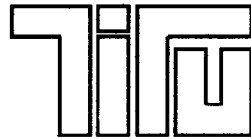


**UNISON METALS LTD.**



**UNISON METALS LTD.**

**21st Annual Report  
2010-2011**

## BOARD OF DIRECTORS

Whole time Directors	:	Mahesh V. Changrani Tirth U. Mehta
Directors	:	Mohankrishna Harsh Prakash Rajyaguru
Registered Office & Works	:	Plot No. 5015, Phase IV, Ramol Char Rasta, GIDC, Vatva, Ahmedabad-382445
Bankers	:	Bank of Baroda
Auditors	:	M/s. Kishan M. Mehta & Co. 6, Premchand House Annexe, Old High Court Way, Ashram Road, Ahmedabad-380009

## NOTICE TO MEMBERS

NOTICE is hereby given that the **TWENTY FIRST ANNUAL GENERAL MEETING** of "UNISON METALS LIMITED " will be held at the Registered Office at Plot No 5015, Phase-IV, GIDC, Vatva, Ahmedabad-382445 on Friday the 30<sup>th</sup> day of September, 2011 at 11 A.M. to transact the following business:-

1. To receive, consider and, if approved, adopt the Audited Balance Sheet as on 31st March, 2011 and Profit & Loss Account for the year ended 31st March, 2011 and reports of the Directors and auditors thereon.
2. To appoint Director in place of Shri Mohan Krishna Harsh retiring by rotation and being eligible for reappointment offers himself for reappointment.
3. To appoint Director in place of Shri Mahesh V Changrani retiring by rotation and being eligible for reappointment offers himself for reappointment.
4. To appoint auditors and fix their remuneration.

### SPECIAL BUSINESS

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

Resolved that in accordance with the provisions of section 198, 269 & 309 r. w. Schedule-XIII and all other applicable provisions of the companies Act, 1956, Shri Mahesh V. Changrani be and is hereby for reappointment w.e.f. 16<sup>th</sup> November 2010 as whole time director on the following terms & conditions for a period of 3 years..

- 1) The whole time director shall mainly look after day-to-day matters pertaining to production, stores purchases and factory administration of the company but always subject to the superintendence, control and direction of the board of directors of the Company.
- 2) The whole time director shall be entitled to a salary of Rs.20,000/- per month.
- 3) The whole time director shall be entitled to house rent allowance of Rs.10,000/- per month.
- 4) The whole time director shall be entitled to reimbursement of hospital and medical expenses for self and family, subject to the ceiling of one month's salary in a year or of as many month's salary in a block of so many year as are there in the total tenure.
- 5) The whole time director shall be entitled to the benefit of gratuity or such other schemes like P.P. in accordance with the company's rules & regulations in force from time to time and applicable for the officers & executives of the company.



- 6) Leave travel concession for self and family once in a year incurred in accordance with any rules of the company.
  - 7) Personal accident insurance premium not exceed Rs.2,000/- per annum.
  - 8) The car shall be provided by the company for office as well as personal use.
  - 9) Telephone & Mobile facility at residence shall not be considered as perquisite.
6. To consider and if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution.

Companies Act. 1956, remuneration of Director Shri Mahesh V.Changrani be and is hereby increased w.e.f 1<sup>st</sup> day of October, 2011 against existing salary of Rs. 20, 0007- p.m. and HRA of Rs.10,000/- p.m. to salary of Rs. 30,0007- p.m. and HRA of Rs. 15,0007- p.m with all other terms and conditions of remuneration to be intact as resolved in the meeting of board of directors earlier on 16th day of November, 2010.

**NOTES :**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxy forms should be lodged with the company not less than 48 hours before the meeting.
2. The Register of Members and the Share Transfer books will remain close from 23rd September, 2011 to 30th September 2011 (both days inclusive).
3. The explanatory statement pursuant to section 173 of the companies act, 1956 in relation to the special business under item No.5 to 6 as set out above is annexed hereto.

**For and on behalf of the Board**

**Place: Ahmedabad**  
**Date: 13<sup>th</sup> August 2011.**

**(MAHESH V. CHANGRANI)**  
**Executive Director**

EXPLANATORY STATEMENT IN ACCORDANCE WITH PROVISIONS OF SECTION 173 (2) OF THE COMPANIES ACT. 1956.

**ITEM NO 5**

Shri Mahesh Changrani was earlier whole time director of board, whose tenure expired on 15/11/2010. Considering his contribution, board found it in the interest of the company to appoint him as whole time director of the company for 3 years from 16/11/2010 Your directors recommend the proposed resolution.

None of the director is deemed to be concerned or interested in the resolution.

**ITEM NO 6**

Shri Mahesh Changrani was appointed as whole time director on 16/11/2010 for a period of 3 years. Considering the contribution, experience and remuneration in the line of the industry, the board considers the increase in remuneration with effect from 01/10/2011. Your directors recommend the proposed resolution.

None of the director is deemed to be concerned or interested in the resolution.

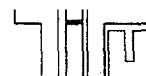
**For and on behalf of the Board**

**(MAHESH V. CHANGRANI)**

**Executive Director**

**Place: Ahmedabad**

**Date: 13<sup>th</sup> August 2011.**



## DIRECTORS REPORT

To  
The Members of  
UNISON METALS LIMITED

The directors of your company have pleasure in presenting the Twentieth Annual Report alongwith the Audited Balance Sheet & Profit and Loss Account for the year ended on 31st March,2011

### FINANCIAL HIGHLIGHTS:

The financial results of your Company's working are as under:

	(Rs.in lacs) 31/03/2011	(Rs.in lacs) 31/03/2010
Sales & Services	1833.17	3302.05
Profit before Tax and exceptional items	27.49	75.70
Add: Exceptional item - Gain on sale of shares	35.66	131.60
Profit before Tax	63.15	207.30
Less: Provision for taxation	10.50	35.50
Less: Deferred tax	3.51	5.78
Profit after Income Tax	49.14	166.02
Add: Surplus from Previous years	161.59	49.50
Less: Previous years adjustment	2.54	-0.44
Profit available for appropriation	208.20	215.95
Transfer to General Reserve	-	17.00
Proposed Dividend	-	37.36
Transfer to Balance Sheet	208.20	161.59

During the year under review of turnover & profitability, both have fallen in comparison to earlier year as due to demand and market conditions, company gradually stopped the production of stainless steel sheets and continued the production of stainless steel utensils only. Since 18/04/2011 the company has restarted few of the cold rolling mills for production of stainless steel sheets.

Your directors expect better future prospects in the coming year.

The company is initiating series of innovation and improvement of product quality, to sustain the competition and to further the prospects of the company.

## ENVIRONMENT FRIENDLINESS

The company has a stable Effluent Treatment system and is a "Zero Discharge" company thereby taking a pathbreaking step towards being an Environment friendly company, committed towards cleaner environment.

## DEPOSITS

The company has compiled the provisions of section 58A of the Companies Act, 1956 and the rules framed thereunder and the directives issued by the Reserve Bank of India.

## DIRECTORS

The director Shri M. K. Harsh and Shri Mahesh Changrani are liable to retire by rotation and being eligible, offer themselves for reappointment.

## DIVIDEND

Company do not declare dividend during the year and decided to plough back the funds in the development of the company.

## AUDITORS

M/s Kishan M Mehta & Co, the auditors of the company, shall retire at the conclusion of ensuing AGM and have given their consent to continue as auditors of the company for the current year, if reappointed.

The auditors' comments on the Company's accounts for the year ended on 31<sup>st</sup> March 2011 are self explanatory in nature and do not require any explanation as per the provisions of section 217 (3) of the Companies Act, 1956.

## DIRECTORS RESPONSIBILITY STATEMENT

In compliance to the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm:

1. that in the preparation of the annual accounts for the year ended on 31<sup>st</sup> March, 2011, the applicable accounting standards have been followed.
2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period.
3. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. that the directors have prepared the annual accounts on a going concern basis.



## **COMPLIANCE CERTIFICATE**

Compliance Certificate from a Secretary in whole-time practice pursuant to the requirements of section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules 2001 is attached.

## **CORPORATE GOVERNANCE**

As per Clause 49 of the listing agreement with Stock Exchange, a separate section on corporate Governance and Management discussion and analysis is set out in the Annexure forming part of this report.

Your Company has been practicing the principles of good corporate governance over the years. The Board of directors supports the broad principles of corporate governance. In addition to the basic governance issues, the board lays strong emphasis on transparency, accountability and integrity.

## **PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.**

The particulars as prescribed under section 217 (l)(e) of the companies Act, 1956 read with the Companies (Disclosure of particulars in reports of Directors) Rules 1988 are annexed hereto and form part of this report.

## **PARTICULARS OF EMPLOYEES**

As required under section 217 (2A) of the Companies Act, 1956 and Rules thereunder, there is no employee who was in receipt of remuneration of not less than Rs.24,00,000/- during the year ended 31st March, 2011 or not less than Rs.2,00,000/- per month during any part of the said year.

## **APPRECIATION**

The directors place on record their appreciation for co-operation and support extended by the bankers, financial institutions, customers and suppliers of the company. The directors also wish to place on record their sincere appreciation of the devoted and efficient services rendered by the workers, staff and executives of the company.

**For and on behalf of the Board**

**(MAHESH V. CHANGRANI)**  
Executive Director

**Place: Ahmedabad**  
**Date: 13<sup>th</sup> August 2011.**





## ANNEXURE TO DIRECTORS REPORT

Additional particulars required under the Companies (Disclosure of Particulars in reports of Directors) Rules, 1988 forming part of the Directors report for the year ended 31st March, 2011.

