPUR**  
**Managing Director**  
DIN : 00568432  
Address : 15 , Ring Road,  
Lajpat Nagar- IV, New Delhi-110024





## EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 of the accompanying Notice dated May 22, 2017.

### Item No. 4

The Board of directors in its meeting held on May 22, 2017 has approved an increase in remuneration payable to Dr. Ashwan Kapur for the remaining period of his tenure, subject to the approval of members. The Nomination and Remuneration Committee has also recommended the increase in remuneration payable to Dr. Ashwan Kapur as Managing Director. The remuneration so approved by the Board and recommended by the Nomination and Remuneration Committee exceeds the limits specified under Schedule V of the Companies Act, 2013. The details of remuneration and perquisites proposed to be paid by the Company to Dr. Ashwan Kapur have been given in the text of the resolution.

The payment of increased remuneration requires approval of members by way of special resolution.

The statement pursuant to Schedule V of the Companies Act, 2013 is as under:

### I. General Information

#### 1. Nature of industry

The Company is engaged in the business of manufacture of wall to wall carpets, interlinings, moulded carpets, noise, vibration and harshness (NVH) insulation parts, roof liner fabrics and heat shields. It also trades in laminated floorings, carpet tiles, engineered wood, loop pile carpets, decorative grass and similar products.

#### 2. Date or expected date of commencement of commercial production

The Company was incorporated in 1982 and commercial production was commenced in 1986.

#### 3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not applicable

#### 4. Financial performance based on given indicators

(Amount in Rs. lacs)

Particulars	2016-17	2015-16
Sales and other Income	32051.09	23135.75
Profit before tax	514.19	(1101.13)
Profit after tax	284.45	(779.70)

#### 5. Foreign investments or collaborations, if any

The Company has not made any foreign investments or foreign collaboration till date.

### II. Information about the appointee

#### 1. Background details

Age : 62 years  
Qualification : Ph.D (University of Leeds)  
Experience : 33 years

Dr. Ashwan Kapur, after receiving his Doctorate in Textile Engineering from the University of Leeds, returned to India where he jointly promoted Uniproducts (India) Limited and pioneered the setting up of the first fully integrated nonwoven plant to manufacture a wide range of needle-punched and dry-laid consumer durables and industrial products. One of Dr. Ashwan Kapur's notable achievements has been the development of needle-punched jute carpets which are both durable and aesthetically

attractive and jute based NVH components used in cars, for which he has received appreciation from Ministry of Textiles, UNDP & the automobile industry.

Dr. Ashwan Kapur has been the Managing Director of the Company since 1984

## 2. Past remuneration

(Amount in Rs. Lacs)

Particulars	2016-17	2015-16
Salary	38.12	33.12
House Rent Allowance	22.87	19.87
Contribution to Provident Fund	4.57	3.97
Leave Enchashment	-	-
Other Perquisites	12.14	8.26
Commission	5.43	-
<b>Total</b>	<b>83.13</b>	<b>65.22</b>

## 3. Recognition or awards

Dr. Ashwan Kapur has presented several technical papers in both national and international seminars on various aspects of non-woven technology and has also served on the Advisory Committee of the Textile Department of the Indian Institute of Technology, New Delhi. He has also acted as an external examiner for M.Tech. and Ph.D at the IIT, Delhi and Mumbai University respectively.

Dr. Ashwan Kapur was honoured by The Textile Institute, Manchester, with the Fellowship of the Institute in 1992 at the age of 35. Only a few Fellowship awards are given out each year. Dr. Ashwan Kapur also holds the distinction of being one of the youngest to receive this honour.

Owing to the technical expertise of Dr. Ashwan Kapur, the Company has been able to consistently provide high quality products at lowest possible cost for which it has won several recognitions and awards.

## 4. Job profile and his suitability

As Managing Director, Dr. Ashwan Kapur oversees various functions of the Company namely manufacturing, research & development, marketing, finance and administration. Being a doctorate in textiles, he is one of the pioneers in India in the field of non-woven textiles. He has a rich and varied background as a self-made industrialist. As a technical expert, he provides solutions to complex problems faced by the Company in manufacturing and/or research, gives foresight and vision in Marketing and Planning. His insight & experience has largely contributed to the Company's progress in the present competitive environment.

## 5. Remuneration proposed

As referred in the draft resolution at item no. 4 of the Notice.

## 6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)

While approving the above remuneration, the Nomination and Remuneration Committee considered the challenges posed by the growth opportunities in the automotive industry, the availability of senior managerial personnel at Board level and remuneration paid by similar sized companies to their Managing Directors. The Committee also considered the achievement of the Managing Director and the responsibilities cast upon him for steering the Company in a competitive and growth oriented scenario in the automotive sector which justified the remuneration. The Committee also noted that the profile of the incumbent Managing Director is eminently suited to the overall profile of this position. For the responsibility shouldered by Dr. Ashwan Kapur, Managing Director of the Company in navigating the business in these challenging times, the remuneration paid to him is commensurate and compares favourably with the compensations paid to the business heads of like sized and similarly positioned businesses.



(Figures in Rs. Lacs)

Name of the Company	Turnover as on 31.03.2016	Name of the person	Position	Remuneration
Sterling Tools Limited	36937.47	Mr. Manohar Aggarwal	Chairman	102.34
Talbro's Automotive	31008.52	Mr. Umesh Talwar	Chairman & Managing Director	108.64

Source : Annual Reports 2015-16

**7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any**

As on March 31, 2017, Dr. Ashwan Kapur holds 13,94,244 equity shares in the Company representing 8.39% of the total paid up capital of the Company. The Company has taken on lease the following two properties:

- located at New Delhi for use as Company's head office and for storage & sale of carpets, interlinings etc (owned by Unicel Impex Private Limited in which Dr. Ashwan Kapur is a director and shareholder)
- located at Chennai for use as Company's Sales office (owned by Dr. Ashwan Kapur)

**III. Other information**

**1. Reasons of loss or inadequate profits**

The automotive sector has remained in the grip of a slowdown for the past few years, which was the main reason for the poor performance of the Companies. During the period, the Company had already made investments for creating adequate manufacturing capacity and had to maintain manpower for the anticipated capacity utilisation and bear the salary cost as well as the increase in the wages of workers as per the settlement, as the Company could not anticipate such circumstances at the beginning of the year. Furthermore, increase in cost of certain petroleum based inputs and high interest costs due to a high level of debt which had been borrowed to build capacity also contributed to the decline in profitability. For the first time thereafter, the passenger vehicle segment has witnessed a growth of 9% compared with FY 2015-16. The efforts made during the above mentioned period have borne fruit and during the FY 2016-17, the Company has witnessed a turnaround with an increase in sales of 38% over the previous year and has shown a PBT of Rs. 5.14 crores and PAT of Rs. 2.85 crores. The prospects for FY 2017-18 also appear bright with sales expected to grow by 18% and the profits of the company are slated to improve progressively.

**2. Steps taken or proposed to be taken for improvement**

The Company has taken steps to reduce costs and to improve efficiencies, tap new business opportunities, diversify its business, enhance value addition to its customer base, maximize capacity utilization with least cost etc. The Company has added new products to its portfolio such as fenders and car mats which have contributed to an increase in sales during FY 2016-17. Several new customers have also been added to its portfolio such as Isuzu, VECV and others which has also contributed to sales and shall add further volumes during the coming years. The Company has introduced technology for inhouse manufacture of certain components which has brought about reduction in material costs. All the above efforts have resulted in an increase in sales volume and a decrease in cost which is contributing to the profitability.

### 3. Expected increase in productivity and profits in measurable terms

With the reduction in costs, improvement in efficiencies, improved value addition and product diversification, the Company hopes to optimize capacity utilization and generate higher revenues and profitability. During FY 2016-17, the Company has earned a PBT of Rs. 5.14 crores and PAT of Rs. 2.85 crores.

### IV. Reasons and Justification for payment of remuneration beyond the limits prescribed under Schedule V

The turnaround in the performance of the Company during the FY 2016-17 has been achieved through the strenuous efforts made by Dr. Ashwan Kapur in acquiring new businesses, developing new products and in introducing technologies which has enabled cost reduction. Being an expert in technical textiles, his knowledge in the field has greatly helped in the development of new products which have replaced the plastic products earlier being used in cars. Introduction of new technologies for manufacture of components has contributed significantly in improving the Company's profitability. The management and marketing skills that he exhibits have been the main reasons, why our company has been able to acquire new automotive customers.

Dr. Ashwan Kapur and his relatives may be deemed to be concerned or interested in the said resolution. No other Director, key managerial personnel or their relatives are concerned or interested financially or otherwise, in the proposed resolution mentioned at Item No.4.

The Board of Directors recommends the resolution set forth in item No. 4 for approval of the Members.

**By order of the Board**  
For **UNIPRODUCTS (INDIA) LTD.**

Place : New Delhi  
Date : May 22, 2017

**Registered Office:**  
Jarthal Village Road  
84 Km. Stone, Delhi-Jaipur Road,  
P.O. Sangwari, Distt. Rewari,  
Haryana-123401

**DR. ASHWAN KAPUR**  
**Managing Director**  
DIN : 00568432  
Address : 15 , Ring Road,  
Lajpat Nagar- IV, New Delhi-110024



## DIRECTORS' REPORT

To The Members,

Your Directors have pleasure in presenting their 34<sup>th</sup> Annual Report on the business and operations of the Company and the audited financial statements for the financial year ended March 31, 2017.

### FINANCIAL HIGHLIGHTS

The financial performance of the Company for the financial year ended March 31, 2017 is summarized below:

Particulars	Year ended March 31, 2017 (Rs. in lacs)	Year ended March 31, 2016 (Rs. in lacs)
Sales and other Income	32051.09	23135.75
Gross Profit/Loss before Interest, Depreciation and Miscellaneous Expenditure written off	3051.90	1431.12
Less : Interest	1190.33	1255.23
Depreciation	1347.38	1277.02
Profit/(Loss) before tax	514.19	(1101.13)
Provision for current tax (MAT)	118.71	-
Deferred tax (Assets)/Liability	171.24	(360.70)
Mat Credit Entitlement	(60.21)	39.27
Profit/(Loss) after tax	284.45	(779.70)
Surplus brought forward	(906.41)	(126.71)
Profit available for appropriation	(621.96)	(906.41)
General Reserve	-	-
Proposed Dividend	-	-
Corporate Dividend Tax	-	-
Balance carried to the Balance Sheet	(621.96)	(906.41)

### STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Company has recorded an increase in sales in the financial year 2016-17 as compared with 2015-16. Overall sales increased by 38.28% against the previous year despite a tepid growth in the manufacturing sector.

The pre-tax profit incurred by the Company during financial year 2016-17 is Rs. 514.19 lacs as compared to the pre-tax loss of Rs. 1101.13 lacs recorded during 2015-16. The profit after tax is Rs. 284.45 lacs as compared with the loss after tax of Rs. 779.70 lacs recorded during financial year 2015-16. The efforts that were made by the Company to secure more business, add customers and reduce costs have finally resulted in a significant improvement in sales and profits.

The Company will continue its efforts to reduce costs and improve efficiencies, tap new business opportunities, diversify its product portfolio, enhance value addition to its customer base and maximize capacity utilization with least cost to improve profitability. With these efforts the Company hopes to generate higher revenues and profitability.

The Company has also invested in new technologies and assets for product diversification and to make available adequate manufacturing capacities for the growth and to cater to customer requirements in the forthcoming years. It has also received orders for its products which will be supplied for various models of cars to be launched in the next financial year.

The Company has ensured that the set back of the previous few financial years has reversed by undertaking strenuous efforts in achieving "customer delight" through manufacture of world class products at competitive prices. The Company intends to strengthen its resolve to follow the paradigm of "Customer is King", and to achieve this end, the Company has continued its efforts in implementing Total Productivity Management (TPM) techniques in production.

It will continue to pursue lean manufacturing diligently for improving efficiencies, productivity & yield. Product diversification and new product development have been identified as thrust areas and several green, recyclable and lighter products have been launched over the years which now contribute steadily to the Company's turnover and profits. We continue to lay emphasis on safety, health, quality systems at all our plants and other cost reductions through VAVE. Institution of energy audits and implementation of the recommendations to optimize energy consumption, as well as strict control over overhead costs is also given due importance.

The automotive sector has witnessed moderate growth during financial year 2016-17. The long term outlook continues to be bullish with the car penetration being only 18 per thousand in India against 128 per thousand in China, and the passenger vehicle production to be around 7.5 million by the year 2025. India has become a hub for small cars, as well as for outsourcing of auto components as almost all major global car manufacturers have set up manufacturing facilities in India. Our Company is well established to participate in this growth story through its existing wide range of products which it supplies to most car manufacturers in India. The Company anticipates cost pressures, but plans to maintain its margins through improved productivity, cost reductions, VAVE measures and focus on high value added products.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your company continues to have two joint venture companies viz. Juken Uniproducts Private Limited and Uniproducts Kyoshin Private Limited as on March 31, 2017. During the year, no company has become or ceased to be a subsidiary, joint venture or associate of our Company.

However on May 15, 2017, Uniproducts (India) Limited acquired 50% shares of Uniproducts Kyoshin Private Limited from the joint venture partner, Kyoshin Co. Ltd., Japan. Post the acquisition of shares, Uniproducts Kyoshin Private Limited is no longer a joint venture company and has become a wholly owned subsidiary of Uniproducts (India) Limited.

Pursuant to Section 129 (3) of the Companies Act, 2013, Consolidated Financial Statements presented by the Company include the financial statements of its joint venture companies.

Further, a statement containing the salient features of the financial statements of the Company's subsidiaries is set out in the prescribed Form AOC-1 attached as Annexure E and forms part of this Report.

## REPORT ON THE PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

Pursuant to Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014 the report on performance of subsidiaries, associates and joint venture companies and their contribution to the overall performance of the Company is as under:

Particulars	Amount (Rs. in Lacs)			
	Juken Uniproducts Private Limited		Uniproducts Kyoshin Private Limited	
	2016-17	2015-16	2016-17	2015-16
Total Revenue	3013.14	2439.32	2.12	1.73
Total Expense	2646.77	2244.95	0.47	0.89
Exceptional Items	-	-	-	-
Profit Before Tax	366.37	194.37	1.65	0.84
Tax	108.86	65.49	0.39	0.16
Profit After Tax	257.51	128.88	1.26	0.68
Contribution to the overall performance of the company*	144.24	86.00	0.63	0.34

\* The aforesaid values are calculated on profit before tax figure and exclude the inter-company transactions.



## **DIVIDEND**

On account of carry forward losses, your Directors do not recommend dividend for the year ended March 31, 2017.

Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend for the financial year 2008-09 amounting to Rs. 86,608/- which remained unpaid or unclaimed for a period of seven years, has been transferred by the Company to the Investors Education and Protection Fund (IEPF) of the Central Government.

Further in compliance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, your company has initiated the process of transfer of equity shares, in respect of which dividend is unpaid or unclaimed for a period of seven years, to Investors Education and Protection Fund (IEPF) of the Central Government.

## **TRANSFER TO RESERVES**

The Board of directors have not proposed any transfer to reserves due to inadequacy of profits earned during the year.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT**

As a result of the efforts made by the company in the previous years to secure additional businesses and improve its profitability, the Company has successfully managed to turnaround and has achieved significant growth in sales and profits. The details of its revenues and profits are mentioned in the appropriate sections of this report. The Company also foresees continuing growth in its revenues and improvement in profitability in the years ahead.

During the year the Company and its JV partner viz. Kyoshin Co Ltd, Japan came to a conclusion after many years to efforts that the JV Company viz. Uniproducts Kyoshin Private Limited may not be able to secure the business required to maintain profitable operations. It was therefore decided to conclude the Joint Venture and accordingly our Company has purchased the entire shareholding of its JV partner in the JV Company, post the approval of its Board of Directors in their meeting held on February 27, 2017. The transaction was completed on May 15, 2017.

## **DIRECTORS**

During the year under review, Mr. Farhan Kidwai ceased to be alternate director w.e.f. November 17, 2016. Mr. Arjun Mehra has been appointed as an alternate director to Mr. Arun Mehra w.e.f. February 27, 2017.

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mr. Arun Mehra, Director will retire by rotation at the ensuing AGM, and being eligible, offer themselves for re-appointment in accordance with provisions of the Companies Act, 2013.

## **KEY MANAGERIAL PERSONNEL**

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Dr. Ashwan Kapur	:	Managing Director
Mr. Aditya Capoor	:	Chief Financial Officer
Mrs. Preeti Sondhi	:	Company Secretary

During the year, Ms. Smriti Seth resigned from the post of Company Secretary w.e.f. October 31, 2016. Mrs. Preeti Sondhi (Membership No. F8676) has been appointed as the Company Secretary w.e.f. November 18, 2016.

## **EVALUATION OF BOARD**

Pursuant to the provisions of the Companies Act, 2013, the Board has adopted a mechanism for evaluation of performance of the individual directors and of the Board as a whole.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Boards' functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.



A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as attendance and participation in board, committee and general meetings, preparation and contribution, knowledge and communication, independence of judgement, safeguarding the interest of the Company etc.

The performance evaluation of each director was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman, Non Independent Directors and Board as a whole was carried out by the Independent Directors. The Directors expressed overall satisfaction with the evaluation process.

## MEETINGS OF BOARD AND ITS COMMITTEES

### Meetings of Board

During the financial year 2016-17, four(4) board meetings were held on May 9, 2016, August 17, 2016, November 18, 2016 and February 27, 2017. The attendance of directors at the board meetings is as given below:

Name of Directors	Designation	Attendance Particulars Number of Board Meetings	
		Held	Attended
Mr. Ravinder Mehra	Chairman	4	2
Dr. Ashwan Kapur	Managing Director	4	4
Dr. Bhaskar Dutta	Director	4	4
Mr. P. R. Khanna	Director	4	3
Mr. S. L. Kapur	Director	4	4
Mr. A. P. Gandhi	Director	4	3
Mr. Arun Kumar Seth	Director	4	4
Mr. Arun Mehra	Director	4	0
Mr. Farhan S Kidwai*	Alternate Director	2	2
Mr. Arjun Mehra*	Alternate Director	1	1

\*Mr. Farhan S Kidwai ceased to be alternate director w.e.f. November 17, 2016. Mr. Arjun Mehra has been appointed as an alternate director to Mr. Arun Mehra w.e.f. February 27, 2017. Mr. Arun Mehra has attended the meetings through alternate director Mr. Farhan S Kidwai and Mr. Arjun Mehra.

### Meetings of Audit Committee

During the financial year 2016-17, four(4) meetings of the Audit Committee were held on May 9, 2016, August 17, 2016, November 18, 2016 and February 27, 2017. The attendance of directors at the audit Committee meetings is as given below:

Name of Directors	Designation	Attendance Particulars Number of Committee Meetings	
		Held	Attended
Mr. P. R. Khanna	Chairman	4	3
Mr. S. L. Kapur	Member	4	4
Mr. Arun Kumar Seth	Member	4	4





## Meetings of Nomination and Remuneration Committee

During the financial year 2016-17, three(3) meetings of the Nomination and Remuneration Committee were held on May 9, 2016, November 18, 2016 and February 27, 2017. The attendance of directors at the committee meetings is as given below:

Name of Directors	Designation	Attendance Particulars Number of Committee Meetings	
		Held	Attended
Mr. A. P. Gandhi	Chairman	3	3
Mr. Ravinder Mehra	Member	3	2
Mr. S. L. Kapur	Member	3	3

## Meetings of Share Transfer and Stakeholders Relationship Committee

During the financial year 2016-17, four(4) meetings of Share Transfer and Stakeholders Relationship Committee were held on May 9, 2016, August 17, 2016, November 18, 2016 and February 27, 2017. The attendance of directors at the committee meetings is as given below:

Name of Directors	Designation	Attendance Particulars Number of Committee Meetings	
		Held	Attended
Mr. S. L. Kapur	Chairman	4	4
Dr. Ashwan Kapur	Member	4	4
Dr. Bhaskar Dutta	Member	4	4

## Meetings of Borrowing Committee

No meeting of the borrowing committee was held during the year.

## AUDIT COMMITTEE

### Composition

As on March 31, 2017, the Audit Committee consisted of the following members:

Name of Member	Designation	Category
Mr. P. R. Khanna	Chairman	Non-Executive & Independent
Mr. S. L. Kapur	Member	Non-Executive & Independent
Mr. Arun Kumar Seth	Member	Non-Executive & Non Independent

Majority of the members of the Audit Committee are Independent and Non-Executive Directors. All the recommendations made by the Audit Committee were accepted by the Board.

