



## BOARD OF DIRECTORS

Managing Director : Tirth U. Mehta  
Whole time Director : Mahesh V. Changrani

Directors : Mohankrishna Harsh  
Prakash Rajyaguru

Registered Office : Plot No. 5015, Phase IV,  
& Works : 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 THIRD 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 Monday the 30<sup>th</sup> day of September, 2013 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, 2013 and Profit & Loss Account for the year ended 31st March, 2013 and reports of the Directors and auditors thereon.
2. To appoint Director in place of Shri M. K..Harsh retiring by rotation and being eligible for reappointment offers himself for reappointment.
3. To appoint auditors and fix their remuneration.

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification, the following resolution as a special resolution.

Resolved that in accordance with provisions of Section 198, 269, 309, & 310 and r . w Schedule – XIII and other applicable provisions of Companies Act 1956, the remuneration of Managing director, Shri Tirth . U . Mehta be and is hereby increased by increasing the existing salary of Rs. 65000/- p.m. and HRA Rs. 35000/- p.m to salary of Rs.75000/-p.m and HRA Rs. 40000/- p.m. respectively w.e.f 1<sup>st</sup> day of October, 2013, as managing director of the company keeping all terms and conditions of appointment and remuneration intact as decided in Annual General Meeting earlier for the remaining tenure of appointment.

### 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 26<sup>th</sup> september, 2013 to 30<sup>th</sup> september, 2013 (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.4 as set out above is annexed hereto.

For, and on behalf of the Board

Place: Ahmedabad.  
Date: 10/08/2013.

(TIRTH U. MEHTA)  
(Managing Director)



## ANNEXURE TO NOTICE

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

In conformity with the provision of Section 173(2) of the companies Act, 1956, the following Explanatory Statement sets out all material facts relating to special Business mentioned in the accompanying Notice and should be taken as forming part of the Notice.

### ITEM NO 4

Resolution pertains to increase in remuneration of Managing Director, Shri Tirth U. Mehta who is associated with the company since six years. Considering his contribution and involvement in day to day affairs of management of the company, board on recommendation of remuneration committee proposed increase in remuneration with effect from 1/10/2013 for remaining tenure of appointment. None of the directors of the company is concerned or interested in the proposed resolution except the appointee Shri Tirth U. Mehta.

**BY ORDER OF THE BOARD OF DIRECTORS  
OF UNISON METALS LTD.**

**Place: Ahmedabad.  
Date: 10/08/2013.**

**(TIRTH U. MEHTA)  
(Managing Director)**

# UNISON METALS LTD.



## DIRECTORS REPORT

To  
The Members of  
UNISON METALS LIMITED

The directors of your company have pleasure in presenting the Twenty Third Annual Report alongwith the Audited Balance Sheet & Profit and Loss Account for the year ended on 31st March,2013

### FINANCIAL HIGHLIGHTS:

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

	(Rs.in lacs) 31/03/2013	(Rs.in lacs) 31/03/2012
Sales & Services	3025.85	2205.86
Profit before Tax and exceptional items	36.87	35.27
Add: Exceptional item – Diminution in value of Investment/ Gain on sale of shares	(54.53)	32.19
Less : Earlier year income tax	1.11	(0.14)
Profit before Tax	(17.66)	67.46
Less: Provision for taxation	14.60	12.05
Less: Deferred tax	6.01	1.96
Profit after Income Tax	(39.38)	53.59
Add: Surplus from Previous years	261.79	208.20
Profit available for appropriation	222.41	261.79
Transfer to Balance Sheet	222.41	261.79

The net profit before exceptional items and taxes Rs. 36.87 lacs ( Previous Year Rs.35.27 lacs) [ including exceptional items Rs.(54.53) lacs ( Previous Year Rs.32.19 lacs) ] showed marginal increase over the previous year. The exceptional Items during the year comprised of diminution in value of investment Rs.54.53 lacs and in previous year it comprised of profit on sale of investment Rs. 32.19 lacs (after reducing provision for diminution in value of Investment Rs.19.80 lacs.) .So the net profit after tax resulted for the year at Rs.(39.38) lacs (Previous Year Rs.53.59 lacs).

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 is liable to retire by rotation and being eligible, offer himself for reappointment.

## **DIVIDEND**

Company do not declare dividend during the year and decides 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.

## **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 31st March, 2013, 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.

# UNISON METALS LTD.



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 (1)(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 there under, there is no employee who was in receipt of remuneration of not less than Rs.60,00,000/- during the year ended 31st March, 2013 or not less than Rs.5,00,000/- per month during any part of the said year.

## **COST AUDITOR:**

M/s Koushlya V. Melwani, Cost Accountants have been appointed as cost auditor for financial year 2012-13.

## **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

Place: Ahmedabad  
Date: 31<sup>st</sup> May, 2013.

(TIRTH U. MEHTA)  
Managing Director

## ANNEXURE TO DIRECTORS REPORT

### 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, 2013.

#### 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)	:	10.44
Total Amount (Rs in lacs)	:	72.22
Cost/Unit (Rs)	:	6.92

#### 2. GAS :

Quantity (SCM)	:	312847
Total Amount (Rs lacs)	:	128.44
Rate/Unit (Rs/SCM)	:	41.05

#### 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.Nil/-. 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	:	U27110GJ1990PLC013964
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 31/3/2013. 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 2<sup>nd</sup> April,2012, 17<sup>th</sup> May,2012, 31<sup>st</sup> May, 2012, 26<sup>th</sup> June, 2012, 8<sup>th</sup> August, 2012, 3<sup>rd</sup> October,2012,9<sup>th</sup> Noveber, 2012, 14<sup>th</sup> December,2012, 14<sup>th</sup> February,2013, 21<sup>st</sup> March,2013 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 has closed its Register of Members and the share transfer book from 26<sup>th</sup> September,2012 to 30<sup>th</sup> September,2012 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,2012 was held on 6th August,2012 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 provisions of companies Act. There was no allotment/ transmission of securities during the financial year under review.
  - (ii) The company has not deposited any amount in a separate Bank Account as no Dividend was declared during the financial year
  - (iii) The company was not required to post Warrants to any Members of the Company as no Dividend was declared during the year.
  - (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 additional director alternate Director or Directors to fill casual vacancy during the financial year.
- 15) The appointment of Managing Director has been made in compliance with the provision of section 269 read with schedule XIII to the Act. There is no appointment of manager during the year under review.



- 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, and/ or such Authorities prescribed under the various provisions of the Act during the financial year. except for necessary approval taken from ROC for alteration of object clause of Memorandum of Association of the company.
- 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.
- 24) The amount borrowed by the company during the financial year ending on 31/03/2013 are within the authority as per the provision of the companies Act 1956.
- 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 altered the provisions of Memorandum with respect to object of the company during the year under scrutiny and complied with the provision of the Act.
- 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.

## UNISON METALS LTD.



- 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 : 24th May, 2013.

