

UNNO INDUSTRIES LIMITED

CIN: L93010MH1992PLC205606

ANNUAL REPORT 2016-2017

25TH ANNUAL GENERAL MEETING

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Prafulchandra Gordhandas Zaveri – Managing Director
Hetal Priteshkumar Solanki – Director
Shri Pritesh Naranbhai Solanki – Director

REGISTERED OFFICE

Siddhi Vinayak Appartment, Flat No. 206
Gujaratisamaj Road., Sant Chokamela Road,
Ville Parle(E) Mumbai, Maharashtra- 400057

STATUTORY AUDITORS

Shah Parmar & Mehta
Chartered Accountants
FRN NO.: 141689W

REGISTRARS AND SHARE TRANSFER AGENTS

Purva Shareregistry (India) Pvt.Ltd
Unit No. 9, Shiv Shakti Industrial Estate
J.R.Boricha Marg, Opp Kasturba Hospital Lane
Lower Parel (E), Mumbai – 400 011
Tel: 91-22-2301 6761 / 8261
Email: busicomp@vsnl.com

BANKERS

HDFC Bank Ltd
Axis Bank Ltd.

STOCK EXCHANGES

The Bombay Stock Exchange (BSE)
The Madhya Pradesh Stock Exchange (MPSE)

UNNO INDUSTRIES LIMITED

CIN No. L93010MH1992PLC205606

Siddhi Vinayak Appartment, Flat No. 206 Gujarati Samaj Road,
Sant Chokamela Road, Ville Parle(E), Mumbai- 400057
Email ID: unnoindustries@gmail.com Tel: 022-65659994

NOTICE

Notice is hereby given that the **25TH Annual General Meeting** of the members of Unno Industries Limited will be held at registered office at Siddhi Vinayak Appartment, Flat No. 206 Gujarati samaj Road, Sant Chokamela Road., Ville Parle (E) Mumbai (Maharashtra) - 400057 on 30th September 2017, Monday at 11.30 A.M to transact the following business:

Ordinary Business:

1. To receive, consider and adopt –

The Standalone Financial Statement of the Company for the year ended March 31, 2017, and the report of the Directors and Auditors thereon.

2. To appoint Statutory Auditors of the Company and fix their remuneration.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as recommended by the Audit Committee, M/s. Sanjay N. Shah Chartered Accountants, (Firm's Registration No. 124897W), be and are hereby appointed as Statutory Auditors of the Company, for a term of five consecutive years, to hold office from the conclusion of the ensuing 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the members, if required, at every intervening Annual General Meeting held after this Annual General Meeting on such remuneration including applicable taxes and out-of-pocket expenses, as may be mutually agreed upon by the Board of Directors and the Statutory Auditors”.

By Order of the Board of Director

Sd/-

Prafulchandra Gordhandas Zaveri

Managing Director

DIN: 07073660

Place: Mumbai

Date: 30th May, 2017

Registered Office: Sd/-

Siddhi Vinayak Appartment,
Flat No. 206 Gujaratisamaj Road,
Sant Chokamela Road, Ville Parle(E),
Mumbai- 400057

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE TIME OF COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights provided that a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

3. Route-map to the venue of the Meeting is provided in the Annual Report for the convenience of the members.

4. Members/proxies are requested to produce the enclosed attendance slip duly filled up and signed as per specimen signature recorded with the Company for admission to the meeting hall.

5. Members who hold shares in dematerialized form are requested to bring their client ID and DPID numbers for easier identification of attendance at the meeting.

6. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 23rd September, 2017 to Saturday, 30th September, 2017 (both days inclusive) in connection with the AGM.

7. Members are requested to bring their attendance slips alongwith copies of the Notice/Annual Report at the meeting. Please note that the copies of the report will NOT be distributed and/or be made available at the meeting.

8. Members desirous of getting any information on the accounts or operations of the Company are requested to forward their queries to the Company at least seven days prior to the meeting so that the required information can be made available at the Meeting.

9. All relevant documents referred to in the Notice are available for inspection by the members at the registered office of the Company during business hours on working days up to the date of the AGM.

10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

11. Members are requested to notify immediately any change of address or bank mandates to their respective Depository Participant(s) in respect of their holding in electronic form and to the RTA, Purva Sharegistry (India) Pvt.Ltd Unit No. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp Kasturba Hospital Lane Lower Parel (E), Mumbai – 400011 in respect of physical share folios, if any.

12. The shares of the Company are listed on BSE Ltd. and The Madhya Pradesh Stock Exchange (MPSE).

13. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form can submit their PAN to the Company / RTA.

14. To comply with the provisions of Sections 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules, 2014, the Company is required to update its database by incorporating some additional details of its members. Members are thus requested to kindly submit their e-mail ID and other details vide Members Database Updation Form attached with this Annual Report by filling up and signing at the appropriate place in the said form and return the same to the RTA. The e-mail ID provided shall be updated subject to successful verification of your signature(s) as per record available with the RTA of the Company.

15. The Annual Report 2016-17, the Notice of 25th AGM and instructions for e-voting along with Attendance Slip and Proxy Form are being sent by electronic mode to all members whose e-mail address are registered with the Company/Depository Participant(s), unless a member has requested for physical copy of the documents. For members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent through permitted mode.

16. Information and other instructions relating to e-voting.

(a) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 as substituted by the Companies (Management and Administration) Amendment, Rules 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be passed at the 25th AGM by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting'). The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as agency to provide e-voting facility.

(b) The Board of Directors of the Company has appointed CS Sweety Sharma, Practicing Company Secretary (ACS No.: 35080/ CP No.: 13098), Kolkata, as the Scrutinizer to conduct and scrutinize the remote e-voting process and the voting process at the AGM in a fair and transparent manner.

(c) The facility for voting through ballot paper shall be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their rights at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

(d) The remote e-voting period commences on Wednesday, 27th September, 2017 (9:00 a.m.) and ends on Friday, 29th September, 2017 (5:00 p.m.) During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. 23rd September, 2017, may cast their vote through remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently

(e) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, i.e. 23rd September, 2017. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting through ballot paper.

(f) Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as on the cut-off date i.e. 23rd September, 2017 may obtain the User Id and password by sending a request at helpdesk.evoting@cdslindia.com or contact to the RTA at 022-23016761 / 8261. However, if the member is already registered with CDSL for remote e-voting then he can use his exiting user ID and password for casting the vote through e-voting. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evotingindia.com or contact CDSL at the toll free no.: 1800-200-5533.

(g) The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. Further, in accordance with Regulation 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall submit to the Stock Exchange, details of the Voting results in the prescribed format within forty-eight hours of conclusion of the AGM. The results declared along with the consolidated scrutinizer’s report shall be placed on the Company’s website and on the website of CDSL www.cdslindia.com. The result shall simultaneously be communicated to the BSE Ltd & MPSE Ltd.

(h) Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to have been passed on the date of the Meeting i.e. 30th September, 2017.

17. A. The instructions for remote e-voting are as under:

(i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com

(iii) Click on “Shareholders” tab.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|-----------------------|---|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.</p> |
| DOB | <p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p> |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p> |

(viii) After entering these details appropriately, click on “SUBMIT” tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the UNNO INDUSTRIES LIMITED on which you choose to vote.

(xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non-Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

B. In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xviii) above to cast vote.

(B) The voting period will commence from Wednesday, 27th September, 2017, (9.00 a.m.) and will end on Friday, 29th September, 2017, (5.00 p.m.). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut off date i.e. 23rd September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Director

Sd/-

Prafulchandra Gordhandas Zaveri

Managing Director

DIN: 07073660

Place: Mumbai

Date: 30th May, 2017

Registered Office:

Siddhi Vinayak Appartment,
Flat No. 206 Gujaratisamaj Road,
Sant Chokamela Road, Ville Parle(E),
Mumbai- 400057

Director's Report

For The Financial Year 2016-17

Dear Members,

Your Directors have pleasure in presenting their 25th Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended March 31st 2017.

1. Financial Performance of the Company

(Amount in Lacs)

| Particulars | Year Ended 31.03.2017 | Year Ended 31.03.2016 |
|----------------------------|----------------------------------|----------------------------------|
| Income | 164.65 | 216.45 |
| Profit Before Taxation | 5.11 | 9.26 |
| Provision for Taxation | 0.00 | 1.00 |
| Profit / Loss for the year | 5.11 | 8.26 |
| Provision for Deferred Tax | 0.00 | 0.00 |
| Profit / Loss for the year | 5.11 | 8.26 |
| Earnings Per Share | 0.10 | 0.15 |

2. Dividend

Your Directors have not recommended any dividend in view of the optimum profit in the present financial year in order to maintain a healthy capital adequacy ratio to support long term growth of your company.

3. Transfer Of Unclaimed Dividend To Investor Education And Protection Fund.

The provisions of Section 125(5) of the Companies Act, 2013 do not apply on the company as no dividend has been declared during the year.

4. Reserve

Your Directors have not proposed to transfer any amount to the Reserve Fund as the company is having Nominal Profit.

5. Share Transfer system and Registers & Share Transfer Agents

During the year under review, the Company has connectivity with both Depositories, namely NSDL and CDSL (ISIN No: INE142N01023). The Company has appointed M/s Purva Shareregistry (India) Pvt. Ltd Unit No. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp Kasturba Hospital Lane Lower Parel (E), Mumbai – 400011 as Registrar and Share Transfer Agent to facilitate shares transfer job to its members. Members are requested to send their requests for share transfer, split, issue of duplicate shares etc to RTA or secretarial department of the Company at its registered office.