## EXTRACT OF ANNUAL RETURN:

An extract of the Annual Return as on March 31, 2017 in the prescribed Form MGT-9 pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is attached as `Annexure A` and forms part of this report.

## PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The company has not given any loans or guarantees or provided any security covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company is given in the notes to the financial statements.

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## **PARTICULARS OF CONTRACTS AND ARRANGEMENTS MADE WITH RELATED PARTIES**

The particulars of contracts or arrangements made with related parties referred to in Section 188(1) of the Companies Act, 2013, in Form AOC-2 is attached as 'Annexure B' and forms part of this Report.

## **VIGIL MECHANISM**

The Company has adopted a Vigil Mechanism/Whistle Blower Policy to provide appropriate avenues to the employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. The employees are encouraged to raise any of their concerns by way of whistle blowing and during the year under review, no concerns or irregularities have been reported. The vigil mechanism is also posted on the Company's website.

## **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is attached as 'Annexure C' and forms part of this Report.

## **RISK MANAGEMENT POLICY**

The Company has developed and implemented a risk management framework that includes identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company. The risks and concerns identified by the Company on which it needs to focus are highlighted in the paragraphs below.

### **Risks**

Since the bulk of the Company's business is from the automobile sector, any downturn in this sector or loss of sales could impact our turnover and profitability. High interest rates and fuel prices have adversely affected the fortunes of the automotive sector and will continue to have an impact on our Company. To mitigate these risks, the company is continuously attempting to diversify its business portfolio by adding new products for the automotive sector and simultaneously increasing the sales of its Lifestyle division. Moreover, any significant increase in input costs that cannot be absorbed by sale prices or through manufacturing efficiencies could also impact our profitability. To mitigate this risk the Company pursues various VAVE measures to reduce costs. The Company has also got an overall risk assessment done for its entire operations, and is implementing the various suggestions for risk mitigation mentioned in the report.

### **Concerns**

Global automobile carpet and NVH parts manufacturers are setting up manufacturing base in India because of the large and growing market here. Therefore, competition is likely to get intense in the future. In the opinion of the Board, there does not exist any risk which may threaten the existence of the Company.

## **DECLARATIONS BY INDEPENDENT DIRECTORS**

Pursuant to provisions of Section 134(3)(d) of the Companies Act, 2013, with respect to statement on declaration given by Independent Directors under Section 149(6) of the Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of independence as provided in the said Section 149(6).

## **DIRECTORS RESPONSIBILITY STATEMENT**

As per Section 134(3)(c) of the Companies Act 2013, the Directors of the Company hereby declare that:

- (i) in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors had 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 affairs of the Company at the end of the financial year, and of the profit and loss of the Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;



- (iv) the Directors had prepared the annual accounts on a going concern basis; and
- (v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **DISCLOSURE PURSUANT TO EMPLOYEES STOCK OPTION PLAN**

The details required to report under to Rule 12(9) of the Companies (Share Capital and Debentures) Rules 2014 in respect of employee stock option plan of the Company are given below:

- a) Options granted - Nil
- b) Options vested - Nil
- c) Options exercised - Nil
- d) the total number of shares arising as a result of exercise of Options - Nil
- e) Options lapsed - Nil
- f) the exercise price - Not applicable
- g) variation of terms of Options - Nil
- h) money realised by exercise of Options - Nil
- i) total number of Options in force [(a) - (d) - (f)] - Nil
- j) Employee wise details of Options granted to -
  - (i) key managerial personnel - Nil
  - (ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year - Nil
  - (iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant- Nil

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as `Annexure D` which forms part of this report.

## **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

The Company has a proper and robust system of internal controls geared towards achieving efficiency of business operations, safeguarding the Company's assets and ensuring optimum utilization of resources. Such controls also ensure accuracy and promptness of financial reporting and compliance with statutory regulations. The Company has stringent internal audit procedures, with the audit being conducted by an external firm of Chartered Accountants. Significant audit findings and suggestions, along with the 'Action Taken Report', are regularly placed before the Audit Committee comprising independent Directors for their information and direction. The internal auditors of the Company have also submitted a report during the course of the internal audit confirming the adequacy of the internal financial controls over financial reporting existing in the Company.

The Company is using its ERP software successfully in the operational areas of all the Company's business units.

## **STAUTORY AUDITORS AND AUDITORS' REPORT**

The Auditors' Report received from M/s. S.N. Dhawan & Co., Chartered Accountants, the statutory auditors of the Company read together with Annexure referred to in the Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimers.

Further, M/s. S.N. Dhawan & Co., Chartered Accountants, the statutory auditors of the Company retires at the ensuing Annual General Meeting of the Company. In pursuance to Section 139 of the Companies Act, 2013, M/s Bansal Gupta & Associates, Chartered Accountants are being proposed to be appointed as the statutory auditors of the Company for next 5 financial years.

Pursuant to Section 141 of the Companies Act, 2013 and relevant Rules prescribed there under, the Company has received certificate from the M/s Bansal Gupta & Associates to the effect, inter-alia, that their re-appointment, if made, would be within the limits laid down by the Act, shall be as per the term provided under the Act, that they are not disqualified for such re-appointment under the provisions of applicable laws and also that there is no proceeding against them or any of their partners pending with respect to professional matter of conduct.

#### **DETAILS OF FRAUD REPORTED BY THE AUDITORS, IF ANY,**

The auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and rules made thereunder.

#### **SECRETARIAL AUDITORS AND THEIR REPORT**

M/s Chandrasekaran Associates, Company Secretaries, were appointed as Secretarial Auditors of the Company for the financial year 2016-17 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as 'Annexure F' and forms part of this report.

There are no qualifications, observations, adverse remarks or disclaimer of the Secretarial Auditors in the Report issued by them for the financial year 2016-17 which call for any explanation from the Board of Directors.

#### **SIGNIFICANT AND MATERIAL ORDERS**

The Company has not received any significant or material orders passed by any regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

#### **DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the financial year 2016-17.

Number of complaints received	Nil
Number of complaints disposed off	Nil

#### **VOLUNTARY CORPORATE SOCIAL RESPONSIBILITY INITIATIVE**

We have always believed that a business is an active entity of society and economy, and plays an important role in nation building. Your Company has been actively contributing to the overall growth of the society through various CSR initiatives undertaken voluntarily even though it is not covered under the provisions of Section 135 of the Companies Act 2013. The Company's CSR activities follow the governments initiatives highlighted in their slogan viz. "Swachh Bharat Abhiyaan". The focus area of the CSR activities has been promoting health care and hygiene.

The Company has selected a school each in Ladhuwas Gurjar & Panchor villages within which our plant at Rewari is located. These schools have been selected as they have a higher ratio of girl child. The Company renovated existing washrooms to make them more hygienic and constructed additional washrooms wherever required. The Company's HR team led by female employees conducted training sessions to educate the children on importance of hygiene and how to use washrooms. The cleaning staff of the schools was given training in maintaining spotless cleanliness in washrooms and sustaining the maintenance process. The Company also



provides cleaning kits and trolleys having all necessary cleaning equipment and materials to these schools. The Company is also providing the portable water for which it has constructed a pipeline and installed taps for us.

The Company undertook a second CSR initiative of "Beti Bachao, Beti Padhao" for which it conducted competitions including poster making and distributed special prizes to motivate the students. It intends to diversify this initiative in the coming years.

#### **DISCLOSURE ON DEPOSIT UNDER CHAPTER V**

The Company has neither accepted nor renewed any deposits during the Financial Year 2016-17 in terms of Chapter V of the Companies Act, 2013.

#### **NATURE OF BUSINESS**

There has been no change in the nature of business of the Company.

#### **EMPLOYEE RELATIONS**

Relations between the employees and the management remained cordial during the year. The Directors wish to place on record their sincere appreciation for the efficient and committed services rendered by the employees at all levels. Their dedication and commitment has been and continues to be instrumental to the success of the Company.

#### **ACKNOWLEDGEMENTS**

Your Directors are pleased to record their gratitude for the understanding and support received from the shareholders, financial institutions, bankers, customers and suppliers of the Company.

**For and on behalf of the Board of Directors of Uniproducts (India) Limited**

Place : New Delhi  
Date : May 22, 2017

**DR. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432

**ARUN KUMAR SETH**  
Director  
DIN : 00794656

## ANNEXURE A TO DIRECTORS' REPORT

Form No.MGT-9

### EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1)  
of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS

i.	CIN	U45201HR1982PLC014785
ii.	Registration Date	02.12.1982
iii.	Name of the Company	UNIPRODUCTS (INDIA) LIMITED
iv.	Category / Sub-Category of the Company	Company Limited by Shares
v.	Address of the Registered office and contact details	Jarthal Village Road, 84 Km. Stone, Delhi-Jaipur Road, P.O. Sangwari, Distt. Rewari, Haryana-123401 Phone :01274-249348-50
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent,	MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 Phone : 011-26387281-83 Fax : 26387384

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of other textiles	139	58.26%
2	Manufacture of parts and accessories for motor vehicles	293	35.34%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Juken Uniproducts Private Limited 15 Ring Road, Lajpat Nagar - IV, New Delhi-110024	U25206DL2005PTC143671	Associate	45	Section 2(6)
2.	Uniproducts Kyoshin Private Limited 15 Ring Road, Lajpat Nagar - IV, New Delhi - 110024	U28999DL2014PTC271533	Associate	50	Section 2(6)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual/HUF	526861	942533	1469394	8.85	526861	942533	1469394	8.85	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1835000	-	1835000	11.05	1835000	-	1835000	11.05	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	2361861	942533	3304394	19.90	2361861	942533	3304394	19.90	-
<b>2) Foreign</b>									
a) NRIs-Individuals	500000	-	500000	3.01	500000	-	500000	3.01	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	11955626	11955626	71.98	-	11955626	11955626	71.98	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	500000	11955626	12455626	74.99	500000	11955626	12455626	74.99	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2861861	12898159	15760020	94.89	2861861	12898159	15760020	94.89	-
<b>B. Public Shareholding</b>									
<b>1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
<b>2) Non - Institutions</b>									
a) Bodies Corp.									
i) Indian	10823	3200	14023	0.08	10583	3200	13783	0.08	(0.00)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	219220	204853	424073	2.55	219960	204353	424313	2.55	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	28690	-	28690	0.17	28690	-	28690	0.17	-
c) Others (specify)									
NRI	2875	-	2875	0.02	2875	-	2875	0.02	-
Clearing member	200	-	200	0.00	200	-	200	0.00	-
Trust	-	380000	380000	2.29	-	380000	380000	2.29	-
Sub-total (B)(2)	261808	588053	849861	5.11	261808	588053	849861	5.11	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	261808	588053	849861	5.11	262308	588053	849861	5.11	-
C. Public Shareholding Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	3123669	13486212	16609881	100	3124169	13485712	16609881	100	0.00

## ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Dr. Ashwan Kapur	1394244	8.39	-	1394244	8.39	-	-
2.	Uniproducts Mauritius Ltd	6413925	38.62	-	6413925	38.62	-	-
3.	DeuxMontagnes Investments Ltd	5541701	33.36	-	5541701	33.36	-	-
4.	Darrameks Hotels & Developers Private Limited	1825000	10.99	-	1825000	10.99	-	-
5.	Unicellmpex Private Limited	10000	0.06	-	10000	0.06	-	-
6.	Mitter Seth	3000	0.02	-	3000	0.02	-	-
7.	Rakhminder Mehra	500000	3.01	-	500000	3.01	-	-
8.	Ashima Kapur	4200	0.03	-	4200	0.03	-	-
9.	Narmata Kapur	4100	0.03	-	4100	0.03	-	-
10.	Ankit Kapur	900	0.01	-	900	0.01	-	-
11.	Palka Kapur	18300	0.11	-	18300	0.11	-	-
12.	ChanderMohini Kapur	27900	0.17	-	27900	0.17	-	-
13.	Rajinder Mehra	4000	0.02	-	4000	0.02	-	-
14.	Santosh Khosla	2200	0.01	-	2200	0.01	-	-
15.	Saroj Sawhney	2200	0.01	-	2200	0.01	-	-
16.	Niren Khattar	8150	0.05	-	8150	0.05	-	-
17.	J N Mehra	200	0.00	-	200	0.00	-	-
	<b>Total</b>	<b>15760020</b>	<b>94.89</b>		<b>15760020</b>	<b>94.89</b>		

## iii) Change in Promoters' Shareholding

Sl. No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the End of the year	-	-	-	-





# UNIPRODUCTS (INDIA) LTD.

## iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Uniproducts India Employees Welfare Trust				
	At the beginning of the year	380000	2.29	380000	2.29
	Bought during the year	-	-	380000	2.29
	Sold during the year	-	-	380000	2.29
	At the End of the year	380000	2.29	380000	2.29
2	Snehalatha Singhi				
	At the beginning of the year	28690	0.17	28690	0.17
	Bought during the year	-	-	28690	0.17
	Sold during the year	-	-	28690	0.17
	At the End of the year	28690	0.17	28690	0.17
3	Basudeb Goswami				
	At the beginning of the year	10000	0.06	10000	0.06
	Bought during the year	-	-	10000	0.06
	Sold during the year	-	-	10000	0.06
	At the End of the year	10000	0.06	10000	0.06
4	Shailesh K Bhansali				
	At the beginning of the year	4300	0.03	4300	0.03
	Bought during the year	-	-	4300	0.03
	Sold during the year	-	-	4300	0.03
	At the End of the year	4300	0.03	4300	0.03
5	Haryana State Industrial Development Corporation Ltd.				
	At the beginning of the year	3600	0.02	3600	0.02
	Bought during the year	-	-	3600	0.02
	Sold during the year	-	-	3600	0.02
	At the End of the year	3600	0.02	3600	0.02
6	Jagdish Prasad Saha				
	At the beginning of the year	2740	0.02	2740	0.02
	Bought during the year	-	-	2740	0.02
	Sold during the year	-	-	2740	0.02
	At the End of the year	2740	0.02	2740	0.02
7	Sunil Kewalramani				
	At the beginning of the year	2500	0.02	2500	0.02
	Bought during the year	-	-	2500	0.02
	Sold during the year	-	-	2500	0.02
	At the End of the year	2500	0.02	2500	0.02
8	Asha Saraogi				
	At the beginning of the year	2000	0.01	2000	0.01
	Bought during the year	-	-	2000	0.01
	Sold during the year	-	-	2000	0.01
	At the End of the year	2000	0.01	2000	0.01
9	Phoolwati Jain				
	At the beginning of the year	2000	0.01	2000	0.01
	Bought during the year	-	-	2000	0.01
	Sold during the year	-	-	2000	0.01
	At the End of the year	2000	0.01	2000	0.01
10	Anjali Kher				
	At the beginning of the year	2000	0.01	2000	0.01
	Bought during the year	-	-	2000	0.01
	Sold during the year	-	-	2000	0.01
	At the End of the year	2000	0.01	2000	0.01

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of Director/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dr. Ashwan Kapur				
	At the beginning of the year	1394244	8.394	1394244	8.394
	Bought during the year	-	-	1394244	8.394
	Sold during the year	-	-	1394244	8.394
	At the end of the year	1394244	8.394	1394244	8.394
2.	Mr. Aditya Capoor				
	At the beginning of the year	-	-	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the End of the year	-	-	-	-
3.	Mrs. Preeti Sondhi				
	At the beginning of the year	-	-	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the End of theyear	-	-	-	-

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

Amount (Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	8216.86	801.22	-	9018.08
ii) Interest due but not paid	84.95	-	-	84.95
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	8301.81	801.22	-	9103.03
Change in Indebtedness during the financial year				
Addition	2031.38	-	-	2031.38
Reduction	1593.16	87.14	-	1680.30
Net Change	438.22	87.14	-	351.08
Indebtedness at the end of the financial year				
i) Principal Amount	8655.08	714.08	-	9369.16
ii) Interest due but not paid	47.47	-	-	47.47
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	8702.55	714.08	-	9416.63



# UNIPRODUCTS (INDIA) LTD.

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

Amount (Rs. in Lacs)

S.No.	Particulars of Remuneration	Name of MD / WTD / Manager - Dr. Ashwan Kapur
1.	Gross salary	
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	69.95
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5.79
	c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	
	- as % of profit	-
	- others, specify...	-
5.	Others, please specify	-
6.	Total (A)	75.74
	Ceiling as per the Act	84.00

### B. Remuneration to other directors:

Amount (Rs. in Lacs)

S. No.	Particulars of Remuneration	Name of Directors									Total Amount
		P.R. Khanna	S. L. Kapur	A.P. Gandhi	Dr. Bhaskar Dutta	Ravinder Mehra	Arun Kumar Seth	Arun Mehra	Farhan S. Kidwai	Arjun Mehra	
1.	Independent Directors										
	Fee for attending board / committee meetings	0.88	1.56	0.88	0.56	-	-	-	-	-	3.88
	Commission	-	-	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-	-	-
	Total (1)	0.88	1.56	0.88	0.56	-	-	-	-	-	3.88
2.	Other Non-Executive Directors										
	Fee for attending board / committee meetings	-	-	-	-	-	1.12	-	-	-	1.12
	Commission	-	-	-	-	-	-	-	-	-	-
	Others, please specify (advisory fees plus reimbursement of expenses)	-	-	-	-	-	3.00	-	-	-	3.00
	Total (2)	-	-	-	-	-	4.12	-	-	-	4.12
	Total (B)=(1+2)	0.88	1.56	0.88	0.56	-	4.12	-	-	-	8.00
	Total Managerial Remuneration*										83.74
	Overall Ceiling as per the Act										84.00

\* Total remuneration to Managing Director, Whole-Time Directors and other Directors (being the total of A and B).

## C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Amount (Rs. in Lacs)

S.No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Aditya Capoor (CFO)	Mrs. Preeti Sondhi (Company Secretary)	Total Amount
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60.19	9.65	69.84
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.32	0.05	1.37
	c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>61.51</b>	<b>9.70</b>	<b>71.21</b>

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
COMPANY					
Penalty					
Punishment					
Compounding					
DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors of Uniproducts (India) Limited

Place : New Delhi  
Date : May 22, 2017

**DR. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432

**ARUN KUMAR SETH**  
Director  
DIN : 00794656



## ANNEXURE-B TO DIRECTORS' REPORT

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

#### 1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board, if any	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188:
Juken Uniproducts Private Limited; a Joint Venture Company	Giving premises located at C-14 and part of C-15, Sector – 57, Noida on lease	36 months (15.11.2015 to 14.11.2018)	Rent per month Rs. 5,05,000	The premises were lying vacant after shifting of the unit to the Company's rewari plant and were thus given on lease to JV Company.	November 16, 2015	-	NA

## 2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Juken Uniproducts Private Limited: a Joint Venture Company	Purchase of goods	36 months (18.11.2015 to 17.11.2018)	Purchase Price: Rs.1.42 per clip plus taxes as applicable; Max. annual amount not to exceed Rs. 10 lacs	July 27, 2015	-
OM SAI: Director's (Mr. Arun Kumar Seth) son is a proprietor	Sale of goods	36 months (01.01.2016 to 31.12.2018)	Terms of delivery exworks; Max. annual amount not to exceed Rs. 5 lacs	November 16, 2015	-
ISIS; Director's (Mr. Arun Kumar Seth) son is a proprietor	Sale of goods	36 months (01.01.2016 to 31.12.2018)	Terms of delivery exworks; Max. annual amount not to exceed Rs. 5 lacs	November 16, 2015	-
Universal Paper Export Company Ltd; Body Corporate related u/s 2(76)(vi) of Companies Act, 2013	Purchase of goods	36 months (01.01.2016 to 31.12.2018)	Within 6 months of each purchase; Max annual amount Not exceeding Rs.18 crore.	November 16, 2015	-
Mr. Arun Kumar Seth, Director	Appointment as an advisor	36 months' (17.11.2015 to 16.11.2018)	Advisory Fees: Rs.10,000 per month Reimbursement: not exceeding Rs.15000 per month	July 27, 2015	-
Dr. Ashwan Kapur, Managing Director	Taking premises on lease	36 months (01.02.2016 to 31.01.2019)	Rent per month Rs. 30,000	November 16, 2015	-
Unicel Impex Private Limited Dr.Ashwan Kapur, Managing Director is a common director and shareholder	Taking premises on lease	36 months (29.10.2015 to 28.10.2018)	Rent per month Rs. 1,20,000	July 27, 2015	-
Darrameks Hotels & Developers Private Limited, Mr.Ravinder Mehra, Chairman and Dr. Ashwan Kapur, Managing Director are Chairman and Director, respectively in Darrameks Hotels & Developers Private Limited	Sale of goods	One time contract	Engineered wood oak (natural) 15 boxes @ Rs. 4202 per box; skirting 41232 2400 X 60 X 15 RM @ Rs. 13 per piece; profile 47232 2400 X 45 X 12 MM @ Re. 1 per piece plus taxes; total Rs. 76849	-	-

For and on behalf of the Board of Directors of Uniproducts (India) Limited

Place : New Delhi  
Date : May 22, 2017

**DR. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432

**ARUN KUMAR SETH**  
Director  
DIN : 00794656



## ANNEXURE C TO DIRECTORS' REPORT

### UNIPRODUCTS (INDIA) LIMITED REMUNERATION POLICY

#### 1. PREAMBLE

- 1.1. Section 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 requires every listed company and the following class of companies to constitute a Nomination and Remuneration Committee of the Board:
  - a. all public companies with a paid up capital of ten crores rupees or more;
  - b. all public companies having turnover of one hundred crore rupees or more;
  - c. all public companies, having in aggregate, outstanding loans or borrowings or debentures or deposits exceeding fifty crore rupees or more.
- 1.2. In order to align with the provisions of the Companies Act, 2013, the Board on July 28, 2014 reconstituted and changed the nomenclature of the Remuneration Committee as Nomination and Remuneration Committee.
- 1.3. This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

#### 2. OBJECTIVES

The key objectives of the Committee and Policy would be:

- 2.1 To formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 2.2 To recommend to the Board a policy, relating to the remuneration paid to the members of the Board of Directors ("Board"), key managerial personnel ("KMP"), Senior Management Personnel ("SMP") and other employees.
- 2.3 To carry out evaluation of every directors performance.
- 2.4 To identify persons who are qualified to become directors and those who may be appointed in senior management positions in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- 2.5 To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- 2.6 To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- 2.7 To ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

#### 3. EFFECTIVE DATE OF THE POLICY

This policy shall be effective from the date of approval by the Board or any amendment made thereof from time to time.