### A. CONSERVATION OF ENERGY:

Energy conservation measures taken:

The Company has adopted the system of shutting down the electrical machinery and appliances when not in use to avoid unnecessary waste of energy and has put latest design of electrical equipments. New investments in machines are being considered with an idea to have reduction of consumption of energy. The impact of these measures on the cost of production of goods are not precisely ascertainable. The total energy consumption as per Form A to the extent applicable is given here under.

### FORM A

#### POWER & FUEL CONSUMPTION:

##### 1. ELECTRICITY :

Unit KWH (in lacs)	:	12.20
Total Amount (Rs in lacs)	:	68.16
Cost/Unit (Rs)	:	5.58

##### 2. GAS :

Quantity (SCM)	:	351386
Total Amount (Rs lacs)	:	54.86
Rate/Unit (Rs/SCM)	:	15.61

##### 3. OIL

Quantity (Kg)	:	263514
Total Amount (Rs lacs)	:	70.05
Rate/Unit (Kg)	:	26.58

### B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATIO:

No special technology absorption, adoption and innovation changes were affected in production process during the year.

### C. FOREIGN EXCHANGE EARNING AND OUTGO:

Foreign exchange used is Rs.4,94,250/- for import of Material and expenses. There is no foreign exchange earning during the year.

## HARISH P.JAIN & ASSOCIATES

Practising Company Secretaries  
304,Shilp-ii,Near Sales India,  
Ashram Road,Ahmedabad-380009.  
Ph-27545524 (M).9825355626

### COMPLIANCE CERTIFICATE

(Pursuant to Section 383A)

Cin No. of the Company	:	L27110GJ1990PLC013964
Nominal Capital	:	Rs.3,25,00,000/- of Equity Shares
	:	Rs. 75,00,000/- of Redeemable Pref.Shares
		<u>Rs.4,00,00,000/-</u>

To The Members of UNISON METALS LTD.  
PLOT NO.5015, PHASE IV,  
RAMOL CHAR RASTA, GIDC VATVA,  
Ahmedabad.382445.

We have examined the register, records, books and papers of Unison Metals Ltd. as required to be maintained under the Companies Act, 1956 and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31/3/2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanation furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all Registers as stated in ANNEXURE "A" to this Certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the Forms and Returns as stated in ANNEXURE "B" to this Certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under and on payment of additional fees, in case of delay.
3. The Company being public limited Company, no comments are required under this para.
4. The Board of Directors duly met 10 times respectively on 1st April,2010, 31<sup>st</sup> May,2010, 21<sup>st</sup> July, 2010, 30<sup>th</sup> July,2010, 29<sup>th</sup> September,2010, 4<sup>th</sup> October, 2010, 30<sup>th</sup> October,2010,



16th November, 2010, 31st January, 2011, and 23rd March, 2011 of which meetings proper Notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No circular resolution was passed.

5. The Company closed its Register of Members from 25-09-10 to 30-09-10 and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting (AGM) for the financial year ended on 31st March, 2010 was held on 30th September, 2010 after giving due Notice to the members of the Company and the Resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No extra-Ordinary General Meeting (EGM) was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the act.
9. The Company has duly complied with the provisions of section 297 of the Companies Act in respect of contract specified in that section.
10. The Company has made necessary entries in the register maintained u/s 301 of the Act.
11. As there was no instance falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any Duplicate Shares Certificates during the financial year.
13.
  - (i) The company has delivered all the share certificate on lodgement of securities for transfer in accordance with the provision of companies Act. There was no allotment/ transmission of securities during the financial year under review.
  - (ii) The Company has Deposited the amount of dividend declared in a separate Bank Account on 07/10/2010 which is within seven days from the date of declaration of such dividend.
  - (iii) The Company has paid / posted warrants for dividends to the members within a period of 30 days from the date of declaration and that all unclaimed/ unpaid dividend has been lying in Dividend Account of the company.
  - (iv) The company has no amount in Application Money due for Refund, Matured deposits, matured Debentures unpaid dividend and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven year.



- (v) the company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly Constituted. There was no appointment of alternate Director and Director to fill casual vacancy during the year. Appointment of additional director has been duly made.
  15. The Company has not appointed Managing Director, director or manager during the year under review. Appointment of Whole time director has been duly made.
  16. The Company has not appointed any Sole Selling Agents during the financial year.
  17. The Company was not required to obtain any approvals of the Central Government, company law board Regional Director, Registrar and/ or such Authorities prescribed under the various provisions of the Act during the financial year.
  18. The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of Act and the rules made thereunder.
  19. The Company has not issued any shares, Debentures or other securities during the financial year.
  20. The Company has not bought-back any Share during the financial year.
  21. The Company has not redeemed any Preference Shares/Debentures during the year.
  22. There are no transactions necessitating the Company to keep in abeyance right to Dividend, Right Shares and Bonus shares pending registration of transfer of shares.
  23. The Company has complied with the provision of section 58A and 58AA read with companies ( Acceptance of deposits ) Rules, 1975. in respect of deposits accepted including unsecured loans taken. The Company has filed the copy of Statement in lieu of advertisement and necessary particulars as required with the Registrar of Companies.
  24. The amount borrowed by the company during the financial year ending on 31/03/2011 are within the authority as per the provision of the companies Act 1956 and necessary resolution as per section 293 (l)(d ) of the act have been passed in duly convened general Meeting & filed with the office of the ROC.
  25. The Company has made Loans and investment to other bodies corporate in compliance with the provision of the Act and has made necessary entries in the register kept for the purpose.

26. The Company has not Altered the provisions of the Memorandum with respect to situation of the Company's Registered office from one State to another during the year under scrutiny .
27. The company has not altered the provisions of Memorandum with respect to object of the company during the year.
28. The Company has not Altered the provisions of the Memorandum with respect to Name of the Company during the year under scrutiny.
29. The Company has not Altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not Altered its Articles of Association during the year under scrutiny.
31. There was no Prosecution initiated against or Show Cause Notice received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its Employees during the financial year .
33. The company has not constituted a provident fund for its employees or class of its employees pursuant to the provisions of section 418 of the act.

**For HARISH P. JAIN & ASSOCIATES**  
Company Secretaries

Place: Ahmedabad  
Date : 23rd May,2011.

(HARISH P. JAIN)  
Proprietor  
FCS No.4203  
CPNo.4100

## ANNEXURE-'A'

### REGISTER AS KEPT AND MAINTAINED BY THE COMPANY

Register of Members u/s 150

Register of Directors, Mg.Director, Manager & Secretary u/s 303

Register of directors Shareholding u/s 307

Register of Transfer of shares

Register of Charges/copy of instruments creating charges

Register of Company and firms U/s 301

Register of contracts with Companies and firms in which Directors are interested

Minutes of the meeting of Board of director and General Meeting File regarding copies of Annual Return

Register of inter corporate loans & Investment etc.

Register of Deposit.

## ANNEXURE B:

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ending on 31st March, 2011.

Sr. No.	Form No/ Return	Filed u/s	For	Date of filing	Whether Filed within the prescribed time limit	If delay in filing, whether requisite additional fee paid
1.	Form-1		Transfer to Unclaimed Dividend F.Y.1999-2000	25-05-2010	Yes	No
2.	Form No. 32	302	Resignation of Director Dt.21-07-10	30/07/2010	Yes	No
3.	Form No. 32	302	Appointment of Director Dt.31-07-10	11/08/2010	Yes	No
4.	Form No. 23B	224	Appointment of Auditor Dt.01-04-10 to 31-03-11	26/10/2010	Yes	No
5.	Form No. 32	302	Elevated to the position of W.T.D. Director Dt.30-09-10	26/10/2010	Yes	No
5.	Form No. 23	192	Increase in Remuneration Of Whole time Director Dt.30-09-10	30/10/2010	Yes.	No

Sr. No.	Form No/ Return	Filed u/s	For	Date of filing	Whether Filed within the prescribed time limit	If delay in filing, whether requisite additional fee paid
7.	Form-62	58A	Lieu of Advertisement Dt.31-03-10	30/10/2010	No	Yes
8.	Form No. 25C	269	Re Appointment & Remuneration Dt. 1/10/10 to Whole time Director	02/11/10	Yes	No
9.	F.NO.20B	159	Annual Return 30/09/2009	01/12/2010	No	Yes
10.	Form No. 17	138	Satisfaction of charge Dt.24/11/10	16/12/2010	Yes	No
11.	F.NO.8	125	Creation of Charges Dt.08-11-10	16/12/2010	No	Yes
12.	Form-62	58A	Return of Deposit Dt.31-03-10	31/12/2010	No	Yes
13.	F.No.66	383A	Compliance Certificate Financial Year 31-03-2009	19/01/2011	No	Yes
14.	F.No.66	383A	Compliance Certificate Financial Year 31-03-2010	19/01/2011	No	Yes



# UNISON METALS LTD.



Sr. No.	Form No/ Return	Filed u/s	For	Date of filing	Whether Filed within the prescribed time limit	If delay in filing, whether requisite additional fee paid
15.	F.NO.23AC	220	Balance Sheet 31/03/2009	19/01/2011	No	Yes
16.	F.NO.23ACA	220	Profit & Loss A/c 31/03/2009	19/01/2011		
17.	F.NO.23AC	220	Balance Sheet 31/03/2010	19/01/2011	No	Yes
18.	F.No.23ACA	220	Profit & Loss A/c 31/03/2010	19/01/2011		
19.	F.NO.20B	159	Annual Return 30/09/2010	27/01/2011	No	Yes

WITH REGIONAL DIRECTOR : NIL

WITH COMPANY LAW BOARD : NIL

WITH CENTRAL GOVERNMENT : NIL

## AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To

The Members of  
UNISON METALS LIMITED.,

We have reviewed the compliance of the conditions of Corporate Governance by Unison Metals Limited for the year ended March, 31, 2011 as stipulated in clause 49 of the listing agreement of the company with Stock Exchange in India

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our review was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the company.