(HARISH P. JAIN)  
Proprietor  
FCS No.4203



## 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.

# UNISON METALS LTD.



## 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, 2013.

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
					Yes/No	Yes/No
1.	Form-62	58A	Return of Deposit 01-04-11 to 31-03-12	30/06/12	Yes	No
2	Form 5 INV	Rule 3	Statement of Unclaimed and Unpaid amount 31-03-2011	25/07/12	N/A	N/A
3	Form.No.66	383A	Compliance Certificate for the Financial Year ended 31-03-12	29/08/12	Yes	NO
4	Form No.32	303	Change in designation of W.T.D. to Managing director Dt.16/08/12	29/08/12	Yes	NO
5	Form No.23	192	Appointment of Managing Director Dt.16-08-12	30/08/12	Yes	NO
6	Form No.25C	269	Appointment of Managing Director Dt.16-08-12	30/08/12	Yes	No
7	Form No.23	17(1) and 18(1)	Alteration in object clause Memorandum Of Association Dt.06-08-12	04/09/12	Yes	NO
8	Form 23C	233B(2)	Appointment Of Cost Auditor 31-03-2012	26/09/12	No	Yes
9	Form 23C	233B(2)	Appointment Of Cost Auditor 31-03-2013	26/09/12	No	Yes
10	Form.NO.20B Annual Return	159	for the AGM held on 06/08/2012	13/10/12	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
11	Form5 INV	Rule 3	Statement of Unclaimed and Unpaid amount 31-03-2012	07/11/11	N/A	N/A
12	Form.NO.23 AC-XBRL Balance Sheet	220	for the Financial Year ended 31-03-12	12/01/13	Yes	No
13	Form.NO.23 ACA-XBRL Balance Sheet	220	for the Financial Year ended 31-03-12	12/01/13	Yes	N/A
14	Form I- XBRL	233B(4)	For filling XBRL document in respect of Cost audit report and other document for 01-04-2011 to 31-03-2012	20/02/13	N/A	N/A

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, 2013 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: 31<sup>st</sup> May, 2013

## 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 consist 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 2013 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 02-04-2012,17-05-2012, 31-05-2012, 26-06-2012,08-08-2012,03-10-2012,09-11-2012,14-12-2012,14-02-2013,21-03-2013.

##### 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 below:

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 Changrani	ED-P	10	Yes	-	-	-
Mr. Prakash J. Rajyaguru	NED-I	7	Yes	-	-	-
Mr. Mohan K. Harsh	NED-I	4	Yes	1	-	-
Tirth U Mehta	ED-P	10	Yes	4	-	-

\* 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 attendance 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 Clause 49 of the Listing Agreement.

### III. Subsidiary Company:

The Company has no Subsidiary Company.

### IV. Remuneration committee

#### Composition

The Remuneration Committee comprises of 3, Director, of which 2 directors are non executive Independent. During the year under review, the Committee met one time on 20-06-2012. The composition of committee and particular of attendance at the meeting are provided below.

Name of the Director	Category	Status	No. of Meeting held/attend
Mr. M.K.Harsh	Non-Executive& independent	Chairman	1 / 1
Mr.Prakash Rajyaguru	Non-Executive& independent	Member	1 / 1
Mr. Tirth U. Mehta	Executive Promoter	Member	1 / 1

#### Terms of Reference

The terms of reference as laid down by the Board include periodical review of the term of appointment of executive directors, their remuneration packages (including commission and incentive) to frame and approve term and condition of the Employee Stock Option Scheme in accordance with SEBI guidelines.

# UNISON METALS LTD.



## Remuneration paid or payable to Whole Time Directors for the year 2012-2013

(Figure in Rupees)

Name of Director	Salary	Perquisites	Total
Mr. Mahesh V. Changrani	5,40,000	21,600	5,61,600
Mr. Tirth U. Mehta	10,20,000	30,000	10,50,000

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

### Information of directors as on 31<sup>st</sup> March 2013 is as under:

Name	Age	Designation	Date of initial appointment	Nature of employment	Shares held
Mr. Mahesh V. Changrani	54	Whole Time Director	21/04/1992	Board Resolution	5200
Mr. Prakash J. Rajyaguru	48	Director	28/03/2003	-	-
Mr. Mohan K. Harsh	51	Director	27/03/2006	-	-
Mr. Tirth U Mehta	24	Managing Director	01/05/2008	Board Resolution	227000

The appointment of Managing director, 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 one time during the year. There were no transfers pending as on 31<sup>st</sup> March 2013.

## VI. Disclosures:

### I. Management Discussion and Analysis:

Annual Report has a detailed chapter on Management Discussion 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 Note No. 31 of Financial Statements in this Annual Report.

### III. Accounting treatment

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

## IV. Risk Management

The Board has constituted a Risk Management Committee 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:

Name	Age	Educational QualificationNo	Experience	Other Directorship	Other Committee Membership/ Chairman Ship
Mr. Mohan K. Harsh	51	B.Com	Having experience of more than 23 years in Taxation, Senior Executive of Public Ltd. Company	1	None

# UNISON METALS LTD.



## General Shareholders Information

Financial Calendar	:	1 <sup>st</sup> April to 31 <sup>st</sup> March.
Financial Results	:	
* First Quarter Results	:	14th August
* Half Yearly Results	:	14th November
* Third Quarter Results	:	14th February
* Annual Results	:	30th May
Book closure date	:	26 th September, 2013 to 30th September, 2013

## Listing at Stock Exchanges:

**Name of Stock Exchange** : **Stock Code**

Ahmedabad Stock Exchange : **63381**

(Regional Stock Exchange)

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

The Company has paid listing fees for the year 2013-14 to Ahmedabad Stock Exchange

## General Body Meeting

Financial Year	Date	Time	Location
2011-2012	06-08-2012	11.00 a.m.	Plot No.5015, Phase IV Ramol Char Rasta, GIDC, Vatva.
2010-2011	30-09-2011	11.00 a.m.	Plot No.5015, Phase IV Ramol Char Rasta, GIDC, Vatva.
2009-2010	30-09-2010	11.00 a.m.	Plot No.5015, Phase IV Ramol Char Rasta, GIDC, Vatva.

## Special Resolution in Last 3 AGMs

No special resolutions were passed in AGM held on 30/09/2011. Special resolution was passed for appointment of Mr. Tirth U Mehta as managing director pursuant to schedule XIII of the Companies Act 1956 being of less than 25 years of age, in Annual General Meeting held on 06/08/2012 & 30/09/2010.

## Postal Ballot

Special Resolution was passed through Postal Ballot at the last annual general meeting held on 06-08-2012 for alteration in object clause of memorandum of Association of the company.

## 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.

# UNISON METALS LTD.



## Means of Communication

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

## 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.

## 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.

## 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

Unit No.303, 3<sup>rd</sup> Floor,  
Shopper Plaza – V, Opp Municipal Market,  
Behind Shopper Plaza – II, C.G.Road,  
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.