#### 4. DEFINITIONS

- 4.1 "Act" means the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.
- 4.2 "Board" means Board of Directors of the Company.
- 4.3 "Committee" means Nomination and Remuneration Committee as constituted or reconstituted by the Board.
- 4.4 "Company" means Uniproducts (India) Limited.

- 4.5 "Directors" means the directors appointed to the Board of the Company.
- 4.6 "Independent Director" means a director referred to in Section 149(6) of the Companies Act, 2013.
- 4.7 "Key Managerial Personnel" means
  - a. Chief Executive Officer or the Managing Director or the Manager
  - b. Company Secretary
  - c. Whole Time Director
  - d. Chief Financial Officer
  - e. Such other Officers as may be prescribed
- 4.8 "Policy" means Remuneration Policy.
- 4.9 "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.
- 4.10 "Senior Management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

## 5. APPLICABILITY

This policy is applicable to

- a. Directors (Executive and Non-Executive)
- b. Key Managerial Personnel
- c. Senior Management Personnel
- d. Other employees

## 6. CONSTITUTION OF COMMITTEE

- 6.1. The Remuneration Committee of the Board of Directors shall be named as Nomination and Remuneration Committee (NRC). Members of the Committee shall be appointed by the Board and shall comprise of three or more non-executive Directors out of which not less than one-half shall be independent directors.
- 6.2. The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.
- 6.3. The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- 6.4. Chairman of the Committee shall be an Independent Director. Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- 6.5. Chairman of the Nomination and Remuneration Committee shall be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.
- 6.6. The meeting of the Committee shall be held at such regular intervals as may be required.
- 6.7. Minimum two (2) members shall constitute a quorum for the Committee meeting.
- 6.8. Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.
- 6.9. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee. In the case of equality of votes, the Chairman of the meeting will have a casting vote.
- 6.10. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.





6.11. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

## **7. MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE**

The Committee shall:

- 7.1 Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 7.2 Identify persons who are qualified to be appointed as Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- 7.3 Recommend to the Board, the appointment and/or removal of Director, KMP and Senior Management Personnel.

## **8. POLICY FOR APPOINTMENT AND/OR REMOVAL OF DIRECTORS, KMPs AND SENIOR MANAGEMENT PERSONNEL**

### **8.1 Appointment criteria and qualifications**

- 8.1.1 The Committee shall identify and ascertain the integrity, qualifications, expertise and experience of the person for deciding upon his/her suitability for appointment as Director, KMP or Senior Management and recommend to the Board his / her appointment.
- 8.1.2 A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- 8.1.3 The Company shall not appoint or continue the employment of any person as Wholetime Director after he/she has attained the age of seventy years. Provided however that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

### **8.2 Term / Tenure**

#### **8.2.1 Managing Director/Whole-time Director**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of the term.

#### **8.2.2 Independent Director**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that the number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed Companies as an Independent Director in case such person is serving as a Whole time Director of a listed company or such other number as may be prescribed under the Act.

## 8.3 Evaluation

The Committee shall carry out evaluation of performance of every Director at regular intervals (yearly). The evaluation criteria will be based on various parameters such as attendance and participation in board, committee and general meetings, preparation and contribution, knowledge and communication, independence of judgement, safeguarding the interest of the Company and others.

## 8.4 Removal

The Committee may recommend to the Board, with reasons to be recorded in writing, the removal of a Director, KMP or Senior Management Personnel who has incurred any disqualification mentioned in the Companies Act, 2013, the rules made thereunder or under any other applicable Act, rules and regulations.

## 8.5 Retirement

The Directors, KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain any such Director, KMP, Senior Management Personnel at the same position / remuneration or otherwise even after attaining the retirement age, if such retention is considered to be for the benefit of the Company.

## 9. POLICY RELATING TO THE REMUNERATION OF DIRECTORS, KMPs AND SENIOR MANAGEMENT PERSONNEL

### 9.1. General

9.1.1 The remuneration /compensation/ commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

9.1.2 The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.

9.1.3 Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the amounts/criteria approved by the Shareholders in the case of Whole-time Director.

9.1.4 Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

9.1.5 Increments to KMPs (other than Managing or Whole Time Director) and Senior Management Personnel may be decided by the Managing Director within the limitations placed by the macro-economic conditions and performance of the company.

### 9.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel

#### 9.2.1 Fixed pay

The Whole-time Director/KMP and Senior Management Personnel shall be eligible for a monthly remuneration and/or annual components as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.



## 9.2.2 Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government

## 9.2.3 Provisions for excess remuneration

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

## 9.3. Remuneration to Non- Executive / Independent Director

### 9.3.1 Remuneration / Commission

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

### 9.3.2 Sitting Fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or a Committee thereof. Provided that the amount of such fees shall not exceed Rs. One lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

### 9.3.3 Commission

Commission to Non- Executive / Independent Director may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

### 9.3.4 Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

## 10. POLICY RELATING TO REMUNERATION OF OTHER EMPLOYEES

Remuneration and increments to other employees may be decided by the Managing Director within the limitations placed by the macro-economic conditions and performance of the company.

## 11. DISCLOSURES

Key features of this Policy shall be included in the Board's Report.

## 12. POLICY ON LOANS/ADVANCES TO EMPLOYEES

Loans/advances to employees may be given by the Company in accordance with the terms and conditions of service and the Company's HR Policy for giving loans/advances.

## 13. AMENDMENT OF POLICY

13.1 This Policy is framed based on the provisions of the Companies Act, 2013, and rules thereunder. In case of any subsequent changes in the provisions of the Companies Act, 2013, or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

**For and on behalf of the Board of Directors of Uniproducts (India) Limited**

Place : New Delhi  
Date : May 22, 2017

**DR. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432

**ARUN KUMAR SETH**  
Director  
DIN : 00794656

## ANNEXURE D TO DIRECTORS' REPORT

Disclosure of particulars with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Rule 8 of Companies (Accounts) Rules, 2014

### A. Conservation of energy

- (i) the steps taken or impact on conservation of energy:
  - a. Installed timers on presses for automatic switch off in case of idle running.
  - b. Replaced split air-conditioners of Quality Lab with central air-conditioning through VAM chilled water which is already available.
  - c. Installed aluminum cabin for panels with split air-conditioners in place of panel mounted air-conditioners to reduce energy consumption.
  - d. Modified Thermopack from manual coal firing to automatic coal firing with fluidised bed.
  - e. Replaced cartridge heater of electrical ovens with high efficiency infrared heaters.
  - f. Replaced overrated motors with suitable capacity motors.
- (ii) the steps taken by the company for utilising alternate sources of energy:
  - a. Replaced electrical heating with thermic fluid heating through pet-coke wherever possible.
- (iii) the capital investment on energy conservation equipment: Nil

### B. Technology absorption

- (i) the efforts made towards technology absorption:

Technology has been imported for manufacture of needle punch fabric, air laid felt manufacturing and, Impregnation & Latexing. The Company has fully absorbed the technology made available to it.
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution:
  - a. Successful development of low weight non-woven carpet having high abrasion resistance.
  - b. Successful development of fire retardant non-woven fabrics.
  - c. Reduction in raw material cost and part weight.
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
  - (a) the details of technology imported : the year of import:

Non woven fabric manufacturing equipment	:	2013-14
Non woven fabric manufacturing equipment and fabric inspection machine	:	2014-15
Nil	:	2015-16
Nil	:	2016-17
  - (b) whether the technology been fully absorbed : Technology has been fully absorbed
  - (c) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof : Not applicable



## UNIPRODUCTS (INDIA) LTD.

(iv) the expenditure incurred on Research and Development.

Particulars	Amount (Rs. in lacs)
Capital	-
Recurring	243.83
Total	243.83

### C. Foreign exchange earnings and Outgo

Particulars	Amount (Rs. in Lacs)
Foreign Exchange earned during the year in terms of actual inflows	9.70
Foreign Exchange outgo during the year in terms of actual outflows.	1468.72

For and on behalf of the Board of Directors of Uniproducts (India) Limited

Place : New Delhi  
Date : May 22, 2017

**DR. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432

**ARUN KUMAR SETH**  
Director  
DIN : 00794656

## ANNEXURE E TO DIRECTORS' REPORT

### Form AOC-1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of companies (accounts) rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**

#### Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Not applicable

#### Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S.No	Name of Joint Ventures	Juken Uniproducts Private Limited	Uniproducts Kyoshin Private Limited
1	Latest Audited Balance sheet Date	March 31, 2017	March 31, 2017
2	Date on which the Joint Venture was associated or acquired	December 14, 2005	September 12, 2014
3	Shares of Joint Ventures held by the company on the year end No.	11,34,000	2,00,000
	Amount of Investment in Joint Venture	1,13,40,000	20,00,000
	Extent of Holding (in percentage)	45.00%	50.00%
4	Description of how there is significant influence	Holding more than 20%	Holding more than 20%
5	Reason why the joint venture is not consolidated	Not applicable	Not applicable
6	Networth attributable to shareholding as per latest audited Balance Sheet	510,59,833	18,00,927
7	Profit/(Loss) for the Year		
	i Considered in Consolidation	1,44,24,457	63,198
	ii. Not Considered in Consolidation	1,13,27,418	63,198

**For and on behalf of the Board of Directors of Uniproducts (India) Limited**

Place : New Delhi  
Date : May 22, 2017

**DR. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432

**ARUN KUMAR SETH**  
Director  
DIN : 00794656



## ANNEXURE F TO DIRECTORS' REPORT

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

To,  
The Members,  
**Uniproducts India Limited**  
Jarthal Village Road  
84 Km Stone Delhi  
Jaipur Road P .O.  
Sangwari, Rewari-123401

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Uniproducts India Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- Not Applicable
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. As confirmed and certified by the management, there is no law specifically applicable to the Company based on their sector/ Businesses in which it operates.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; Not Applicable

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no specific events/actions took place having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**Date : 22.05.2017**

**Place : New Delhi**

**Chandrasekaran Associates**  
**Company Secretaries**

**Shashikant Tiwari**  
**Partner**  
**Membership No.: ACS 28994**  
**Certificate of Practice No.: 13050**

Note: This report is to be read with our letter of even date which is annexed as Annexure-A and form an integral part of this report.





## ANNEXURE-A TO THE SECRETARIAL AUDIT REPORT

To,  
The Members,  
**Uniproducts India Limited**  
Jarthal Village Road  
84 Km Stone Delhi  
Jaipur Road P .O.  
Sangwari, Rewari-123401

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Date : 22.05.2017**

**Place : New Delhi**

**Chandrasekaran Associates**  
**Company Secretaries**

**Shashikant Tiwari**  
**Partner**  
**Membership No.: ACS 28994**  
**Certificate of Practice No.: 13050**

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## INDEPENDENT AUDITORS' REPORT

To the Members of  
**Uniproducts (India) Limited**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Uniproducts (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017 and its profit and its cash flows for the year ended on that date.



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
  - (e) on the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 38 to the financial statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 41.

For **S. N. Dhawan & Co. LLP**  
Chartered Accountants  
Firm Regn. No. 000050N/N500045

**SURESH SETH**  
Partner

Membership No. : 010577

Place : New Delhi  
Dated : May 22, 2017

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## ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

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Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets {property, plant & equipments (PPE)}.
- (b) The Company has a regular programme of physical verification of its PPE by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain PPE were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In our opinion and according to the information and explanations given to us, the inventories have been physically verified by the management at reasonable intervals during the year, except for materials lying with third parties for which certificates confirming stocks held by them have been obtained in most of the cases.  
  
Discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company does not have any transaction to which the provisions of Section 185 & 186 of the Act apply. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules made thereunder.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act in respect of the products manufactured by the Company and are of the opinion that, prima-facie, the prescribed accounts have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable
- (b) According to the information and explanations given to us, the details of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute are given below:



# UNIPRODUCTS (INDIA) LTD.

Name of the Statute	Nature of the Dues	Amount* (In Rs.)	Period to Which the amount relates	Forum Where dispute is pending
The Central Excise Act, 1944	Excise Duty	6,42,592 16,24,62,570 14,89,923	2009-2010 2004-2009 2008-2011	-Assistant/Additional/ Deputy Commissioner -Supreme Court -CESTAT
Income Tax Act, 1961	Income Tax	1,81,256	2002-2003	-Commissioner appeal
Haryana Local Area Development Tax Act, 2000	Local Area Development Tax	3,84,66,881	2007-2017	-Supreme Court

\*Net of Deposits

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank and government. The Company did not have any outstanding debentures during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise any monies by way of initial public offer or further public offer (including debt instruments) during the year and the term loans availed by the Company were applied for the purposes for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the notes to the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **S. N. Dhawan & Co. LLP**  
Chartered Accountants  
Firm Regn. No. 000050N/N500045

Place : New Delhi  
Dated : May 22, 2017

**SURESH SETH**  
Partner  
Membership No. : 010577

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## Annexure - B to the Independent Auditors' Report

Referred to in Paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Uniproducts (India) Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S. N. Dhawan & Co. LLP**  
Chartered Accountants  
Firm Regn. No. 000050N/N500045

**SURESH SETH**  
Partner  
Membership No. : 010577

Place : New Delhi  
Dated : May 22, 2017

## BALANCE SHEET AS AT MARCH 31, 2017

PARTICULARS	NOTES	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	16,60,98,810	16,60,98,810
Reserves and surplus	4	47,56,51,246	44,72,06,620
<b>Non-Current Liabilities</b>			
Long-term borrowings	5	34,85,30,678	38,17,41,760
Deferred tax liabilities (Net)	6	2,65,10,764	93,86,717
Other long term liabilities	7	34,05,369	34,35,369
Long-term provisions	8	1,22,24,596	76,21,644
<b>Current liabilities</b>			
Short-term borrowings	9	47,56,20,138	35,34,00,870
Trade payables:			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	10	42,24,25,622	30,56,28,351
Other current liabilities	11	21,16,70,189	28,86,29,711
Short-term provisions	8	1,45,27,609	77,70,017
	<b>TOTAL</b>	<b>2,15,66,65,021</b>	<b>1,97,09,19,869</b>
<b>ASSETS</b>			
<b>Non current assets</b>			
<b>Fixed assets</b>			
- Property, plant & equipments	12.a	1,23,83,78,831	1,15,74,45,183
- Intangible assets	12.b	12,91,345	-
- Capital work in progress	12.a	5,55,39,738	7,50,08,871
Non Current investments	13	1,33,40,000	1,33,40,000
Long term loans and advances	14	7,03,61,394	4,86,88,402
<b>Current assets</b>			
Inventories	15	36,35,76,037	34,74,95,331
Trade receivables	16	26,98,50,562	22,61,30,891
Cash and cash equivalents	17	8,57,69,887	4,02,95,366
Short term loans and advances	14	5,80,04,873	6,19,76,105
Other current assets	18	5,52,354	5,39,720
	<b>TOTAL</b>	<b>2,15,66,65,021</b>	<b>1,97,09,19,869</b>

### Summary of Significant Accounting Policies 2.1

The accompanying Notes (1 to 44 ) are an integral part of the financial statements.

As per our report of even date **For and on behalf of the Board of Directors of Uniproducts (India) Limited**

For **S. N. Dhawan & Co. LLP**  
Chartered Accountants  
Firm Regn. No.000050N/N500045

**Dr. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432

**ARUN KUMAR SETH**  
Director  
DIN : 00794656

**SURESH SETH**  
Partner  
Membership No. : 010577

**ADITYA CAPOOR**  
Chief Financial Officer

**PREETI SONDHI**  
Company Secretary

Place : New Delhi  
Dated : May 22, 2017





# UNIPRODUCTS (INDIA) LTD.

## STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2017

	NOTES	YEAR ENDED MARCH 31, 2017 Rs.	YEAR ENDED MARCH 31, 2016 Rs.
<b>INCOME</b>			
Revenue from operations (gross)	19	<b>3,18,38,54,244</b>	2,30,25,09,411
Less: Excise duty		<b>34,43,16,089</b>	23,47,16,092
Revenue from operations (net)		<b>2,83,95,38,155</b>	2,06,77,93,319
Other Income	20	<b>2,12,55,248</b>	1,10,65,541
<b>Total Revenue (I)</b>		<b>2,86,07,93,403</b>	2,07,88,58,860
<b>EXPENSES</b>			
Cost of Materials consumed	21	<b>1,38,90,13,317</b>	1,06,89,06,192
Purchases of Stock-in-trade	22	<b>10,62,86,848</b>	11,51,15,962
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	<b>1,61,18,010</b>	(1,68,08,356)
Employee benefits Expense	24	<b>51,18,04,969</b>	36,60,42,763
Finance costs	25	<b>11,90,33,584</b>	12,55,23,398
Depreciation and amortisation	12	<b>13,47,38,135</b>	12,77,02,438
Other expenses	26	<b>53,23,79,901</b>	40,24,89,086
<b>Total Expenses (II)</b>		<b>2,80,93,74,764</b>	2,18,89,71,483
<b>Profit / (Loss) before Tax (I-II)</b>		<b>5,14,18,639</b>	(11,01,12,623)
<b>Tax expense</b>			
Current Tax		<b>1,18,71,396</b>	-
Deferred Tax (Charge) / Credit		<b>(1,71,24,047)</b>	3,60,69,980
MAT Credit Entitlement		<b>(60,21,430)</b>	39,27,296
<b>Profit / (Loss) for the year</b>		<b>2,84,44,626</b>	(7,79,69,939)
Earnings per Equity Share <b>(Face value of Rs. 10 each)</b>	27		
Basic		<b>1.71</b>	(4.69)
Diluted		<b>1.71</b>	(4.69)

### Summary of Significant Accounting Policies 2.1

The accompanying Notes (1 to 44) are an integral part of the financial statements.