In our opinion and to the best of our information and explanation given to us, we state that to the best of our knowledge, the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR KISHAN M. MEHTA & CO.**  
Chartered Accountants  
(Registration No. 105229W)

 (K.M. MEHTA)  
Partner  
(Membership No. 13707)

Ahmedabad: 1<sup>st</sup> June, 2011

## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company's continues endeavor is to achieve good governance, by way of a conscious and conscientious effort whereby ensuring the truth, transparency, accountability and responsibility in all our dealings with our employees, shareholders, consumers and the community at large.

We believe that the constant effort to improve operational performance, guided by our values, forms the basis for good Corporate Governance. Corporate Governance is strongly driven by our values such as quality, commitment, customer orientation and integrity.

#### I. BOARD OF DIRECTORS

##### A. Composition

At the end of the year the Board of directors consists of 4 Directors of which 2 are Non-Executive (independent) and 2 Executive Directors. The Chairman is an Executive Promoter Director. Board structure is in compliance with Clause 49 of the Listing Agreement during the year.

##### B. Meetings of Board of Directors

Board Meetings were held during the year ended on 31<sup>st</sup> March 2011 and the gap between any two meetings did not exceed four months. The dates on which the Board Meetings were held during the year are on 01-04-2010, 31-05-2010, 21-07-2010, 31-07-2010, 29-09-2010, 04-10-2010, 30-10-2010, 16-11-2010, 31-01-2011 and 23-03-2011

##### C. Directors' attendance and Directorship held

The names and category of Directors on the Board, their attendance at the Board meetings held during the year and also at the last Annual General Meeting, the number of Directorships and Committee Memberships held by them in other companies are given blow:

Name of the Directors	Category*	Attendance at		No of other Directorships committee memberships / chairmanship		
		Board Meetings	Last AGM	directorship	Committee Chairmanship	Committee membership
Mr. Mahesh V. Changrani	ED-P	10	Yes	-	-	-
Mr. Prakash J. Rajyaguru	NED-1	8	Yes	-	-	-
Mr. Mohan K. Harsh	NED-1	2	Yes	1.	-	-
Tirth U Mehta	ED-P	9	Yes	3	-	-

\* ED-P-Executive Director - Promoter, NED - I - Non- Executive Director - Independent.

## D. Code of Conduct

The Board has laid down code of conduct for all Board Members. There are no senior managerial personnel.

All Board Members have affirmed compliance with the *Code of Conduct* and a declaration to this effect signed by the Chief Executive Officer (CEO) has been obtained.

## II. Audit Committee:

The Company has complied with all the requirement of Clause 49 (II) (A) of the Listing Agreement relating to composition of audit Committee. The scope of audit committee are:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct sufficient and credible.
2. Recommending to the Board, the appointment, reappointment and it required, the replacement of removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a) Matters, required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the companies Act, 1956
  - b) Change if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgment by management
  - d) Significant adjustments made in the financial statements arising out of audit findings
  - e) Compliance with listing and other legal requirements relating to financial statements
  - f) Disclosure of any related party transactions
  - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

7. Reviewing the adequacy of internal audit functions, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with the internal auditors any significant findings and follow up thereof.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue and preferential issue etc.) the statement of funds utilized for purposes other than those stated in the offer document prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right issue and making appropriate recommendations to the board to take up steps in the matter.
13. Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.

The Audit Committee comprises of one Executive Director and two non-executive independent directors. The Committee met 4 times during the year and the attendances of members at the meetings were as follows:

Name of Member	Status	No. Of Meetings attended
Mr. Mohan K. Harsh	Chairman	4 / 4
Mr. Tirth U. Mehta	Member	4/4
Mr. Prakash Rajyaguru	Member	4/4

CFO is regular invitee; Statutory Auditors are invited as and when required.

The Audit Committee has reviewed the management discussion and analysis of financial condition and results of operations forming part of these Annual Accounts other information as mentioned in Para II (E) of the Listing Agreement.

### III. **Subsidiary Company:**

The Company has no Subsidiary Company.



#### IV. Remuneration paid or payable to Whole Time Directors for the year 2010-2011

(Figure in Rupees)

Name of Director	Salary	Perquisites	Total
Mr. Mahesh V. Changrani	3,60,000	28,800	3,88,800
Mr. Tirth U. Mehta	5,05,807	23,208	5,29,015

Whole time directors are paid monthly remuneration as per resolutions of Board of directors.

#### Information of directors as on 31<sup>st</sup> March 2011 is as under:

Name	Age	Designation	Date of initial appointment	Nature of employment	Shares held
Mr. Mahesh V. Changrani	52	Whole Time Director	21/04/1992	Board Resolution	5200
Mr. Prakash J. Rajyaguru	46	Director	28/03/2003	-	-
Mr. Mohan K. Harsh	49	Director	27/03/2006	-	-
Mr. Tirth U Mehta	22	Whole Time Director	31/07/2010	Board Resolution	226000

The appointment of Whole time directors is for a period of three/five years as resolved by the board of directors. There is no condition for termination by either party in the resolution of the board of directors.

The Company does not pay any severance fee and no stock option is available to the directors.

Non Executive Directors are not paid any fee/ compensation.

There is no pecuniary relationship or transaction of the company with any non-executive director.

#### V. Shareholders' Grievance Committee:

##### 1. Terms of Reference:

To look into the shareholders' complaints, if any, and to redress the same expeditiously like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend. etc. Committee also review the issue of duplicate share certificates and issue of share certificates after split/consolidation etc. as also transmission of shares, done by the Share Transfer committee.



## 2 Composition:

The Shareholders' Grievance Committee after its reconstitution comprises of two executive directors and one non executive director as chairman as follows:

	Capacity	Status	No. Of Meetings attended
Mr. Prakash J. Rajyaguru	Non-Executive Independent	Chairman	2
Mr. Mahesh V. Changrani	Executive Director	Member	2
Mr. Tirth U Mehta	Executive Director	Member	2

During the year company has not received any complaints. The status of complaints is periodically reported to the Committee in their meetings. The Board has delegated the powers of approving transfers and transmission of shares, issue of duplicate shares, issue of certificates after split/consolidation/renewal and transmission of shares, to a Committee of Board. The share transfer Committee met 9 times during the year. There were no transfers pending as on 31<sup>st</sup> March 2011.

## VI. Disclosures:

### I. Management Discussion and Analysis:

Annual Report has a detailed chapter on Management Disclosure and Analysis.

### II. Basis of Related Party Transaction

There are no material significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management, their relatives etc. that may have potential conflict with the interests of the Company at large. A statement in summary form of transactions with related parties in the ordinary course of business or otherwise and relative arms length price for material transactions, if any, is placed before audit committee.

For Related Party Transaction refer to Point No. 14 of the Notes on Account contained in Financial Statements in this Annual Report.

### III. Accounting treatment

The company has followed accounting treatment as prescribed in Accounting Standard applicable to the company.

## IV. Risk Management

The Board has constituted a Risk Management Committee comprising of 2 Executive Directors to ascertain and minimize risk and to take appropriate decision for regular assessment and minimization of risks. The board reviews the reports of the Risk Management Committee.

**V. Details of non-compliance by the Company**

Company has complied with all the requirement of regulatory authorities. No penalty/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

**SHAREHOLDERS INFORMATION**

**Reappointment/ Appointment of Directors:**

Sl.	Name & Designation	Age	Educational QualificationNo	Experience	Other Directorship	Other Committee Membership Chairman Ship
1	Shri Mohan K Harsh	49	B. Com	Having experience of more than 23 years in taxation, Senior Executive of Public Limited Company.	1	Nil
2.	Shri Mahesh V Changrani	52	Diploma in Mechanical Engineering	Having 25 years experience in Stainless Steel Industry. Presently Executive Director of Unison Metals Ltd.	None	None

**General Shareholders Information**

Financial Calendar : 1<sup>st</sup> April to 31<sup>st</sup> March.  
 Financial Results  
 \* First Quarter Results : End July  
 \* Half Yearly Results : End October  
 \* Third Quarter Results : End January  
 \* Annual Results : End May  
 Book closure dat : 23<sup>rd</sup> September, 2011 to 30<sup>th</sup> September, 2011.

**Listing at Stock Exchanges:**

**Name of Stock Exchange** : **Stock Code**  
 Ahmedabad Stock Exchange : **63381**  
 (Regional Stock Exchange)

Saurashtra stock exchange Is not considered as no fee is paid.

**ISIN NO. (dematerialised Shares)** : **INE099D01018**

The Company has paid listing fees for the year 2010-11 to Ahmedabad Stock Exchange





## General Body Meeting

Financial Year	Date	Time	Location
2009-2010	30-09-2010	11.00 a.m.	Plot No.5015, Phase IV Ramol Char Rasta, GIDC, Vatva.
2008-2009	30-09-2009	11.00 a.m.	Plot No.5015, Phase IV Ramol Char Rasta, GIDC, Vatva.
2007-2008	30.09.2008	11.00 a.m.	Plot No.5015, Phase IV Ramol Char Rasta, GIDC, Vatva.

### Means of Communication

The Company has published its Quarterly Results in Western Times - English & Gujarati newspaper.

### Special Resolution in Last 3 AGMs

No special resolutions were passed in AGM held on 30-09-2008. In extra ordinary general meeting held on 03/03/2008 special resolution was passed for reissue of forfeited shares and for commencement of new business under section 149 (2A) of companies Act, 1956 and further special resolution was passed for appointment of Mr. Tirth U Mehta as whole time director pursuant to schedule XIII of the Companies Act 1956 being of less then 25 years of age in Annual General Meeting held on 30/09/2009 & 30/09/2010.

### Postal Ballot

There were no Special Resolutions required to be passed through Postal Ballot at the last annual general meeting. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.