No. of Shares of Rs. 10 each	Shareholders		No. of Shares held	Percentage of Total
	Number	Percentage of Total		
Upto – 500	203	33.61	53000	1.65
501 – 1000	189	31.29	180800	5.64
1001 – 2000	106	17.55	162000	5.06
2001 – 3000	32	5.30	89500	2.79
3001 – 4000	23	3.81	84000	2.62
4001 – 5000	17	2.82	80300	2.51
5001 – 10000	17	2.81	122300	3.82
10001– And Above	17	2.81	2432300	75.91
TOTAL	604	100.00	32,04,200	100.00

# UNISON METALS LTD.



## Shareholding Pattern : (As on 31<sup>st</sup> March, 2013)

Category	No. of Shares held	% to theShareholding
<b>A. Promoter and Promoter Group Share Holding</b>		
Indian	2173000	67.82
Foreign	-	-
<b>B. Public Shareholding</b>		
<b>1. Institution</b>		
Mutual Funds & UTI	-	-
Banks, Financial Institution	-	-
Venture Capital Fund	-	-
Insurance Companies	-	-
FIs	-	-
<b>2. Non-Institutional</b>		
Private Corporate Bodies	207300	6.47
NRIs / OCBs	-	-
Indian Public	823900	25.71
Clearing Members	-	-
<b>Total</b>	<b>3204200</b>	<b>100</b>

### 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 2013, 14,23,200 Shares have been dematerialized.

### Outstanding GDRs/ADRs/Warrants/Options

The company has no GDR / ADR Outstanding options as on 31/03/2013.

### Plant Location

#### Factory & Registered Office:

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

Tel: 079 - 25841512, 25840542



## 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: 30<sup>th</sup> May, 2013  
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 Management (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 results for the current year is net profit before exceptional items and taxes Rs. 36.87 lacs( Previous Year Rs.35.27 lacs) [ including exceptional items Rs.(54.53) lacs ( Previous Year Rs.32.19 lacs) ] showed marginal increase over the previous year. The exceptional Items during the year comprised of diminution in value of investment Rs.54.53 lacs and in previous year it comprised of profit on sale of investment Rs. 32.19 lacs (after reducing provision for diminution in value of Investment Rs.19.80 lacs.). So the net profit after tax resulted for the year at Rs.(39.38) lacs (Previous Year Rs.53.59 lacs).

### **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.

(TIRTH U.MEHTA)  
Managing Director

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
UNISON METALS LIMITED.

### Report on the Financial Statements

We have audited the accompanying financial statements of UNISON METALS LIMITED. ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:

# UNISON METALS LTD.



- a) we have 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 appears from our examination of those books
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956

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

Place : Ahmedabad

Date : 31st May, 2013

(K.M.MEHTA)  
Partner  
Membership 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, internal 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 explanation 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 stock were not material.
- (iii)
  - (a) The Company has granted unsecured loan to one party covered in the register maintained under section 301 of the Companies Act,1956. The amount involved during the year was Rs.35.60/- lacs and year end balance of loan granted to such party was Rs.2.02/- 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 payments of interest.
  - (d) There is no overdue amount of loans granted to companies, firms or other parties listed in register maintained under section 301 of the Companies Act, 1956.
  - (e) The Company had taken unsecured loan from five parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.157.75 lacs and year end balance of loan taken from such party was Rs.26.80 lacs.
  - (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 payments of interest.
- (iv) In our opinion and according to the information and explanation given to us, these 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 weakness 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 explanation 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 explanation 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 provision of the Companies Act,1956 and rules framed there under with regard to deposit 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) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government of India, regarding the maintenance of cost records under Section 209(1)(d) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have, however not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (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, 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 details of dues of income tax/sales tax/wealth tax/service tax/custom duty /excise duty/ cess which have not been deposited on account of disputes are given below.

Name of the Statute	Particulars	Period of Which the Amount Relates	Forum Where the Dispute is pending	Amount in (Rs.)
Gujarat VAT Act 2003	VAT	2008-2009	Dy. Commissioner of Commercial Tax	909,507
Income Tax Act, 1956	Income Tax	2008-2009 & 2009-2010	Commissioner of Income Tax (Appeals)	316,420

# UNISON METALS LTD.



- (x) There are no accumulated losses of the Company as on 31/03/2013. 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 explanation 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 cheatfund of Nidhi Mutual Benefit fund/society therefor 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) The company has not raised any term loan during the year.
- (xvii) According to the information and explanation 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 question of creating securities or charges in respect thereof does not arises.
- (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 our audit.

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

PLACE : AHMEDABAD.  
DATED : 31<sup>ST</sup> May, 2013

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

# UNISON METALS LTD.



## BALANCE SHEET AS AT 31ST MARCH, 2013

(Amount in Rs.)

PARTICULARS	NOTE No.	AS AT 31.03.2013.	AS AT 31.03.2012.
<b>I. EQUITY AND LIABILITIES</b>			
Shareholder's Funds			
(a) Share Capital	'1'	32,042,000	32,042,000
(b) Reserves and Surplus	'2'	<u>66,766,658</u>	<u>70,704,626</u>
		98,808,658	102,746,626
<b>Non-Current Liabilities</b>			
(a) Long Term Borrowings	'3'	15,101,896	26,313,459
(b) Deferred Tax Liabilities (Net)	'4'	3,776,337	3,175,416
(c) Other Long Term Liabilities		-	-
(d) Long Term Provision	'5'	<u>718,908</u>	<u>370,173</u>
		19,597,141	29,859,048
<b>Current Liabilities</b>			
(a) Short Term Borrowings	'6'	42,016,020	38,819,184
(b) Trade Payables		26,619,305	31,114,513
(c) Other Current Liabilities	'7'	11,074,762	15,181,842
(d) Short term provisions	'8'	<u>852,216</u>	<u>1,834,783</u>
		80,562,302	86,950,321
<b>Total</b>		<u><b>198,968,101</b></u>	<u><b>219,555,995</b></u>
<b>II. Assets</b>			
<b>Non-current assets</b>			
(a) Fixed assets	'9'		
(i) Tangible assets	9(a)	58,639,381	62,686,664
(ii) Intangible assets			
(iii) Capital work-in-progress	9(b)	<u>200,206</u>	<u>2,316,200</u>
		58,839,587	65,002,864
(b) Non-current investments	'10'	45,412,091	48,864,963
(c) Deferred Tax Assets (Net)		-	-
(d) Long term Loans and Advances	'11'	12,467,336	8,244,191
(e) Other non-current assets	'12'	<u>383,623</u>	<u>1,131,199</u>
		58,263,050	58,240,353
<b>Current Assets</b>			
(a) Current investments		-	-
(b) Inventories	'13'	38,003,049	35,468,825
(c) Trade receivables	'14'	37,953,613	45,702,987
(d) Cash and Bank Balances	'15'	1,732,621	707,858
(e) Short-term loans and advances	'16'	2,657,696	13,872,943
(f) Other Current Assets	'17'	<u>1,518,485</u>	<u>560,164</u>
		81,865,464	96,312,777
<b>Total</b>		<u><b>198,968,101</b></u>	<u><b>219,555,995</b></u>

Significant Accounting Policies & notes 1 to 34 to these Financial Statements are accompanying

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

(K.M.MEHTA)  
Partner.  
M.NO.13707  
AHMEDABAD: 31st May, 2013.