As per our report of even date **For and on behalf of the Board of Directors of Uniproducts (India) Limited**

For **S. N. Dhawan & Co. LLP**  
Chartered Accountants  
Firm Regn. No.000050N/N500045

**Dr. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432

**ARUN KUMAR SETH**  
Director  
DIN : 00794656

**SURESH SETH**  
Partner  
Membership No. : 010577

**ADITYA CAPOOR**  
Chief Financial Officer

**PREETI SONDHI**  
Company Secretary

Place : New Delhi  
Dated : May 22, 2017

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	March 31, 2017 Rs.	March 31, 2016 Rs.
<b>A. Cash Flows from Operating Activities</b>		
Net Profit/(Loss) before tax	5,14,18,639	(11,01,12,623)
Adjustment for:		
Depreciation and amortisations	13,47,38,135	12,77,02,438
Finance Costs	11,90,33,584	12,55,23,398
Bad Debts/advances written off	63,54,239	2,06,690
Provisions for Doubtful Debts	21,10,621	27,88,991
Provisions for obsolete Inventories	1,23,89,535	44,33,439
Loss on fixed Assets sold/discarded	-	10,17,923
Profit on fixed Assets sold/discarded	(6,24,379)	-
Provisions Written Back	(84,28,137)	(1,63,037)
Interest Received	(22,81,072)	(43,38,124)
Operating Profit before Working Capital changes	<u>31,47,11,165</u>	<u>14,70,59,095</u>
Adjustment for:		
Trade & Other Receivables	(6,77,38,322)	1,66,60,371
Inventories	(2,84,70,241)	1,39,74,338
Trade Payable and Others	11,35,27,622	1,31,83,193
Cash Generated from Operations	<u>33,20,30,224</u>	<u>19,08,76,996</u>
Direct Taxes paid (net of refunds)	(42,81,371)	(12,00,162)
<b>Net Cash flows from Operating Activities (A)</b>	<u>32,77,48,853</u>	<u>18,96,76,835</u>
<b>B. Cash Flows from Investing Activities</b>		
Purchase of Property, plant & equipments	(19,80,15,846)	(11,73,49,756)
Proceed from sale of Property, plant & equipments	11,46,230	63,333
Margin money/Deposits with banks for specified purpose	86,608	57,38,937
Interest Received	22,68,438	41,58,646
<b>Net Cash Flows from Investing Activities (B)</b>	<u>(19,45,14,570)</u>	<u>(10,73,88,840)</u>
<b>C. Cash Flows from Financing Activities</b>		
Proceeds from Long Term Borrowings	7,76,91,359	13,90,72,527
Repayment from Long Term Borrowings	(16,48,02,591)	(18,64,47,578)
Proceeds/(Repayment) from Short Term Borrowings (Net)	12,22,19,268	10,22,88,021
Interest Paid	(12,27,81,190)	(12,40,46,869)
<b>Net Cash Flows from Financing Activities (C)</b>	<u>(8,76,73,154)</u>	<u>(6,91,33,899)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	4,55,61,129	1,31,54,096
Cash & Cash Equivalents as at 01.04.2016	3,82,04,083	2,50,49,987
<b>Cash &amp; Cash Equivalents as at 31.03.2017</b>	<u>8,37,65,212</u>	<u>3,82,04,083</u>

Note :

**1. Components of Cash & Cash Equivalents**

<b>Cash and Cash Equivalents</b>	8,37,65,212	3,82,04,083
Other Bank Balance :-		
- Unpaid Dividend Accounts	3,26,113	4,12,721
- Margin Money	16,78,562	16,78,562
<b>Cash and Cash Equivalents as per Note 17</b>	<u>8,57,69,887</u>	<u>4,02,95,366</u>

2. Cash and Cash equivalents include Cash in hand, demand deposits with bank and short term highly liquid investments.

3. Previous year figures have been regrouped wherever necessary.

4. Figures in bracket shows cash outflow.

As per our report of even date  
For **S. N. Dhawan & Co. LLP.**  
Chartered Accountants  
Firm Regn. No.000050N/N500045

**For and on behalf of the Board of Directors of Uniproducts (India) Limited**

<b>Dr. ASHWAN KAPUR</b>	<b>ARUN KUMAR SETH</b>
Managing Director	Director
DIN : 00568432	DIN : 00794656

**SURESH SETH**  
Partner  
Membership No. : 010577  
Place : New Delhi  
Dated : May 22, 2017

**ADITYA CAPOOR**  
Chief Financial Officer

**PREETI SONDHI**  
Company Secretary



## NOTES TO THE FINANCIAL STATEMENTS

### 1. Corporate Information

Unirpdoucts (India) Limited is a public limited company domiciled and incorporated in India. The Company is engaged in the business of manufacture of wall to wall carpets, interlinings, moulded carpets, noise, vibration and harshness (NVH) insulation parts, roof liner fabrics and heat shields. It also trades in laminated floorings, carpet tiles, engineered wood, loop pile carpets, decorative grass, fluff pulp and similar products.

### 2. Basis of preparation

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 & the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hither to in use.

#### 2.1 Summary of significant accounting policies

##### a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that effect the reported amount of revenues, expenses, assets and liabilities and the disclosure of the contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions actual results could differ from these estimates. Any revision to the accounting estimates is recognised in the period in which the results are known.

##### b. Property, plant & equipments

Property, plant & equipments are stated at cost or at replacement cost in case of revaluation, less accumulated depreciation/amortisation and impairment losses, if any. Cost of acquisition or construction is inclusive of all incidentals and other attributable costs of bringing the asset to its working condition for its intended use and is net of available duty/tax credits.

##### c. Intangible Assets:

Acquired intangible assets are valued at cost less accumulated amortisation and any impairment losses.

##### d. Impairment of Assets

Impairment is ascertained at each balance sheet date in respect of cash generating units as per Accounting Standard 28- 'Impairment of Assets' issued by Institute of Chartered Accountants of India. An impairment loss is recognised in books of accounts in the financial year concerned whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

##### e. Depreciation & Amortisation

###### Property, plant & equipments

- i. Depreciation on Property, plant & equipments is provided on the straight line method over the useful lives of assets prescribed in schedule II of the Companies Act, 2013 except Leasehold Land, which is amortised over the lease period and certain plant & machinery which is, based on internal assessment and independent technical evaluation carried out by external valuers, the Management estimates the useful life of these plant & machinery is 22 years. The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful life for these assets is different from the useful life as prescribed under Part C of Schedule II of the Companies Act 2013.

## NOTES TO THE FINANCIAL STATEMENTS

ii. The depreciation on assets acquired/sold/discarded/demolished during the year is provided from/upto the date the asset is commissioned/sold or discarded.

iii. Assets costing upto Rs. 5,000 are depreciated fully in the year of purchase.

### **Intangible Assets**

Expenditure on major Software products are written off over a period of five years on the basis of estimated economic life.

#### **f. Research & Development (R&D)**

Revenue expenditure incurred for R&D is charged to the Statement of Profit and Loss. Fixed assets purchased for R&D activities are capitalised in the year the same are put to use.

#### **g. Inventory Valuation**

Raw Materials, Stores & Spares are stated at lower of cost or net realisable value.

Work in Progress and Stock of Finished & Trading goods are stated at lower of cost or net realisable value.

In determining the cost of raw materials, stores & spares weighted average cost method is used while in the case of trading goods 'FIFO method is used.

Work in progress and finished goods include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

#### **h. Revenue Recognition**

i) Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer. Sales are recognised net of trade discounts, rebates and sales tax.

ii) Dividend is accounted for an accrual basis when the right to receive the dividend is established.

iii) Interest income is recognised on the time proportion basis.

#### **i. Employee Benefits**

##### **i) Defined Contribution Plan :**

Employees benefits in the form of Provident Fund, Employee State Insurance and Labour Welfare Fund are considered as defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the year when the contribution to respective funds are due.

##### **ii) Defined Benefit Plan :**

Retirement benefits in the form of Gratuity is considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain/losses are immediately recognised in the Statement of Profit and Loss.

##### **iii) Other Long Term Benefits :**

Long term compensated absence is provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain/losses are immediately recognised in the Statement of Profit and Loss.

#### **j. Investment**

Investments are classified as Long Term and are carried at cost. A provision for diminution is made to recognise a decline other than temporary in the value of Long Term Investments.



## NOTES TO THE FINANCIAL STATEMENTS

### k. Foreign Currency Transactions

Transaction in foreign currency are recorded at the exchange rates prevailing at the dates of the transactions. Gains/losses arising out of fluctuation in exchange rates on settlement are recognised in the Statement of Profit & Loss.

Foreign currency monetary assets & liabilities are restated at the exchange rate prevailing at the year end and the overall net gain/loss is adjusted to the Statement of Profit & Loss.

### l. Deferred Tax

Deferred tax is recognised, subject to consideration of prudence, on timing differences, representing the difference between the taxable income/(loss) and the accounting income/(loss) that originated in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets viz. unabsorbed depreciation and carry forward losses are recognised if there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### m. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets upto the date the assets are ready for their intended use. All other borrowing costs are recognised as an expense in the year in which they are incurred.

### n. Leases

Asset acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such assets are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit & Loss on accrual basis.

### o. Provisions and Contingent Liabilities and Contingent Assets

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of a past event,
- b) a probable outflow of resources is expected to settle the obligation and
- c) the amount of obligation can be reliably estimated.

Reimbursements expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent Liability is disclosed in case of

- a) a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation
- b) a possible obligation, of which the probability of outflow of resources is remote.

Contingent Assets are neither recognised nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

## NOTES TO THE FINANCIAL STATEMENTS

### 3. SHARE CAPITAL

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>Authorised</b>		
<b>Equity shares</b>		
2,00,00,000 (previous year 2,00,00,000)		
Equity Shares of Rs. 10/- each	<b>20,00,00,000</b>	20,00,00,000
	<b>20,00,00,000</b>	20,00,00,000
<b>Issued, Subscribed and fully Paid up</b>		
<b>Equity shares</b>		
1,66,09,881 (previous year 1,66,09,881)		
Equity Shares of Rs. 10/- each	<b>16,60,98,810</b>	16,60,98,810
	<b>16,60,98,810</b>	16,60,98,810

**(a) The reconciliation of the shares outstanding at the beginning and at end of the reporting period:**

Particulars	AS AT MARCH 31, 2017 (No. of Shares)	AS AT MARCH 31, 2016 (No. of Shares)
Beginning of the year	1,66,09,881	1,66,09,881
Issued during the year	-	-
End of the year	1,66,09,881	1,66,09,881

**(b) Terms/Rights attached to the Equity Shares**

The company has only one class of Equity Shares having a par value of Rs. 10 Per Share. Each holder of Equity Shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend recommended proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting.

**(c) The details of shareholders holding more than 5% shares in the company:**

Name of Shareholder	AS AT MARCH 31, 2017		AS AT MARCH 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
M/s Uniproducts (Mauritius) Limited	64,13,925	38.62	64,13,925	38.62
M/s Deux Montagnes Investments Ltd.	55,41,701	33.36	55,41,701	33.36
M/s Darrameks Hotels & Developers Pvt. Ltd.	18,25,000	10.99	18,25,000	10.99
Dr. Ashwan Kapur	13,94,244	8.39	13,94,244	8.39



# UNIPRODUCTS (INDIA) LTD.

## NOTES TO THE FINANCIAL STATEMENTS

### 4. RESERVES & SURPLUS

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>Capital Reserve</b>	<b>8,40,35,301</b>	8,40,35,301
<b>Securities Premium Account</b>	<b>36,37,14,469</b>	36,37,14,469
<b>Revaluation Reserve</b>	<b>2,06,61,194</b>	2,06,61,194
<b>General Reserve</b>	<b>6,94,36,437</b>	6,94,36,437
<b>Surplus / (Deficit) Balance in the Statement of Profit and Loss</b>		
As per the last financial statements	<b>(9,06,40,781)</b>	(1,26,70,842)
Profit/(Loss) for the year	<b>2,84,44,626</b>	(7,79,69,939)
Net Surplus/(Deficit) in the Statement of Profit & Loss	<b>(6,21,96,155)</b>	(9,06,40,781)
<b>Total Reserves &amp; Surplus</b>	<b>47,56,51,246</b>	44,72,06,620

## NOTES TO THE FINANCIAL STATEMENTS

### 5. LONG-TERM BORROWINGS

	NON-CURRENT PORTION		CURRENT MATURITIES	
	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>SECURED</b>				
<b>Term loans :</b>				
- From banks	<b>33,37,49,067</b>	36,47,30,869	<b>10,34,81,802</b>	15,74,99,960
(Term loans are secured by way of exclusive first charge on all fixed assets and second charge on all the current assets, both present & future.)				
(Term Loans from banks carries interest @ 12.25% per annum)				
Repayment of term loans are as under:				
2017-18	-	Rs. 10,34,81,202		
2018-19	-	Rs. 6,13,57,000		
2019-20	-	Rs. 6,60,96,000		
Beyond 2019-20	-	Rs. 20,62,96,667		
<b>Other Loans &amp; Advances:</b>				
<b>Finance Lease Obligations</b>				
- From banks	<b>23,15,940</b>	48,11,620	<b>24,95,680</b>	26,69,892
- From Others	<b>98,18,071</b>	69,04,071	<b>41,40,528</b>	12,00,708
(secured by way of hypothecation of vehicles financed.)				
(Vehicle loan carries interest @ 9.00% to @ 9.50% per Annum)				
Maturity profile as follows:				
2017-18	-	Rs. 66,36,208		
2018-19	-	Rs. 57,04,918		
2019-20	-	Rs. 31,27,146		
Beyond 2019-20	-	Rs. 33,01,947		
(Current maturities of long-term borrowings are classified as other current liabilities (refer note-11))				
	<b>34,58,83,078</b>	37,64,46,560	<b>11,01,18,010</b>	16,13,70,560





# UNIPRODUCTS (INDIA) LTD.

## NOTES TO THE FINANCIAL STATEMENTS

	NON-CURRENT PORTION		CURRENT MATURITIES	
	AS AT	AS AT	AS AT	AS AT
	MARCH 31, 2017	MARCH 31, 2016	MARCH 31, 2017	MARCH 31, 2016
	Rs.	Rs.	Rs.	Rs.

### UNSECURED

#### Other Loans & Advances:

##### - Department of Scientific & Industrial Research (DSIR)

	26,47,600	52,95,200	26,47,600	52,95,200
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Repayable as annual royalty/lumpsum payment @26% of the monies disbursed by DSIR for a period of five years (i.e. a total 1.3 times of the money disbursed by DSIR) from the start of captive use of product by Company, if any and / or commercial sale of the "Product" produced in their Pilot / Commercial or a new producing plant installed on the basis of result of the Technology Development and Demonstration Programme (TDDP) project, whichever is earlier.

The loan has been granted under DSIR programme named "Technology Development and Demonstration Programme of Technology Promotion, Development and Utilization (TPDU) Scheme to partially fund the activities of Indian industry for research and development and up gradation of technology.

	26,47,600	52,95,200	26,47,600	52,95,200
	<u>34,85,30,678</u>	<u>38,17,41,760</u>	<u>11,27,65,610</u>	<u>16,66,65,760</u>

### 6. DEFERRED TAX LIABILITIES (NET)

	AS AT	AS AT
	MARCH 31, 2017	MARCH 31, 2016
	Rs.	Rs.
<b>Deferred tax Liability</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	13,17,97,989	13,47,31,920
<b>Gross deferred tax Liability</b>	<u>13,17,97,989</u>	<u>13,47,31,920</u>
<b>Deferred Tax Assets</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	71,96,931	46,69,601
Unabsorbed Loss	8,95,12,964	11,43,48,640
Provision for Doubtful Debts/Inventories	85,77,330	63,26,962
<b>Gross deferred tax asset</b>	<u>10,52,87,225</u>	<u>12,53,45,203</u>
<b>Net Deferred Tax Liabilities</b>	<u>2,65,10,764</u>	<u>93,86,717</u>

## NOTES TO THE FINANCIAL STATEMENTS

### 7. OTHER LONG TERM LIABILITIES

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
Interest Free Security Deposits from Customers	34,05,369	34,35,369
	<u>34,05,369</u>	<u>34,35,369</u>

### 8. PROVISIONS

	LONG-TERM		SHORT-TERM	
	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>Provision for employee benefits</b>				
Gratuity (refer note 29)	-	-	98,13,091	69,58,634
Leave Encashment (refer note 29)	1,22,24,596	76,21,644	9,97,955	8,11,383
<b>Others</b>				
Provision for Income Tax (net)	-	-	37,16,563	-
	<u>1,22,24,596</u>	<u>76,21,644</u>	<u>1,45,27,609</u>	<u>77,70,017</u>

### 9. SHORT TERM BORROWINGS

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>SECURED</b>		
<b>Cash credit/Buyers credit</b>		
-From banks (secured by way of first charge on all the current assets and second charges on all the fixed assets, both present and future. It carries interest @ 12.25% per annum)	40,95,07,275	28,38,69,444
	<u>40,95,07,275</u>	<u>28,38,69,444</u>
<b>UNSECURED</b>		
-From bank (Vendor Bill Discounting)	6,61,12,863	6,95,31,426
	<u>6,61,12,863</u>	<u>6,95,31,426</u>
	<u>47,56,20,138</u>	<u>35,34,00,870</u>



## NOTES TO THE FINANCIAL STATEMENTS

### 10. TRADE PAYABLES

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises *	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	<b>36,74,76,988</b>	26,34,40,556
Acceptances	<b>5,49,48,634</b>	4,21,87,795
	<u><b>42,24,25,622</b></u>	<u>30,56,28,351</u>

\* There is no dues to micro, small & medium enterprises as defined under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act, 2006), based on the information available with the Company.

### 11. OTHER CURRENT LIABILITIES

Current maturities of long-term borrowings (includes finance lease obligations) (refer note-5 for details)	<b>11,27,65,610</b>	16,66,65,760
Interest accrued and due on borrowings	<b>47,47,124</b>	84,94,731
Investor education and protection fund will be credited by the following amounts (as and when due):		
-Unpaid dividends	<b>3,26,113</b>	4,12,656
Others		
Advances from customers	<b>2,12,10,260</b>	4,54,26,664
Creditors-Capital Expenditure	<b>96,82,929</b>	50,03,002
Other Payables (Includes statutory dues)	<b>6,29,38,153</b>	6,26,26,898
	<u><b>21,16,70,189</b></u>	<u>28,86,29,711</u>



NOTES TO THE FINANCIAL STATEMENTS

12.a. PROPERTY, PLANT & EQUIPMENTS

	GROSS BLOCK						DEPRECIATION				NET BLOCK	
	As at April 1, 2016	Additions	Sub total	Disposals	As at March 31, 2017	As at April 1, 2016	for the year	Disposals	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Land	22,85,009	1,58,86,500	1,81,71,509	-	1,81,71,509	-	-	-	-	1,81,71,509	22,85,009	
Leasehold Land	2,99,97,620	-	2,99,97,620	-	2,99,97,620	38,07,537	3,72,829	-	41,80,366	2,58,17,254	2,61,90,083	
Buildings	31,58,27,221	6,28,02,969	37,86,30,190	-	37,86,30,190	8,12,61,256	1,09,50,755	-	9,22,12,011	28,64,18,179	23,45,65,965	
Plant and Equipment	1,84,64,75,667	11,34,11,132	1,95,98,86,799	-	1,95,98,86,799	97,66,50,748	11,53,06,591	-	1,09,19,57,339	86,79,29,460	86,98,24,919	
Furniture and Fixtures	58,42,607	9,68,871	68,11,478	-	68,11,478	33,29,178	10,33,325	-	43,62,503	24,48,975	25,13,429	
Vehicles	4,28,07,609	1,84,21,628	6,12,29,237	52,57,849	5,59,71,388	2,40,84,818	49,55,481	47,35,998	2,43,04,301	3,16,67,087	1,87,22,791	
Office equipment	1,40,42,349	27,99,621	1,68,41,970	-	1,68,41,970	1,21,64,583	11,56,232	-	1,33,20,815	35,21,155	18,77,766	
Computers	85,86,303	18,36,569	1,04,22,872	-	1,04,22,872	71,21,082	8,96,578	-	80,17,660	24,05,212	14,65,221	
	2,26,58,64,385	21,61,27,290	2,48,19,91,675	52,57,849	2,47,67,33,826	1,10,84,19,202	13,46,71,791	47,35,998	1,23,83,54,995	1,23,83,78,831	1,15,74,45,183	
Capital Work-In-Progress	-	-	-	-	-	-	-	-	-	5,55,39,738	7,50,08,871	
<b>Total</b>	<b>2,26,58,64,385</b>	<b>21,61,27,290</b>	<b>2,48,19,91,675</b>	<b>52,57,849</b>	<b>2,47,67,33,826</b>	<b>1,10,84,19,202</b>	<b>13,46,71,791</b>	<b>47,35,998</b>	<b>1,23,83,54,995</b>	<b>1,29,39,18,569</b>	<b>1,23,24,54,054</b>	
Previous year	2,22,02,92,297	4,86,61,297	2,26,89,53,594	30,89,209	2,26,58,64,385	98,27,55,954	12,76,71,203	20,07,955	1,10,84,19,202	-	-	