### CEO/CFO Certification

Shri Tirth U. Mehta as CEO and Mr. Rajesh Asawa as CFO of the Company have certified to the Board in relation to reviewing financial statements and other information as mentioned in Para -V of Clause-49 of the Listing Agreement.

### COMPLIANCE

The Company has been regularly submitting its quarterly compliance report to the Stock Exchange for compliance of corporate governance under Para-VI (ii) of Clause -49 of listing Agreement,

The company has complied with the applicable mandatory requirements of Clause 49 of the Listing Agreement except as mentioned in I A herein as to composition of Board.

## Annual General Meeting, Books Closure & Dividend payment

The information of forthcoming Annual General Meeting & Books Closure details have been provided in the Notice of Annual General Meeting, enclosed alongwith this Annual Report and being mailed to all the shareholders separately.

### Market Price Data:

As informed to us market price information for transfer of shares from stock exchange is not available.

### Registrar & Transfer Agent

#### *For Physical Mode & Depository Mode:*

**Link Intime India Private Limited**

**211, Sudarshan Complex,**

**Near Mithakhali Underbridge,**

**Navrangpura,**

**Ahmedabad - 380009.**

### Share Transfer System

The company's Shares are traded in the stock Exchange in demat mode. Shares in physical mode which are lodged for transfer with the company are processed and shares certificate are either dematted or returned within the time prescribed by the authorities.

### Distribution of Shareholding: (As on 31<sup>st</sup> March, 2011)

No. of Shares of Rs. 10 each	Shareholders		No. of Shares held in Rs.	Percentage of Total
	Number	Percentage of Total		
Upto – 500	201	33.28	52400	1.64
501–1000	191	31.62	182400	5.69
1001 - 2000	106	17.55	162000	5.06
2001 - 3000	32	5.31	89500	2.79
3001 - 4000	23	3.81	84000	2.62
4001 - 5000	17	2.81	80300	2.51
5001 – 10000	17	2.81	122300	3.82
10001- & Above	17	2.81	2431300	75.87
<b>TOTAL</b>	<b>604</b>	<b>100.00</b>	<b>32,04,200</b>	<b>100.00</b>

## Shareholding Pattern : (As on 31<sup>st</sup> March, 2011)

	Category	No. of Shares held	% to the Shareholding
A.	Promoter and Promoter Group Share Holding		
	Indian	2172000	67.79
	Foreign	-	-
B.	Public Shareholding		
1.	Institution		
	Mutual Funds & UTI	-	-
	Banks, Financial Institution	-	-
	Venture Capital Fund	-	-
	Insurance Companies	-	-
	FIs	-	-
2.	Non-Institutional		
	Private Corporate Bodies	207300	6.47
	NRIs / OCBs	-	-
	Indian Public	824900	25.74
	Clearing Members	-	-
	Total	3204200	100

### Dematerialization of Shares and Liquidity

The trading of Equity shares of the Company is Compulsory in demat mode. As on 31<sup>st</sup> March 2011, 14,22,200 Shares have been dematerialized.

### Outstanding GDRs/ADRs/Warrants/Options

The company has no GDR / ADR Outstanding options as on 31/03/2011.

#### Plant Location

#### Factory & Registered Office:

Plot No. 5015, Phase IV,  
 Ramol Char Rasta, GIDC  
 Vatva, Ahmedabad- 382445  
 Tel: 079 - 25841512, 25840542  
 Fax No. 079- 25841743

## **CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER**

I, Tirth U. Mehta, Chief Executive Officer of "Unison Metals Ltd". certify that based on my knowledge and information provided to me, there are no transaction entered into by the company, which are fraudulent, illegal or violative of the Company's Code of conduct.

I, Tirth U. Mehta, certify that Board Members have submitted necessary affirmation letters to the effect that they shall comply with the code of conduct.

Date: 31<sup>st</sup> May, 2011

Place: Ahmedabad

**Tirth U. Mehta**  
(Chief Executive Officer)



## Management Discussion & Analysis

### Industry Scenario

During the previous year the market conditions had ups and downs. The future holds promise because of thrust given by the government & our own better internal controls in the form of better management control within the organisation. Our company is well poised to benefit from the emerging opportunities to supply stainless steel sheets & products to industry & general public respectively.

### Opportunities

Market for stainless steel business is showing good signs of revival with a number of new projects being tendered in India & Abroad. The general outlook for the business in India as well as the markets in which the company has a presence, is quite good.

- 1) Company has started putting efforts for pursuing Government or semi Government projects for stainless steel utensils fabrication and trading.
- 2) Implementation of cleaners production & technology by which waste minimization will be maintained, which in turn will yield higher returns.
- 3) It is anticipated that demand will further increase for steel, stainless steel & utensils.
- 4) In the international market we are open for Joint Ventures
- 5) Company is putting its endeavours to boost exports.

### Risk & Concerns

The company is exposed to risks & fluctuations of foreign exchange rates, raw-material prices and overseas financing exposures.

### Raw material prices:

The prices of basic major raw materials used in our manufacturing process viz. stainless steel scrap / flats of various grades doesn't affect much, as we are working in open market scenario.

### Internal control System

The company has an adequate system of internal control implemented by management towards achieving efficiency in operations, optimum utilization of resources & effective monitoring thereof and compliance with applicable laws.

Audit committee of the Board of Directors reviews the internal control system and the adequacy of internal controls.

### Human Resources Management

The company attaches priority to human resource development in the form of Total Quality Man-

agement (TQM) with focus on regular up-gradation of the knowledge & skills of our skilled & unskilled staff & equipping them with the necessary expertise to meet the challenges of change & growth successfully in order to make this steel industry a better place to work with.

## **Financial Performance**

The operating result for the current year is net profit before taxes Rs. 63.15 lacs (including gain on sale of investment Rs. 35.66 lacs) showed decrease over the previous year which is because of fall in turnover from Rs.3302.05 lacs to Rs.1832.17 lacs and stoppage of cold rolling production.

## **Cautionary Statement**

Statements in the management Discussion and Analysis describing the Company's expectations or predictions, may be forward looking within the meaning of applicable securities, law and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws economic developments within the country and other factors such as litigation and industrial relations.

For UNISON METALS LTD.

**(MAHESH V. CHANGRANI)**  
Executive Director

## AUDITORS' REPORT

TO THE MEMBERS OF  
UNISON METALS LIMITED.

1. We have audited the attached Balance Sheet of the "UNISON METALS LIMITED." (the company) as at 31st March, 2011 and also the Profit Loss Account and Cash Flow statement for the year ended on that date annexed thereto. The financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 (the Act) and on the basis of such checks as we considered appropriate, and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments, in the Annexure referred to in paragraph 3 above, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of such books.
  - c) The Balance Sheet and Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
  - e) In our opinion and to the best of our information and according to the explanations given to us, the accounts read with the notes thereon, and subject to third party confirmations, gives the information required by the Companies Act, 1956 in the manner so required and give a true & fair view of and in conformity with accounting principles generally accepted in India:-
    - a) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2011
    - b) In the case of Profit & Loss Account of the profit of the company for the year ended on that date and
    - c) In the case of Cash Flow Statement of the cash flows for the year ended on that date.
- 5) On the basis of written representation received from directors and taken on record by the board of directors, in the board meeting, none of the directors of the company is disqualified from being appointed as a director under clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.

• For KISHAN M. MEHTA & CO.,  
Chartered Accountants.  
Registration No. 105229W

AHMEDABAD.  
DATE D: 1st June, 2011.

( K.M.MEHTA )  
Partner.  
M.NO.13707

## ANNEXURE

### Referred to in paragraph 3 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;
- (b) As explained to us, the fixed assets have been physically verified by the management in reasonable, interval and no material discrepancies have been noticed on such verification.
- (c) During the year, the Company has not disposed off any substantial part of fixed assets.
- (ii) (a) The inventory has been physically verified by the management during the year at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. In our opinion, discrepancies noticed on physical verification of stocks were not material.
- (iii) (a) The company had granted unsecured loan to two party covered in the register maintained under Section 301 of the Companies Act, 1956. The amount involved during the year was Rs. 259.55 lacs and year end balance of loan granted to such party was Rs.84.45/- lacs.
- (b) In our opinion the rate of interest and other terms and conditions of loans given by the company are not prima facie prejudicial to the interest of the company.
- (c) The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest.
- (d) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act,1956.
- (e) The Company had taken unsecured loan from two party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was 39.50 lacs and the year end balance of loan taken from such party was NIL.
- (f) In our opinion, the rate of interest other terms and conditions of loans taken from the party covered in the register maintained under companies Act 1956 are not, prima facie prejudicial to the interest of the company.
- (g) The company is regular in repaying the principal amounts wherever stipulated and has been regular in the payment of interest.



- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchases of inventory, fixed assets and for sale of goods and services. During the course of our audit, no major weaknesses has been noticed in internal control in respect of these areas.
- (v)
  - (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangement that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been entered
  - (b) According to information and explanations given to us the transactions made in pursuance of contracts or arrangement entered in the register maintained u/s 301 of companies act,1956.have been made at prices which are reasonable having regard to the prevailing market price at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 58A and 58AA or any other relevant provisions of the Companies Act,1956 and rules framed there under with regard to deposits accepted from the public. We have been informed by the company that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any Tribunal.
- (vii) As per the information and explanation given to us the company did not have formal internal audit system however it has adequate internal control system commensurate with size of the company.
- (viii) The provision of section 209(l)(d) of the companies Act,1956 regarding maintenance of cost record is not applicable to the company.
- (ix)
  - (a) According to the information and explanations given to us and the records examined by us, company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, Service tax, custom duty, excise duty, cess and any other material statutory dues applicable to it.
  - (b) According to the information and explanations given to us, and the records of the company there are no dues of income tax/sales tax/ wealth tax/ service tax /custom duty/excise duty /cess which have not been deposited on account of disputes.
- (x) There are no accumulated losses of the Company as on 31/3/2011. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to bank or financial institutions.