For and on behalf of Board of Directors

Tirth U. Mehta  
Managing Director.

Mahesh V. Changrani  
Executive Director.  
AHMEDABAD:30th May, 2013.



# UNISON METALS LTD.



## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in Rs.)

PARTICULARS	NOTE No.	For the Period Ended 31.03.2013	For the Year Ended 31.03.2012
<b>Revenue</b>			
Revenue from operations	'18'	302,585,139	220,586,139
Other Income	'19'	1,839,153	3,511,978
<b>Total</b>		<u>304,424,292</u>	<u>224,098,117</u>
<b>Expenses:</b>			
Cost of materials consumed	'20'	230,880,915	143,631,058
Trading Purchase		2,257,589	7,044,011
(Increase)/Decrease in Inventory of Stock in Trade	'21'	(1,383,262)	5,055,589
Employee Benefit Expense	'22'	14,359,557	11,883,786
Other Expenses	'23'	40,403,657	35,431,470
Depreciation and amortization expense	'9'	6,621,035	6,708,940
Financial costs	'24'	7,597,636	10,816,342
<b>Total</b>		<u>300,737,127</u>	<u>220,571,196</u>
Profit before exceptional and extraordinary items and tax		<b>3,687,165</b>	<b>3,526,921</b>
Exceptional Items ( Refer Note No.10a )		(5,453,197)	3,219,048
Profit before extraordinary items and tax		(1,766,032)	6,745,969
Extraordinary Items		-	-
<b>Profit before tax</b>		<u><b>(1,766,032)</b></u>	<u><b>6,745,969</b></u>
Tax expense:			
(1) Current tax		1,460,000	1,710,000
Less : MAT Tax Credit		-	505,000
		<u>1,460,000</u>	<u>1,205,000</u>
(2) Deferred tax		600,921	195,570
(3) Prior year Income tax		111,015	(14,085)
<b>Profit for the period</b>		<u><b>(3,937,968)</b></u>	<u><b>5,359,484</b></u>
No. Of equity shares at the end of the year		3,204,200	3,204,200
Weighted No. Of equity shares at the end of period		<b>3,204,200</b>	3,204,200
Profit for calculation of E.P.S. ( Rs.)		<b>(3,937,968)</b>	4,914,378
Nominal value of Equity shares (Rs.)		10	10
Earning per equity share:			
(1) Basic		(1.23)	1.53
(2) Diluted		(1.23)	1.53

Significant Accounting Policies & notes 1 to 34 to these Financial Statements are accompanying

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

(K.M.MEHTA)  
Partner.  
M.NO.13707  
AHMEDABAD: 31st May, 2013.

For and on behalf of Board of Directors

Tirth U. Mehta  
Managing Director.

Mahesh V. Changrani  
Executive Director.  
AHMEDABAD:30th May, 2013.

## **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 accumulated depreciation.

### **C. Depreciation:**

Depreciation on fixed assets is provided 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 and stores & spares 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 based on actuarial valuation as at the Balance Sheet date and is charged to profit & loss account.
- 3) All other short term benefits for employees are recognised as an expense at the undiscounted amount in the Statement of profit & loss of the year in which the related service is rendered.

### **G. Preliminary Expenses:**

Preliminary expenses incurred are charged to revenue.

### **H. Foreign Currency Transactions :**

Transaction denominated in Foreign Currency are recorded at the exchange rate prevailing on the date of transaction. In respect of transaction covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of the transaction is recognized as income or expenses over the life of the contract. Any income or expense on account of exchange rate difference either on settlement or on translation is recognized in Statement of Profit & Loss. Assets & Liabilities remaining unsettled at the end of the year, other than covered by forward exchange contracts are translated at exchange rate prevailing at the end of the year and the difference is adjusted in Statement of Profit & Loss.

### **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 result and estimates are recognized in the period in which the results are known / materialized.

**M. Provisions, Contingent Liabilities and Contingent Assets**

Provision involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and that probability requires an outflow of resources.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

**N. Accounting policies not specifically referred to are consistent with generally accepted accounting practices.**

# UNISON METALS LTD.



PARTICULARS	AS AT 31.03.2013. Rs.	AS AT 31.03.2012. Rs.			
<b>NOTE : '1' SHARE CAPITAL</b>					
<b>AUTHORISED :</b>					
32,50,000 (32,50,000) Equity Shares of Rs.10/-each	32,500,000	32,500,000			
7,50,000 (7,50,000) Redeemable Preference Shares of Rs.10/-each	7,500,000	7,500,000			
	<u>40,000,000</u>	<u>40,000,000</u>			
<b>ISSUED, SUBSCRIBED AND PAID-UP:</b>					
3204200 (3204200) Equity Shares of Rs.10 each fully paid up	32,042,000	32,042,000			
	<u>32,042,000</u>	<u>32,042,000</u>			
<b>1.1 Reconciliation of the shares outstanding at the beginning and at the end of the year</b>					
Equity Share	As at 31 March 2013		As at 31 March 2012		
	Nos.	Rs	Nos.	Rs	
Shares outstanding at the beginning of the year	3,204,200	32,042,000	3,204,200	32,042,000	
Shares Issued during the year	-	-	-	-	
Shares bought back during the year	-	-	-	-	
Shares outstanding at the end of the year	3,204,200	32,042,000	3,204,200	32,042,000	
<b>1.2 Details of shareholders holding more than 5% equity shares in the company</b>					
Sr. Nos.	Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
		Nos.	% of Holding	Nos.	% of Holding
1	Shelja Finlease Pvt.Ltd.	468000	14.61	468000	14.61
2	Tushar U.Mehta	359900	11.23	359900	11.23
3	Pushpa Mehta	359400	11.22	359400	11.22
4	Tribhuvan Lease Finance Pvt.Ltd.	331700	10.35	331700	10.35
5	Tirth U.Mehta	227000	7.08	226000	7.05
6	Universal Metal Co.Ltd.	207300	6.47	207300	6.47

## 1.3 Terms/Rights attached to Shares :

Each holder of Equity Shares of face value of Rs.10 each is entitled to one vote per share. The dividend is declared and paid on being proposed by the Board of Directors after the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company the holders of equity shares will be entitled to remaining assets of the company after payment or distribution of all liabilities. The distribution to equity share holders will be in proportion to the number of Equity Shares held by the Shareholders.

### NOTE : '2' RESERVES AND SURPLUS

		As at 31st March 2013		As at 31st March 2012
	Rs.	Rs.	Rs.	Rs.
Share Premium				
As per last Balance Sheet	32,943,703		32,943,703	
		32,943,703		32,943,703
General Reserve				
As per last Balance Sheet	7,583,012		6,956,813	
Add : Transfer of MAT Credit	-		626,199	
		7,583,012		7,583,012
Capital Reserve				
As per last Balance Sheet	3,998,500		3,998,500	
		3,998,500		3,998,500
<b>Profit/(Loss)</b>				
As per last Balance Sheet	26,179,411		20,819,927	
Profit During the year	(3,937,968)		5,359,484	
		22,241,443		26,179,411
		<b>66,766,658</b>		<b>70,704,626</b>

# UNISON METALS LTD.



## NOTE : '3' LONG TERM BORROWINGS

	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>A Secured</b>		
<b>(i) Term Loan from Bank</b> ( Secured by stocks, book debts, movable plant & machineries, spares, accessories, office equipments, computer, furniture, fixtures, vehicles and by equitable mortgage of immovable properties of the company and guaranted by two of the directors, a relative of a director and two companies)	-	3,238,587
<b>(ii) HDFC Bank against Vehicles</b>	996,896	2,599,872
<b>B Unsecured</b>		
<b>(i) From Directors</b>	175,000	4,175,000
<b>(ii) From Share Holders</b>	2,430,000	16,300,000
<b>(iii) From Bodies Corporate</b>	7,000,000	-
<b>(iv) From Others</b>	4,500,000	-
<b>TOTAL</b>	<b>15,101,896</b>	<b>26,313,459</b>

### 3.1 Terms of Repayment

Term Loan from bank in note 3A(i) is payable in monthly installment of Rs.583000/- each with varying interest rate linked to BPLR of bank from time to time.

#### HDFC Loan in note 3A(ii)

Re payable

F.Y.2014-15                      996,896

Rate of Interest                      10%

Loan from Directors in note 3B(i) repayable after 31-03-2014 bearing interest @ 12% p.a.

Loan from share holders and others in note 3B(ii) repayable after 31-03-2014 bearing interest @ 12% p.a

Loan from Bodies Corporate in note 3B(iii) repayable after 31-03-2014 bearing interest @ 12% p.a

Loan from Others in note 3B(iv) repayable after 31-03-2014 bearing no interest

# UNISON METALS LTD.



<b>NOTE : '4' DEFERRED TAX LIABILITIES (NET)</b>		<b>As at 31st March 2013 Rs.</b>	<b>As at 31st March 2012 Rs.</b>
a) Deferred Tax Liability:			
Depreciation	4,026,093		3,940,472
b) Deferred Tax Assets:			
Gratuity etc.	<u>249,757</u>	3,776,337	765,056
<b>Deferred Tax Liability (Net)</b>		<u>3,776,337</u>	<u>3,175,416</u>

<b>NOTE : '5' LONG TERM PROVISIONS</b>		<b>As at 31st March 2013 Rs.</b>	<b>As at 31st March 2012 Rs.</b>
Gratuity		7,18,908	370,173
<b>Total</b>		<u>7,18,908</u>	<u>370,173</u>

<b>NOTE : '6' SHORT TERM BORROWINGS</b>		<b>As at 31st March 2013 Rs.</b>	<b>As at 31st March 2012 Rs.</b>
<b>(a) Secured</b>			
<b>Working Capital Facilities from Bank on Demand</b> ( Working capital facilities are secured by stocks, book debts, movable plant & machineries, spares, accessories, office equipments, computer, furniture, fixtures, vehicles and by equitable mortgage of immovable properties of the company and guaranted by two of the directors, a relative of a director and two companies)		34,323,374	33,093,573
<b>(b) Unsecured</b>			
From Directors		-	1,037,965
From Shareholders		250,000	1,870,000
From Bodies Corporate		7,442,646	2,817,646
		<b>42,016,020</b>	<b>38,819,184</b>

# UNISON METALS LTD.



<b>NOTE : '7' OTHER CURRENT LIABILITIES</b>		<b>As at 31st March 2013 Rs.</b>	<b>As at 31st March 2012 Rs.</b>
(a) Current maturities of Long Term debts Term Loan from Bank [ Note 3 A (i) ]		2,935,000	6,996,000
HDFC Bank Loan [ Note 3 A (ii) ]		1,602,976	1,919,268
(b) Unclaimed Dividend		353,590	355,300
(c) Interest accrued but not due on borrowings		2,242,515	2,635,457
(d) Others			
Statutory Liabilities		1,674,396	2,539,710
Advance from Customers		2,225,868	544,378
Payables for Capital Goods		40,417	191,729
		<b>11,074,762</b>	<b>15,181,842</b>

<b>NOTE : '8' SHORT TERM PROVISIONS</b>		<b>As at 31st March 2013 Rs.</b>	<b>As at 31st March 2012 Rs.</b>
Gratuity		89,366	124,783
Income Tax*	1,460,000		
Less : MAT Credit availed	697,150		
		762,850	17,10,000
		<b>8,52,216</b>	<b>1,834,783</b>

**8.1\*** Provision of Income Tax is made after considering depreciation, deduction and allowances allowable under Income Tax Regulations.



**Note : 9  
FIXED ASSETS**

SR. NO.	PARTICULARS	GROSS BLOCK					DEPRECIATION				NET BLOCK	
		AS AT 01.04.2012	ADDI TIONS	DISPOSALS	AS AT 31.3.2013	AS AT 01.04.2012	#DURING THE YEAR	RECOUPED	AS AT 31-03-2013	AS AT 30.03.2013	AS AT 31.03.2012	
(a)	<b>TANGIBLE ASSETS</b>											
	Land	3,634,085	-	-	3,634,085	-	-	-	-	-	-	3,634,085
	Buildings	36,438,136	1,424,616	-	37,862,752	8,112,381	1,163,629	-	9,276,010	-	28,586,742	28,325,755
	Plant and Equipment	53,992,580	1,405,931	-	55,398,511	32,361,219	3,688,355	-	36,049,574	-	19,348,937	21,631,361
	Furniture and Fixtures	1,577,807	-	-	1,577,807	904,624	55,348	-	959,972	-	617,835	673,183
	Office Equipments	2,200,444	73,440	-	2,273,884	1,306,099	165,599	-	1,471,698	-	802,186	894,345
	Vehicles	11,137,357	81,607	2,692,151	8,526,813	3,609,422	1,548,104	2,280,309	2,877,217	-	5,649,596	7,527,935
	Total	108,980,409	2,985,594	2,692,151	109,273,852	46,293,745	6,621,035	2,280,309	50,634,471	-	58,639,381	62,686,664
(b)	<b>Capital Work-in-Progress</b>	2,316,200	838,270	2,954,264	200,206	-	-	-	-	-	200,206	2,316,200
	Total	2,316,200	838,270	2,954,264	200,206	-	-	-	-	-	200,206	2,316,200
	As at 31st March 2013	111,296,609	3,823,864	5,646,415	109,474,058	46,293,745	6,621,035	2,280,309	50,634,471	-	58,839,587	65,002,864

# UNISON METALS LTD.



NOTE : '10' Non Current Investments	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>( As valued,verified &amp; certified by the management )</b>		
<b>Trade Investments</b>		
<b>(a) Investment in Equity Instruments - Unquoted Associate</b>		
(i) 100 (100) Equity Shares of Unison Forgings Ltd. of Rs.10/- each fully paid	1,000	1,000
(ii) 1900 (1900) Equity Shares of Unison Alloys and Steels Pvt. Ltd.of Rs.10/- each fully paid	19,000	19,000
<b>Others</b>		
(i) 50 (50) Equity Shares of GreenEnvironment Service Co.op.Soc.Ltd.ofRs.100/- each fully paid	5,000	5,000
(ii) Investment in capital contribution in Mangalam Steel & Alloys Ltd. Vietnam ( Refer Note No.10 (a))	35,455,955	35,455,955
<b>(b) Investment in Partnership Firm</b>		
Chandanpani Enterprise	17,358,285	15,357,960
<b>Non Trade Investments</b>		
(i) 100 (100) Equity Shares of RanjanPolyster Ltd. of Rs.10/- each fully paid	2,000	2,000
(ii) 500 (500) Equity Shares of SaketProjects Ltd.of Rs.10/- each fully paid	5,000	5,000
	52,846,240	50,845,915
Less : Diminution in value of Investments * ( Refer Note No.10a )	7,434,149	1,980,952
<b>Total</b>	<b>45,412,091</b>	<b>48,864,963</b>

**10.a** Investment in Mangalam Steel & AllSoys Ltd (MSAL), incorporated in Vietnam for manufacturing of Stainless Steel products in which company has 40% stake. During the year the MSAL is not an associate under accounting standard 18-“Relevant party disclosers” as there is no participation in the financial and / or operating policy decisions of MSAL. Due to loses, mismanagement by working director (General Director) at Vietnam and disputes & deadlock in Management, the plant is closed and the share holders of MSAL have filed petition to Commence bankruptcy proceedings at Vietnam with Vietnamese authorities during the year. After considering the overall appreciation in market value of Fixed assets, company expect diminution in value of investment of Rs.7434149 after taking the year end value of exchange rate including Rs.7000 for non trade investments. Hence such sum of Rs.5453197 (1973952) is provided in these financial Statements and appearing as an exceptional item in profit & loss statement.

# UNISON METALS LTD.



## 10 b Detail of Investment in Partnership Firm M/S Chandanpani Enterprises

Name of Partners	Sharing Ratio	Capital of Partners	Total
UNISON METALS LTD.	50%	173,58,285	173,58,285
UTTAMCHAND C.MEHTA	50%	(180,565)	(180,565)
		<b>17,177,720</b>	<b>17,177,720</b>

NOTE : '11' LONG TERM LOANS AND ADVANCES	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
Unsecured, considered good		
Capital Advances	596,150	596,150
Security / Earnest Money Deposit	2,371,186	2,648,041
Loan to related Party		
Unison Forgings Ltd	-	5,000,000
Loan to Others	9,500,000	-
<b>Total</b>	<b>12,467,336</b>	<b>8,244,191</b>

**11a** Advance to others include given to All Karla Social welfare Society of Rs.95 lacs for purchase of Scrap, a raw-material for our manufacturing activity in F.Y.2010 2011, But the raw material was not supplied, and the agreement for sale was cancelled by the party and against which the said party issued a cheque of Rs. 110 lacs (including interest which is not accounted as income), but the cheque bounced. Company filled criminal case u/s 138 of Negotiable Instrument Act, in court at Ahmedabad and the party has given undertaking to the Honorable Court to pay or settle it. Accordingly company except to realize the whole amount with in 12 months.

NOTE : '12' OTHER NON-CURRENT ASSETS	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
(Unsecured, considered good )		
MAT Tax credit *	383,623	1,131,199
<b>Total</b>	<b>383,623</b>	<b>1,131,199</b>

Provision for income tax being Minimum Alternate Tax ( MAT ) of Rs. 17,77,923 /- is considered as an advance in view of reasonable certainty of adjustment of MAT payment as credit against normal income tax liability in succeeding years.

# UNISON METALS LTD.



<b>NOTE : '13' INVENTORIES</b>	<b>As at 31st March 2013 Rs.</b>	<b>As at 31st March 2012 Rs.</b>
(As verified, valued and certified by management)		
Raw Materials	706,971	585,919
Finished Goods	5,222,346	6,447,816
Semi-finished Goods	24,521,378	21,810,526
S.S.Scrap	326,416	428,537
Stores & Spares	7,225,936	6,196,028
<b>Total</b>	<b><u>38,003,049</u></b>	<b><u>35,468,825</u></b>

**13.1** Method of Valuation of inventory is lower of cost or net realizable value

<b>NOTE : '14' TRADE RECEIVABLES</b>	<b>As at 31st March 2013 Rs.</b>	<b>As at 31st March 2012 Rs.</b>
<b>Unsecured and considered good</b>		
Debts outstanding over six months from the due date for payment	7,723,393	583,779
Other Debts	30,230,220	45,119,208
<b>Total</b>	<b><u>37,953,613</u></b>	<b><u>45,702,987</u></b>

<b>NOTE : '15' CASH AND BANK BALANCES</b>	<b>As at 31st March 2013 Rs.</b>	<b>As at 31st March 2012 Rs.</b>
(i) Cash & Cash Equivalents		
(a) Cash in hand	358,624	280,600
(b) Balances with Banks in Current Accounts	48,610	62,930
(ii) Other Bank Balances		
Deposits as marginal money against commitment	700,000	-
Unclaimed Dividend Accounts	362,618	364,328
Deposit with Bank	262,769	-
<b>Total</b>	<b><u>1,732,621</u></b>	<b><u>707,858</u></b>

# UNISON METALS LTD.



<b>NOTE : '16' SHORT-TERM LOANS AND ADVANCES</b>	<b>As at 31st March 2013 Rs.</b>	<b>As at 31st March 2012 Rs.</b>
<b>Unsecured and considered good</b>		
Advance to related Party		
Unison Forgings Ltd.	201,883	1,609,105
to Employees	39,000	23,000
Advances to Creditors	74,036	730,902
Advance Income Tax	772,369	622,323
Prepaid Expenses	596,904	518,413
Advance to others	973,504	10,369,200
<b>Total</b>	<b>2,657,696</b>	<b>13,872,943</b>

<b>NOTE : '17' OTHER CURRENT ASSETS</b>	<b>As at 31st March 2013 Rs.</b>	<b>As at 31st March 2012 Rs.</b>
Accrued Income	108,978	60,164
Interest Subsidy Receivable	500,000	500,000
VAT Receivable	909,507	-
<b>Total</b>	<b>1,518,485</b>	<b>560,164</b>

<b>NOTE : '18' REVENUE FROM OPERATIONS</b>		<b>As at 31st March 2013 Rs.</b>		<b>As at 31st March 2012 Rs.</b>
<b>(a) Sale of Manufacturing Products</b>				
C.R.Patta	271,890,181		157,411,349	
S.S.Scrap	2,670,123		5,204,580	
S.S.Utensils	25,508,790		50,744,438	
		300,069,094		213,360,367
<b>TRADING</b>				
PIG IRON	2,255,880		4,848,235	
SS MELTING SCRAP	-		2,356,418	
		2,255,880		7,204,653
<b>(b) Other Operating Income</b>				
Liability Written Back		<b>34,535</b>		21,119
Vat		225,630		---
<b>Total</b>		<b>302,585,139</b>		<b>220,586,139</b>

# UNISON METALS LTD.



NOTE : '19' OTHER INCOME	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
Interest	1,729,997	1,545,438
Profit on Sale of Assets	109,156	1,966,540
<b>Total</b>	<b>1,839,153</b>	<b>3,511,978</b>

NOTE '20' COST OF MATERIAL CONSUMED	Rs.	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
Opening Stock	585,919		466,999
Add : Purchase			
S S Flat	3,173,891		3,150,854
H R PATTI / PATTI	226,372,867		137,737,452
Others	1,455,209		2,861,672
	<u>231,587,886</u>		<u>144,216,977</u>
Less : Closing Stock	706,971		585,919
Consumption		230,880,915	143,631,058
<b>Total</b>		<b>230,880,915</b>	<b>143,631,058</b>

NOTE : '21' (Increase)/ Decrease in Inventory of Stock in Trade	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
Closing Inventory of		
Semi-finished Goods	24,521,378	21,810,526
Finished Goods	5,222,346	6,447,816
Scraps	326,416	428,537
Trading Goods	-	-
	<u>30,070,141</u>	<u>28,686,880</u>
Less: Opening Inventory of		
Semi-finished Goods	21,810,526	30,602,432
Finished Goods	6,447,816	1,639,338
Scrap	428,537	1,500,699
Trading Goods	-	-
	<u>28,686,879</u>	<u>33,742,469</u>
Increase / (Decrease) in stocks	1,383,262	(5,055,589)
	<b>1,383,262</b>	<b>(5,055,589)</b>

# UNISON METALS LTD.



NOTE : '22' EMPLOYEE BENEFIT	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
Salaries & Wages	13,056,481	10,873,390
Contributions to Provident and Other Funds	338,157	218,925
Employees' Welfare Expenses	964,919	791,471
<b>Total</b>	<b>143,59,557</b>	<b>11,883,786</b>

NOTE : '23' OTHER EXPENSES	Rs.	As at 31st March 2013 Rs.	Rs.	As at 31st March 2012 Rs.
<b>MANUFACTURING EXPENSES:</b>				
Consumable Stores & Spares	9,105,691		8,549,701	
Job Charges	180,053		190,066	
Maintenance & Repairs	965,791		587,030	
Power & Fuel	7,222,317		5,934,181	
Annealing Expenses	12,875,511		9,323,981	
Excise Duty	2,204,200		1,489,380	
Effluent Treatment Expenses	1,038,999		906,940	
Water Charges	49,257		33,664	
Factory Expenses	113,528		139,066	
Freight & Cartage	91,703		20,613	
		33,847,049		27,174,622
<b>OTHER EXPENSES:</b>				
Packing Expenses	1,801,119		1,460,385	
Insurance Charges	445,477		432,909	
Telephone Expenses	330,708		505,814	
Legal, Professional & Consultancy Fees	940,559		688,703	
Postage & Stationery Expenses	171,709		126,565	
Rent, Rates & Taxes	200,396		188,659	
Miscellaneous Expenses	380,372		249,395	
Travelling Expenses	615,776		403,361	
Foreign Exchange Gain or Loss	—		148,070	
Service Tax	53,092		238	
Car Expenses	413,555		264,829	
Vat & CST	-		379,800	
Vatav Kasar	1,279		9,672	
Bank Commission & Charges	224,128		556,796	
Loss from partnership firm	496,632		647,819	
Loss on sale of Assets	130,507		—	
Commission	40,909		1,765,869	
Advertisement Expenses	156,945		51,057	
Payment to Auditors	144,944		118,907	
Donation	8,500		258,000	
		6,556,608		8,256,848
<b>Total</b>		<b>40,403,657</b>		<b>35,431,470</b>

# UNISON METALS LTD.



<b>23a Payment to Auditors</b>	<b>As at 31st March 2013 Rs.</b>	<b>As at 31st March 2012 Rs.</b>
Audit remuneration	75,281	61,386
Company Law Matter	24,719	23,163
Taxation Matters	33,708	22,060
Other Services & Reports	11,236	12,298
<b>Total</b>	<b>144,944</b>	<b>118,907</b>

**23b** Share of profit excluding interest from partnership firm for the current year named CHANDANPANI ENTERPRISE shall be accounted for on the finality of the accounts of the partnership firm for the year ended 31/03/2013.  
Loss from partnership firm of Rs.4,96,632/- (previous year loss Rs.6,47,819/-) from the said firm in Note-22 pertains to year ended 31-03-2013, Interest for the current year Rs.9,46,957 /- ( Prior Year Rs.9,08,158 ) is part of interest income in Note-19 to these financial statement.

<b>NOTE : '24' FINANCIAL COSTS</b>	<b>As at 31st March 2013 Rs.</b>	<b>As at 31st March 2012 Rs.</b>
Interest	7,597,636	10,816,342
	<u>7,597,636</u>	<u>10,816,342</u>

<b>NOTE : '25' Contingent liabilities in respect of :</b>	<b>31-03-2013 Rs.</b>	<b>31-03-2012 Rs.</b>
Bank Guarantees	2,359,057	1,992,808
ESI disputed under Appeal	318,500	318,500
Letters of Credit	3,996,916	5,000,000
Vat disputed in Appeal	909,507	-
IncomeTax disputed in Appeal	316,420	27,390

<b>NOTE : '26' Commitment</b>	<b>31-03-2013 Rs.</b>	<b>31-03-2012 Rs.</b>
The estimated amount of contracts remaining to be executed on capital account not provided for.	--	3,076,350

**NOTE : '27'** In the opinion of the management the balances shown under all the assets other than fixed assets & non current investment have approximately the same realisable value as shown in these financial statement.



# UNISON METALS LTD.



NOTE : '28'	31-03-2013 Rs.	31-03-2012 Rs.
C.I.F. value of Imports :		
Trading Goods	--	2282106

**NOTE : '29'** There is only one segment "Stainless steel Products" and therefore other disclosure requirement of Accounting Standard 17 for Segement reporting does not apply.

**NOTE : '30'** Previous year's figures have been regrouped or rearranged wherever considered necessary.

**NOTE : '31'** Related Party disclosure, as required by Accounting Standard-18, is as below :

a) List of related persons

(i) Associates / Enterprises having significant influence : Chandanpani Enterprise, Unison Forgings Ltd, Unison Alloys & Steels Pvt.Ltd, Shelja Finlease Pvt.Ltd.

(ii) Key Managerial person & their relatives : Mahesh V.Changrani, Tirth U. Mehta , Pushpa Mehta, U.C.Mehta, Tushar Mehta, U.C.Mehta HUF

**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	
			31/3/2013	31/3/2012	31/3/2013	31/3/2012
1	Purchase of Goods	a (i)	70,944	3,308,398	-	-
2	Remuneration to Key Management Personnel	a (ii)	1,611,600	1,235,400	93,600 ( Cr )	1,46,115 ( Cr )
3	Interest Paid	a (ii)	1,772,066	1,904,895	16,15,967 (Cr)	19,04,895 ( Cr )
4	Sale of Goods	a (i)	-	1,839,621	-	2,50,468 (Dr)
5	Investments	a (i)	1,550,000	-	1,73,58,285 (Dr)	-
6	Unsecured Deposits Taken	a (ii)	3,480,000	30,130,000	26,80,000 (Cr)	2,21,07,646( Cr )
7	Unsecured Deposits repaid back	a (ii)	19,207,965	10,840,000	-	-
8	Interest Reveived	a (i)	1,504,605	1,357,163	946957 (Dr)	13,57,163( Dr)
9	Job Charges received	a (i)	-	-	-	-
10	Loan Given	a (i)	3,560,000	11,855,000	2,01,883 (Dr)	62,05,000 ( Dr )
11	Loan Given repaid back	a (i)	10,169,105	15,549,148.00	-	-
12	Job Charges Paid	a (i)	-	-	-	-
13	Profit/ (Loss) from Partnership Firm	a (i)	(496,632)	(647,819)	-	-
14	Sale of Investment	a (i)	-	6,500,000	-	-
15	Purchase of Machine	a (i)	-	131,250	-	-
16	Sale of Fixed Assets	a (i)	215,000	-	-	-

**NOTE : '32' 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. 2,00,688 /- 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 set 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, 2013.

	<b>31-03-2013</b>	<b>31-03-2012</b>
<b>i) Change in present value of obligations :</b>		
Obligations at beginning of the year	494955	387,551
Service cost	125050	76,232
Interest cost	42071	31,353
Net Actuarial ( gain ) / loss	139492	(181)
Prior year change	6705	0
Benefits paid	0	0
Obligations at the end of the year	<b>808,273</b>	<b>494,955</b>
<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	808,273	494,955
Less : Fair value of plan assets	-	-
Unfunded status amount of liability recognized in the balance sheet	<b>808,273</b>	<b>494,955</b>
<b>iii) Gratuity cost of the year :</b>		
Service Cost	125050	76,232
Interest cost	42071	31,353

# UNISON METALS LTD.



	31-03-2013	31-03-2012
Net Actuarial (gain) / loss	139492	(181)
Prior year change	6705	0
Net gratuity cost charged to profit & loss	313,318	107,404
<b>(v) Assumptions :</b>		
Discount rate %	8.10	8.50
Annual Increase in salary costs %	6.00	6.00

**NOTE : '33'** The disclosure under Micro, small and medium Enterprise Development Act, 2006 in respect of the amounts payable to such enterprises as at 31st March, 2013 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, 2013. No interest is paid or payable to such enterprises. Auditors have relied on the same.

**NOTE : '34'** 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.

Signatures to Notes '1' to '34'

**For KISHAN M. MEHTA & CO.,**  
Chartered Accountants  
Firm's Registration No.105229W

**(K. M. MEHTA)**

M. No. 13707  
Partner  
Ahmedabad, 31st May, 2103

**For and on behalf of Board of Directors**

**Tirth U.Mehta**  
Managing Director

**Mahesh V.Changani**  
Executive Director

Ahmedabad, 30th May, 2103

# UNISON METALS LTD.



## CASH FLOW STATEMENT FOR THE ENDED 31ST MARCH, 2013.

	Inflow (Outflow) 2012-2013	Inflow (Outflow) 2011-2012
( Amount in Rs. )		
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extraordinary items	(1,766,032)	6,745,968
Adjustment for :		
Depreciation	<b>6,621,035</b>	6,708,940
Interest Paid	<b>7,257,389</b>	10,553,899
Profit on sale of assets	<b>(109,156)</b>	(1,966,540)
Profit on sale of Investment	-	(5,200,000)
Diminution In Value Of Investment	<b>5,453,197</b>	1,980,952
Loss on sale of assets	<b>130,507</b>	-
Share income from partnership firm	<b>496,632</b>	647,819
Interest Received	<b>(1,729,997)</b>	(1,545,438)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>16,353,575</b>	17,925,600
Adjustment for :		
Trade & Other receivables	12,872,522	(34,402,618)
Inventories	(2,534,223)	4,109,742
Trade Payables	(3,518,735)	13,493,504
<b>CASH GENERATED FROM OPERATIONS</b>	<b>23,173,139</b>	1,126,228
Income Tax Paid	(1,710,000)	(1,050,000)
<b>CASHFLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>21,463,139</b>	76,228
Prior Year's Adjustment	(111,015)	14,085
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>21,352,124</b>	90,313
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets ( including Capital Work in progress )	<b>(869,600)</b>	(11,051,400)
Sale of fixed assets	<b>390,491</b>	4,382,511
Share income from partnership firm	<b>(496,632)</b>	(647,819)
Sale/(Purchase) of Investments	<b>3,452,872</b>	3,010,613
Profit (Loss)/ on sale of investment	-	5,200,000
Diminution in Value of investment	<b>(5,453,197)</b>	(1,980,952)
Interest Received	<b>1,729,997</b>	1,545,438
<b>CASH USED IN INVESTING ACTIVITIES</b>	<b>(1,246,069)</b>	458,391
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceed from long term Borrowings & Working Capital Finance	(12,784,962)	9,426,045
Dividend Paid	-	-
Dividend Tax Paid	-	-
Interest Paid	<b>(7,257,389)</b>	(10,553,899)
<b>NET CASH SURPLUS IN FINANCING ACTIVITIES</b>	<b>(20,042,351)</b>	(1,127,854)
<b>D. NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>63,704</b>	(579,150)
<b>E. Cash and cash equivalent as at 1st April,2012</b>	<b>343,530</b>	922,680
<b>F. Cash and cash equivalent as at 31st March,2013</b>	<b>407,234</b>	343,530

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

(K.M.MEHTA)  
Partner.  
M.NO.13707  
AHMEDABAD: 31st May, 2013.

For and on behalf of Board of Directors

Tirth U. Mehta  
Managing Director.

Mahesh V. Changrani  
Executive Director.  
AHMEDABAD:30th May, 2013.

# UNISON METALS LTD.



- 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 Third Annual General Meeting 30th September, 2013 at 11.00 a.m. Monday

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 Third Annual General Meeting of the Company at Plot No. 5015, Phase IV, Ramol Char Rasta, GIDC, Vatva, Ahmedabad-382445. On 30th September, 2013.

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 .....of falling  
him .....of .....in the district of .....  
as my / our proxy of vote me / us on my our behalf the Twenty Third Annual General  
Meeting of the company to be held on Monday, 30th September, 2013 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.