12.b. INTANGIBLE ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2016	Additions	Sub total	Disposals	As at March 31, 2017	As at April 1, 2016	for the year	Disposals	As at March 31, 2017	As at March 31, 2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Computer software	48,73,279	13,57,689	62,30,968	-	62,30,968	48,73,279	66,344	-	49,39,623	12,91,345
<b>Total</b>	<b>48,73,279</b>	<b>13,57,689</b>	<b>62,30,968</b>	<b>-</b>	<b>62,30,968</b>	<b>48,73,279</b>	<b>66,344</b>	<b>-</b>	<b>49,39,623</b>	<b>12,91,345</b>
Previous year	48,73,279	-	48,73,279	-	48,73,279	48,42,044	31,235	-	48,73,279	-



# UNIPRODUCTS (INDIA) LTD.

## NOTES TO THE FINANCIAL STATEMENTS

### 13. NON CURRENT INVESTMENTS

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>Non-Trade Investments (Uquoted) (Valued at cost)</b>		
<b>Investment in Equity shares of Joint Venture</b>		
<b>Juken Uniproducts Private Limited</b>	<b>1,13,40,000</b>	1,13,40,000
11,34,000 (Previous year 11,34,000) Equity Shares of Rs. 10 each fully paid up		
<b>Uniproducts Kyoshin Private Limited</b>	<b>20,00,000</b>	20,00,000
2,00,000 (Previous year 2,00,000) Equity Shares of Rs. 10 each fully paid up		
	<u><b>1,33,40,000</b></u>	<u>1,33,40,000</u>

### 14. LOANS AND ADVANCES

	NON CURRENT		CURRENT	
	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>Capital Advances</b>				
Unsecured, considered good	<u>1,83,94,234</u>	46,56,978	-	-
	<u>1,83,94,234</u>	46,56,978	-	-
<b>Security Deposits</b>				
Unsecured, considered good	<u>1,29,09,490</u>	89,21,278	<u>2,40,000</u>	9,84,000
	<u>1,29,09,490</u>	89,21,278	<u>2,40,000</u>	9,84,000
<b>Advances Recoverable in cash or in kind or for value to be received</b>				
Unsecured, Considered Good	-	-	<b>3,08,23,048</b>	3,24,75,232
<b>Other loans and advances</b>				
Unsecured, considered good				
MAT credit entitlement	<b>3,46,14,864</b>	2,85,93,434	-	-
Loan to Employees	<b>44,42,806</b>	26,43,250	<b>25,61,378</b>	22,43,000
Advance Income Tax (Net)	-	38,73,462	-	-
Balance with Statutory/ Government Authorities	-	-	<b>2,29,55,447</b>	2,48,48,873
Other loans and advances	-	-	<b>14,25,000</b>	14,25,000
	<u><b>3,90,57,670</b></u>	<u>3,51,10,146</u>	<u><b>5,77,64,873</b></u>	<u>6,09,92,105</u>
	<u><b>7,03,61,394</b></u>	<u>4,86,88,402</u>	<u><b>5,80,04,873</b></u>	<u>6,19,76,105</u>

## NOTES TO THE FINANCIAL STATEMENTS

### 15. INVENTORIES

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
Raw Material (including in transit Rs. 2,58,09,287 (Previous Year Rs. 79,11,409) (refer note- 21)	10,58,47,327	7,36,17,216
Work in Progress (refer note- 23)	8,28,73,198	7,47,43,633
Finished Goods (refer note- 23)	1,76,24,312	2,16,12,864
Stock-in-trade (including in transit Rs. 47,43,024 (Previous Year Rs. 1,20,13,829) (refer note- 23)	8,04,53,305	10,07,12,328
Stores & Spares (including in transit Rs. 1,56,92,249 (Previous Year Rs. 14,73,647)	9,99,99,896	8,76,41,756
	<u>38,67,98,038</u>	<u>35,83,27,797</u>
Less: Provision for Obsolescence	2,32,22,001	1,08,32,466
	<u>36,35,76,037</u>	<u>34,74,95,331</u>

### 16. TRADE RECEIVABLES

Debts outstanding for a period exceeding six months from the date they are due for payment

Unsecured, considered good	7,96,885	51,48,893
Unsecured, considered doubtful	15,31,109	71,14,340
Less: Provision for doubtful debts	15,31,109	71,14,340
	<u>7,96,885</u>	<u>51,48,893</u>

#### Other debts

Secured, considered good	2,24,673	2,40,175
Unsecured, considered good	27,00,76,529	22,07,41,823
Less: Provision for doubtful debts	12,47,525	-
	<u>26,90,53,677</u>	<u>22,09,81,998</u>
	<u>26,98,50,562</u>	<u>22,61,30,891</u>

Trade receivables includes Rs. Nil (Previous year Rs. 36,83,731) dues from Juken Uniproducts Private Limited in which the Company's director is a director.

### 17. CASH AND CASH EQUIVALENTS

Cash & Cash equivalents		
Cash on hand	6,32,133	3,98,672
Balance with banks:		
- Current accounts	8,31,33,079	2,28,05,411
- Bank deposits upto 3 months maturity	-	1,50,00,000
Other bank balances		
- Unpaid dividend accounts	3,26,113	4,12,721
- Deposits with original maturity for more than 12 months	16,78,562	16,78,562
	<u>8,57,69,887</u>	<u>4,02,95,366</u>

### 18. OTHER CURRENT ASSETS

Interest accrued on Margin Money	2,06,636	74,587
Other accrued Interest	3,45,718	4,65,133
	<u>5,52,354</u>	<u>5,39,720</u>



# UNIPRODUCTS (INDIA) LTD.

## NOTES TO THE FINANCIAL STATEMENTS

### 19. REVENUE FROM OPERATIONS

	YEAR ENDED MARCH 31, 2017 Rs.	YEAR ENDED MARCH 31, 2016 Rs.
Sale of products		
Finished Goods	2,98,30,92,859	2,10,27,07,457
Traded Goods	17,51,98,424	17,67,66,623
Other operating revenue	2,55,62,961	2,30,35,331
<b>Revenue from operations (gross)</b>	<b>3,18,38,54,244</b>	<b>2,30,25,09,411</b>
Less Excise duty	34,43,16,089	23,47,16,092
<b>Revenue from operations (net)</b>	<b>2,83,95,38,155</b>	<b>2,06,77,93,319</b>

	YEAR ENDED MARCH 31, 2017 Rs.	YEAR ENDED MARCH 31, 2016 Rs.
<b>Details of products sold</b>		
<b>A. Finished Goods sold</b>		
Floor Coverings	1,85,49,90,977	1,46,09,00,069
Non-woven Light Weights	28,44,951	1,40,71,342
N.V.H. Products	1,12,52,56,931	62,77,36,046
	<b>2,98,30,92,859</b>	<b>2,10,27,07,457</b>
<b>B. Traded Goods Sold</b>		
Imported Carpets	6,29,53,056	7,75,45,566
Imported Carpet tiles	6,48,89,904	7,20,36,265
Laminate wooden floorings	2,73,51,187	2,38,90,978
Fluff Pulp	2,00,04,277	32,93,814
	<b>17,51,98,424</b>	<b>17,67,66,623</b>
	<b>3,15,82,91,283</b>	<b>2,27,94,74,080</b>

### 20. OTHER INCOME

	YEAR ENDED MARCH 31, 2017 Rs.	YEAR ENDED MARCH 31, 2016 Rs.
Interest income on		
- Bank deposits	11,06,841	7,87,301
- Others	11,74,231	35,50,823
Lease rentals	61,92,000	59,80,333
Provisions/Creditors no longer required written back	84,28,137	1,63,037
Commission received	5,92,605	5,70,047
Foreign exchange fluctuation	3,32,225	-
Profit on sale of fixed assets (net)	6,24,379	-
Miscellaneous income	28,04,830	14,000
	<b>2,12,55,248</b>	<b>1,10,65,541</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 21. COST OF RAW MATERIAL CONSUMED

	YEAR ENDED MARCH 31, 2017 Rs.	YEAR ENDED MARCH 31, 2016 Rs.
Inventory at the beginning of the year	7,36,17,216	8,93,13,704
Add: Purchases	1,42,12,43,428	1,05,32,09,704
Less: Inventory at the end of the year	10,58,47,327	7,36,17,216
<b>Cost of raw materials consumed</b>	<b>1,38,90,13,317</b>	<b>1,06,89,06,192</b>

#### DETAILS OF RAW MATERIAL CONSUMED

Polyster & Fabric Backing	49,94,14,150	39,14,26,506
EVA, Binder, Foaming & Adhesive Chemicals	14,13,07,810	13,89,43,606
LDPE & Resin Powder	29,98,32,950	15,34,55,635
Aluminium	4,93,82,385	2,75,72,957
Polypropylene	1,63,85,976	1,22,83,451
Viscose fibre	6,38,972	77,71,418
Others	38,20,51,074	33,74,52,619
	<b>1,38,90,13,317</b>	<b>1,06,89,06,192</b>

### 22. DETAILS OF PURCHASE OF STOCK-IN-TRADE

Imported Carpets	3,27,75,865	5,14,83,039
Imported Carpet tiles	3,99,32,972	4,84,50,931
Laminate wooden floorings	1,53,33,820	89,48,274
Fluff Pulp	1,82,44,191	62,33,718
	<b>10,62,86,848</b>	<b>11,51,15,962</b>

### 23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Inventories at the beginning of the year		
Finished goods	2,16,12,864	1,66,27,262
Work-in-progress	7,47,43,633	6,42,08,301
Stock-in-trade	10,07,12,328	9,94,24,906
Less: Inventories at the end of the year		
Finished goods	1,76,24,312	2,16,12,864
Work-in-progress	8,28,73,198	7,47,43,633
Stock-in-trade	8,04,53,305	10,07,12,328
	<b>1,61,18,010</b>	<b>(1,68,08,356)</b>





## NOTES TO THE FINANCIAL STATEMENTS

### DETAILS OF INVENTORY

	YEAR ENDED MARCH 31, 2017 Rs.	YEAR ENDED MARCH 31, 2016 Rs.
<b>Finished Goods</b>		
Floor Coverings	1,26,02,724	1,49,21,697
Non-woven Light Weights	13,553	18,70,733
N.V.H. Products	50,08,035	48,20,434
	<u>1,76,24,312</u>	<u>2,16,12,864</u>
<b>Work-in-Progress</b>		
Floor Coverings	6,48,23,075	6,34,85,186
Non-woven Light Weights	-	3,53,122
N.V.H. Products	1,80,50,123	1,09,05,325
	<u>8,28,73,198</u>	<u>7,47,43,633</u>
<b>Stock-in-Trade</b>		
Imported Carpets	3,34,47,440	4,23,43,676
Imported Carpet tiles	2,48,53,792	3,07,11,141
Laminate wooden floorings	1,99,93,579	2,44,48,846
Fluff Pulp	21,58,494	32,08,665
	<u>8,04,53,305</u>	<u>10,07,12,328</u>
<b>24. EMPLOYEE BENEFITS</b>		
Salaries and wages	42,88,20,605	31,76,28,353
Contribution to Provident fund and other funds	1,87,62,774	1,59,51,589
Contribution to Gratuity fund (refer note 29)	1,64,79,284	73,31,853
Leave Encashment (refer note 29)	95,69,780	51,29,031
Staff Welfare expenses	3,81,72,526	2,00,01,937
	<u>51,18,04,969</u>	<u>36,60,42,763</u>
<b>25. FINANCE COSTS</b>		
Interest Expenses:		
- long term loans	5,71,84,686	6,60,60,828
- on cash credit	4,74,43,628	3,80,00,547
- others	23,03,505	14,50,136
Bank Charges	1,21,01,765	2,00,11,887
	<u>11,90,33,584</u>	<u>12,55,23,398</u>

## NOTES TO THE FINANCIAL STATEMENTS

	YEAR ENDED MARCH 31, 2017 Rs.	YEAR ENDED MARCH 31, 2016 Rs.
<b>26. OTHER EXPENSES</b>		
Consumption of stores and spares	2,24,30,247	1,59,65,098
Packing	3,37,37,555	2,61,62,568
Needles consumed	95,73,085	94,52,853
Power and fuel	14,52,72,108	12,09,66,426
Job work Charges	3,32,79,030	1,47,14,781
Repairs and maintenance:		
- buildings	30,24,712	8,56,924
- plant and machinery	6,48,73,761	4,58,07,918
- others	1,54,10,033	83,62,638
Research and Development	43,23,768	46,72,814
Excise duty on Increase/(Decrease) in stock of finished goods	1,093	5,86,061
Commission and Discount	1,53,36,718	1,58,55,959
Sales promotion and advertisement	43,66,714	45,34,000
Freight outward	8,78,31,932	6,43,00,310
Rent	93,18,588	73,43,403
Rates and taxes	27,25,241	20,83,931
Insurance	88,85,373	59,74,938
Printing and stationery	27,05,664	25,51,357
Office maintenance	56,61,163	45,84,795
Traveling and conveyance	1,27,41,110	99,19,567
Communication	27,12,698	29,16,238
Legal and professional fees (refer note 28)	79,30,683	48,66,879
Foreign exchange loss (net)	-	39,90,028
Director's sitting fees	5,03,200	4,20,900
Vehicle running and maintenance	63,23,111	70,53,708
Loss on fixed assets sold/discarded (net)	-	10,17,923
Amount written off	3,73,535	-
Provision for Obsolete Inventories	1,23,89,535	44,33,439
Provision for doubtful debts	21,10,621	27,88,991
Bad debts/Advances written off	63,54,239	2,06,690
Miscellaneous expenses	1,21,84,384	1,00,97,949
	<b>53,23,79,901</b>	<b>40,24,89,086</b>



## NOTES TO THE FINANCIAL STATEMENTS

### 27. EARNINGS PER SHARE (EPS)

	2016-17 Rs.	2015-16 Rs.
Net profit/(loss) after tax available for Equity Shareholders	2,84,44,626	(7,79,69,939)
Weighted Average Number of Equity Shares (in numbers)	1,66,09,882	1,66,09,882
Face Value Per Share	10	10
Basic Earnings Per Share	1.71	(4.69)
Diluted Earnings Per Share	1.71	(4.69)

### 28. LEGAL & PROFESSIONAL FEES INCLUDES PAYMENTS TO AUDITOR

	2016-17 Rs.	2015-16 Rs.
Audit Fee	6,00,000	3,90,000
Tax Audit Fee	1,00,000	75,000
Other Services(Certification fees)	1,80,000	1,75,000
Service Tax	1,32,000	96,000
Out of Pocket Expenses	38,450	36,140
	<b>10,50,450</b>	<b>7,72,140</b>

### 29. As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	2016-17 Rs.		2015-16 Rs.	
<b>(a) Reconciliation of opening and closing balances of Defined Benefit obligation</b>				
Defined Benefit obligation at beginning of the year	4,22,48,109	84,33,027	3,39,45,032	68,49,034
Past Service Cost	-	-	-	-
Current Service Cost	48,08,949	19,76,339	36,46,859	13,56,115
Interest Cost	31,68,608	6,32,477	27,15,603	5,47,923
Actuarial (gain) / Loss	1,13,53,080	69,60,964	29,07,768	32,24,993
Benefits paid	(36,24,827)	(47,80,256)	(9,67,153)	(35,45,038)
Defined Benefit obligation at year end	5,79,53,919	1,32,22,551	4,22,48,109	84,33,027
<b>(b) Reconciliation of opening and closing balances of fair value of plan assets</b>				
Fair value of plan assets at beginning of the year	3,52,89,475	-	2,53,51,098	-
Expected return on plan assets	28,51,352	-	19,38,377	-
Actuarial gain / (loss)	-	-	-	-
Employer contribution	1,00,00,000	-	80,00,000	-
Benefits paid	-	-	-	-
Fair Value of plan assets at year end	4,81,40,827	-	3,52,89,475	-
Actual return on plan assets	-	-	-	-
<b>(c) Reconciliation of fair value of assets and obligations</b>				
Fair value of plan assets at end of the year	4,81,40,827	-	3,52,89,475	-
Present value of obligation	5,79,53,919	1,32,22,551	4,22,48,109	84,33,027
Amount recognised in Balance Sheet	98,13,092	1,32,22,551	69,58,634	84,33,027

## NOTES TO THE FINANCIAL STATEMENTS

### (d) Expense recognised during the year

Current Service Cost	48,08,949	19,76,339	36,46,859	13,56,115
Past Service Cost	-	-	-	-
Interest Cost	31,68,608	6,32,477	27,15,603	5,47,923
Expected return on plan assets	(28,51,352)	-	(19,38,377)	-
Net Actuarial loss recognized during the period	1,13,53,080	69,60,964	29,07,768	32,24,993
Net Cost	1,64,79,285	95,69,780	73,31,853	51,29,031
<b>Principal assumptions used in determining Gratuity &amp; Leave Encashment obligations are as under:</b>				
Discount rate	7.50%	7.50%	8.00%	8.00%
Expected rate of return on assets	7.50%	-	8.00%	-
Future salary increase	5.50%	5.50%	5.50%	5.50%

### 30. LEASES

The details of amounts of minimum lease payments outstanding and present value thereof are as under:

	Minimum lease payment outstanding	2016-17	Future interest on outstanding lease payments	Minimum lease payment outstanding	2015-16	Future interest on outstanding lease payments
		Present value of minimum lease payments outstanding			Present value of minimum lease payments outstanding	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Total amount due	1,78,69,688	1,50,93,127	27,76,561	1,34,85,052	1,05,39,912	29,45,140
Due within one year	66,36,208	53,81,548	12,54,660	38,70,600	28,13,049	10,57,551
Due later than one year and not later than five years	1,12,33,480	97,11,579	15,21,901	96,14,452	77,26,863	18,87,589

### 31. Related Party Disclosures

Related Party Disclosures as required under Accounting Standard-18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given here under :

#### (a) Holding Company

Darram Inc.