- (xii) The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or nidhi mutual benefit fund/Society therefore, the provisions of para-4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of para 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xvi) According to the information and explanations given to us, in our opinion the term loans raised during the year have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long term investment.
- (xviii) The company has not made any preferential allotment of shares during the year.
- (xix) The company has not issued any debentures and hence, the the question of creating securities or chares in respect thereof does not arise.
- (xx) The company has not raised any money by way of public issues during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statement and as per the information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of bur audit.

For KISHAN M. MEHTA & CO.,  
Chartered Accountants.  
Registration No. 105229W

AHMEDABAD.  
D A T E D: 1st June 2011.

( K.M.MEHTA )  
Partner.  
M.NO.13707

# UNISON METALS LTD.



## BALANCE SHEET AS AT 31ST MARCH, 2011

PARTICULARS	SCHEDULE	AMOUNT Rs.	AS AT 31.03.2011. Rs.	AMOUNT Rs.	AS AT 31.03.2010. Rs.
<b>SOURCES OF FUNDS:</b>					
<b>SHAREHOLDERS' FUNDS:</b>					
Share Capital	1	32,042,000		32,042,000	
Reserves & Surplus	2	<u>64,718,942</u>	96,760,942	<u>57,442,690</u>	89,484,690
<b>LOAN FUNDS:</b>					
Secured Loans	3	51,164,055		50,467,534	
Unsecured Loans	4	<u>12,192,646</u>		<u>175,000</u>	
			63,356,701		50,642,534
Deferred Tax			2,979,846		2,629,039
	<b>TOTAL</b>		<b><u>163,097,489</u></b>		<b><u>142,756,263</u></b>
<b>APPLICATION OF FUNDS:</b>					
<b>FIXED ASSETS:</b>					
Gross Block	5	106,825,996		96,420,279	
Less: Depreciation		<u>48,723,218</u>		<u>43,388,652</u>	
Net Block		58,102,778		53,031,627	
Capital Work -in-progress		<u>4,973,597</u>		<u>4,160,638</u>	
			63,076,375		57,192,265
INVESTMENTS	6		51,875,576		45,946,802
<b>CURRENT ASSETS, LOANS &amp; ADVANCES:</b>					
Closing Stock	7	39,578,568		34,721,064	
Sundry Debtors	8	8,508,680		48,375,105	
Cash & Bank Balances	9	1,867,935		1,808,084	
Loans & Advances	10	<u>24,937,379</u>		<u>12,542,105</u>	
Less:		<u>74,892,562</u>		<u>97,446,358</u>	
Current Liabilities & Provisions	11	<u>26,747,024</u>	48,145,538	<u>57,829,162</u>	39,617,196
<b>MISCELLANEOUS EXPENDITURE:</b>					
	<b>TOTAL</b>		<b><u>163,097,489</u></b>		<b><u>142,756,263</u></b>

NOTES FORMING PART OF ACCOUNTS

18

As per our report attached.  
For KISHAN M. MEHTA & CO.  
Chartered Accountants.  
Registration NO.105229W

Mahesh V. Changrani  
Executive Director.

(K.M.MEHTA)  
Partner.

Tirth U. Mehta  
Executive Director.

M.NO.13707  
AHMEDABAD: 1st June,2011.

AHMEDABAD:31st **May, 2011**

# UNISON METALS LTD.



## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	SCH- DULE	AMOUNT Rs.	AS AT 31.03.2011. Rs.	AMOUNT Rs.	AS AT 31.03.2010. Rs.
<b>INCOME:</b>					
Sales			179,025,872		320,254,360
Job Work Receipt			4,291,165		9,950,527
Other Income	12		7,094,409		15,099,656
Variation in Stock	13		5,680,214		16,155,547
			<u>196,091,660</u>		<u>361,460,090</u>
<b>EXPENDITURE:</b>					
Material Cost			117,661,406		248,986,802
Trading Purchases			4,874,195		4,623,193
Manufacturing Expenses	14		39,219,821		57,929,723
Payment to & Provision for Employees	15		10,723,639		11,997,168
Administrative & Selling Expenses	16		5,891,814		5,540,192
Financial Expenses	17		5,102,746		5,493,060
Depreciation			6,302,853		6,159,756
			<u>189,776,475</u>		<u>340,729,894</u>
<b>PROFIT BEFORE TAX</b>			<b>6,315,185</b>		<b>20,730,196</b>
Provision for Taxation			1,050,000		3,550,000
Deffered Tax			350,807		578,657
<b>PROFIT AFTER TAX</b>			<b>4,914,378</b>		<b>16,601,539</b>
Add : Balance brought forward from last year			16,159,138		4,950,820
Less : Prior year Income Tax			253,590		(43,156)
<b>AMOUNT AVAILABLE FOR APPROPRIATION</b>			<b>20,819,926</b>		<b>21,595,515</b>
<b>APPROPRIATIONS:</b>					
Proposed Dividend		-		3,204,200	
Add: Corporate Tax on Dividend		-		532,177	
					<u>3,736,377</u>
Less: Transfer to General Reserve					1,700,000
Balance Carried Over to Balance Sheet			20,819,926		16,159,137
			<u>20,819,926</u>		<u>21,595,515</u>
No. of Equity Shares at the end of the year			3,204,200		3,204,200
Profit for calculation of E.P.S.( Rs.)			4,914,378		16,601,539
Nominal value of Equity Shares (Rs.)			10		10
Basic diluted earning per share (Rs.)			1.53		5.18
Notes Forming parts of Account	18				

As per our report attached.

For KISHAN M. MEHTA & CO.  
Chartered Accountants.  
Registration No. 105229W

Mahesh V. Changrani  
Executive Director.

(K.M.MEHTA)  
Partner.  
M.NO. 13707

Tirth U. Mehta  
Executive Director.

AHMEDABAD: 1st June, 2011.

AHMEDABAD: 31st May, 2011

# UNISON METALS LTD.



PARTICULARS	Rs.	AS AT 31.03.2011. Rs.	Rs.	AS AT 31.03.2010. Rs.
<b>SCHEDULE - 1</b>				
<b>SHARE CAPITAL</b>				
<b>AUTHORISED:</b>				
32,50,000 (32,50,000) Equity Shares of Rs.10/-each		32,50,000		32,50,000
7,50,000 (7,50,000) Redeemable Preference Shares of Rs.10/-each		7,50,000		7,50,000
<b>TOTAL</b>		<u>40,00,000</u>		<u>40,00,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAIDUP</b>				
3204200 (3204200) Equity Shares of Rs.10 each fully paid up ( Out of which 17000 (17000) shares were issued for consideration other than cash and 250000 (250000) shares were issued as bonus shares by capitalisation of General Reserve	<u>32,042,000</u>	32,042,000	<u>32,042,000</u>	32,042,000
<b>TOTAL</b>		<u>32,042,000</u>		<u>32,042,000</u>
<b>SCHEDULE - 2</b>				
<b>RESERVES &amp; SURPLUS:</b>				
Share Premium				
As per last year	32,943,703		32,943,703	
Add during the year	<u>-</u>	32,943,703	-	32,943,703
General Reserve				
As per last year	4,341,349		2,641,349	
Add: Transfer from proposed dividend ( Refer Note No.21)	<u>2,615,464</u>	6,956,813	<u>1,700,000</u>	4,341,349
Capital Reserve				
As per last year	3,998,500		3,998,500	
Profit & Loss Account		20,819,926		16,159,138
<b>TOTAL</b>		<u>64,718,942</u>		<u>57,442,690</u>

# UNISON METALS LTD.



PARTICULARS	AS AT	Rs.	AS AT
	31.03.2011.		31.03.2010.
	Rs.		Rs.

## SCHEDULE - 3

### SECURED LOANS:

#### A) TERM LOAN :

From Bank	16,686,475	18,074,425
From Financial Institution	-	1,000,000

#### B) Working Capital Facility:

From Bank	34,477,580	31,393,109
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( All the above facilities of working capital and term loan are secured by stocks, goods, book debts, movable plant & machineries, spares accessories office equipments, computer, furniture, fixtures, vehicles and by equitable mortgage of immovable properties of the company in simultaneous parri- passu charge of bank and financial institution and guaranteed by two of the directors.

TOTAL	<u>51,164,055</u>	<u>50,467,534</u>
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## SCHEDULE - 4

### UNSECURED LOANS:

From Directors	175,000	175,000
From Others	4,500,000	-
From Bodies Corporate	7,517,646	-

TOTAL	<u>12,192,646</u>	<u>175,000</u>
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## SCHEDULE - 5

### FIXED ASSET

SR. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS ON 01.04.2010	ADDI TION	DEDU CTION	AS ON 31-3-2011	UP TO PRE-YEARS	DURING THE YEAR	RECOUPED	TOTAL	AS ON 30.03.2011	AS ON 31.03.2010
1	LAND	3,634,085	0	0	3,634,085	0	0	0	0	3,634,085	3,634,085
2	BUILDING	30,859,603	3,434,738	435,982	33,858,359	5,991,600	1,014,202	5,865	6,999,937	26,858,422	24,868,003
3	PLANT & MACHINERY	47,359,592	6,905,603	765,744	53,499,451	31,742,622	3,938,854	666,361	35,015,115	18,484,336	15,616,970
4	ELECTRIC INSTALLATION	5,421,120	864,383	160,000	6,125,503	2,012,159	272,653	0	2,284,812	3,840,691	3,408,961
5	FURNITURE, FIXTURE & OFFICE EQUIPMENTS	3,524,102	178,070	0	3,702,172	1,790,650	205,130	0	1,995,780	1,706,392	1,733,452
6	VEHICLES	5,621,777	911,504	526,855	6,006,426	1,851,621	872,014	296,061	2,427,574	3,578,852	3,770,156
7	Capital Work-in-progress	4,160,638	7,422,455	6,609,496	4,973,597	0	0	0	0	4,973,597	4,160,638
	Current Year	10,580,917	19,716,753	8,498,077	111,799,593	43,388,652	6,302,853	968,287	48,723,218	63,076,375	57,192,265
	Previous Year	92,769,459	16,447,885	8,636,427	100,580,917	40,928,931	6,159,756	3,700,035	43,388,652	57,192,265	51,840,528