6. Listing on Stock Exchange

The Company's Equity Shares are listed at The Madhya Pradesh Stock Exchange (MPSE) and Bombay Stock Exchange.

7. Brief description of the Company's working during the year/State of Company's affair.

The Company being an Investment and Finance Company presently invests to acquire, sell, transfer, subscribe for, hold and otherwise deal in and invest in any shares, bonds, stocks issued or guaranteed by any Company and also provide financial assistance by way of private financing to the identified groups.

The business of the Company largely depends on the consumers spending power.

8. Change in the nature of business, if any

The company has not changed its nature of business during the current financial year.

9. Post Balance Sheet Events

No material changes have been occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

10. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

The directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

11. Deposits

The company has neither accepted nor renewed any deposits during the year, covered under Chapter V of the Act.

12. Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of M/s. Sanjay N. Shah, Chartered Accountants, as the Statutory Auditors of the Company shall expire from the conclusion of the ensuing Annual General Meeting of the Company. The Board of Directors places on record its appreciation for the services rendered by M/s. Sanjay N. Shah, Chartered Accountants, during their tenure as the Statutory Auditors of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company has again recommended the appointment of M/s. Sanjay N. Shah, Chartered Accountants, (FRN: 124897W) as the Statutory Auditors of the Company, subject to the approval of the Members of the Company in the Company's ensuing Annual General Meeting. M/s. Sanjay N. Shah shall hold office for a term of five years, from the conclusion of the 25th Annual General Meeting until the conclusion of the 30th Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the members, if required, at every intervening Annual General Meeting held after this Annual General Meeting. The proposal of their appointment is included in the Notice of the ensuing Annual General Meeting for approval of the Members of the Company. M/s. Sanjay N. Shah has furnished written consent and a confirmation to the effect that they are not disqualified to be appointed as the Statutory Auditor of the Company in terms of the provisions of Section 139 of the Companies Act, 2013 and Rules framed thereunder.

13. Auditors' Report

The observations made by the Auditors are self- explanatory and do not require any further clarification. Further, the explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor in his report shall be given.

14. Share Capital

Issue of equity shares with differential rights

Your company has not issued any of its securities with differential rights during the year under review.

Buy Back of Securities

The company has not bought back any of its securities during the year under review.

Sweat Equity, Bonus Shares & Employee Stock Option Plan

The company has neither issued sweat equity or bonus shares nor has provided any stock option scheme to the employees.

15. Extract of the Annual Return

The extract of the Annual Return pursuant to the provisions of section 92 read with Rule 12 of the Companies (Rules), 2014 is furnished in Annexure A (MGT – 9) and is attached to this Report.

16. Conservation of energy, Technology absorption and Foreign exchange earnings and Outgo

The provisions of section 134(m) of the Companies Act 2013 regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules are not applicable to our company. The company does not have any Foreign Exchange transactions during the financial year.

17. Corporate Social Responsibility (CSR)

As the company does not have net worth of rupees five hundred crore or more, or turnover of rupees one thousand crores or more or a net profit of rupees five crore or more during any financial year, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable.

18. Directors:

A) Changes in Directors and Key Managerial Personnel: Pursuant to the Resolution of the Board of Directors passed at its meeting,

| NAME | DESIGNATION |
|---------------------------------|----------------------|
| Prafulchandra Gordhandas Zaveri | Managing Director |
| Priteshkumar Naranbhai Solanki | Independent Director |
| Hetal Priteshkumar Solanki | Independent Director |

B) Declaration by Independent Director(s) and re-appointment

All Independent Directors of the Company have confirmed that they fulfilled all the conditions of the Independent Directorship as laid down in sub-section (6) of Section 149 of the Companies Act, 2013 and the rules made there under and the same have been noted by the Board.

C) Formal Annual Evaluation

In compliance with the Schedule IV of the Companies Act 2013, a meeting of the Independent Directors of the company was held to review and evaluate the performance of the Non-Independent Directors and the chairman of the company taking into account the views of the Executive Directors and Non- Executive Directors, assessing the quality, quantity and timeliness of flow of information between the company management and the Board and also to review the overall performance of the Board. The meeting of the company was held on 14/02/2017, wherein the performance of the Board as a whole was evaluated.

19. Number of meetings of the Board of Directors

Four Meetings of the Board of Directors were held during the financial year 2016-17. These were held on the following dates:

i) 30/05/2016, ii) 13/08/2016, iii) 14/11/2016, iii) 14/02/2017.

20. Particulars of Loans, Guarantee or Investment

There are no Loans, guarantee or Investment as per Section 186 of the Companies Act, 2013

21. Audit Committee and its Composition

The Audit Committee of the Company reviews the report to be submitted with the Board of Directors with respect to auditing and accounting matters. It also overviews the Company's internal control and financial reporting process.

Composition of the Audit committee is in accordance with the requirements of section 177 of the Companies Act 2013 which is stated below:

| Name | Designation |
|---------------------------------|---------------------------------|
| Priteshkumar Naranbhai Solanki | Chairman & Independent Director |
| Prafulchandra Gordhandas Zaveri | Member, Independent Director |
| Hetal Priteshkumar Solanki | Member, Independent Director |

22. Order of Court

The company is not subject to any legal proceedings and claims which will have a material or adverse effect on the going concern status or company's operations or financial conditions.

23. Sexual Harassment Of Women At Work Place

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

24. Details of establishment of vigil mechanism for directors and employees

Pursuant to sub-section (9) & (10) of section 177 of the Companies Act, 2013, read with rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has established a Vigil mechanism (Whistle Blower Policy) for Directors and Employees of the Company to report their genuine concerns or grievances. The policy was approved by the Board of Directors of the Company at its meeting held on 11/08/2015 and the Audit Committee was empowered by the

Board of Directors to monitor the same and to report to the Board about the complaints in an unbiased manner.

25. Nomination and Remuneration Committee

Composition of the Nomination & Remuneration Committee is in accordance with the requirements of section 178(1) of the Companies Act 2013. The composition is as under:

| Name | Designation |
|---------------------------------|---------------------------------|
| Priteshkumar Naranbhai Solanki | Chairman & Independent Director |
| Prafulchandra Gordhandas Zaveri | Member, Independent Director |
| Hetal Priteshkumar Solanki | Member, Independent Director |

26. Stakeholder's Grievances Committee

The composition of the Investor grievance and Stakeholders Committee under Section 178 of the Companies Act' 2013 is hereunder:

| Name | Designation |
|---------------------------------|---------------------------------|
| Hetal Priteshkumar Solanki | Chairman & Independent Director |
| Prafulchandra Gordhandas Zaveri | Member, Independent Director |
| Priteshkumar Naranbhai Solanki | Member, Independent Director |

27. Particulars Of Contracts Or Arrangements With Related Parties:

Your company has no material individual transactions with its related parties which are covered under section 188 of the Companies Act, 2013, which are not in the ordinary course of business and not undertaken on an arm's length basis during the financial year 2016-17.

28. Managerial Remuneration:

The Company earned minimal profit during the year so the Company has not provided any Managerial Remuneration to the Directors.

29. Secretarial Audit Report

CS Sweety Sharma, Practising Company Secretary [C.P. No. 13098], is appointed as the Secretarial Auditor of the company. There is no qualification, reservation or adverse remark or disclaimer made by the company secretary in the secretarial audit report.

The Secretarial Audit Report is attach in this report as Form MR- 3

30. Corporate Governance Certificate & Management Discussion and Analysis Report

The Corporate Governance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in pursuant applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Management Discussion and Analysis Report has been annexed with the report.

31. Risk management policy

The company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

32. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The company had no subsidiary, joint venture and associate company during the year under review.

33. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors confirm that—

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) 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 and loss of the company for that period;

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts on a going concern basis;

(e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, and

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

34. Acknowledgements

Your Directors would like to express their appreciation of the co-operation and assistance received from the shareholders, bankers and other business constituents during the year under review.

For and on behalf of the Board of Directors

Sd/-

Prafulchandra Gordhandas Zaveri

Managing Director

DIN: 07073660

Sd/-

Priteshkumar Naranbhai Solanki

Director

DIN: 07073650

Place: Mumbai

Date: 30th May, 2017

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERALL REVIEW

The global economic condition remained weak and uncertain. The macro economic situation was bleak and witnessed inflationary pressure. The Indian rupee witnessed high volatility depreciating against USD and causing substantial economic losses. The slide was mainly caused on account of slowing down of economic decisions. Further the global environment also remained subdued.

The Management of the company represented by the board of directors of the company presents its analysis report covering performance and outlook of the company. The report has been prepared in compliance with corporate governance requirement as laid down in the listing agreement:

The functioning of the company is in the area of Finance and investment being a Non banking financial services (NBFC) as in present economy there are many of the companies used to finance in the private sector and to do investment business but with the steady growth in the economy and also showing recovery in the global markets is showing a better scope of the companies and also with wide open competition in the market the company is looking forward to bring a new policies and also to strengthen the financial of the company the management of the company were reconstituted with the scheme of the company with the other entities and also with the objective to widen the area of operation of the company and to strengthen the financials of the company the company has passed through such arrangement and with such arrangement the company has extended its business in to different pattern and also having a reserve for obtaining future goals of the company.

NON-BANKING FINANCE COMPANY (NBFC) OUTLOOK

For several years, NBFCs have rapidly emerged as an important segment of the Indian Financial System. The sector is now being recognized as complementary to the banking sector due to the implementation of innovative marketing strategies, introduction of tailor made products, customer-oriented services, attractive rates of return on deposits and simplified procedures. In fact, NBFCs have emerged as a powerful force for financial inclusion in India, serving the bottom of the pyramid rural clients.