#### (b) Fellow Subsidiary

Uniproducts (Mauritius) Limited  
Deux Montagnes Investments Limited  
Universal Paper Export Company Limited  
Dekram Investments  
Darrameks Hotels & Developers Private Limited

#### (c) Joint Venture

Juken Uniproducts Private Limited  
Uniproducts Kyoshin Private Limited

#### (d) Enterprises owned or significantly influenced by key managerial personnel

Unicel Impex Private Limited  
Metore Mining Private Limited  
A.K.Family Trust  
Ex-hinduities Trust  
Indian Trust for Rural Heritage and Development (ITRHD)

#### (e) Key Management Personnel and their relative

Dr. Ashwan Kapur, Managing Director  
Mr. Arun Seth, Director  
M/s Om Sai (Relative of Director)  
Mr. Aditya Capoor, Chief Financial Officer  
Mrs. Preeti Sondhi, Company Secretary



## NOTES TO THE FINANCIAL STATEMENTS

### Related Party Transactions

Nature of Transaction	Juken Uniproducts Pvt. Ltd. Rs.	Uniproducts Kyoshin Pvt. Ltd. Rs.	Unicel Impex Pvt. Ltd. Rs.	Arun Seth Co. Ltd. Rs.	Universal Paper Export Rs.	Dr. Ashwan Kapur Rs.	M/s Om Sai Rs.	Darrameks Hotels & Developers Pvt. Ltd Rs.
<b>Investments</b>								
Balance as at 31.03.2017	1,13,40,000 (1,13,40,000)	20,00,000 (20,00,000)						
Rental Income	60,60,000 (60,78,970)							
Reimbursement of Electricity Expenses	4,29,536 (7,80,744)							
Reimbursement of Security Expenses	5,19,869 (4,83,898)							
Purchase of Material	2,43,470 (4,16,036)							
Sale of Trading Goods	1,16,725 (-)						92,814 (-)	76,849 (-)
Rent Paid			16,54,800 (15,13,036)					
Purchase of trading goods					1,72,02,407 (55,24,812)			
Consultancy Fees				1,20,000 (1,20,000)				
Reimbursement of expenses				1,80,000 (1,80,000)				
<b>Key Management Personnel and their relative</b>								
Rent Paid						4,13,700 (4,10,096)		
Remuneration paid (Refer note no. 32)								
Receivable/Payable as at 31.03.2017	- (36,83,731)	1,14,570 (1,14,570)	- (3,08,006)	9,000 (9,000)	62,30,795 (32,08,665)	- (-)	- (-)	- (-)

## NOTES TO THE FINANCIAL STATEMENTS

### 32. PAYMENT TO MANAGING DIRECTOR

	2016-17 Rs.	2015-16 Rs.
Salary	38,11,840	33,11,680
House Rent Allowance	22,87,104	19,87,008
Contribution to Provident Fund	4,57,421	3,97,402
Other Perquisites	12,14,021	8,26,386
Commission	5,42,289	-
	<u>83,12,675</u>	<u>65,22,476</u>

### 33. VALUE OF IMPORTS CALCULATED ON CIF BASIS

	2016-17 Rs.	2015-16 Rs.
Raw Material	5,63,02,874	5,70,00,497
Stores & Spares	1,01,73,276	94,92,292
Trading Goods	8,23,79,141	10,67,26,755
	<u>14,88,55,291</u>	<u>17,32,19,544</u>

### 34. VALUE OF IMPORTED AND INDIGENEOUS RAW MATERIALS AND SPARES PARTS CONSUMED

	2016-17		2015-16	
	Rs.	%	Rs.	%
<b>Raw materials</b>				
Imported	3,30,53,867	2.38	4,97,23,859	4.97
Indigenous	1,35,59,59,450	97.62	95,08,52,773	95.03
	<u>1,38,90,13,317</u>	<u>100.00</u>	<u>1,00,05,76,632</u>	<u>100.00</u>
<b>Spares parts</b>				
Imported	84,70,468	7.54	62,09,874	7.80
Indigenous	10,38,16,658	92.46	7,33,78,633	92.20
	<u>11,22,87,126</u>	<u>100.00</u>	<u>7,95,88,507</u>	<u>100.00</u>

### 35. EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

	2016-17 Rs.	2015-16 Rs.
Travelling Expenses	3,18,474	5,26,410
Legal & Professional fees	10,06,412	3,56,759
Research & Development	-	2,24,885
Sales promotion and advertisement	14,870	-
	<u>13,39,756</u>	<u>11,08,054</u>

### 36. EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

	2016-17 Rs.	2015-16 Rs.
Commission	9,70,126	12,49,687
	<u>9,70,126</u>	<u>12,49,687</u>



## NOTES TO THE FINANCIAL STATEMENTS

### 37. OUTSTANDING DERIVATIVE INSTRUMENTS

The Foreign Currency Exposure not hedged by a derivative instrument or otherwise as on March 31, 2017 are as follows:

	2016-17 Rs.	2015-16 Rs.
Advance to Suppliers		
US dollar	48,582	68,111
Euro	-	24,112
Amount payable on account of Purchase of Material/services		
US dollar	6,76,068	3,63,437
Euro	-	21,755
JPY	1,79,400	4,19,201

### 38. CONTINGENT LIABILITIES

	2016-17 Rs.	2015-16 Rs.
(i) Letters of Credit	6,95,50,669	5,29,35,835
(ii) Bank Guarantees (net of margin)	4,33,39,800	2,70,10,000
(iii) Local Area Development Tax	3,84,66,881	3,13,44,316
(iv) Excise duty	16,45,95,085	16,45,95,085
(v) Income Tax	1,81,256	1,81,256
	<u>31,61,33,691</u>	<u>27,60,66,492</u>

In respect of item (iii) to (v) future cash outflows in respect of contingent liabilities is determinable only on receipt of judgement pending at various forums/authorities.

### 39. CAPITAL AND OTHER COMMITMENTS

	2016-17 Rs.	2015-16 Rs.
Estimated amount of contracts remaining to be executed on capital account and not provided for	6,15,67,533	64,91,553
	<u>6,15,67,533</u>	<u>64,91,553</u>







## NOTES TO THE FINANCIAL STATEMENTS

### 41. DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308 dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulares	SBNs* (Rs.)	Other denomination notes (Rs.)	Total (Rs.)
Closing cash in hand as on November 8, 2016	27,21,000	7,02,255	34,23,255
(+) Permitted receipts	-	10,53,193	10,53,193
(-) Permitted payments	-	(16,56,375)	(16,56,375)
(-) Amount deposited in Banks	(27,21,000)	-	(27,21,000)
<b>Closing cash in hand as on December 30, 2016</b>	<b>-</b>	<b>99,073</b>	<b>99,073</b>

\* For the purpose of this clause, the term "Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407 ( E), dated the 8th November, 2016.

### 42. INTEREST IN A JOINT VENTURES:

- (i) The Company subscribed 11,34,000 (Previous year 11,34,000) equity shares for a total consideration of Rs. 1,13,40,000 (Previous year 1,13,40,000) in Juken Uniproducts Private Limited, which is a jointly controlled entity with an 45:55 equity participation with Singapore based Juken Technology Limited for manufacturing of Plastic Injection Moulding parts.

The Company has the following investment, in a jointly controlled entity

Name of the Company	Country of Incorporation	% of Ownership Interest 2016-17	% of Ownership Interest 2015-16
Juken Uniproducts Private Limited	India	45	45

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity for the year ended March 31, 2017 based on audited accounts are as follows:

	2016-17 Rs.	2015-16 Rs.
Assets	12,17,95,175	11,74,18,032
Liabilities	6,90,78,346	7,40,69,617
Income	13,55,91,371	10,97,69,219
Expenses	11,91,04,523	10,10,22,791
<b>Other Matters:</b>		
Contingent Liabilities	29,73,150	29,73,150
Capital Commitments	9,15,571	15,54,742

- (ii) The Company subscribed 2,00,000 (Previous year 2,00,000) equity shares for a total consideration of Rs. 20,00,000 (Previous year 20,00,000) in Uniproducts Kyoshin Private Limited, which is a jointly controlled entity with an 50:50 equity participation with Japan based Kyoshin Co. Limited for manufacturing of Metal Precision parts (MPP).

The Company has the following investment in a jointly Controlled entity

Name of the Company	Country of Incorporation	% of Ownership Interest 2016-17	% of Ownership Interest 2015-16
Uniproducts Kyoshin Private Limited	India	50	50

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity for the year ended March 31, 2017 based on Audited accounts are as follows:

	2016-17 Rs.	2015-16 Rs.
Assets	19,53,383	18,54,780
Liabilities	1,52,457	1,17,051
Income	1,06,104	86,679
Expenses	23,537	44,701

43. Pursuant to the Payment of Bonus (Amendment) Act, 2015 ("the amendment"), the Company is liable to pay bonus retrospectively from April 1, 2014 in accordance with the revised calculations of bonus. Various Industry bodies gave their representation & challenged the applicability of the amendment with retrospective effect in the Hon'ble Punjab & Haryana High Court, Chandigarh. The Division Bench of the Hon'ble Punjab & Haryana High Court, Chandigarh, granted stay on retrospective applicability of the amendment vide order dated May 20, 2016.

In view of the above, the Company has not made provision for differential amount of bonus amounting to Rs.8,78,264/- as per the revised calculations of bonus for the year 2014-15

#### 44. Previous year figures

Previous year figures have been regrouped wherever necessary.

As per our report of even date

**For and on behalf of the Board of Directors of Uniproducts (India) Limited**

For **S. N. Dhawan & Co. LLP.**  
Chartered Accountants  
Firm Regn. No.000050N/N500045

**Dr. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432

**ARUN KUMAR SETH**  
Director  
DIN : 00794656

**SURESH SETH**  
Partner  
Membership No. : 010577

**ADITYA CAPOOR**  
Chief Financial Officer

**PREETI SONDHI**  
Company Secretary

Place : New Delhi  
Dated : May 22, 2017



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## INDEPENDENT AUDITORS' REPORT

To the Members of  
**Uniproducts (India) Limited**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **Uniproducts (India) Limited** (hereinafter referred to as "the Company") and its jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### **Management's Responsibility for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company including its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors of the Company and its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its jointly controlled entities as at March 31, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

## **Other Matters**

We did not audit the financial statements / financial information of two jointly controlled entities, whose financial statements / financial information reflect total assets of Rs. 12,37,48,558 as at March 31, 2017 and total revenues of Rs. 13,56,97,475 and net cash flows amounting to Rs. 4,97,815 for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entities, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- (e) On the basis of the written representations received from the directors of the Company as on March 31, 2017 & taken on record by the Board of Directors of the Company and the reports of the other statutory auditors of its jointly controlled company incorporated in India, none of the directors of the Company and its jointly controlled companies incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure".



## UNIPRODUCTS (INDIA) LTD.

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- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. There were no pending litigations which would impact the consolidated financial position of the Company and its jointly controlled entities.
  - ii. The Company and its jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, and its jointly controlled company incorporated in India.
  - iv. The Company has provided requisite disclosures in the Consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 30.

For **S. N. Dhawan & Co. LLP.**  
Chartered Accountants  
Firm Regn. No. 000050N/N500045

Place : New Delhi  
Dated : May 22, 2017

**SURESH SETH**  
Partner  
Membership No. : 010577

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## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph (f) under "Report on Other Legal & Regulatory Requirements" section of our report of even date

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Uniproducts (India) Limited ("the Company") as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S. N. Dhawan & Co. LLP.**  
Chartered Accountants  
Firm Regn. No. 000050N/N500045

Place : New Delhi  
Dated : May 22, 2017

**SURESH SETH**  
Partner  
Membership No. : 010577

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

PARTICULARS	NOTES	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	16,60,98,810	16,60,98,810
Reserves and surplus	4	51,51,72,006	47,50,75,838
<b>Non-Current Liabilities</b>			
Long-term borrowings	5	36,50,22,953	41,42,48,491
Deferred tax liabilities (Net)	6	2,91,67,760	1,32,63,643
Other long term liabilities	7	34,05,369	34,35,369
Long-term provisions	8	1,33,33,759	84,59,592
<b>Current liabilities</b>			
Short-term borrowings	9	48,08,96,698	36,43,93,147
Trade payables:			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	10	44,47,23,604	31,82,26,817
Other current liabilities	11	23,09,99,724	30,24,20,054
Short-term provisions	8	1,81,95,612	95,15,956
<b>TOTAL</b>		<b>2,26,70,16,295</b>	<b>2,07,51,37,717</b>
<b>ASSETS</b>			
<b>Non current assets</b>			
Fixed assets			
- Property, plant & equipments	12	1,29,77,59,945	1,22,10,08,843
- Intangible assets	12	18,94,579	4,04,483
- Capital work in progress	12	5,55,39,738	7,50,08,871
Long term loans and advances	13	7,29,96,358	5,00,49,404
<b>Current assets</b>			
Inventories	14	38,46,63,632	36,20,88,502
Trade receivables	15	30,29,20,193	25,88,87,032
Cash and cash equivalents	16	8,88,90,800	4,31,92,051
Short term loans and advances	13	6,15,79,927	6,38,71,066
Other current assets	17	7,71,123	6,27,465
<b>TOTAL</b>		<b>2,26,70,16,295</b>	<b>2,07,51,37,717</b>

### Summary of Significant Accounting Policies 2.1

The accompanying Notes (1 to 35 ) are an integral part of the financial statements.

As per our report of even date **For and on behalf of the Board of Directors of Uniproducts (India) Limited**

For **S. N. Dhawan & Co. LLP.**  
Chartered Accountants  
Firm Regn. No.000050N/N500045

**Dr. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432

**ARUN KUMAR SETH**  
Director  
DIN : 00794656

**SURESH SETH**  
Partner  
Membership No. : 010577

**ADITYA CAPOOR**  
Chief Financial Officer

**PREETI SONDHI**  
Company Secretary

Place : New Delhi  
Dated : May 22, 2017





# UNIPRODUCTS (INDIA) LTD.

## STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2017

	NOTES	YEAR ENDED MARCH 31, 2017 Rs.	YEAR ENDED MARCH 31, 2016 Rs.
<b>INCOME</b>			
Revenue from operations (gross)	18	<b>3,33,34,29,213</b>	2,42,45,01,998
Less: Excise duty		<b>36,12,12,368</b>	24,84,55,950
Revenue from operations (net)		<b>2,97,22,16,845</b>	2,17,60,46,048
Other Income	19	<b>2,14,37,919</b>	98,68,783
<b>Total Revenue (I)</b>		<b>2,99,36,54,764</b>	2,18,59,14,831
<b>EXPENSES</b>			
Cost of Materials consumed	20	<b>1,44,41,98,319</b>	1,10,93,71,330
Purchases of Stock-in-trade	21	<b>10,62,86,848</b>	11,51,15,962
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	<b>1,37,52,386</b>	(1,50,78,456)
Employee benefits Expense	23	<b>53,52,62,618</b>	38,45,03,152
Finance costs	24	<b>12,25,86,784</b>	12,98,71,921
Depreciation and amortisation	12	<b>14,76,09,318</b>	13,75,68,656
Other expenses	25	<b>55,59,70,438</b>	42,58,86,483
<b>Total Expenses (II)</b>		<b>2,92,56,66,711</b>	2,28,72,39,048
<b>Profit / (Loss) before Tax (I-II)</b>		<b>6,79,88,053</b>	(10,13,24,217)
<b>Tax expense</b>			
Current Tax		<b>1,80,09,198</b>	19,55,072
Deferred Tax (Charge) / Credit		<b>(1,59,04,117)</b>	3,60,35,509
MAT Credit Entitlement		<b>(60,21,430)</b>	48,92,406
<b>Profit / (Loss) for the year</b>		<b>4,00,96,166</b>	(7,21,36,186)
<b>Earnings per Equity Share (Face value of Rs. 10 each)</b>			
	26		
Basic		<b>4.09</b>	(6.10)
Diluted		<b>4.09</b>	(6.10)

### Summary of Significant Accounting Policies 2.1

The accompanying Notes (1 to 35) are an integral part of the financial statements.

As per our report of even date **For and on behalf of the Board of Directors of Uniproducts (India) Limited**

For **S. N. Dhawan & Co. LLP.**  
Chartered Accountants  
Firm Regn. No.000050N/N500045

**Dr. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432

**ARUN KUMAR SETH**  
Director  
DIN : 00794656

**SURESH SETH**  
Partner  
Membership No. : 010577

**ADITYA CAPOOR**  
Chief Financial Officer

**PREETI SONDHI**  
Company Secretary

Place : New Delhi  
Dated : May 22, 2017

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	March 31, 2017 Rs.	March 31, 2016 Rs.
<b>A. Cash Flows from Operating Activities</b>		
Net Profit/(Loss) before tax	6,79,88,053	(10,13,24,217)
Adjustment for:		
Depreciation and amortisations	14,76,09,318	13,75,68,656
Finance Costs	12,25,86,784	12,98,71,921
Bad Debts/advances written off	63,54,239	2,06,690
Provisions for Doubtful Debts	21,10,621	27,88,991
Provisions for obsolete Inventories	1,23,89,535	44,33,439
Loss on fixed Assets sold/discarded	-	10,33,581
Profit on fixed Assets sold/discarded	6,24,379	-
Provisions Written Back	(84,28,137)	(1,63,037)
Interest Received	(24,26,911)	(45,53,566)
Operating Profit before Working Capital changes	<b>34,88,07,881</b>	16,98,62,458
Adjustment for:		
Trade & Other Receivables	(7,10,04,621)	1,35,30,630
Inventories	(3,49,64,665)	1,78,60,794
Trade Payable and Others	12,71,65,481	18,32,310
Cash Generated from Operations	<b>37,00,04,076</b>	20,30,86,192
Direct Taxes paid (net of refunds)	(52,78,766)	(31,64,571)
<b>Net Cash flows from Operating Activities (A)</b>	<b>36,47,25,310</b>	19,99,21,621
<b>B. Cash Flows from Investing Activities</b>		
Purchase of Property, plant & equipments	(20,69,03,234)	(12,60,59,479)
Proceed from sale of Property, plant & equipments	11,46,230	2,08,103
Margin money/Deposits with banks for specified purpose	86,608	70,57,564
Interest Received	22,83,253	44,21,140
<b>Net Cash Flows from Investing Activities (B)</b>	<b>(20,33,87,143)</b>	(11,43,72,672)
<b>C. Cash Flows from Financing Activities</b>		
Proceeds from Long Term Borrowings	7,76,91,359	14,48,43,656
Repayment from Long Term Borrowings	(18,31,78,912)	(19,01,92,778)
Proceeds/(Repayment) from Short Term Borrowings (Net)	11,65,03,553	10,16,17,285
Interest Paid	(12,65,68,810)	(12,83,66,255)
<b>Net Cash Flows from Financing Activities (C)</b>	<b>(11,55,52,810)</b>	(7,20,98,092)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	<b>4,57,85,357</b>	1,34,50,857
Cash & Cash Equivalents as at 01.04.2016	<b>4,06,19,447</b>	2,71,68,590
<b>Cash &amp; Cash Equivalents as at 31.03.2017</b>	<b>8,64,04,804</b>	4,06,19,447

Note :

**1. Components of Cash & Cash Equivalents**

<b>Cash and Cash Equivalents</b>	<b>8,64,04,804</b>	4,06,19,447
Other Bank Balance :-		
- Unpaid Dividend Accounts	3,26,113	4,12,721
- Bank Deposits with more than 3 months but less than 12 months maturity	21,59,883	21,59,883
<b>Cash and Cash Equivalents as per Note 16</b>	<b>8,88,90,800</b>	4,31,92,051

2. Cash and Cash equivalents include Cash in hand, demand deposits with bank and short term highly liquid investments.

3. Previous year figures have been regrouped wherever necessary.

4. Figures in bracket shows cash outflow.

As per our report of even date  
For **S. N. Dhawan & Co. LLP.**  
Chartered Accountants  
Firm Regn. No.000050N/N500045

For and on behalf of the Board of Directors of Uniproducts (India) Limited  
**Dr. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432  
**ARUN KUMAR SETH**  
Director  
DIN : 00794656

**SURESH SETH**  
Partner  
Membership No. : 010577  
Place : New Delhi  
Dated : May 22, 2017

**ADITYA CAPOOR**  
Chief Financial Officer

**PREETI SONDHI**  
Company Secretary



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 1. Corporate Information

Unirpdoucts (India) Limited is a public limited company domiciled and incorporated in India. The Company is engaged in the business of manufacture of wall to wall carpets, interlinings, moulded carpets, noise, vibration and harshness (NVH) insulation parts, roof liner fabrics and heat shields. It also trades in laminated floorings, carpet tiles, engineered wood, loop pile carpets, decorative grass, fluff pulp and similar products.

### 2. Summary of significant accounting policies

#### a. Principal Of Consolidation

The consolidation of accounts is prepared in accordance with the requirement of Accounting Standard (AS27) "Financial Reporting of Interests in Joint Ventures" issued by the Institute of Chartered Accountants of India. The consolidated financial statements include the financial statements of Uniproducts India Limited and Jointly controlled entities.

The Jointly Controlled entities considered in the preparation of consolidated financial statements are as follows:

Sl. No.	Name of Company	Country of Incorporation	Proportion of ownership as on 31.03.2017	Held by	Reporting Period
<b>LIST OF JOINTLY CONTROLLED ENTITIES</b>					
1	Juken Uniproducts Private Limited	India	45%	Uniproducts (India) Limited	April-March
2	Uniproducts Kyoshin Private Limited	India	50%	Uniproducts (India) Limited	April-March

#### b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that effect the reported amount of revenues, expenses, assets and liabilities and the disclosure of the contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions actual results could differ from these estimates. Any revision to the accounting estimates is recognised in the period in which the results are known.

#### c. Property, plant & equipments

Property, plant & equipments are stated at cost or at replacement cost in case of revaluation, less accumulated depreciation/amortisation and impairment losses, if any. Cost of acquisition or construction is inclusive of all incidentals and other attributable costs of bringing the asset to its working condition for its intended use and is net of available duty/tax credits.

#### d. Intangible Assets:

Acquired intangible assets are valued at cost less accumulated amortisation and any impairment losses.