	AS AT 31.03.2011. Rs.	AS AT 31.03.2010. Rs.
<b>SCHEDULE - 6</b>		
<b>INVESTMENTS</b>		
As valued, verified & certified by the management-long term)		
<b>Unquoted &amp; trade:</b>		
Nil (1125750) Equity Shares of Mangalam Alloys Ltd. of Rs.10/- each fully paid	-	2,377,500
130000 (130000) Equity Shares of Mehta Alloys Ltd. of Rs.10/- each fully paid	1,300,000	1,300,000
100 (100) Equity Shares of Unison Forging Ltd. of Rs.10/- each fully paid	1,000	1,000
50 (50) Equity Shares of GreenEnvironment Service Co.op.Soc.Ltd.ofRs.100/- each fully paid	5,000	5,000
<b>(UnQuoted-Non Trade)</b>		
100 (100) Equity Shares of RanjanPolyster Ltd. of Rs.10/- each fully paid	2,000	2,000
500 (500) Equity Shares of SaketProjects Ltd.of Rs.10/- each fully paid	5,000	5,000
1900 (Nil) Equity Shares of Unison Alloys and Steels Pvt. Ltd.of Rs.10/- each fully paid	19,000	-
Investment in capital contribution in Mangalam Steel & Alloys Ltd. Vietnam ( Refer Note No.19 )	35,455,955	35,455,955
Chandanpani Enterprise ( Investment in partnership firm ) ( Refer Note No.20)	15,087,621	6,800,347
<b>TOTAL</b>	<b>51,875,576</b>	<b>45,946,802</b>

	AS AT 31.03.2011. Rs.	AS AT 31.03.2010. Rs.
<b>SCHEDULE - 7</b>		
<b>CLOSING STOCK:</b>		
( As valued, verified &certified by the management )		
Raw Materials	466,999	394,867
Finished Goods	1,639,338	5,818,674
Semi-finished Goods	30,602,432	15,317,342
S.S.Scrap	1,500,699	2,555,634
Stores & Spares	5,369,099	6,263,941
Trading Goods	-	4,370,606
<b>TOTAL</b>	<u><u>39,578,568</u></u>	<u><u>34,721,064</u></u>

	AS AT 31.03.2011. Rs.	AS AT 31.03.2010. Rs.
<b>SCHEDULE - 8</b>		
<b>SUNDRY DEBTORS</b>		
( Considered good unless otherwise stated )		
Debts exceeding six months	1,485,613	693,974
Other Debts	7,023,067	47,681,131
<b>TOTAL</b>	<u><u>8,508,680</u></u>	<u><u>48,375,105</u></u>

	AS AT 31.03.2011. Rs.	AS AT 31.03.2010. Rs.
<b>SCHEDULE - 9</b>		
<b>CASH &amp; BANK BALANCE:</b>		
Cash on hand	524,296	732,330
Bank Balance		
With Scheduled Banks on:		
Current Accounts	398,384	654,359
Margin money deposit with Bank	945,255	421,395
<b>TOTAL</b>	<u><u>1,867,935</u></u>	<u><u>1,808,084</u></u>





	AS AT 31.03.2011. Rs.	AS AT 31.03.2010. Rs.
<b>SCHEDULE - 10</b>		
<b>LOANS &amp; ADVANCES:</b>		
( Unsecured but Considered good )		
Advances recoverable in cash or in kind or for value to be received	23,880,329	11,642,159
Deposits	411,083	407,083
Prepaid Expenses	125,717	437,029
Accrued Income	520,250	55,834
<b>TOTAL</b>	<b>24,937,379</b>	<b>12,542,105</b>

	AS AT 31.03.2011. Rs.	AS AT 31.03.2010. Rs.
<b>SCHEDULE -11</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities:</b>		
Sundry Creditors ( Refer Note No.12 )	21,545,717	46,095,498
Other Liabilities	3,718,092	3,720,708
<b>Provisions For :</b>		
Taxation	1,050,000	3,550,000
Gratuity	387,551	656,380
Leave Encashment	45,664	70,199
Proposed Dividend	-	3,204,200
Corporate Tax on Dividend	-	532,177
<b>TOTAL</b>	<b>26,747,024</b>	<b>57,829,162</b>



	AS AT 31.03.2011. Rs.	AS AT 31.03.2010. Rs.
<b>SCHEDULE - 12</b>		
<b>OTHER INCOME</b>		
Misc. Income	-	246,945
Interest	2,395,011	391,206
Exchange rate variation	74,971	51,005
Weighment Income	-	39,795
Profit on Sale of Assets	249,092	881,106
Vatav Kasar	18,485	-
Share income from partnership Firm	790,600	329,599
Profit on Sale of investment	3,566,250	13,160,000
<b>TOTAL</b>	<u>7,094,409</u>	<u>15,099,656</u>

	AS AT 31.03.2011. Rs.	AS AT 31.03.2010. Rs.
<b>SCHEDULE - 13</b>		
<b>VARIATION IN STOCK</b>		
<b>Closing Stock of:</b>		
Semi-finished Goods	30,602,432	15,317,342
Finished Goods	1,639,338	5,818,674
Scraps	1,500,699	2,555,634
Trading Goods	-	4,370,606
	<u>33,742,470</u>	<u>28,062,256</u>
<b>Less: Opening Stock of</b>		
Semi-finished Goods	15,317,342	10,522,872
Finished Goods	5,818,674	370,723
Scraps	2,555,634	447,793
Trading Goods	4,370,606	565,321
	<u>28,062,256</u>	<u>11,906,709</u>
Increase (Decrease) in stocks	<u>5,680,214</u>	<u>16,155,547</u>
<b>TOTAL</b>	<u>5,680,214</u>	<u>16,155,547</u>

	AS AT 31.03.2011. Rs.	AS AT 31.03.2010. Rs.
<b>SCHEDULE - 14</b>		
<b>MANUFACTURING EXPENSES:</b>		
Consumable Stores & Spares	10,443,366	14,499,776
Job Charges	4,770,587	-
Maintanance & Repairs	1,314,114	1,683,364
Power & Fuel	6,824,045	11,610,621
Annealing Expenses	12,490,451	24,364,399
Excise Duty	1,730,400	3,337,200
Effluent Treatment Expenses	912,314	1,927,435
Water Charges	57,578	90,257
Factory Expenses	321,203	253,662
Freight & Cartage	355,763	163,009
TOTAL	<u>39,219,821</u>	<u>57,929,723</u>

	AS AT 31.03.2011. Rs.	AS AT 31.03.2010. Rs.
<b>SCHEDULE - 15</b>		
<b>PAYMENTS TO AND PROVISIONS FOR EMPLOYEES:</b>		
Wages & Salaries	9,962,972	11,415,394
Provident Fund & Other Funds	199,422	185,118
Staff Welfare & Other Benefits	561,245	396,656
TOTAL	<u>10,723,639</u>	<u>11,997,168</u>



	AS AT 31.03.2011. Rs.	AS AT 31.03.2010. Rs.
<b>SCHEDULE - 16</b>		
<b>ADMINISTRATIVE &amp; SELLING EXPENSES:</b>		
Packing Expenses	1,492,910	1,671,194
Insurance Charges	302,471	306,551
Audit fee	59,562	72,798
Telephone Expenses	567,038	424,485
Legal, Professional & Consultancy Fees	580,098	408,154
Postage & Stationery Expenses	149,694	173,426
Rent, Rates & Taxes	166,817	349,547
Miscellaneous Expenses	321,997	362,077
Freight Outward	156,125	292,600
Travelling Expenses	587,367	202,931
Service Tax	8,935	11,855
Car Expenses	471,545	312,522
Vat	702,862	527,907
Vatav Kasar	318	5,941
Loss on sale of Assets	2,866	114,920
Commission	62,866	122,508
Advertisement Expenses	258,343	180,776
<b>TOTAL</b>	<u><u>5,891,814</u></u>	<u><u>5,540,192</u></u>

	AS AT 31.03.2011. Rs.	AS AT 31.03.2010. Rs.
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**SCHEDULE - 17**  
**FINANCIAL EXPENSES**

**Interest**

Term Loan	965,669	1,597,877	
Others	<u>3,830,205</u>	<u>3,503,394</u>	
	4,795,874		5,101,271
Financial Expenses	306,872		391,789
<b>TOTAL</b>	<u><u>5,102,746</u></u>		<u><u>5,493,060</u></u>

## SCHEDULE - 18 : NOTES FORMING PART OF ACCOUNTS:

### 1. Significant Accounting Policies :

#### (a) Basis of Accounting:

The financial statements are prepared in accordance with relevant accounting standards under the historical cost convention on accrual basis.

#### (b) Fixed Assets :

Fixed assets are stated at cost of acquisition less depreciation.

#### (c) Depreciation :

Depreciation on fixed assets is provided for on the basis of straight line method (except on plant & machineries at written down value method) at the rates prescribed in Schedule - XIV of the Companies Act, 1956 on prorata basis except that considering the useful life based on technical evaluation by the management, higher rate of 15% is provided then the prescribed rate of @9.50% on all vehicles.

#### (d) Inventories :

Raw Materials, Finished goods, Semi finished goods, scraps, stores & spares and trading goods are stated at lower of cost and net realisable value. The cost of inventories is computed on FIFO basis. Cost includes vat.