NBFCs are characterized by their ability to provide niche financial services in the Indian economy. Because of their relative organizational flexibility leading to a better response mechanism, they are often able to provide tailor-made services relatively faster than banks. This enables them to build up a clientele that ranges from small borrowers to established corporates. NBFCs have often been leaders in financial innovations, which are capable of enhancing the functional efficiency of the financial system.

In fact, RBI's latest report titled "Report on trends on progress of banking in India" observes:

"Non-Banking Financial Institutions (NBFIs) are playing pivotal role in broadening access to financial services, enhancing competition and diversification of the financial sector. They are increasingly being recognised as complementary to the banking system capable of absorbing shocks and spreading risk mitigation at the times of financial distress", further "NBFCs perform a diversified range of functions and offer various financial services to individual, corporate and institutional clients. They have been helping to bridge the credit gaps in several sectors where the

institutions like banks are unable to venture. With the growing importance assigned to financial inclusion, NBFCs have come to be regarded as important financial intermediaries particularly for the small-scale and retail sectors.”

NBFC's are governed and are required to be registered with RBI, follow stringent prudential norms prescribed by RBI in the matters of capital adequacy, credit investment norms, asset-liability management, income recognition, accounting standards, asset classification, provisioning for NPA and several disclosure requirements. Besides this, RBI also supervises the functioning of NBFCs by conducting annual on-site audits through its officials. Such a rigorous regulatory framework ensures that NBFCs function properly and follow all the guidelines of RBI. Thus in all respect the monitoring of NBFCs is similar to banks.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has suitable and adequate system of Internal Controls commensurating its size and nature of operations primarily to ensure that –

- the assets are safeguarded against loss from unauthorized use or disposition;
- the transactions are authorized, recorded and reported correctly and
- Code of conduct, Policies and applicable statutes are duly complied with. As a measure of Internal Control System, which has been evolved over the years, the Company has established a methodical system of Annual Budgeting and Management Information System (MIS). In addition, Administrative and HR activities of the Company are also brought within this purview.

The Company is conscious of importance of systems control and so continuously assesses the quality of integrated software package. Continuous reporting of these systems is made to the Board and Audit Committee for their review to upgrade, revise and to focus on determination of adequacy of the Control Systems. The composition and role of Audit Committee can be found in the Corporate Governance Report in the Annual Report.

RISK MANAGEMENT

Risk is an integral part of the business process. To enhance the risk management process, the company has mapped the risks. Risk arises for achieving business objectives are identified and prioritized. Risk mitigation activity plans are established and executed as and when need arises. Periodical reviews are carried out to assess the risk levels.

ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

HUMAN RESOURCES

Human resources development, in all its aspect like training in safety and social values is under constant focus of the management. Relations between management and the employees at all levels remained healthy and cordial throughout the year. The management and employees are dedicated to achieve the corporate objective and the targets set before the Company.

CAUTIONARY STATEMENT

Readers are cautioned that this discussion and analysis contains forward looking statements that involve risks and uncertainties. When used in this discussion, the words “anticipate,” “believe,” “estimate,” “intend,” “will,” and “expected” and other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements, risks and opportunities could differ materially from those expressed or implied in these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements as these are relevant at a particular point of time & adequate restraint should be applied in their use for any decision making or formation of an opinion.

For and on behalf of the Board of Directors

Sd/-

Prafulchandra Gordhandas Zaveri

Managing Director

DIN: 07073660

Place: Mumbai

Date: 30th May, 2017

CORPORATE GOVERNANCE REPORT

(As required under provisions of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) Stock Exchanges)

Unno Industries Limited always aims at ensuring high ethical standards and professionalism in all areas of its business operations to enhance its stake holder’s value.

The Company is consistently following various Governance systems and practices including compliance with the provisions of provisions of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) which includes:

- a. Code of Business conduct and ethics for Directors and Senior Management incorporating best practices of Corporate Governance;
- b. The system of Risk Management and Internal Control methods are constantly being reviewed and updated to reflect the growing needs of the Company;
- c. Timely flow of information to the Board Committees and also to the Board, which has been constituted with appropriate size and combination of Executive, Non-executive and Independent Directors;
- d. Independent verification and safeguarding integrity of Company’s financial reporting by the Audit Committee and timely disclosures to all the stake holders;
- e. Maintenance of transparency and accountability at all levels.

In accordance with the provisions of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) in India and the best practices followed internationally on Corporate Governance, the details of governance systems and processes including compliances by Unno Industries Ltd with the provisions of provisions of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) are as under:

1) Company’s Philosophy on Code of Corporate Governance.

The Company’s philosophy on Corporate Governance envisages highest level of transparency, accountability and equity in all operations. It is based on the concept that good governance practices will ensure efficient and prudent conduct of the affairs of the Company. This will help in achieving its goal of wealth maximization.

2) Number of meetings of the Board of Directors

Four Meetings of the Board of Directors were held during the financial year 2016-17. These were held on the following dates:

- i) 30/05/2016, ii) 13/08/2016, iii) 14/11/2016, iv) 14/02/2017.

3) Audit Committee

a) The Audit Committee comprises of three members. During the financial year four meetings of the Committee were held on 30th May, 2016, 13th August 2016, 14th November 2016 and 14th February 2017.

b) The Audit Committee of the Company is entrusted to overview the accounting systems, financial reporting and internal controls of the Company. The terms of reference, role and powers of Audit Committee are in conformity as specified in provisions of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) and provisions of section 177 of the Companies Act, 2013. The brief description of terms of reference, *inter alia*, includes the following:

i) Overseeing the Company’s financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

ii) Recommending for appointment, remuneration and terms of appointment of auditors of the company.

iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

iv) Reviewing, with the management, the annual financial statements and auditor’s report thereon 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 (c) of sub-section 3 of section 134 of the Companies Act, 2013;

b) Changes, if any, in accounting policies and practices along with 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; and g) Qualifications in the draft audit report.

v) Review the quarterly, half-yearly and annual financial statements of the Company before submission to the Board for approval.

vi) Review and monitor the auditor’s independence and performance, and effectiveness of audit process.

vii) Approval or any subsequent modification of transactions of the company with related parties.

viii) Scrutiny of inter-corporate loans and investments.

ix) Valuation of undertakings or assets of the company, wherever it is necessary.

x) Evaluation of internal financial controls and risk management systems.

xi) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

xii) Reviewing the adequacy of internal audit function, if any.

xiii) Discussion with internal auditors of any significant findings and follow up there on.

xiv) Review the functioning of the Whistle Blower mechanism.

xv) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition, Name of Members & Chairman, Meetings held and Members present during the year 2016-17:

| Name of Member | Category | Date of Meeting | | | |
|---------------------------------|---------------------------------|-----------------|----------|----------|----------|
| | | 30/05/16 | 13/08/16 | 14/11/16 | 14/02/17 |
| Priteshkumar Naranbhai Solanki | Chairman & Independent Director | ✓ | ✓ | ✓ | ✓ |
| Prafulchandra Gordhandas Zaveri | Member, Independent Director | ✓ | ✓ | ✓ | ✓ |
| Hetal Priteshkumar Solanki | Member, Independent Director | ✓ | ✓ | ✓ | ✓ |

c. The heads of various monitoring / operating departments are invited to the meetings, as and when required to explain details about the operations.

4) Nomination & Remuneration Committee

a. The Remuneration Committee of the Company recommends to the Board the compensation, terms of Managerial Personnel subject to approvals from shareholders and Central Government, as and when necessary.

Composition of the Nomination & Remuneration Committee is in accordance with the requirements of section 178(1) of the Companies Act 2013. The composition is as under:

| Name | Designation |
|---------------------------------|---------------------------------|
| Priteshkumar Naranbhai Solanki | Chairman & Independent Director |
| Prafulchandra Gordhandas Zaveri | Member, Independent Director |
| Hetal Priteshkumar Solanki | Member, Independent Director |

The remuneration of Managerial Person is recommended by the Remuneration Committee and approved by the Board of Directors and Members at the General Meeting. There was no pecuniary relationship or transaction of the Directors with the company. The Company does not have any Stock option scheme.

The remuneration paid during the FY 2016-17 to each of the Directors / Managerial Personnel is as under:

| Name of the Director | Remuneration |
|---------------------------------|---------------------|
| Priteshkumar Naranbhai Solanki | Nil |
| Prafulchandra Gordhandas Zaveri | Nil |
| Pankaj Dawar | Nil |
| Hetal Priteshkumar Solanki | Nil |

As a measure of good corporate governance and to focus on the Shareholders' grievances and towards strengthening investor relations and to expedite the transfer process in the physical segment, the committee is constituted.

During the year the company has not received any complaint from the shareholder. There was no pending complaint from any shareholder as on March 31, 2017.

5) Stakeholder's Grievance Committee

The Shareholders/ Investor's Grievance Committee has been constituted to look into investors complaints like transfer of shares, non – receipt of declared dividend, etc and take necessary steps for redresses thereof. The Board of Directors of the Company has constituted Shareholders'/ Investors' Grievances cum Share Transfer Committee. The Committee approves issue of new / duplicate share certificates. The Committee oversee and review all matters connected with share transfers / transmission / demat / remat and other issues pertaining to shares. The Committee also looks into the investor relations / grievances and redressal of the same, on a periodical basis.

The composition of the Stakeholder's grievance and Stakeholders Committee under Section 178 of the Companies Act' 2013 is hereunder:

| Name | Designation |
|---------------------------------|---------------------------------|
| Hetal Priteshkumar Solanki | Chairman & Independent Director |
| Prafulchandra Gordhandas Zaveri | Member, Independent Director |
| Priteshkumar Naranbhai Solanki | Member, Independent Director |

6. Code of Conduct:

The Company's code of conduct has been complied with by all the members of the Board and selected employees of the Company. The Company has in place a prevention of Insider Trading Code based on SEBI (Insider Trading) Regulation, 2015. This code is applicable to all Directors and designated employees. The code ensures prevention of dealing in shares by persons having access to the unpublished price sensitive information.

7. Distribution of Shareholding as at 31st March, 2017

| No. of Shares | Shareholders | | Equity shares | |
|------------------|--------------|-------------|---------------------|-------------|
| | Number | % of total | Number | % of total |
| Up to 50,000 | 6298 | 91.04% | 24277681 | 5.69% |
| 50001 to 100000 | 75 | 1.08% | 11390888 | 2.67% |
| 100001 to 150000 | 54 | 0.78% | 6553981 | 1.54% |
| 150001 to 200000 | 49 | 0.71% | 8261748 | 1.94% |
| 200001 & 250000 | 25 | 0.36% | 5201111 | 1.22% |
| 250001 & Above | 417 | 6.03% | 370743341 | 86.94% |
| Total | 6918 | 100% | 42,64,28,750 | 100% |

8. Shareholding pattern as at 31st March, 2017

| Sl. No | Description | No. Of Shares | % of Capital |
|--------|---|---------------------|---------------|
| A. | Promoters & Promoters Group - individuals & Body Corporate | 9,14,80,000 | 21.46% |
| B. | Public Shareholding | | |
| | Institutions | 4,225 | 0.00% |
| | Non- Institutions | | |
| | - Other Bodies Corporate | 29,43,03,572 | 69.02% |
| | - Individuals | 3,41,08,064 | 8.00% |
| | - Any Other (Specify) | 65,32,889 | 01.53% |
| | Total | 42,64,28,750 | 100.00 |

9. General Body Meeting

The location and time of the last three Annual General Meeting held by the company are as under:

| Year | Date of AGM | Venue | Time |
|------|----------------------------------|-------------------|-----------|
| 2014 | 30 th September, 2014 | Registered Office | 2.00 P.M |
| 2015 | 30 th September, 2015 | Registered Office | 2.00 P.M |
| 2016 | 30 th September, 2016 | Registered Office | 11.30 A.M |

10. Shareholder Information

| | |
|---|--|
| Annual General Meeting: Date & Time Venue | 30 th September, 2017, 11.30 A.M. Siddhi Vinayak Appartment, Flat No. 206 Gujaratisamaj Road., Sant Chokamela Road, Ville Parle(E) Mumbai, Maharashtra- 400057 |
| Financial Calendar | April 2016 to March, 2017 |
| Dates of book closure | 23 rd September, 2017 to 30 th September, 2017 |
| Registered office | Siddhi Vinayak Appartment, Flat No. 206 Gujaratisamaj Road., Sant Chokamela Road, Ville Parle(E) Mumbai, Maharashtra- 400057 |
| Listing on stock Exchange at | Bombay Stock Exchange Ltd The Madhya Pradesh Stock Exchange (MPSE) |
| Share Transfer Agent: | Purva Sharegistry (India) Pvt.Ltd Unit No. 9, Shiv Shakti Industrial Estate J.R.Boricha Marg, Opp Kasturba Hospital Lane Lower Parel (E), Mumbai – 400 011 Tel: 91-22-2301 6761 / 8261 Email: busicomp@vsnl.com |

For and on behalf of the Board of Directors

Sd/-

Prafulchandra Gordhandas Zaveri

Managing Director

DIN: 07073660

Sd/-

Priteshkumar Naranbhai Solanki

Director

DIN: 07073650

Place: Mumbai

Date: 30th May, 2017

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE REPORT

To,
The Members of
UNNO INDUSTRIES LIMITED

We have examined the compliance of conditions of Corporate Governance by **UNNO INDUSTRIES LIMITED** for the year ended 31 March 2016, as stipulated in provisions of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") of the said company with the stock exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that further 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 Sanjay N.Shah & Co.

Chartered Accountants,

FRN: 124897W

Sd/-

(CA. Sanjay Shah, Proprietor)

Membership No.: 116251

Place: Mumbai

Date: 30th May, 2017

CERTIFICATE OF CODE OF CONDUCT

**The Board of Directors
Unno Industries Limited**

Dear Sirs,

I, PrafulChandra Gordhandas Zaveri, Managing Director of Unno Industries Limited hereby confirm that all Board Members and Senior Management Team have affirmed compliance with the “Code of Conduct for Directors and Senior Executives of the Company” for the year ended 31 March 2017.

Thanking You,

Yours sincerely,

For Unno Industries Limited

Sd/-

**PrafulChandra GordhanDas Zaveri
Managing Director
Din No: 07073660**

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
UNNO INDUSTRIES LIMITED
Siddhi Vinayak Appartment, Flat No. 206
Gujaratisamaj Road., Sant Chokamela Road,
Ville Parle(E) Mumbai, Maharashtra- 400057

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

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

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

- a. The Companies Act, 2013 (the Act) and the rules made there under;
- b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- c. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- d. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - iii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

I further report that, there were no actions / events in pursuance of;

- a. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(Not notified during the period under Audit)
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and The Madhya Pradesh Stock Exchange.

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

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

Place: Kolkata
Date: 7th August, 2017

Sd/-
CS Sweety Sharma
Practising Company Secretary
C.P. No.: 13098

“ANNEXURE – A”

(TO THE SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017)

To, The Members,
UNNO INDUSTRIES LIMITED

Our report of even date is to be read along with this letter.

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

Place: Kolkata
Date: 7th August, 2017

Sd/-
CS Sweety Sharma
Practising Company Secretary
C.P. No.: 13098

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

| I. REGISTRATION & OTHER DETAILS: | | |
|----------------------------------|--|--|
| 1 | CIN | L93010MH1992PLC205606 |
| 2 | Registration Date | 04.08.1992 |
| 3 | Name of the Company | UNNO INDUSTRIES LIMITED |
| 4 | Category/ Sub-category of the Company | Company Limited by shares/ Indian Non Government Company |
| 5 | Address of the Registered office & contact details | SIDDHI VINAYAK APPARTMENT, FLAT NO. 206, GUJARATISAMAJ ROAD,SANT CHOKAMELA ROAD, VILE PARLE(E) MUMBAI, Maharashtra (400057) |
| 6 | Whether listed company | Yes |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Purva Sharegistry (India) Pvt.Ltd Unit No. 9, Shiv Shakti Industrial Estate J.R.Boricha Marg, Opp Kasturba Hospital Lane Lower Parel (E) Mumbai – 400 011 Email : busicomp@vsnl.com |

| II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY | | | |
|--|--|---------------------------------|------------------------------------|
| (All the business activities contributing 10 % or more of the total turnover of the company shall be stated) | | | |
| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
| 1 | Financing Activity | 99711 | 100 |

| III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES | | | | | |
|---|---------------------------------|--|-----------------------|--------------------------------|------------------|
| SN | Name and address of the Company | | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held |
| 1 | Infrastil Trading Pvt Ltd | | U74999MH2012PTC226382 | Holding | 100.00% |
| 2 | Line One Trading Pvt Ltd | | U74999MH2012PTC226382 | Holding | 100.00% |

| IV. SHARE HOLDING PATTERN | | | | | | | | | |
|--|--|----------|--------------------|-------------------|--|----------|--------------------|-------------------|--------------------------|
| (Equity share capital breakup as percentage of total equity) | | | | | | | | | |
| (i) Category-wise Share Holding | | | | | | | | | |
| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2016] | | | | No. of Shares held at the end of the year [As on 31-March-2017] | | | | % Change during the year |
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | - | - | - | - | - | - | - | - | 0.00% |
| b) Central Govt | - | - | - | - | - | - | - | - | 0.00% |
| c) State Govt(s) | - | - | - | - | - | - | - | - | 0.00% |
| d) Bodies Corp. | 9,14,80,000 | - | 9,14,80,000 | 21.46% | 9,14,80,000 | - | 9,14,80,000 | 21.46% | 0.00% |
| e) Banks / FI | - | - | - | - | - | - | - | - | 0.00% |
| f) Any other | - | - | - | - | - | - | - | - | 0.00% |
| Sub Total (A) (1) | 9,14,80,000 | - | 9,14,80,000 | 21.46% | 9,14,80,000 | - | 9,14,80,000 | 21.46% | 0.00% |

| | | | | | | | | | |
|--|--------------------|-------------------|--------------------|----------------|--------------------|-------------------|--------------------|----------------|---------------|
| | | | | | | | | | |
| (2) Foreign | | | | | | | | | |
| a) NRI Individuals | | | | | | | | | 0.00% |
| b) Other Individuals | | | | | | | | | 0.00% |
| c) Bodies Corp. | | | | | | | | | 0.00% |
| d) Any other | | | | | | | | | 0.00% |
| Sub Total (A) (2) | | | | | | | | | 0.00% |
| TOTAL (A) | | | | | | | | | 0.00% |
| | | | | | | | | | |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | | | | | | | | | 0.00% |
| b) Banks / FI | - | - | - | - | 4,225 | - | 4,225 | 0.00% | 0.00% |
| c) Central Govt | - | | - | - | - | - | - | - | 0.00% |
| d) State Govt(s) | | - | - | - | - | - | - | - | 0.00% |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | 0.00% |
| f) Insurance Companies | - | - | - | - | - | - | - | - | 0.00% |
| g) FIs | - | - | - | - | - | - | - | - | 0.00% |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | 0.00% |
| i) Others (specify) | - | - | - | - | - | - | - | - | 0.00% |
| Sub-total (B)(1):- | - | - | - | - | 4,225 | - | 4,225 | 0.00% | 0.00% |
| | | | | | | | | | |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 260,557,269 | 46,000 | 260,603,269 | 61.11% | 237,753,969 | 46,000 | 237,799,969 | 55.77% | -5.34% |
| i) Indian | | | | | | | | | |
| ii) Overseas | | | | | | | | | 0.00% |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 8,282,569 | 10,664,510 | 18,947,079 | 4.44% | 22,553,154 | 11,554,910 | 34,108,064 | 8.00% | 3.56% |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 42,586,340 | 2,245,550 | 44,831,890 | 10.51% | 46,532,889 | - | 46,532,889 | 10.91% | 0.40% |
| c) Others (specify) | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| Non Resident Indians | 1,017,064 | | 1017064 | 0.24% | 1128465 | - | 1128465 | 0.26% | 0.02% |
| Overseas Corporate Bodies | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| Foreign Nationals | - | - | - | - | - | - | - | - | 0.00% |
| Clearing Members | 748,561 | - | 748,561 | 0.18% | 2,119,030 | - | 2,119,030 | 0.49% | 0.31% |
| Trusts | - | - | - | - | - | - | - | 0.00% | 0.00% |
| Hindu Undivided Family | 8,546,961 | 295,700 | 8,842,661 | 2.07% | 9303360 | 295,700 | 9,599,060 | 2.25% | 0.18% |
| Sub-total (B)(2):- | 321,738,764 | 13,251,760 | 334,990,524 | 78.55% | 319,390,867 | 11,896,610 | 331,287,477 | 77.68% | 0.00% |
| Total Public (B) | 321,738,764 | 13,251,760 | 334,990,524 | 78.55% | 319,395,092 | 11,896,610 | 331,291,702 | 77.68% | -0.87% |
| | | | | | | | | | |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 411,321,390 | 15,107,360 | 426,428,750 | 100.00% | 413,176,990 | 13,251,760 | 426,428,750 | 100.00% | 0.00% |

(ii) Shareholding of Promoter

| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|--------------|---------------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Infrastil Trading Pvt Ltd | 4,57,40,000 | 10.73% | 0.00% | 4,57,40,000 | 10.73% | 0.00% | 0.00% |
| 2 | Line One Trading Pvt Ltd | 4,57,40,000 | 10.73% | 0.00% | 4,57,40,000 | 10.73% | 0.00% | 0.00% |
| | | | | | | | | |
| TOTAL | | 91,480,000 | 21.46% | 0.00% | 91,480,000 | 21.46% | 0.00% | 0.00% |

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

| SN | Name of the Promoter | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|----------------------|------|--------|---|-------------------|---|-------------------|
| | | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | NIL | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

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

| SN | For each of the Top 10 shareholders | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|-------------------------------------|------------|--------|---|-------------------|---|-------------------|
| | | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | Nimbus Vincom Pvt Ltd | | | | | | |
| | At the beginning of the year | 01.04.2016 | | 7,962,504 | 1.87% | | |
| | Changes during the year | | | No Change During theYear | | | |
| | At the end of the year | 31.03.2017 | | | | 7,070,573 | 1.66% |
| 2 | SHREE SUPRINIT TRADINVEST | | | | | | |
| | At the beginning of the year | 01.04.2016 | | 7,260,313 | 1.70% | | |
| | Changes during the year | | | No Change During theYear | | | |
| | At the end of the year | 31.03.2017 | | | | 7,260,313 | 1.70% |
| 3 | Skyview Agency Pvt Ltd | | | | | | |
| | At the beginning of the year | 01.04.2016 | | 8,365,098 | 1.96% | | |
| | Changes during the year | | | Change During the Year | | | |
| | At the end of the year | 31.03.2017 | | | | 8,365,098 | 1.96% |
| 4 | Viewlink Dealers Pvt Ltd | | | | | | |
| | At the beginning of the year | 01.04.2016 | | 10,403,339 | 2.44% | | |
| | Changes during the year | | | Change During the year | | | |
| | At the end of the year | 31.03.2017 | | | | 6,769,691 | 1.59% |
| 5 | Arya Selection Pvt Ltd | | | | | | |
| | At the beginning of the year | 01.04.2016 | | 6,765,048 | 1.59% | | |
| | Changes during the year | | | No Change During the year | | | |
| | At the end of the year | 31.03.2017 | | | | 6,765,048 | 1.59% |

| | | | | | | | |
|----|------------------------------|------------|--|---------------------------|-------|-----------|-------|
| 6 | SHREE MALLIKARJUN TRADINVEST | | | | | | |
| | At the beginning of the year | 01.04.2016 | | 6,818,083 | 1.60% | | |
| | Changes during the year | | | No Change During the year | | | |
| | At the end of the year | 31.03.2017 | | | | 6,818,083 | 1.60% |
| 7 | Antimony Dealtrade Pvt Ltd | | | | | | |
| | At the beginning of the year | 01.04.2016 | | 6,659,245 | 1.56% | | |
| | Changes during the year | | | No Change During the year | | | |
| | At the end of the year | 31.03.2017 | | | | 6,659,245 | 1.56% |
| 8 | Safe Lift Merchants Pvt Ltd | | | | | | |
| | At the beginning of the year | 01.04.2016 | | 6,139,642 | 1.44% | | |
| | Changes during the year | | | Change During the year | | | |
| | At the end of the year | 31.03.2017 | | | | 6,139,642 | 1.44% |
| 9 | NETTLE TRADELINK PRIVATE | | | | | | |
| | At the beginning of the year | 01.04.2016 | | 6,738,499 | 1.58% | | |
| | Changes during the year | | | No Change During the year | | | |
| | At the end of the year | 31.03.2017 | | | | 6,738,499 | 1.58% |
| 10 | Raigharana Agencies Pvt Ltd | | | | | | |
| | At the beginning of the year | 01.04.2016 | | 7,462,685 | 1.75% | | |
| | Changes during the year | | | No Change During the year | | | |
| | At the end of the year | 31.03.2017 | | | | 7,462,685 | 1.75% |

(v) Shareholding of Directors and Key Managerial Personnel:

| SN | Shareholding of each Directors and each Key Managerial Personnel | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|--|------------|--------|---|-------------------|---|-------------------|
| | | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | Prafulchandra Gordhandas Zaveri | | | | | | |
| | At the beginning of the year | 01.04.2016 | | 175,000 | 0.04% | | |
| | Changes during the year | | | Addition during the year | | | |
| | At the end of the year | 31.03.2017 | | | | 175,000 | 0.04% |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

| V. INDEBTEDNESS | | | | |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness of the Company including interest outstanding/accrued but not due for payment. | | | | |
| (Amt. Rs./Lacs) | | | | |
| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |
| Change in Indebtedness during the financial year | | | | |
| * Addition | - | - | - | - |
| * Reduction | - | - | - | - |
| Net Change | - | - | - | - |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |

| VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL | | | | |
|--|---|-------------------------|---|--------------|
| A. Remuneration to Managing Director, Whole-time Directors and/or Manager: | | | | |
| SN. | Particulars of Remuneration | Name of MD/WTD/ Manager | | Total Amount |
| | Name | PRAFULCHANDRA G. ZAVERI | | (Rs/Lac) |
| | Designation | MANAGING DIRECTOR | | |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | - |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | | - |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | | | - |
| 2 | Stock Option | | | - |
| 3 | Sweat Equity | | | - |
| 4 | Commission | | | - |
| | - as % of profit | | | - |
| | - others, specify | | | - |
| 5 | Others, please specify | | | - |
| | Total (A) | - | - | - |
| | Ceiling as per the Act | | | |

| B. Remuneration to other Directors | | | | |
|------------------------------------|--|-------------------|---|--------------|
| SN. | Particulars of Remuneration | Name of Directors | | Total Amount |
| | | | | (Rs/Lac) |
| 1 | Independent Directors | | | |
| | Fee for attending board committee meetings | | | |
| | Commission | | | |
| | Others, please specify | | | |
| | Total (1) | | | |
| 2 | Other Non-Executive Directors | | | |
| | Fee for attending board committee meetings | - | - | - |
| | Commission | - | - | - |
| | Others, please specify | - | - | - |
| | Total (2) | - | - | - |
| | Total (B)=(1+2) | | | |
| | Total Managerial Remuneration | | | |
| | Overall Ceiling as per the Act | | | |

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

| SN. | Particulars of Remuneration | Name of Key Managerial Personnel | | | Total Amount |
|-----|---|----------------------------------|---|---|--------------|
| | Name | PRAFULCHANDRA G. ZAVERI | | | (Rs/Lac) |
| | Designation | MANAGING DIRECTOR | | | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | | - |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | | | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | | | - |
| 2 | Stock Option | | | | - |
| 3 | Sweat Equity | | | | - |
| 4 | Commission | | | | |
| | - as % of profit | | | | - |
| | - others, specify | | | | - |
| 5 | Others, please specify | | | | - |
| | Total | - | - | - | - |

| VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: | | | | | |
|---|------------------------------|-------------------|---|------------------------------|------------------------------------|
| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
| A. COMPANY | | | | | |
| Penalty | Nil | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | Nil | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | Nil | | | | |
| Punishment | | | | | |
| Compounding | | | | | |



Independent Auditor's Report

To the Board of Directors of **UNNO INDUSTRIES LIMITED**

Report on Financial Statement

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.



Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of these financial statement.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in Annexure 'A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations.

ii. The Company does not have any long-term contracts including derivative contracts

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 1. Q. 9 to the financial statements.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the 'Annexure B' statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

For Motilal & Associates
Chartered Accountants
FRN: 106584W

Sd/-

Date: 30/05/2017
Place: Mumbai

Mokshesh Shah, Partner
Membership No.172906



ANNEXTURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Unno Industries Limited** ('the Company') as of 31 March 2017

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Motilal & Associates.
Chartered Accountants
FRN: 106584W

Sd/-

Date: 30/05/2017
Place: Mumbai

Mokshesh Shah, Partner
Membership No.172906



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirement's section of our report of even date)

Reports on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Unno Industries Limited:

1. In respect of company's Fixed Assets, the company does not have any Fixed Asset.
2. As explained to us, the Company does not have any Inventory.
3. The companies has granted loans to companies covered in the register maintained under section 189 of companies Act, 2013.
 - a)The terms and condition of the grant of such loan are not prejudicial to the company's Interest.
 - b) No schedule of repayment of principal and payment of interest has been stipulated.
 - c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in contravention of Directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, where applicable . 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 other tribunal.



6. Reporting under clause 3(vi) of the Order is not applicable as the Company's business activities are not covered by the Companies (Cost Records and Audit) Rules, 2014.
7. According to the information and explanation given to us, in respect of statutory dues:
- (a) According to the records of the company the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, Service Tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2017 for a period of more than six months from the date they became payable,
 - (c) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess that have not been deposited with appropriate authorities on account of any dispute
8. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion, the company has not defaulted in repayment of dues to a financial institution, bank, Government or dues to debenture holders,
9. The company has not raised moneys by way of initial public offer or further public offer (including debt instrument). However the moneys were raised by the way of term loan which were applied for the purposes for which they were raised.
10. Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.
11. The Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. The company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable
13. Based upon the audit procedures performed and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.



14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review,
15. The company has not entered into any non-cash transactions with directors or persons connected with him and hence provision of Section 192 of the Act is not applicable.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Motilal & Associates.
Chartered Accountants
FRN: 106584W

Sd/-

Date: 30/05/2017
Place: Mumbai

Mokshesh Shah, Partner
Membership No.172906

UNNO INDUSTRIES LIMITED
CIN: L93010MH1992PLC205606
BALANCE SHEET AS AT 31st March, 2017

| Particulars | Note No. | Figures as at 31st March, 2017 | | Figures as at 31st March, 2016 | |
|--|----------|---|--------------------|--------------------------------|-------------|
| I. EQUITY AND LIABILITIES | | | | | |
| (1) Shareholders' funds | | | 419,399,296 | | 418,887,831 |
| (a) Share Capital | 1 | 426,428,750 | | 426,428,750 | |
| (b) Reserves and Surplus | 2 | (7,029,454) | | (7,540,919) | |
| (2) Non-current liabilities | | | 1,005,574 | | 1,005,574 |
| (a) Long-term borrowings | 3 | 1,005,574 | | 1,005,574 | |
| (b) Long Term Provision | 4 | - | | - | |
| (3) Current liabilities | | | 2,962,813 | | 3,076,880 |
| (a) Other Current liabilities | 5 | 314,632 | | 428,699 | |
| (b) Short-term provisions | 6 | 2,648,181 | | 2,648,181 | |
| TOTAL | | | 423,367,682 | | 422,970,284 |
| II. ASSETS | | | | | |
| (1) Non-current assets | | | 417,088,886 | | 418,221,041 |
| (a) Property Plant & Equipment | | | | | |
| (i) Tangible assets | | - | | - | |
| (ii) Intangible assets | | 385,449 | | 385,449 | |
| (b) Non- Current Investments | 7 | 76,590,840 | | 67,795,490 | |
| (c) Long-term loans and advances | 8 | 340,112,597 | | 350,040,102 | |
| (2) Current assets | | | 6,278,796 | | 4,749,242 |
| (a) Inventories | | - | | - | |
| (b) Trade receivables | | - | | - | |
| (c) Cash and cash equivalents | 9 | 1,660,331 | | 1,644,736 | |
| (d) Short-term loans and advances | 10 | - | | - | |
| (e) Other current assets | 11 | 4,618,465 | | 3,104,506 | |
| TOTAL | | | 423,367,682 | | 422,970,284 |
| Notes referred above form an integral part of the Financial statements | | | | | |
| As per our report attached | | | | | |
| For Motilal & Associates | | For & On behalf of Boards of Directors | | | |
| Chartered Accountants | | | | | |
| Sd/- | | Sd/- | | Sd/- | |
| CA Mokshesh Shah | | Pritesh Solanki | | PrafulChandra Zaveri | |
| Partner | | Director | | Director | |
| Membership no. 172906 | | DIN:07073650 | | DIN:07073660 | |
| FRN : 106584W | | | | | |
| Date : 30-05-2017 | | | | | |
| Place : Mumbai | | | | | |

UNNO INDUSTRIES LIMITED
CIN: L93010MH1992PLC205606

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

| Particulars | | Note No. | Figures for the Period ended 31st March, 2017 | Figures for the Period ended 31st March, 2016 |
|-------------|---|----------|--|--|
| I. | Revenue from operations | 12 | 16,464,995 | 21,645,301 |
| II. | Other income | 13 | - | - |
| III. | Total Revenue (I + II) | | 16,464,995 | 21,645,301 |
| IV. | Expenses: | | | |
| | Cost of Goods Sold | | - | - |
| | Employee benefits expense | 14(ii) | 2,040,500 | 2,440,247 |
| | Finance costs | 14(i) | - | 744 |
| | Depreciation and amortization expense | | - | - |
| | Other expenses | 14(iii) | 13,913,030 | 18,277,863 |
| | Total expenses | | 15,953,530 | 20,718,854 |
| V. | Profit before exceptional and extraordinary items and tax (III-IV) | | 511,465 | 926,447 |
| VI. | Exceptional items | | - | - |
| VII. | Profit before extraordinary items and tax (V - VI) | | 511,465 | 926,447 |
| VIII. | Extraordinary Items | | - | - |
| IX. | Profit before tax (VII- VIII) | | 511,465 | 926,447 |
| X | <u>Tax expense:</u> | | | |
| | Earlier year Income Tax | | - | - |
| | Current Tax | | - | 100,000 |
| | Less, MAT Credit Available | | - | - |
| | Short Provision of earlier Year | | - | - |
| | Deferred Tax | | - | - |
| XI | Profit (Loss) for the period from continuing operations (IX-X-XIV) | | 511,465 | 826,447 |
| XII | Profit/(loss) from discontinuing operations | | - | - |
| XIII | Tax expense of discontinuing operations | | - | - |
| XIV | Profit/(loss) from Discontinuing operations (after tax) (XII-XIII) | | - | - |
| XV | Profit (Loss) for the period (XI + XIV) | | 511,465 | 826,447 |
| XVI | Earnings per equity share: | | | |
| | (1) Basic | | 0.10 | 0.15 |
| | (2) Diluted | | 0.10 | 0.15 |

Notes referred above form an integral part of the Financial statements
As per our report attached

For Motilal & Associates
Chartered Accountant

Sd/-

CA Mokshesh Shah
Partner
Membership no. 172906
FRN : 106584W
Date : 30-05-2017
Place : Mumbai

For & On behalf of Boards of Directors

Sd/-

Pritesh Solanki
Director
DIN:07073650

Sd/-

PrafulChandra Zaveri
Director
DIN:07073660

| <div> <div>UNNO INDUSTRIES LIMITED</div> <div>CIN: L93010MH1992PLC205606</div> </div> | | |
|--|--|--|
| CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 | | |
| Particulars | Year Ended 31.03.2017 Rs. | Year Ended 31.03.2016 Rs. |
| <div>A. Cash Flow from Operating Activities</div> <div> Net Profit/(Loss) before Tax and Extraordinary Income <div>Adjustments for:</div> <div>Provision for Income Tax</div> <div>Depreciation & Amortization expense</div> </div> <div>Operating Profit/(Loss) Before Working Capital Changes:</div> <div>Working Capital Changes</div> <div> (Increase)/decrease in Trade Receivables (Increase)/decrease in Inventories (Increase)/decrease in Other Receivables (Increase)/decrease in Other current Assets Increase/(decrease) in Short Term Provisions Increase/(decrease) in Other Current Liabilities Increase/(decrease) in Trade Payables </div> <div>Net Cash From Operating Activities before Income Tax</div> <div>Less: Income Tax paid during the Year</div> <div>Net Cash From Operating Activities</div> | <div>511,465</div> <div>-</div> <div>-</div> <div>-</div> <div>511,465</div> <div>-</div> <div>-</div> <div>-</div> <div>(1,513,959)</div> <div>-</div> <div>(114,067)</div> <div>-</div> <div>(1,628,026)</div> <div>-</div> <div>(1,116,561)</div> | <div>926,447</div> <div>-</div> <div>-</div> <div>-</div> <div>926,447</div> <div>-</div> <div>-</div> <div>-</div> <div>(2,574,343)</div> <div>(99,144)</div> <div>(19,066)</div> <div>-</div> <div>(2,692,553)</div> <div>(100,000)</div> <div>(1,666,106)</div> |
| <div>B. Cash Flow From Investing Activities:</div> <div> (Increase)/decrease in Fixed Assets (Increase)/decrease in Short Term Loans & Advances (Increase)decrease in Investments (Increase)decrease in Long Term Loans & Advances </div> <div>Net Cash from Investing Activities</div> | <div>-</div> <div>-</div> <div>(8,795,350)</div> <div>9,927,505</div> <div>1,132,155</div> | <div>-</div> <div>322,781,008</div> <div>31,551,110</div> <div>(350,040,102)</div> <div>4,292,016</div> |
| <div>C. Cash Flow From Financing Activities:</div> <div> Transfer to Reserves Increase/(decrease) in Long Term Borrowings Increase/(decrease) in Lond term provisions </div> <div>Net Cash used in Financing Activities</div> <div>Net Increase/(Decrease) in Cash and Cash equivalents</div> | <div>-</div> <div>-</div> <div>-</div> <div>-</div> <div>15,594</div> | <div>(1,690,752)</div> <div>1,005,574</div> <div>(776,814)</div> <div>(1,461,992)</div> <div>1,163,917</div> |
| <div>D. Cash and Cash Equivalents:</div> <div> Opening Balance Closing Balance </div> | <div>1,644,736</div> <div>1,660,331</div> | <div>480,819</div> <div>1,644,736</div> |
| <div>As per the Report of even date attached.</div> <div> <div> <div>For Motilal & Associates</div> <div>Chartered Accountants</div> <div>Firm No. 106584W</div> <div>Sd/-</div> <div>Mokshesh Shah</div> <div>Partner</div> <div>Membership No: 172906</div> <div>Place :Mumbai</div> <div>Date : 30/05/2017</div> </div> <div> <div>FOR AND ON BEHALF OF THE BOARD OF DIRECTORS</div> <div>Sd/-</div> <div>Pritesh Solanki</div> <div>Director</div> <div>DIN:07073650</div> <div>Sd/-</div> <div>PrafulChandra Zaveri</div> <div>Director</div> <div>DIN:07073660</div> </div> </div> | | |

UNNO INDUSTRIES LIMITED
CIN: L93010MH1992PLC205606
NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2017

| Particulars | Figures as at 31st March, 2017 | | Figures as at 31st March, 2016 | |
|--|-----------------------------------|---------------|-----------------------------------|---------------|
| Note No. 1 : SHARE CAPITAL | | | | |
| (a) Authorised Share Capital | Nos. | Rs. | Nos. | Rs. |
| Equity Shares of Rs.1 each : | 437,000,000 | 437,000,000 | 437,000,000 | 437,000,000 |
| | 437,000,000 | 437,000,000 | 437,000,000 | 437,000,000 |
| (b) Issued and Subscribed | | | | |
| Equity shares of Rs.1 each fully paid up | 426,428,750 | 426,428,750 | 426,428,750 | 426,428,750 |
| | 426,428,750 | 426,428,750 | 426,428,750 | 426,428,750 |
| (c) Reconciliation of number of shares | | | | |
| Shares at the beginning of the year | 426,428,750 | 4,264,287,500 | 426,428,750 | 4,264,287,500 |
| Add : Shares issued during the year | - | - | - | - |
| Outstanding shares at the year end | 426,428,750 | 4,264,287,500 | 426,428,750 | 4,264,287,500 |
| Note No. 2 : RESERVES & SURPLUS | | | | |
| (a) Surplus - Profit & Loss account | | | | |
| Opening Balance | (14,946,561) | | (16,575,690) | |
| Add : Current Year Transfer | 511,465 | | 826,447 | |
| Amount Available for Appropriation | (14,435,096) | | (15,749,243) | |
| Less : Transfer to Statutory Reserve | | | | |
| Less: Excess/ Short Tax provision | | | | |
| Less : Deferred revenue | | | | |
| Less : Deferred tax | | | | |
| Less : Transfer to Reserve | | | 802,682 | |
| Less : Provisions against Standard Assets | | | | |
| Surplus –Closing Balance | | (14,435,096) | | (14,946,561) |
| Statutory Reserve U/S 45(1)C | | 259,392 | | 259,392 |
| Capital Reserve | | | | |
| Balance as per previous Balance Sheet | | - | | - |
| Add : Addition during the year | | | | |
| (b) Securities Premium | | | | |
| Opening balance | 7,146,250 | | 7,146,250 | |
| Add : Share premium due to Merger | - | | - | |
| Less : Utilisation | - | 7,146,250 | - | 7,146,250 |
| Closing Balance | - | | - | |
| | | - | | - |
| | | (7,029,454) | | (7,540,919) |
| | | | | |

UNNO INDUSTRIES LIMITED
CIN: L93010MH1992PLC205606
NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2017

| Particulars | Figures as at 31st March, 2017 | | Figures as at 31st March, 2016 | |
|---|-----------------------------------|-----------|-----------------------------------|-----------|
| <u>Note No. 3 : LONG TERM BORROWINGS</u> | | | | |
| Unsecured Loans :- | | | | |
| (a) Other Loans | | 1,005,574 | | 1,005,574 |
| | | 1,005,574 | | 1,005,574 |
| <u>Note No. 4 : LONG TERM PROVISION</u> | | | | |
| I Secured | | | | |
| Provisions against Standard Assets | | | | |
| <u>Note No. 5 : OTHER CURRENT LIABILITES</u> | | | | |
| TDS | | 56,100 | | 56,100 |
| Creditors for expenses | | 78,240 | | 242,307 |
| Audit Fees Payable | | 180,292 | | 130,292 |
| Other Payable | | - | | - |
| Total | | 314,632 | | 428,699 |
| <u>Note No. 6 : SHORT TERM PROVISIONS</u> | | | | |
| Provision for Tax | | | | |
| Provision against Standard Asset | | 370,856 | | 370,856 |
| Provision for NPA | | 1,539,125 | | 1,539,125 |
| Provision for Income Tax AY. 13-14 | | 336,500 | | 336,500 |
| Provision for Income Tax AY. 14-15 | | 401,700 | | 401,700 |
| Income Tax Provisions | | | | |
| Current Year | - | | - | |
| Earlier Year | - | | - | |
| | | - | | - |
| Total | | 2,648,181 | | 2,648,181 |

UNNO INDUSTRIES LIMITED
CIN: L93010MH1992PLC205606
NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2017

| Particulars | Figures as at 31st March, 2017 | | Figures as at 31st March, 2016 | |
|--|-----------------------------------|-------------|-----------------------------------|-------------|
| <u>Note No. 7 : NON-CURRENT INVESTMENTS</u> | | | | |
| (I) Unquoted Shares (Valued at Cost) | | | | |
| Investment in Pinnacle | | 66,390,840 | | 57,595,490 |
| Vedant Commodeal Pvt Ltd | | - | | - |
| Festino Vincom Pvt Ltd | | - | | - |
| Intime Dealers Pvt Ltd | | - | | - |
| New Edge Vinimay Pvt Ltd | | - | | - |
| Unicon Tie-up Pvt Ltd | | - | | - |
| Uniglory Develoers Pvt Ltd | | - | | - |
| Investments | | 10,200,000 | | 10,200,000 |
| | - | 76,590,840 | - | 67,795,490 |
| <u>Note No. 8 : LONG TERM LOANS AND ADVANCES</u> | | | | |
| (Secured or Unsecured, Considered Good or Doubtful) | | | | |
| Security Deposits | | 32,385 | | 32,385 |
| Other Loans and Advances | | 340,080,212 | | 350,007,717 |
| Total | | 340,112,597 | | 350,040,102 |
| <u>Note No. 9 : CASH AND CASH EQUIVALENTS</u> | | | | |
| (a) Cash and Cash Equivalent | | | | |
| Balances with Banks | | 1,598,018 | | 1,598,018 |
| Cash on hand | | 62,313 | | 46,719 |
| (b) Bank & NBFC deposits with more than 12 months maturity | | 0 | | 0 |
| Total | | 1,660,332 | | 1,644,737 |
| <u>Note No. 10 : SHORT TERM LOANS AND ADVANCES</u> | | | | |
| (Unsecured, Considered Good) | | | | |
| Advances | | - | | - |
| Deposits | | - | | - |
| Loan & Advances | | - | | - |
| Total | | - | | - |
| <u>Note No. 11 : OTHER CURRENT ASSETS</u> | | | | |
| Deffered Tax Assets | | 754,934 | | 754,934 |
| Preliminary Expense | | 265,083 | | 397,623 |
| TDS | | 3,598,448 | | 1,951,949 |
| Total | | 4,618,465 | | 3,104,506 |

UNNO INDUSTRIES LIMITED
CIN: L93010MH1992PLC205606

NOTES TO PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

| Particulars | Figures as at 31st March, 2017 | Figures as at 31st March, 2016 |
|--|-----------------------------------|-----------------------------------|
| Note no. 12 : REVENUE FROM OPERATIONS | | |
| Interest Income | 16,464,995 | 21,645,301 |
| | 16,464,995 | 21,645,301 |
| Note no. 13 : OTHER INCOME | | |
| Dividend | - | - |
| | - | - |
| Note no. 14 : Additional Information | | |
| (i) Finance Cost | | |
| Bank Charges | - | 744 |
| | - | 744 |
| (ii) Employee Benefits Expenses | | |
| Salaries and Contribution to Statutory Funds | 2,040,500 | 2,440,247 |
| | 2,040,500 | 2,440,247 |
| (iii) Expenditure incurred on | | |
| (a) Administration expenses | | |
| Loss towards Currency Derivatives | 12,450,650 | 14,870,650 |
| Printing and Stationery | 104,300 | 98,310 |
| Rent Rates & Taxes | 180,000 | 407,500 |
| Telephone Expenses | 78,140 | 74,320 |
| Travelling Expenses | 313,930 | 304,560 |
| Other and general expenses | 252,500 | 1,844,165 |
| Postage Courier & Stationary Exp. | 76,430 | 89,330 |
| Repair & Maintenance Exp. | 70,340 | 54,860 |
| Professional Charges | 55,000 | 75,300 |
| Electricity Expense | 74,700 | 80,270 |
| (b) Selling & Distribution Expenses | | |
| Business Promotion Expenses | 74,500 | 62,500 |
| (c) Payments to Auditors | | |
| For Statutory Audit | 25,000 | 50,000 |
| For Tax Audit | 25,000 | |
| For Company Law Matters | - | 4,200 |
| (d) Other expense | | |
| Loss on Impairment of Assets | - | 66,858 |
| Preliminary Expenses written off | 132,540 | 132,540 |
| R & T Charges | - | 62,500 |
| Depository Charges | | |
| Legal and Professional Fees | | |
| Advertisement exp | | |
| | 13,913,030 | 18,277,863 |

UNNO INDUSTRIES LIMITED

NOTE No. :-15

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :-

I. Corporate Information

UNNO INDUSTRIES LIMITED (the Company) is a Public Company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company is engaged in the business of Financial Service Sector – Non Banking Financial Institution.

II. Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards as prescribed under section 133 of the companies act 2013('the act') read with rule 7 of the Companies (Accounting) Rules, 2014, the provisions of the companies Act 2013(to the extent notified) and guidelines issued by the Securities and Exchange Board Of India(SEBI). The Financial statements have been prepared on an accrual basis. The accounting policies adopted in the preparation of financial statements are considered with those of previous year, except for the change in accounting policy explained below

Summary of significant accounting policies.

A. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

B. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

C Fixed Assets & Depreciation

Fixed assets are stated at cost net of CENVAT and VAT credit less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of freight, duties and taxes, interest, if any, on specific borrowings utilized for financing the assets up to the date of commissioning, the cost of installation/erection and other incidental expenses.

UNNO INDUSTRIES LIMITED

NOTE No. :-15

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :-

Depreciation is provided on straight-line method on pro rata basis in accordance with the provisions of the Companies Act, 2013.

D Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognizing of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

E. Inventories

Inventories are valued at Lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of Completion and estimated costs necessary to make the sale.

F. Investment:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

UNNO INDUSTRIES LIMITED

NOTE No. :-15

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :-

G. Foreign currency transaction

Transactions in foreign currency are initially accounted at the exchange rate prevailing on the date of the transaction and adjusted appropriately to capital or revenue, with the difference in the rate of exchange arising on actual receipt/payment during the year.

H Leases

Where the Company is the lessee

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are classified as finance leases and are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as assets acquired on finance lease. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges on account of finance leases are charged to statement of profit and loss.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

I Taxation

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred Income taxes reflect the impact of timing differences between taxable income and accounting Income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

UNNO INDUSTRIES LIMITED

NOTE No. :-15

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :-

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period. i.e the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

J. Segment Reporting

The company is operating in single segment "Financial Service Sector – Non Banking Financial Institution" and hence segment wise separate reporting as per AS 17 issued by ICAI is not required

K. Impairment of Assets

At the date of each Balance Sheet the company evaluates, indications of the impairment internally if any, to the carrying amount of its fixed and other assets. If any indication does exist, the recoverable amount is estimated at the higher of the realizable value and value in use, as considered appropriate. If the estimated realizable value is less than the carrying amount, an impairment loss is recognized.

UNNO INDUSTRIES LIMITED

NOTE No. :-15

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :-

L Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

M. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

N Borrowing Cost

Borrowing costs directly attributable for acquisition of qualifying assets are capitalized as part of the asset. The other borrowing costs are charged to revenue as and when they are incurred

O Earnings Per Share

The company reports basic earning per share in accordance with AS-20 "Earning Per Share". Basic earning per share have been computed by dividing net profit after tax by weighted average number of shares outstanding for the year.

P Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less

UNNO INDUSTRIES LIMITED

NOTE No. :-15

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :-

Q. NOTES FORMING PART OF ACCOUNTS:

1. No contract on capital account remains to be executed.
2. Contingent Liability not provided for in the books Rs. Nil (P.Y. NIL)
3. The amount of Exchange difference (Net) credited to the profit & Loss Account for the year Rs. Nil.
4. The balances appearing under Sundry Debtors, Sundry Creditors Advances to Suppliers and others are subject to confirmation.
5. Details of remuneration to Managing Director and Whole Time Director

| Particulars | Year Ended 31.03.16 | Year Ended 31.03.15 |
|-----------------------|---------------------|---------------------|
| Director remuneration | - | - |
| Sitting Fees | - | - |
| Total | - | - |

7.

6. The company has not received information from suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006 and hence the disclosures, if any, relating to amount unpaid as at the year end together with interest paid/payable and other disclosures required to be made U/s.22 of the above Act is have not been given.
7. In determining Earning per share as per AS - 20, the Company has considered net profit after tax. The Number of Shares used for determining basic EPS is the total Number of shares issued & fully paid up as at 31st March, 2017.
8. The cash flow Statement As per AS 3 is as per Annexure
9. No disclosure is required under AS-24 on "Discontinuing Operations" issued by the Institute of Chartered Accountants of India as the company has not discontinued any line of its activity/product line during the year.

UNNO INDUSTRIES LIMITED

NOTE No. :-15

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :-

10. RELATED PARTY TRANSACTIONS:-

1. Related parties particulars pursuant to "Accounting Standard – 18"

a) LIST OF RELATED PARTIES:

| Name of related parties | Nature of relationship | Transaction entered during the year |
|---------------------------------|--------------------------|-------------------------------------|
| PANKAJ DAWAR | Key Managerial Personnel | No |
| PRITESHKUMAR NARANBHAI SOLANKI | | No |
| PRAFULCHANDRA GORDHANDAS ZAVERI | | No |
| HETAL PRITESHKUMAR SOLANKI | | No |

14. Figures of the previous year have been regrouped and reclassified wherever necessary to confirm to the current year's classification.

As per our report of even date

For Motilal & Associates
Chartered Accountants
Firm Regn No. : 106584W

For & on behalf of the Board

Sd/-

Sd/-

Sd/-

Mokshesh Shah
Partner
Membership No:- 172906
Place:- Mumbai
Date:- 30th May, 2017

Pritesh Solanki
Director
DIN : 07073650

Prafulchandra Zaveri
Director
DIN : 07073660

UNNO INDUSTRIES LIMITED

CIN No. L93010MH1992PLC205606

Siddhi Vinayak Appartment, Flat No. 206 Gujarati Samaj Road,

Sant Chokamela Road, Ville Parle(E), Mumbai- 400057

Email ID: unnoindustries@gmail.com Tel: 022-65659994

ATTENDANCE SLIP

25TH ANNUAL GENERAL MEETING ON 30TH SEPTEMBER, 2017

| | |
|---|--|
| Registered Folio No/ DP ID & Client Id* | |
| Name and Address of the Shareholder(s) | |
| Name of joint holders, if any | |
| No. of Shares held | |

*Applicable to shareholders holding shares in electronic form.

I/We hereby record my/our presence at the 25th Annual General Meeting of Unno Industries Limited held on Saturday, 30th September, 2017 at 11.30 a.m. at Siddhi Vinayak Appartment, Flat No. 206 Gujarati samaj Road, Sant Chokamela Road., Ville Parle (E) Mumbai (Maharashtra) - 400057

Member's/Proxy Name in Block Letter

Member's/Proxy's Signature

Notes: 1. Members/Proxy holders are requested to bring this slip with them when they come to the meeting and hand it over at the entrance of the Meeting Hall duly signed.

2. The electronic voting particulars are set out below:

| EVS (Remote e-voting Sequence Number) | USER ID | PASSWORD |
|--|----------------|-----------------|
| | | |

Please refer to the attached AGM Notice for instructions on remote e-voting

Remote e-voting facility is available during the following voting period:

| | |
|---|--|
| Commencement of Remote e-voting September 27, 2017 from 9.00 am | End of Remote e-voting September 29, 2017 till 5.00 pm |
|---|--|

UNNO INDUSTRIES LIMITED

CIN No. L93010MH1992PLC205606

Siddhi Vinayak Appartment, Flat No. 206 Gujarati Samaj Road,

Sant Chokamela Road, Ville Parle(E), Mumbai- 400057

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25TH ANNUAL GENERAL MEETING ON 30TH SEPTEMBER, 2017

MGT- 11

PROXY FORM

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

| | |
|-------------------------|--|
| Name of the Member (s): | |
| Registered address: | |
| E-mail Id: | |
| Folio No./Client Id*: | |
| DP ID*: | |

*Applicable to shareholders holding shares in electronic form.

I/We, being the member(s) of Shares of the above named Company, hereby appoint:

1. Name:

Address:

E-mail ID:

Signature:or failing him;

2. Name:

Address:

E-mail ID:

Signature: or failing him;

3. Name:

Address:

E-mail ID:

Signature:

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of Unno Industries Limited to be held on Saturday, 30th September, 2017 at 11:30 AM at Siddhi Vinayak Appartment, Flat No. 206 Gujarati samaj Road, Sant Chokamela Road., Ville Parle (E) Mumbai (Maharashtra) - 400057 and at any adjournment thereof in respect of resolutions as are indicated below:

| Resolution No. | Resolution Proposed |
|----------------|--|
| 1 | Ordinary Resolution to receive, consider and adopt the audited financial statements of the company for the financial year ended 31st March, 2017, including the audited Balance Sheet as at 31st March, 2017, the statement of Profit and Loss for the year ended on that date and reports of the Board of Directors' and Auditors' thereon. |
| 2 | Ordinary Resolution to ratify the appointment of M/s. Sanjay N. Shah Chartered Accountants, FRN No.: 124897W, Mumbai, as Statutory Auditors. |

Signed thisday of2017

Signature of the Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

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