#### e. Impairment of Assets

Impairment is ascertained at each balance sheet date in respect of cash generating units as per Accounting Standard 28- 'Impairment of Assets' issued by Institute of Chartered Accountants of India. An impairment loss is recognised in books of accounts in the financial year concerned whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### f. Depreciation & Amortisation

#### Property, plant & equipments

- i. Depreciation on Property, plant & equipments is provided on the straight line method over the useful lives of assets prescribed in schedule II of the Companies Act, 2013 except Leasehold Land, which is amortised over the lease period and certain plant & machinery which is, based on internal assessment and independent technical evaluation carried out by external valuers, the Management estimates the useful life of these plant & machinery is 22 years. The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful life for these assets is different from the useful life as prescribed under Part C of Schedule II of the Companies Act 2013.
- ii. The depreciation on assets acquired/sold/discarded/demolished during the year is provided from/ upto the date the asset is commissioned/sold or discarded.
- iii. Assets costing upto Rs. 5,000 are depreciated fully in the year of purchase.

#### Intangible Assets

Expenditure on major Software products are written off over a period of five years on the basis of estimated economic life.

### g. Research & Development (R&D)

Revenue expenditure incurred for R&D is charged to the Statement of Profit and Loss. Fixed assets purchased for R&D activities are capitalised in the year the same are put to use.

### h. Revenue Recognition

- i) Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer. Sales are recognised net of trade discounts, rebates and sales tax.
- ii) Dividend is accounted for an accrual basis when the right to receive the dividend is established.
- iii) Interest income is recognised on the time proportion basis.

### i. Inventory Valuation

Raw Materials, Stores & Spares are stated at lower of cost or net realisable value.

Work in Progress and Stock of Finished & Trading goods are stated at lower of cost or net realisable value.

In determining the cost of raw materials, stores & spares weighted average cost method is used while in the case of trading goods 'FIFO method is used.

Work in progress and finished goods include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

### j. Employee Benefits

#### i) Defined Contribution Plan :

Employees benefits in the form of Provident Fund, Employee State Insurance and Labour Welfare Fund are considered as defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the year when the contribution to respective funds are due.

#### ii) Defined Benefit Plan :

Retirement benefits in the form of Gratuity is considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain/losses are immediately recognised in the Statement of Profit and Loss.

#### iii) Other Long Term Benefits :

Long term compensated absence is provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain/losses are immediately recognised in the Statement of Profit and Loss.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### k. Investment

Investments are classified as Long Term and are carried at cost. A provision for diminution is made to recognise a decline other than temporary in the value of Long Term Investments.

### l. Foreign Currency Transactions

Transaction in foreign currency are recorded at the exchange rates prevailing at the dates of the transactions. Gains/losses arising out of fluctuation in exchange rates on settlement are recognised in the Statement of Profit & Loss.

Foreign currency monetary assets & liabilities are restated at the exchange rate prevailing at the year end and the overall net gain/loss is adjusted to the Statement of Profit & Loss.

### m. Deferred Tax

Deferred tax is recognised, subject to consideration of prudence, on timing differences, representing the difference between the taxable income/(loss) and the accounting income/(loss) that originated in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets viz. unabsorbed depreciation and carry forward losses are recognised if there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### n. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets upto the date the assets are ready for their intended use. All other borrowing costs are recognised as an expense in the year in which they are incurred.

### o. Leases

Asset acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such assets are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit & Loss on accrual basis.

### p. Provisions and Contingent Liabilities and Contingent Assets

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of a past event,
- b) a probable outflow of resources is expected to settle the obligation and
- c) the amount of obligation can be reliably estimated.

Reimbursements expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent Liability is disclosed in case of

- a) a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation
- b) a possible obligation, of which the probability of outflow of resources is remote.

Contingent Assets are neither recognised nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 3. SHARE CAPITAL

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>Authorised</b>		
<b>Equity shares</b>		
2,00,00,000 (previous year 2,00,00,000) Equity Shares of Rs. 10/- each	<b>20,00,00,000</b>	20,00,00,000
	<u>20,00,00,000</u>	<u>20,00,00,000</u>
<b>Issued, Subscribed and fully Paid up</b>		
<b>Equity shares</b>		
1,66,09,881 (previous year 1,66,09,881) Equity Shares of Rs. 10/- each	<b>16,60,98,810</b>	16,60,98,810
	<u>16,60,98,810</u>	<u>16,60,98,810</u>
<b>4. RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve</b>	<b>8,40,35,301</b>	8,40,35,301
<b>Securities Premium Account</b>	<b>36,37,14,469</b>	36,37,14,469
<b>Revaluation Reserve</b>	<b>2,06,61,194</b>	2,06,61,194
<b>General Reserve</b>	<b>6,94,36,437</b>	6,94,36,437
<b>Surplus / (Deficit) Balance in the Statement of Profit and Loss</b>		
As per the last financial statements	<b>(6,27,71,563)</b>	93,64,624
Profit/(Loss) for the year	<b>4,00,96,168</b>	(7,21,36,186)
Net Surplus/(Deficit) in the Statement of Profit & Loss	<b>(2,26,75,395)</b>	(6,27,71,563)
<b>Total Reserves &amp; Surplus</b>	<b>51,51,72,006</b>	47,50,75,838
<b>Share of Joint Venture</b>	<b>3,95,20,760</b>	2,78,69,218



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 5. LONG-TERM BORROWINGS

	NON-CURRENT PORTION		CURRENT MATURITIES	
	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>SECURED</b>				
<b>Term loans :</b>				
- From banks	<b>33,67,04,333</b>	37,19,12,194	<b>10,77,07,860</b>	16,24,01,018
(Term loans are secured by way of exclusive first charge on all fixed assets and second charge on all the current assets, both present & future.)				
(Term Loans from banks carry interest @ 12.25% per annum)				
Repayment of term loans are as under:				
2017-18	- Rs. 10,34,81,202			
2018-19	- Rs. 6,13,57,000			
2019-20	- Rs. 6,60,96,000			
Beyond 2019-20	- Rs. 20,62,96,667			
<b>Other Loans &amp; Advances:</b>				
<b>Finance Lease Obligations</b>				
- From banks	<b>23,15,940</b>	48,11,620	<b>24,95,680</b>	26,69,892
- From Others	<b>98,18,071</b>	69,04,071	<b>41,40,528</b>	12,00,708
(secured by way of hypothecation of vehicles financed.)				
(Vehicle loan carries interest @ 9.00% to 9.50% per Annum)				
Maturity profile as follows:				
2017-18	- Rs. 66,36,208			
2018-19	- Rs. 57,04,918			
2019-20	- Rs. 31,27,146			
Beyond 2019-20	- Rs. 33,01,947			
(Current maturities of long-term borrowings are classified as other current liabilities (refer note-11))				
	<b>34,88,38,344</b>	38,36,27,885	<b>11,43,44,068</b>	16,62,71,618

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	NON-CURRENT PORTION		CURRENT MATURITIES	
	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>UNSECURED</b>				
<b>Other Loans &amp; Advances:</b>				
<b>- Department of Scientific &amp; Industrial Research (DSIR)</b>	<b>26,47,600</b>	52,95,200	<b>26,47,600</b>	52,95,200
<p>Repayable as annual royalty/lumpsum payment @26% of the monies disbursed by DSIR for a period of five years(i.e. a total 1.3 times of the money disbursed by DSIR) from the start of captive use of product by Company, if any and / or commercial sale of the "Product" produced in their Pilot / Commercial or a new producing plant installed on the basis of result of the Technology Development and Demonstration Programme (TDDP) project, whichever is earlier.</p> <p>The loan has been granted under DSIR programme named "Technology Development and Demonstration Programme of Technology Promotion, Development and Utilization (TPDU) Scheme to partially fund the activities of Indian industry for research and development and up gradation of technology.</p>				
<b>Related Parties</b>				
External Commercial Borrowings	<b>1,35,37,009</b>	2,53,25,406	<b>84,20,112</b>	-
	<b>1,61,84,609</b>	3,06,20,606	<b>1,10,67,712</b>	52,95,200
	<b>36,50,22,953</b>	41,42,48,491	<b>12,54,11,780</b>	17,15,66,818
<b>Share of Joint Venture</b>	<b>1,64,92,275</b>	3,25,06,731	<b>1,26,46,170</b>	49,01,058

### 6. DEFERRED TAX LIABILITIES (NET)

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>Deferred tax Liability</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	<b>13,48,36,955</b>	13,89,00,913
<b>Gross deferred tax Liability</b>	<b>13,48,36,955</b>	13,89,00,913
<b>Deferred Tax Assets</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	<b>75,78,901</b>	49,61,667
Unabsorbed Loss	<b>8,95,12,964</b>	11,43,48,640
Provision for Doubtful Debts/Inventories	<b>85,77,330</b>	63,26,962
<b>Gross deferred tax asset</b>	<b>10,56,69,195</b>	12,56,37,270
<b>Net Deferred Tax Liabilities</b>	<b>2,91,67,760</b>	1,32,63,643
<b>Share of Joint Venture</b>	<b>26,56,996</b>	38,76,926





# UNIPRODUCTS (INDIA) LTD.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 7. OTHER LONG TERM LIABILITIES

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
Interest Free Security Deposits from Customers	34,05,369	34,35,369
	<u>34,05,369</u>	<u>34,35,369</u>
Share of Joint Venture	<u>-</u>	<u>-</u>

### 8. PROVISIONS

	LONG-TERM		SHORT-TERM	
	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>Provision for employee benefits</b>				
Gratuity	7,98,313	5,89,784	98,28,165	69,69,069
Leave Encashment	1,25,35,446	78,69,808	10,07,449	8,24,814
<b>Others</b>				
Provision for Income Tax (net)	-	-	73,59,998	17,22,073
	<u>1,33,33,759</u>	<u>84,59,592</u>	<u>1,81,95,612</u>	<u>95,15,956</u>
Share of Joint Venture	<u>11,09,163</u>	<u>8,37,948</u>	<u>36,68,003</u>	<u>17,45,939</u>

### 9. SHORT TERM BORROWINGS

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>SECURED</b>		
<b>Cash credit/Buyers credit</b>		
-From banks	41,47,83,835	29,48,61,721
(secured by way of first charge on all the current assets and second charges on all the fixed assets, both present and future. It carries interest @ 12.25% per annum)		
	<u>41,47,83,835</u>	<u>29,48,61,721</u>
<b>UNSECURED</b>		
-From bank (Vendor Bill Discounting)	6,61,12,863	6,95,31,426
	<u>6,61,12,863</u>	<u>6,95,31,426</u>
	<u>48,08,96,698</u>	<u>36,43,93,147</u>
Share of Joint Venture	<u>52,76,560</u>	<u>1,09,92,277</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 10. TRADE PAYABLES

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises *	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	<b>38,97,74,970</b>	27,60,39,022
Acceptances	<b>5,49,48,634</b>	4,21,87,795
	<b>44,47,23,604</b>	31,82,26,817
<b>Share of Joint Venture</b>	<b>2,22,97,982</b>	1,25,98,466

\* There is no dues to micro, small & medium enterprises as defined under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act, 2006), based on the information available with the Company.

### 11. OTHER CURRENT LIABILITIES

Current maturities of long-term borrowings (includes finance lease obligations) (refer note-5 for details)	<b>12,54,11,780</b>	17,15,66,818
Interest accrued and due on borrowings	<b>48,18,248</b>	88,00,274
Investor education and protection fund will be credited by the following amounts (as and when due):		
-Unpaid dividends	<b>3,26,113</b>	4,12,656
Others		
Advances from customers	<b>2,30,11,453</b>	5,08,62,331
Creditors-Capital Expenditure	<b>1,04,84,992</b>	58,93,557
Other Payables (Includes statutory dues)	<b>6,69,47,138</b>	6,48,84,418
	<b>23,09,99,724</b>	30,24,20,054
<b>Share of Joint Venture</b>	<b>1,93,86,820</b>	1,37,90,343



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

12. PROPERTY, PLANT & EQUIPMENTS

	GROSS BLOCK						DEPRECIATION						NET BLOCK					
	As at April 1, 2016		Additions		Sub total		Disposals		As at March 31, 2017		Charge for the year		Disposals		As at March 31, 2017		As at March 31, 2016	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land	22,85,009	1,58,86,500	1,81,71,509	-	1,81,71,509	-	-	-	-	-	-	-	-	-	-	1,81,71,509	22,85,009	-
Leasehold Land	2,99,97,620	-	2,99,97,620	-	2,99,97,620	-	-	-	41,80,366	-	-	-	-	-	-	2,58,17,254	2,61,90,083	-
Leasehold Improvements	31,21,787	29,28,245	60,50,032	-	60,50,032	-	-	-	4,51,666	-	-	-	-	-	-	55,98,366	28,53,366	-
Buildings	31,58,27,221	6,28,02,969	37,86,30,190	-	37,86,30,190	-	-	-	9,22,12,011	-	-	-	-	-	-	28,64,18,179	23,45,65,965	-
Plant and Equipment	1,94,55,19,649	11,82,02,528	2,06,37,22,177	-	2,06,37,22,177	-	-	-	1,14,35,54,685	-	-	-	-	-	-	92,01,67,492	92,93,44,385	-
Furniture and Fixtures	67,81,424	11,25,595	79,07,019	-	79,07,019	-	-	-	48,78,597	-	-	-	-	-	-	30,28,422	30,33,593	-
Vehicles	4,31,85,509	1,84,21,628	6,16,17,137	52,57,849	5,63,59,288	-	-	-	2,44,76,859	-	-	-	-	-	-	3,18,82,429	1,89,94,139	-
Office equipment	1,46,06,685	33,20,520	1,79,27,205	-	1,79,27,205	-	-	-	1,38,58,988	-	-	-	-	-	-	40,68,217	20,49,193	-
Computers	94,74,288	19,58,507	1,14,32,795	-	1,14,32,795	-	-	-	88,24,718	-	-	-	-	-	-	26,08,077	16,93,110	-
	<b>2,37,08,09,192</b>	<b>22,46,46,492</b>	<b>2,59,54,55,684</b>	<b>52,57,849</b>	<b>2,59,01,97,835</b>	<b>52,57,849</b>	<b>47,35,998</b>	<b>14,73,73,539</b>	<b>1,29,24,37,890</b>	<b>47,35,998</b>	<b>1,29,24,37,890</b>	<b>1,29,77,59,945</b>	<b>1,22,10,08,843</b>					
<b>Intangible Assets</b>																		
Computer software	55,74,275	17,25,875	73,00,150	-	73,00,150	-	-	-	54,05,571	-	-	-	-	-	-	18,94,579	4,04,483	-
<b>Intangible Assets</b>	55,74,275	17,25,875	73,00,150	-	73,00,150	-	-	-	54,05,571	-	-	-	-	-	-	18,94,579	4,04,483	-
<b>Capital Work-in-Progress</b>																		
<b>Total</b>	<b>2,37,63,83,467</b>	<b>22,63,72,367</b>	<b>2,60,27,55,834</b>	<b>52,57,849</b>	<b>2,59,74,97,985</b>	<b>52,57,849</b>	<b>47,35,998</b>	<b>14,76,09,318</b>	<b>1,29,78,43,461</b>	<b>47,35,998</b>	<b>1,29,78,43,461</b>	<b>1,35,51,94,262</b>	<b>1,29,64,22,197</b>					
Previous year	2,32,23,17,305	5,73,71,020	2,37,96,88,325	33,04,858	2,37,63,83,467	33,04,858	20,63,172	1,15,49,70,141	1,01,94,64,658	13,75,68,656	1,15,49,70,141	-	-					
<b>Share of Joint Venture</b>	10,56,45,803	88,87,388	11,45,33,191	-	11,45,33,191	-	-	1,28,71,183	4,16,77,660	-	5,45,48,843	5,99,84,348	6,39,68,143					

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 13. LOANS AND ADVANCES

	NON CURRENT		CURRENT	
	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
<b>Capital Advances</b>				
Unsecured, considered good	<u>2,10,03,000</u>	59,93,028	-	-
	<u>2,10,03,000</u>	59,93,028	-	-
<b>Security Deposits</b>				
Unsecured, considered good	<u>1,29,25,105</u>	89,36,893	<u>2,40,000</u>	9,84,000
	<u>1,29,25,105</u>	89,36,893	<u>2,40,000</u>	9,84,000
<b>Advances Recoverable in cash or in kind or for value to be received</b>				
Unsecured, Considered Good	-	-	<u>3,37,45,092</u>	3,40,71,464
<b>Other loans and advances</b>				
Unsecured, considered good				
MAT credit entitlement	<u>3,46,14,864</u>	2,85,93,434	-	-
Loan to Employees	<u>44,42,806</u>	26,43,250	<u>25,61,378</u>	22,43,000
Advance Income Tax (Net)	<u>10,583</u>	38,82,799	-	-
Balance with Statutory/ Government Authorities	-	-	<u>2,36,08,457</u>	2,51,47,602
Other loans and advances	-	-	<u>14,25,000</u>	14,25,000
	<u>3,90,68,253</u>	3,51,19,483	<u>6,13,39,927</u>	6,28,87,066
	<u>7,29,96,358</u>	5,00,49,404	<u>6,15,79,927</u>	6,38,71,066
<b>Share of Joint Venture</b>	<u>26,34,964</u>	13,61,002	<u>36,32,339</u>	18,94,961

### 14. INVENTORIES

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
Raw Material (including in transit Rs. 2,58,09,287 (Previous Year Rs. 79,11,409)	<u>11,96,12,670</u>	8,32,53,759
Work in Progress	<u>9,01,95,450</u>	7,97,00,261
Finished Goods	<u>1,76,24,312</u>	2,16,12,864
Stock-in-trade (including in transit Rs.47,43,024 (Previous Year Rs. 1,20,13,829)	<u>8,04,53,305</u>	10,07,12,328
Stores & Spares (including in transit Rs.1,56,92,249 (Previous Year Rs. 14,73,647)	<u>9,99,99,896</u>	8,76,41,756
	<u>40,78,85,633</u>	37,29,20,968
Less: Provision for Obsolescence	<u>2,32,22,001</u>	1,08,32,466
	<u>38,46,63,632</u>	36,20,88,502
<b>Share of Joint Venture</b>	<u>2,10,87,595</u>	1,45,93,171



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 15. TRADE RECEIVABLES

	AS AT MARCH 31, 2017 Rs.	AS AT MARCH 31, 2016 Rs.
Debts outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	20,39,163	59,76,032
Unsecured, considered doubtful	15,31,109	71,14,340
Less: Provision for doubtful debts	15,31,109	71,14,340
	<u>20,39,163</u>	<u>59,76,032</u>
<b>Other debts</b>		
Secured, considered good	2,24,673	2,40,175
Unsecured, considered good	30,19,03,882	25,26,70,825
Less: Provision for doubtful debts	12,47,525	-
	<u>30,08,81,030</u>	<u>25,29,11,000</u>
	<u>30,29,20,193</u>	<u>25,88,87,032</u>
<b>Share of Joint Venture</b>	<u>3,30,69,631</u>	<u>3,27,56,141</u>

Trade receivables includes Rs. Nil (Previous year Rs. 36,83,731) dues from Juken Uniproducts Private Limited in which the Company's director is a director.