#### (e) Investments :

Investments are stated at cost. Provision for diminution in the value of long term investments is made, only if, such a decline is other than temporary in nature in the opinion of the management.

#### (f) Retirement Benefits:

- 1) Contribution to provident fund and provision for leave encashment is charged to profit & loss Account.
- 2) Provision for gratuity liability is made on actuarial valuation as at the Balance Sheet date and is charged to profit & loss account.

#### (g) Preliminary Expenses:

Preliminary expenses are charged to revenue.

#### (h) Foreign Currency Transactions :

Transactions in foreign currencies are translated at exchange rates prevailing on the date of transaction or at the contracted exchange rates. Assets and liabilities remaining unsettled and outstanding on the date of Balancesheet not covered by forward exchange

contracts are translated at the year end exchange rates and the profit/loss so determined is recognised in the Profit & Loss Account in compliance of accounting standards.

**(i) Borrowing Cost :**

Fixed asset which necessarily takes substantial period of time to get ready for its intended use is qualifying asset, Borrowing costs that are attributable to the acquisition or construction of such qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are recognized as expense in the period in which they are incurred.

**(j) Taxes on Income:**

a) Tax on income for the current period is determined on the basis of estimated taxable income computed in accordance with the provisions of the Income Tax Act, 1961.

b) Deferred tax is recognized on timing difference between the accounting income and the estimated taxable income for the period and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

c) Deferred tax assets which arise mainly on account of unabsorbed losses or unabsorbed depreciation are recognised and carried forward only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**(k) Impairment of Assets :**

The carrying amount of assets is reviewed at each balance sheet date to determine whether there is any indication of impairment of assets. If any indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount.

**(l) Use of Estimates :**

The presentation of financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

**(m)** Accounting policies not specifically referred to are consistent with generally accepted accounting practices.

# UNISON METALS LTD.



	Rs. 31.03.2011	Rs. 31.03.2010
2. Payments to Auditors:		
Audit Remuneration	59,562	72,798
Company Law & Secretarial Matters	19,000	19,854
Taxation Matters	20,000	22,060
Other Services (Reports etc)	7,721	8,824
TOTAL	106,283	123,536

	Rs. 31.03.2011	Rs. 31.03.2010
3. The estimated amount of Capital Commitment to subscribe capital in Mangalam Steel & Alloys Ltd.	4,518,000	873,550

	Rs. 31.03.2011	Rs. 31.03.2010
4. Managerial Remuneration:		
a) Managing Directors		
Salary & Allowances	-	300,000
Perquisite	-	12,000
	-	312,000
b) Wholetime Director		
Salary & Allowances	865,807	600,000
Perquisite	52,008	36,000
	917,815	636,000

	31.03.2011	31.03.2010
5. Capacities & Production:		
(a) Licensed Capacity		
No licence is required.	-	-
(b) Installed Capacity		
( As certified by the Management )		
S.S.Cold Rolled Sheets	M.T. 6,200	6,200
S.S.Hot Rolled Sheets	M.T. 12,000	12,000
(c) Actual Production		
(including captive consumption)		
S.S.Cold Rolled Sheets	M.T. 2,897	5,940
(including 31 ( Nil ) tons got manufactured at outside plant & 10 ( Nil ) tons on job work basis )		
S.S.Hot Rolled Sheets	M.T. 4,533	9,438
(Including 1629 (3216)tons on Job work basis		
S.S.Utensils/ Circles	M.T. 146	133

31.03.2011

31.03.2010

**6. Quantitative Particulars:**

**a) Raw Materials Consumed:**

S.S.Flats (Includes materials purchased and got manufactured at outside factories )	Rs.	117,661,406	248,986,802
	M.T.	2,870	6,227

**b) Finished Goods :**

		COLD ROLLING SHEETS		Utensils	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010
Opening Stock	Rs.	4,084,887	370,723	1,733,788	-
	M.T.	79	6	22	-
Sales	Rs.	148,095,996	307,898,264	16,850,651	11,197,510
	M.T.	2,605	5,567	153	111
Closing Stock	Rs.	0	4,084,887	1,561,274	1,733,788
	M.T.	0	79	15	22



# UNISON METALS LTD.



## c) Trading Goods :

	Rs & Qty	S.S.COIL	S.S.SCRAP PATTI	S.S. C.R. PATTA	Others	S.S.Utensils	Total
		1	2	3	4	5	6
OPENING STOCK	2010-11						
	Rs.	4,370,606	—	—	—	—	4,370,606
	M.T.	49	—	—	—	—	49
	2009-10						
Rs.	—	—	1,174,878	73,816	4,794,216	6,042,910	
M.T.	—	—	19	—	44	63	
PURCHASE	2010-11						
	Rs.	—	4,874,195	—	—	—	4,874,195
	M.T.	—	127	—	—	—	127
	2009-10						
Rs.	4,370,606	—	—	252,587	—	4,623,193	
M.T.	49	—	—	—	—	49	
SALES/ TRANSFER TO MANUFACTURING	2010-11						
	Rs.	4,528,830	5,015,081	—	—	—	9,543,911
	M.T.	49	127	—	—	—	176
	2009-10						
Rs.	—	—	1,174,878	356,535	4,793,846	6,325,260	
M.T.	—	—	19	—	44	63	
CLOSING STOCK	2010-11						
	Rs.	—	—	—	—	—	—
	M.T.	—	—	—	—	—	—
	2009-10						
Rs.	4,370,606	—	—	—	—	4,370,606	
M.T.	49	—	—	—	—	49	

<b>7. Contingent liabilities not provided for:</b>	<b>31.03.2011</b>	<b>31-03-2011</b>
	Rs.	Rs.
Bank Guarantees	1,623,257	1,471,113
ESI disputed under Appeal	318,500	3,18,500
Excise Duty disputed under appeal	118,092	-
Letter of Credit	2,903,760	-

8. There is only one segment "Stainless steel Products" and therefore other disclosure requirement of Accounting Standard 17 for Segement reporting does not apply.
9. Provision of Income Tax is made after considering depreciation, deduction and allowances allowable under Income Tax Regulations.
10. Previous year's figures have been regrouped or rearranged wherever considered necessary.
11. In the opinion of the management the balances shown under sundry debtors and loans and advances have approximately the same realisable value as shown in the accounts.
12. The disclosure under Micro, small and medium Enterprise Development Act, 2006 in respect of the amounts payable to such enterprises as at 31st March, 2011 has been made in the financials statements based on information received and on the basis of such information the amount due to small and medium enterprises is Nil /- as on 31st March, 2011. No interest is paid or payable to such enterprises. Auditors have relied on the same.
13. In accordance with the AS-22, accounting for taxes on income, net deferred tax liability from timing differences, is accounted for, using applicable current rate of tax.

	31-3-2011	31-3-2010
Deffered Tax Liability		
Depreciation	3,099,599	2,847,072
Less: Deferred tax assets	119,753	218,033
Net Deffered Tax Liability	<u>2,979,846</u>	<u>2,629,039</u>

**14. Related Party disclosure, as required by Accounting Standard-18, is as below :**

a) List of related persons

(i) Associates / Enterprises having significant influence :

Mangalam Alloys Ltd., Mehta Alloys Ltd., Mangalam Steel & Alloys Ltd, Chandanpani Enterprise, Unison Forgings Ltd, Unison Alloys & Steels Pvt.Ltd.

(ii) Key Managerial person & their relatives

U.C.Mehta, Mahesh V.Changrani, Tirth U. Mehta , Pushpa Mehta.

b) The following transactions were carried out with related parties in the ordinary course of business :

Sr. No.	Particulars	Type of Relationship	Transactions during the year		Balance Outstanding as on	
			Current Year	Previous Year	on	on
			31/3/2011	31/3/2010	31/3/2011	31/3/2010
1	Purchase of Goods	a (i)	91,647,483	251,402,415	93,02,848 ( Cr )	3,89,46,537(Cr)
2	Remuneration to Key Management Personnel	a (ii)	917,815	948,000	73,300 ( Cr )	26,550 (Cr)
3	Interest Paid	a (ii)	96,063	51,472	96,063 ( Cr )	51,472(Cr)
4	Sale of Goods	a (i)	11,29,540	579,427	—	—
5	Investments	a (i)	68,94,000	17,612,314	1,51,06,621 ( Dr )	4,59,33,802( Dr )
6	Unsecured Deposits	a (ii)	39,50,000	1,400,000	39,50,000( Cr )	1,75,000 (Cr )
7	Unsecured Deposits repaid back	a (ii)	—	1,225,000	—	—
8	Interest Reveived	a (i)	22,37,189	518,960	22,37,189( Dr )	5,18,960( Dr )
9	Job Charges received	a (i)	28,45,876	7,553,075	—	5,19,636( Dr )
10	Loan Given	a (i)	1,95,63,000	10,300,000	84,45,191 ( Dr )	63,92,191(Dr)
11	Loan Given repaid back	a (i)	1,75,10,000	8,166,914	—	—
12	Job Charges Paid	a (i)	35,57,000	0.00	—	—
13	Share from Partnership Firm	a (i)	7,90,600	329,599	—	—
14	Sale of Investment	a (i)	23,77,500	9,040,000	—	—
15	Purchase of Machine	a (i)	—	46,603	—	—
16	Sale of Machine	a (i)	96,285	567,293	—	5,16,987( Dr )
17	Sale of Fixed Assets	a (i)	4,66,315	—	—	—

## 15. Retirement benefit plans

### a ) Defined Contribution Plans

The Company made contribution towards provident fund to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner. The company Recognized Rs. 1,28,029/- for provident fund contributions in the profit & loss account. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

### b ) Defined Benefit Plans

The Company made provision for gratuity liability which is unfunded. The scheme provides for payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit method as per actuarial valuation carried out at the balance sheet date.

The following tables sets out the status of the gratuity plan as required under AS-15 and the amounts recognized in the company's financial statements as at 31st March, 2011.

	31.03.2011	31.03.2010
<b>i) Change in present value of obligations :</b>		
Obilgations at beginning of the year	367,918	624,104
Service cost	63,825	50,698
Interest cost	29,765	50,178
Net Acturial ( gain ) / loss	11,180	(44,975)
Benefits paid	(85,137)	(23,625)
Obilgations at the end of the year	<u>387,551</u>	<u>656,380</u>
<b>ii) Reconciliation of Present Value of Obligation and the fair value of plan assets :</b>		
Present value of the defined benefit obligation at the end of the year	387,551	656,380
Less : Fair value of plan assets	-	-
Unfunded status amount of liability recognized in the balance sheet	<u>387,551</u>	<u>656,380</u>
<b>iii) Gratuity cost of the year :</b>		
Service Cost	63,825	50,698
interest cost	29,765	50,178
Net Actuarial (gain) / loss	11,180	(44,975)
Net gratuity cost charged to profit & loss	<u>104,770</u>	<u>55,901</u>
<b>iv) Assumptions :</b>		
Discount rate	% 8.09	% 8.04
Annually increase in salary costs	% 6.00	% 6.00

	31.03.2011	31.03.2010
<b>16 Expenditure in foreign company on account of :</b>		
Investment in shares	-	15,467,715
Travelling Expenses	68,306	-
<b>17 C.I.F. value of Imports :</b>		
Trading Goods	4,874,195	3,604,553
<b>18</b>	The Management is of the opinion that as on the Balancesheet date, there are no indications of material impairment loss on Fixed Assets, hence, the need to provide for impairment loss does not arise.	
<b>19</b>	The company has invested 40% share in entity named Manglam Steel & Alloys Limited incorporated in Vietnam, for manufacturing of stainless steel products in Vietnam wherein Company has contributed in its equity sum of Rs. 3,54,55,955 /- ( 3,54,55,955/-).	
<b>20</b>	Share of profit exculding interest from partnership firm named CHANDANPANI ENTERPRISE shall be accounted for on the finality of the accounts of the partnership firm for the year ended 31/03/2011. Profit from partnership firm of Rs.7,90,600/- (previous year Rs.12,667/-) from the said firm in Schedule-12 pertains to year ended 31-03-2010, interest for the current year Rs.6,21,674/- ( Prior Year Rs.3,17,332 ) is interest income in Schedule 12 to the accounts. Company has 50% share in this partnership and balance 50% share is of Uttam C. Mehta.	
<b>21</b>	For the year ended 31/03/2010 Board of Directors had recommended dividend @10% to shareholders but finally Annual General Meeting having declared dividend @ 3% only, the excess amount of proposed dividend provided in last year accounts on being paid @ 3 % only, sum of Rs.26,15,464/- is transferred from proposed dividend account to General Reserve in these accounts.	

### Signatures to Schedules '1' to '18'

For KISHAN M. MEHTA & CO.  
Chartered Accountants.  
Registration No.105229W

(K.M.MEHTA)  
Partner.

M.NO.13707  
AHMEDABAD: 1st June, 2011.

Mahesh V. Changrani  
Executive Director.

Tirth U. Mehta  
Executive Director.

AHMEDABAD: 31st May, 2011

## UNISON METALS LIMITED

Information pursuant to Part IV of Schedule VI of the Companies Act, 1956.

### BALANCE SHEET ABSRACT AND COMPANY'S GENERAL BUSINESS PROFILE

<b>I.</b>	<b>Registration Details</b>	
	Registration No.	L27110GJ1990PLC013964
	Balance sheet date	31ST MARCH, 2011
<b>II.</b>	<b>Capital Raised during the year</b>	
	( Amount Rs.in Thousands )	
	Public Issue	Nil
	Right Issue	Nil
	Bonus Issue	Nil
	Private Placement	Nil
<b>III.</b>	<b>Position of Mobilisation and Deployment</b>	
	of Funds (Amount Rs.in Thousands)	
	Total Liabilities	189,845
	Total Assets	189,845
	<b>Sources of Funds</b>	
	Paid-up Capital	32,042
	Reserves and Surplus	64,719
	Secured Loans	51,164
	Unsecured Loans	12,193
	Deferred Tax Liability	2,980
	<b>Application of Funds</b>	
	Net Fixed Assets	63,076
	Investment	51,876
	Net Current Assets	48,146
	Misc. Expenditure	0
	Accumulated Losses	-
<b>IV.</b>	<b>Performance of Company (Amt.in Thousands)</b>	
	Turnover	190,411
	Total Expenditure	184,096
	Profit Before Tax	6,315
	Profit After Tax	4,914
	Earning per Share in Rs.	1.53
	Dividend Rate %	-
<b>V.</b>	<b>Generic Names of Three Principal</b>	
	Products/Services of Company (as per monetary terms)	
	Item Cde No. (ITC) Code)	72,209,003
	Product Description :	Stainless Steel Sheets & Products

AHMEDABAD : 31st May, 2011

Executive Director.  
Maresh V. Changrani

Executive Director  
Tirth U. Mehta

## CASH FLOW STATEMENT FOR THE ENDED 31ST MARCH,2011.

( Rs.in Lakhs )

	Inflow (Outflow) 2010-2011	Inflow (Outflow) 2009-2010
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extraordinary items	63.15	207.30
Adjustment for :		
Depreciation	63.03	61.60
Interest Paid	47.96	51.01
Profit on sale of assets	(2.49)	(8.81)
Profit on sale of Investment	(35.66)	(131.60)
Loss on sale of assets	0.03	1.15
Share income from partnership firm	(7.91)	(3.30)
Interest Received	(23.95)	(3.91)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>104.16</b>	<b>173.44</b>
Adjustment for :		
Trade & Other receivables	269.47	(50.07)
Inventories	(48.58)	(75.90)
Trade Payables	(248.46)	207.13
<b>CASH GENERATED FROM OPERATIONS</b>	<b>76.60</b>	<b>254.60</b>
Income Tax Paid	(35.50)	(16.82)
<b>CASHFLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>41.10</b>	<b>237.78</b>
Prior Year's Adjustment	(2.54)	0.43
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>38.56</b>	<b>238.21</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets ( including Capital Work in progress )	(131.07)	(125.70)
Sale of fixed assets	11.67	18.25
Share income from partnership firm	7.91	3.30
Sale/(Purchase) of Investments	(59.29)	(85.72)
Profit on sale of investment	35.66	131.60
Interest Received	23.95	3.91
<b>CASH USED IN INVESTING ACTIVITIES</b>	<b>(111.18)</b>	<b>(54.37)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceed from long term Borrowings & Working Capital Finance	127.14	(83.39)
Proceed from share capital issued	0.00	0.00
Dividend Paid	(9.61)	(32.04)
Dividend Tax Paid	(1.60)	(5.45)
Interest Paid	(47.96)	(51.01)
<b>NET CASH SURPLUS IN FINANCING ACTIVITIES</b>	<b>67.97</b>	<b>(171.89)</b>
<b>D. NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(4.64)</b>	<b>11.95</b>
<b>E. Cash and cash equivalent as at 1st April, 2010</b>	<b>13.87</b>	<b>1.92</b>
<b>F. Cash and cash equivalent as at 31st March, 2011</b>	<b>9.23</b>	<b>13.87</b>

As per our report attached.  
For KISHAN M. MEHTA & CO.  
Chartered Accountants.  
Registration NO.105229W

(K.M.MEHTA)  
Partner.  
M.NO.13707

AHMEDABAD: 1st June,2011.

**By the Order of the Board of Directors**  
Mahesh V. Changrani  
Executive Director.

Tirth U. Mehta  
Executive Director.

AHMEDABAD:31st May, 2011

The Company's Securities are listed on the following stock Exchange.

- (1) **The Stock Exchange - Ahmedabad**  
Kamdhenu Complex,  
Opp. Sahajanand College, Panjrapole,  
Ahmedabad - 3800 15

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## UNISON METALS LTD.

Regd. Office : Plot No. 5015, Phase IV, Ramol Char Rasta, GIDC,  
Vatva, Ahmedabad-382445

### ATTENDANCE SLIP

Twenty first Annual General Meeting 30th September, 2011 at 11.00 a.m. Friday.

Regd. Folio No.

I Certify that I am registered Shareholder's Proxy for the member of the company.

I hereby record my presence at the Twenty First Annual General Meeting of the Company at Plot No. 5015, Phase IV, Ramol Char Rasta, GIDC, Vatva, Ahmedabad-382445. On 30th September, 2011.

Member/Proxy's Name in Block Letters

Member's Proxy's Signature

Note : Please fill attendance slip and hand it over at the ENTRANCE OF THE VENUE.



**UNISON METALS LTD.**

Regd. Office : Plot No. 5015, Phase IV, Ramol Char Rasta, GIDC,  
Vatva, Ahmedabad-382445

**PROXY FORM**

I/We.....  
of .....in the district of .....  
being a member of the above named company hereby appoint.....  
of.....in the district of .....offalling  
him .....of .....inthe districtof .....  
as my / our proxy of vote me / us on my our behalf the Twenty First Annual General  
Meeting of the company to be held on Friday, 30th September, 2011 and at my  
adjornment there of.

Signed this.....day .....  
Signature .....  
Regd. Folio No. ....

Affix a  
Rs. 1/-  
Revenue  
Stamp

Note : This form in order to be effective should be duly stamped, Completed and signed  
and must be deposited at the Registered Office of the Company. Not less than 48 hours  
before the meeting.

**TIG**

**UNISON METALS LTD.**

**UNISON METALS LTD.**

If Undelivered please return to :

Plot No. **5015**, Phase IV,

Near Ramol Char Rasta, GIDC

Vatva, Ahmedabad - 382445.

BOOK-POST