### 16. CASH & CASH EQUIVALENTS

Cash on hand	6,80,495	4,19,965
Balance with banks:		
- Current accounts	8,42,24,309	2,36,99,483
- Bank deposits upto 3 months maturity	15,00,000	1,65,00,000
Other bank balances		
- Unpaid dividend accounts	3,26,113	4,12,721
- Deposits with original maturity for more than 12 months	21,59,883	21,59,883
	<u>8,88,90,800</u>	<u>4,31,92,051</u>
<b>Share of Joint Venture</b>	<u>31,20,913</u>	<u>28,96,685</u>

### 17. OTHER CURRENT ASSETS

Interest accrued on Margin Money	2,60,820	92,990
Other accrued Interest	5,10,303	5,34,475
	<u>7,71,123</u>	<u>6,27,465</u>
<b>Share of Joint Venture</b>	<u>2,18,769</u>	<u>87,745</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 18. REVENUE FROM OPERATIONS

	YEAR ENDED MARCH 31, 2017 Rs.	YEAR ENDED MARCH 31, 2016 Rs.
Sale of products		
Finished Goods	3,13,23,33,575	2,22,43,25,934
Traded Goods	17,51,98,424	17,67,66,623
Other operating revenue	2,58,97,214	2,34,09,441
<b>Revenue from operations (gross)</b>	<b>3,33,34,29,213</b>	<b>2,42,45,01,998</b>
Less Excise duty	36,12,12,368	24,84,55,950
<b>Revenue from operations (net)</b>	<b>2,97,22,16,845</b>	<b>2,17,60,46,048</b>
<b>Share of Joint Venture</b>	<b>13,27,74,168</b>	<b>10,82,52,729</b>

### 19. OTHER INCOME

Interest income on		
- Bank deposits	12,52,401	10,02,743
- Others	11,74,510	35,50,823
Lease rentals	34,51,365	33,43,183
Provisions/Creditors no longer required written back	84,28,137	1,63,037
Commission received	5,92,605	5,70,047
Foreign exchange fluctuation	19,75,953	-
Profit on sale of fixed assets (net)	6,24,379	-
Miscellaneous income	39,38,569	12,38,950
	<b>2,14,37,919</b>	<b>98,68,783</b>
<b>Share of Joint Venture</b>	<b>29,23,306</b>	<b>14,40,392</b>

### 20. COST OF RAW MATERIAL CONSUMED

Inventory at the beginning of the year	8,32,53,759	9,95,17,372
Add: Purchases	1,48,05,38,878	1,09,31,07,717
Less: Inventory at the end of the year	11,95,94,318	8,32,53,759
Cost of raw materials consumed	<b>1,44,41,98,319</b>	<b>1,10,93,71,330</b>
<b>Share of Joint Venture</b>	<b>5,52,80,480</b>	<b>4,04,65,138</b>

### 21. DETAILS OF PURCHASE OF STOCK-IN-TRADE

Imported Carpets	3,27,75,865	5,14,83,039
Imported Carpet tiles	3,99,32,972	4,84,50,931
Laminate wooden floorings	1,53,33,820	89,48,274
Fluff Pulp	1,82,44,191	62,33,718
	<b>10,62,86,848</b>	<b>11,51,15,962</b>
<b>Share of Joint Venture</b>	<b>-</b>	<b>-</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 22. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	YEAR ENDED MARCH 31, 2017 Rs.	YEAR ENDED MARCH 31, 2016 Rs.
Inventories at the beginning of the year		
Finished goods	2,16,12,864	1,66,27,262
Work-in-progress	7,97,00,261	7,08,94,829
Stock-in-trade	10,07,12,328	9,94,24,906
Less: Inventories at the end of the year		
Finished goods	1,76,24,312	2,16,12,864
Work-in-progress	9,01,95,450	7,97,00,261
Stock-in-trade	8,04,53,305	10,07,12,328
	<u>1,37,52,386</u>	<u>(1,50,78,456)</u>
<b>Share of Joint Venture</b>	<u>(23,65,624)</u>	<u>17,29,900</u>

### 23. EMPLOYEE BENEFITS

Salaries and wages	45,03,90,059	33,43,77,929
Contribution to Provident fund and other funds	1,97,71,481	1,69,06,470
Contribution to Gratuity fund	1,67,50,330	75,37,584
Leave Encashment	97,73,468	52,77,438
Staff Welfare expenses	3,85,77,280	2,04,03,731
	<u>53,52,62,618</u>	<u>38,45,03,152</u>
<b>Share of Joint Venture</b>	<u>2,34,57,649</u>	<u>1,84,60,389</u>

### 24. FINANCE COSTS

Interest Expenses:		
- long term loans	5,91,26,090	6,76,65,590
- on cash credit	4,84,00,743	3,92,13,747
- others	27,43,004	24,00,934
Bank Charges	1,23,16,947	2,05,91,650
	<u>12,25,86,784</u>	<u>12,98,71,921</u>
<b>Share of Joint Venture</b>	<u>35,53,200</u>	<u>43,48,523</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	YEAR ENDED MARCH 31, 2017 Rs.	YEAR ENDED MARCH 31, 2016 Rs.
<b>25. OTHER EXPENSES</b>		
Consumption of stores and spares	2,24,30,247	1,59,65,098
Packing	3,73,59,443	2,85,90,939
Needles consumed	95,73,085	94,52,853
Power and fuel	15,49,65,425	12,94,97,796
Job work Charges	3,32,79,030	1,47,14,781
Repairs and maintenance:		
- buildings	30,24,712	8,56,924
- plant and machinery	6,74,09,593	4,75,22,413
- others	1,54,10,033	84,29,324
Research and Development	44,25,630	48,04,039
Excise duty on Increase/(Decrease) in stock of finished goods	1,093	5,86,061
Commission and Discount	1,54,96,399	1,59,46,052
Sales promotion and advertisement	44,26,765	45,87,764
Freight outward	9,01,98,982	6,63,71,643
Export expenses	71,738	2,03,493
Rent	93,18,588	73,56,654
Rates and taxes	28,31,958	23,75,627
Insurance	94,69,481	63,50,557
Printing and stationery	29,61,444	27,73,973
Office maintenance	60,14,807	48,78,429
Traveling and conveyance	1,47,36,796	1,19,71,931
Communication	29,06,599	30,40,934
Legal and professional fees	84,26,955	51,63,601
Foreign exchange loss (net)	-	78,42,359
Director's sitting fees	5,03,200	4,20,900
Vehicle running and maintenance	64,47,974	71,60,841
Loss on fixed assets sold/discarded (net)	-	10,33,581
Amount written off	3,73,535	-
Provision for Obsolete Inventories	1,23,89,535	44,33,439
Provision for doubtful debts	21,10,621	27,88,991
Bad debts/Advances written off	63,54,239	2,06,690
Miscellaneous expenses	1,30,52,531	1,05,58,796
	<b>55,59,70,438</b>	<b>42,58,86,483</b>
<b>Share of Joint Venture</b>	<b>2,63,07,635</b>	<b>2,33,97,397</b>





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 26. EARNINGS PER SHARE (EPS)

	2016-17	2015-16
	Rs.	Rs.
Net profit/(loss) after tax available for Equity Shareholders	6,79,88,055	(10,13,24,217)
Weighted Average Number of Equity Shares (in numbers)	1,66,09,882	1,66,09,882
Face Value Per Share	10	10
Basic Earnings Per Share	4.09	(6.10)
Diluted Earnings Per Share	4.09	(6.10)

### 27. PROPORTIONATE SHARE OF JOINT VENTURES IN THE FOLLOWING LINE ITEMS IS GIVEN BELOW AS THERE IS NO SEPARATE NOTE ATTACHED

Provision for Taxation:		
- Current Taxation	61,37,804	19,55,072
- Minimum Alternate Tax	-	9,65,110
- Deferred Taxation	12,19,930	(34,472)
Contingent Liabilities	29,73,150	29,73,150
Capital Commitments	9,15,571	15,54,742

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

28. Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.

### Primary Segment Reporting (Business Segment)

Particulars	YEAR ENDED MARCH 31, 2017				YEAR ENDED MARCH 31, 2016			
	Automotive Products	Lifestyle Products	Other/unallocated	Total	Automotive Products	Lifestyle Products	Other/unallocated	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
External Revenue	3,01,67,85,990	15,80,39,098	19,10,17,165	3,36,58,42,253	2,09,38,17,892	20,53,97,704	13,51,55,185	2,43,43,70,781
Intersegment Revenue	-	-	-	-	-	-	-	-
	<u>3,01,67,85,990</u>	<u>15,80,39,098</u>	<u>19,10,17,165</u>	<u>3,36,58,42,253</u>	<u>2,09,38,17,892</u>	<u>20,53,97,704</u>	<u>13,51,55,185</u>	<u>2,43,43,70,781</u>
Segment Result	12,76,70,901	54,64,271	1,75,26,531	15,06,61,703	(5,68,93,876)	55,12,413	1,00,01,606	(4,13,79,857)
Interest Expense			4,84,00,743	4,84,00,743			3,92,13,747	3,92,13,747
General Administrative Expenses			3,42,72,905	3,42,72,905			2,07,30,613	2,07,30,613
Profit/(Loss) Before Tax				<u>6,79,88,055</u>				<u>(10,13,24,217)</u>
<b>OTHER INFORMATION</b>								
Segment Assets	1,57,18,17,530	8,55,89,259	60,96,09,506	2,26,70,16,295	1,59,50,02,822	19,63,25,641	28,38,09,254	2,07,51,37,717
Segment Liabilities	95,33,11,014	1,86,77,872	58,45,88,832	1,55,65,77,718	35,21,39,428	3,21,92,240	1,03,63,67,758	1,42,06,99,426
Addition to Property, Plant and Equipments	19,34,58,289	-	3,29,14,078	22,63,72,367	3,60,55,665	-	2,13,15,355	5,73,71,020
Segment Depreciation	12,63,23,690	-	2,12,85,628	14,76,09,318	11,84,75,511	-	1,90,93,145	13,75,68,656

### Secondary Segment Reporting (Geographical Segment)

The Geographical Segment is not reportable as Company is marketing its products in India only.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 29. LEASES

The details of amounts of minimum lease payments outstanding and present value thereof are as under:

	2016-17			2015-16		
	Minimum lease payment outstanding	Present value of minimum lease payments outstanding	Future interest on lease payments	Minimum lease payment outstanding	Present value of minimum lease payments outstanding	Future interest on lease payments
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Total amount due	1,78,69,688	1,50,93,127	27,76,561	1,34,85,052	1,05,39,912	29,45,140
Due within one year	66,36,208	53,81,548	12,54,660	38,70,600	28,13,049	10,57,551
Due later than one year and not later than five years	1,12,33,480	97,11,579	15,21,901	96,14,452	77,26,863	18,87,589

### 30. DISCLOSURE ON SPECIFIED BANK NOTES (SBNS)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308 dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNS and other notes as per the notification is given below:

Particulars	SBNS* (Rs.)	Other denomination notes (Rs.)	Total (Rs.)
Closing cash in hand as on November 8, 2016	28,47,000	7,26,261	35,73,261
(+) Permitted receipts	-	15,15,253	15,15,253
(-) Permitted payments	-	(20,50,543)	(20,50,543)
(-) Amount deposited in Banks	(28,47,000)	-	(28,47,000)
<b>Closing cash in hand as on December 30, 2016</b>	<b>-</b>	<b>1,90,971</b>	<b>1,90,971</b>

\* For the purpose of this clause, the term "Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407 ( E), dated the 8th November, 2016.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 31. Additional information as required by paragraph 2 of the General Instructions for preparation of Consolidated Financial Statement to Schedule III to the Companies Act, 2013.

Name of Company	Net Assets i.e Total Assets minus Total Liabilities		Share In Profit / (Loss)		Net Assets i.e Total Assets minus Total Liabilities		Share In Profit / (Loss)	
	As % of Consolidated Net Assets	Amount Rs.	As % of Consolidated Profit/(Loss)	Amount Rs.	As % of Consolidated Net Assets	Amount Rs.	As % of Consolidated Profit/(Loss)	Amount Rs.
	As At 31.03.2017	As At 31.03.2017	Year Ended 31.03.2017	Year Ended 31.03.2017	As At 31.03.2016	As At 31.03.2016	Year Ended 31.03.2016	Year Ended 31.03.2016
Uniproducts India Limited	92.23%	62,83,52,771	63.87%	2,56,08,513	93.31%	59,82,50,466	111.97%	(8,07,69,864)
<b>Joint Venture (as per proportionate consolidation)</b>								
1. Juken Uniproducts Private Limited	7.49%	5,10,59,833	35.97%	1,44,24,457	6.41%	4,11,29,168	-11.92%	85,99,699
2. Uniproducts Kyoshin Private Limited	0.27%	18,58,212	0.16%	63,198	0.28%	17,95,014	-0.05%	33,979
	100.00%	68,12,70,816	100.00%	4,00,96,168	100.00%	64,11,74,648	100.00%	(7,21,36,186)

### 32. CONTINGENT LIABILITIES

	2016-17 Rs.	2015-16 Rs.
(i) Letters of Credit	6,95,50,669	5,29,35,835
(ii) Bank Guarantees (net of margin)	4,33,39,800	2,70,10,000
(iii) Local Area Development Tax	3,84,66,881	2,58,80,086
(iv) Excise duty	16,45,95,085	16,45,95,085
(v) Income Tax	1,81,256	1,81,256
	<u>31,61,33,691</u>	<u>27,06,02,262</u>

In respect of item (iii) to (v) future cash outflows in respect of contingent liabilities is determinable only on receipt of judgement pending at various forums/authorities

### 33. CAPITAL AND OTHER COMMITMENTS

	2016-17 Rs.	2015-16 Rs.
Estimated amount of contracts remaining to be executed on capital account and not provided for	6,15,67,533	64,91,553
	<u>6,15,67,533</u>	<u>64,91,553</u>



# UNIPRODUCTS (INDIA) LTD.

## 34. THE AGGREGATE AMOUNTS OF ASSETS, LIABILITIES, INCOME AND EXPENSES RELATED TO THE COMPANY'S INTEREST IN THE TWO JOINT VENTURES COMPANIES ARE AS UNDER:

	2016-17 Rs.	2015-16 Rs.
<b>Assets</b>		
Fixed assets	5,99,84,348	6,39,68,143
Long term loans and advances	26,34,964	13,61,002
Inventories	2,10,87,595	1,45,93,171
Trade receivables	30,29,20,193	3,27,56,141
Cash and cash equivalents	31,20,914	28,96,685
Short term loans and advances	35,75,054	18,94,960
Other current assets	2,18,769	87,745
<b>Liabilities</b>		
Long-term borrowings	1,64,92,275	3,25,06,731
Deferred tax liabilities (Net)	26,56,996	38,76,926
Long-term provisions	11,09,163	8,37,948
Short-term borrowings	52,76,560	1,09,92,277
Trade payables:	2,22,97,983	1,25,98,465
Other current liabilities	1,93,29,535	1,37,90,344
Short-term provisions	36,68,003	17,45,939
<b>Income</b>	13,28,61,362	10,96,93,122
<b>Expenses</b>	10,34,20,764	8,84,01,347

## 35. Previous year figures

Previous year figures have been regrouped wherever necessary.

As per our report of even date **For and on behalf of the Board of Directors of Uniproducts (India) Limited**

For **S. N. Dhawan & Co. LLP.**  
Chartered Accountants  
Firm Regn. No.000050N/N500045

**Dr. ASHWAN KAPUR**  
Managing Director  
DIN : 00568432

**ARUN KUMAR SETH**  
Director  
DIN : 00794656

**SURESH SETH**  
Partner  
Membership No. : 010577

**ADITYA CAPOOR**  
Chief Financial Officer

**PREETI SONDHI**  
Company Secretary

Place : New Delhi  
Dated : May 22, 2017

**UNIPRODUCTS (INDIA) LIMITED**

**PROXY FORM**

**Form No. MGT-11**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:U45201HR1982PLC014785

Name of the company: UNIPRODUCTS (INDIA) LIMITED

Registered office: Jarthal Village Road, 84 Km. Stone, Delhi-Jaipur Road, P.O. Sangwari, Distt. Rewari, Haryana-123401

Name of the member (s) :

Registered address :

E-mail Id:

Folio No/ Client Id :

DP ID :

I/We, being the member (s) of Uniproducts (India) Limited shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail: \_\_\_\_\_ Signature: \_\_\_\_\_,

or failing him

2. Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail: \_\_\_\_\_ Signature: \_\_\_\_\_,

or failing him

3. Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail: \_\_\_\_\_ Signature: \_\_\_\_\_,

or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34<sup>th</sup> Annual General Meeting of the Company, to be held on the August 18, 2017 at 11:30 A.M. at the registered office of the Company at Jarthal Village Road, 84 Km. Stone, Delhi-Jaipur Road, P.O. Sangwari, Distt. Rewari, Haryana-123401 and at any adjournment thereof in respect of such resolutions as are indicated below :

**Ordinary Business:**

1. To receive, consider and adopt the audited Standalone financial statements of the Company for the financial year ended March 31, 2017 and the Reports of the Auditors and Board of Directors thereon and the audited Consolidated financial statements of the Company for the financial year ended March 31, 2017 and Reports of Auditors thereon
2. To appoint a Director in place of Mr. Arun Mehra (Din: 06507579), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration

**Special Business:**

4. To approve increase in remuneration payable to Dr. Ashwan Kapur, Managing Director.

Affix  
Revenue  
Stamp  
Re. 1

Signed this..... day of..... 2017

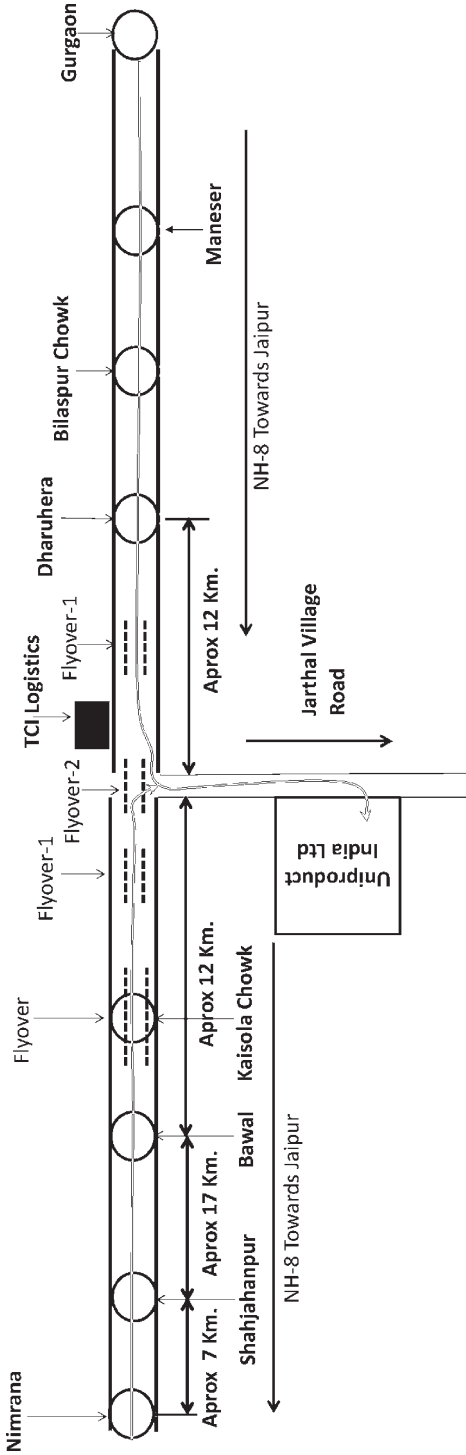
Signature of shareholder \_\_\_\_\_ Signature of Proxyholder(s) \_\_\_\_\_

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING



Note 1 : If approaching from Gurgaon, do not go over flyover 2. Please take service road about 500 meters before flyover 2.  
Note 2 : If approaching from Nimrana, do not go over flyover 2. Please take right turn under flyover 2.



**UNIPRODUCTS (INDIA) LIMITED**

CIN : U45201HR1982PLC014785

Regd. Office : Jarthal Village Road, 84 Km. Stone, Delhi-Jaipur Road, P.O. Sangwari,  
Distt. Rewari, Haryana-123401, Ph. : 0120-2585590,91, Fax : 0120-2585031

E-mail : uniproducts@unitexindia.com, Website : www.unitexindia.com

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**ELECTRONIC VOTING PARTICULARS**

<b>EVEN(Electronic Voting Event Number)</b>	<b>PASSWORD</b>	<b>USER ID</b>	<b>NO. OF SHARES</b>

**The e-voting facility will be available during the following voting period :**

<b>Commencement of e-voting</b>	<b>From 09.00 a.m. (IST) on August 15, 2017</b>
<b>End of e-voting</b>	<b>Upto 05.00 p.m. (IST) on August 17, 2017</b>

**. The cut-off date (i.e. the record date) for the purpose of e-voting is August 11, 2017**

-----**TEAR HERE**-----

**UNIPRODUCTS (INDIA) LIMITED**

CIN : U45201HR1982PLC014785

Regd. Office : Jarthal Village Road, 84 Km. Stone, Delhi-Jaipur Road, P.O. Sangwari,  
Distt. Rewari, Haryana-123401, Ph. : 0120-2585590,91, Fax : 0120-2585031

E-mail : uniproducts@unitexindia.com, Website : www.unitexindia.com

**ATTENDANCE SLIP**

I/We hereby record my presence at the 34<sup>th</sup> Annual General Meeting held on Friday, August 18, 2017 at 11.30 a.m. at the Registered Office of the Company at Jarthal Village Road, 84 Km. Stone, Delhi-Jaipur Road, P.O. Sangwari, Distt. Rewari, Haryana-123401

Name of the Shareholders or Proxy (In Block Letters) \_\_\_\_\_

No. of Shares Held \_\_\_\_\_

Regd. Folio No./DPID-CLID \_\_\_\_\_

\_\_\_\_\_  
Signature of the Shareholder/Proxy

**Note:**

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL.