

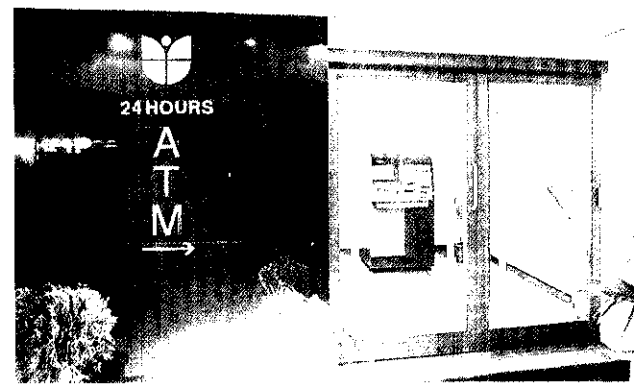
6th Annual Report 1999-2000



UTI BANK LTD



Ludhiana Branch



ATM-Bhopal Branch



Bhopal Branch

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BOARD OF DIRECTORS

- P.J. Nayak
Chairman & Mg. Director
- G. Krishnamurthy
Director
- A.C. Shah
Director
- Bana Paranjpe
Director
- Shardul Shroff
Director
- K. Narasimha Murthy
Director
- P.S. Subramanyam
Director
- PM. Venkatasubramanian
Director
- Abid Hussain
Director
- K.G. Vassal
Director
- B.R. Barwale
Director
- Surendra Singh
Director

P. J. Oza
Company Secretary

M/s. V. Sankar Aiyar & Co. *Auditors*
Chartered Accountants

M/s Karvy Consultants Limited *Registrar and Share Transfer Agent*

UNIT : UTI BANK LIMITED

"Karvy House"

46, Avenue 4, Street No. 1

Banjara Hills

Hyderabad - 500 034

Phone No. 040 - 3312454, 3320251/751/752

Fax No. 040 - 3311968

Registered Office :

Ground Floor, Sakar - I, Near Gandhigram Station,

Off/Ashram Road, Ahmedabad - 380 009

Tel : (079) 658 6815/658 5767/658 7292

Fax : (079) 658 1490

Central Office :

Maker Towers 'F', 13th Floor, Cuffe Parade,

Colaba, Mumbai - 400 005

Tel : (022) 218 9106/7/8/9

Fax : (022) 218 6944/218 1429

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NOTICE

Notice is hereby given that the Sixth Annual General Meeting of the Members of the UTI Bank Limited will be held on Tuesday the 30th May, 2000 at 11.00 a.m. at Tagore Memorial Hall, Near Sanskar Kendra, Paldi, Ahmedabad - 380 007 to transact the following business :

Ordinary Business

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2000, Profit and Loss Account for the year ended 31st March, 2000 and the reports of Directors and Auditors.
2. To appoint a Director in place of Shri B. L. Paranjpe, who retires by rotation and being eligible offers himself for re-appointment as a Director.
3. To appoint Director in place of Dr. Abid Hussain, who retires by rotation and being eligible offers himself for re-appointment as a Director.
4. To appoint a Director in place of Shri Shardul Shroff, who retires by rotation and being eligible offers himself for re-appointment as a Director.
5. To declare a dividend on the Equity Shares.
6. To consider and, if thought fit, to pass with or without modifications, the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 224A and other applicable provisions, if any, of the Companies Act, 1956 and the Banking Regulation Act, 1949, M/s. V. Sankar Aiyar & Co., Chartered Accountants, Mumbai be and are hereby appointed as the Statutory Auditors of the Bank to hold office from the conclusion of the Sixth Annual General Meeting until the conclusion of the Seventh Annual General Meeting, on such remuneration as may be mutually decided upon by the Chairman and Managing Director, on behalf of the Board of Directors, and the said M/s. V. Sankar Aiyar & Co., Chartered Accountants, Mumbai."

Special Business

7. To consider and, if thought fit, to pass the following resolution, with or without modifications, as an Ordinary Resolution :

"RESOLVED THAT Shri Surendra Singh who was appointed as an Additional Director at the meeting of the Board of Directors held on 27th April, 2000 and who holds office as such up to the date of this Annual General Meeting and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Shri Surendra Singh as a candidate for the Office of Director of the Bank, be and is hereby appointed as a Director of the Bank, liable to retire by rotation."

8. To consider and, if thought fit, to pass the following resolution, with or without modifications, as an Ordinary Resolution:

"RESOLVED THAT Dr. P.J. Nayak, who was appointed as an Additional Director at the meeting of the Board of Directors held on 9th October, 1999 and who holds office as such up to the date of this Annual General Meeting and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Dr. Nayak as a candidate for the Office of Director of the Bank, be and is hereby appointed as a Director of the Bank, not liable to retire by rotation."

9. To consider and, if thought fit, to pass the following resolution, with or without modifications, as an Ordinary Resolution :

"RESOLVED THAT approval of the Members of the Bank be and is hereby given for appointment of Dr. P.J. Nayak as Chairman & Managing Director of the Bank for a period of 5 years with effect from 1st January, 2000 and also for payment of remuneration by way of salary and perquisites to Dr. Nayak as Chairman and Managing Director of the Bank as per the following terms and conditions :



Term of Appointment	:	5 years with effect from 1/1/2000 upto 31/12/2004, subject to the approval of the shareholders and the Reserve Bank of India under Section 35B of the Banking Regulation Act, 1949.
Salary	:	1/1/2000 to 31/03/2000 Rs. 6,05,400/- (Rupees Six lacs five thousand four hundred only) plus Dearness Allowance of Rs. 63,036/- per annum.
	:	With effect from 1/4/2000 Rs. 6,68,436/- p.a. (Rupees Six lacs sixty eight thousand four hundred thirty six only). Dearness Allowance discontinued from 1st April, 2000, merged with basic pay.
Variably Pay	:	As per scheme of the Bank with effect from 01/04/2000, subject to approval by Reserve Bank of India.
Stock Holding	:	Stock holding option as may be decided by the Board of Directors from time to time, subject to prior approval of Reserve Bank of India.
Residence	:	Fully furnished accommodation.
Medical reimbursement	:	Full medical facilities for self and family.
Leave Fare Concession	:	Entitled to travel with family by air or any other appropriate mode of transport, to any place in India once in a year.
Club Fees	:	Membership of two clubs (excluding life membership fees). All official expenses in connection with such membership incurred would be reimbursed by the Bank.
Entertainment	:	1) Personal Rs. 12,000/- p.a. on actuals. 2) Expenditure on official entertainment would be on the Bank's account.
Provident Fund	:	1/1/2000 to 31/3/2000 10% of basic pay with equal contribution by the Bank or as may be decided upon by the Board/ Trustees from time to time.
	:	With effect from 1st April, 2000 12% of basic pay with equal contribution by the Bank or as may be decided upon by the Board/ Trustees from time to time, subject to approval of Reserve Bank of India.
Gratuity	:	One month's salary for each completed year of service or part thereof.
Leave	:	As per the Bank's rules.
Travelling Allowance	:	Actual expenses incurred (conveyance, boarding and lodging in appropriate hotels, etc.) plus Rs. 300/- per day.
Conveyance & Telephone	:	Free use of the Bank's car with a driver and telephone facilities.
Personal Insurance	:	Shall be covered under the Group Savings Linked Insurance Scheme (GSLI) and the Personal Accident Policy as per the Bank's rules.



Newspaper & Periodicals	:	As per requirements.
Allowance for proper upkeep of residential accommodation provided by Bank	:	1/1/2000 to 31/3/2000 Rs. 1,500/- p.m. with effect from 1/4/2000 Rs. 1,875/- p.m. (Subject to approval of Reserve Bank of India)
Ex-gratia	:	As may be declared by the Board from time to time, subject to prior approval of Reserve Bank of India.
Other terms	:	As per the Bank's Staff Rules and as may be agreed by the Board, from time to time.

10. To consider and, if thought fit, to pass the following resolution, with or without modifications, as an Ordinary Resolution :

"RESOLVED THAT the consent of the Company under the provisions of section 293 (1) (d) and other applicable provisions, if any, of the Companies Act, 1956 be and is hereby accorded to the borrowings by the Board of Directors of the Company from time to time, subject to any restriction imposed by the terms of the agreements as may have been entered into or may be entered into from time to time for grant of any assistance to the Company, of all moneys deemed by them to be required or proper for the purpose of carrying on business of the Company; provided however, that the total amount of such borrowings outstanding at any time shall not exceed Rs. 3,000 crores notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans, if any, obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

11. To consider and, if thought fit, to pass the following resolution, with or without modifications, as a Special Resolution:

"RESOLVED THAT the Articles of Association of the Company be and are hereby amended in the following manner :

- i) A new Article 70A be inserted after Article No. 70 (2) in the Articles of Association of the Bank.

Postal Ballot

"Notwithstanding anything contained in the provisions of the Companies Act, 1956, the Company may, and in the case of resolutions relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot, shall, get any resolution passed by means of a postal ballot, instead of transacting the business in General Meeting of the Company in the manner which may be specified by the Central Government in this regard."

- ii) Article 97 (4) of the Articles of Association will stand substituted as under:-

"Any remuneration of the kind referred to above in this article and payable to the Director for attending the meeting, in the case of a Director, who is an official and/or in the whole time employment of UTI, RBI and or any Public Sector Bank and/or Nationalised Bank or Public Financial Institution, shall be paid to and remitted by the Company directly to the institution which the Director represents and shall not be paid or remitted to the said individual Director."

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO



ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXY FORMS IN ORDER TO BE VALID AND EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE BANK NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The relevant explanatory statements pursuant to the provisions of Section 173(2) of the Companies Act, 1956 in respect of item Nos. 7 to 11 are annexed hereto.
3. The Register of Members and the Share Transfer Books of the Bank will remain closed from **Tuesday the 16th May, 2000 to Tuesday the 30th May, 2000** (both days inclusive).
4. The Dividend would be made payable on 31st May, 2000 to the shareholders whose names stand on the Register of Members on **15th May, 2000**.
5. a) In view of the recently reported instances of fraud in the encashment of dividend/interest warrants, we are arranging to print the details of your Bank Account on the dividend warrants thereby ensuring that the proceeds of the warrants are credited to your account only. We therefore, request you to send to our Registrar and Share Transfer Agents, M/s. Karvy Consultants Limited, Hyderabad or to the

Registered Office of the Bank, the following particulars so as to reach them on or before 15th May, 2000:

- Name of the Bank, Branch and Place with Pin Code No., where the account is maintained
 - Bank Account No.
- b) The Bank has also decided to offer the facility of ECS for shareholders residing in specified cities. The necessary forms have already been forwarded to all shareholders. A detailed information sheet about the ECS facility is annexed. This facility could be used by the shareholders instead of the Bank Mandate System, for receiving the credit of dividends, if so desired.
 6. Shareholders may now avail of the Nomination Facility under Section 109A of the Companies Act, 1956. The relevant Nomination Forms have already been sent to all shareholders. The Nomination Forms are also available at the Registered Office of the Bank.

By order of the Board

Place : Mumbai
Date : 27/04/2000

P. J. Oza
Company Secretary



ANNEXURE TO NOTICE

Explanatory Statement U/S 173 (2) of the Companies Act, 1956

In conformity with the provisions of Section 173 (2) of the Companies Act, 1956, the following explanatory statement sets out material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 7

Shri Surendra Singh was appointed as an Additional Director of the Bank with effect from 27th April, 2000. Under Section 260 of the Companies Act, 1956 read with Article 91 (1) of the Articles of Association of the Bank, Shri Surendra Singh continues to hold office as a Director until the conclusion of the ensuing Annual General Meeting. However, as required under Section 257, the Bank has received a Notice from a member signifying his intention to propose Shri Surendra Singh as a candidate for the office of Director of the Bank and the requisite deposit of Rs. 500/- has also been received by the Bank along with such notice. It is proposed that Shri Surendra Singh will be liable to retire by rotation.

Shri Surendra Singh was until recently (between 1996-99) Executive Director of the World Bank, representing India, Bangladesh, Sri Lanka and Bhutan. Earlier he was a distinguished Civil Servant, serving as Cabinet Secretary (1994-96) and Secretary in the Ministry of Industry (1991-94) in the Government of India.

Except Shri Surendra Singh no other Director of the Bank is in any way concerned with or interested in the resolution at item No. 7 of the Notice.

Item Nos. 8 and 9

Dr. P. J. Nayak, was appointed as an Additional Director of the Bank with effect from 9th October, 1999. Under Section 260 of the Companies Act, 1956 read with Article 91(1) of the Articles of Association of the Bank, Dr. Nayak continues to hold office as a Director until the conclusion of the ensuing Annual General Meeting. However, as required under Section 257, the Bank has received a Notice from a member signifying his intention to propose Dr. Nayak as a candidate for the office of Director of the Bank and the

requisite deposit of Rs. 500/- has also been received by the Bank along with such notice. It is proposed that Dr. Nayak will not be liable to retire by rotation.

Dr. Nayak till recently was the Executive Trustee of Unit Trust of India. Before joining UTI in 1996, he was for about 25 years a part of the Indian Administrative Service, from which he took early retirement in 1996. Between 1990-95 he worked as Joint Secretary, Department of Economic Affairs, Ministry of Finance, Government of India.

The Board of Directors, at its meeting held on 9th October, 1999, has appointed Dr. Nayak as the Chairman and Managing Director (Chairman and Chief Executive Officer) of the Bank effective 1st January, 2000 for a period of five years, subject to the approval of the Reserve Bank of India and the Shareholders of the Bank. Approval of the Reserve Bank of India has been obtained.

The Board of Directors has further decided at its meeting held on 25th February, 2000, to revise certain terms of the appointment of Dr. Nayak w.e.f. 1st April, 2000 as per details given in the resolution.

The Directors recommend the appointment of Dr. P.J. Nayak as a Director and also as Chairman and Managing Director of the Bank effective from 1st January, 2000 for a period of five years and for payment of remuneration and perquisites as detailed at item no. 9.

Except Dr. P.J. Nayak, no other Director of the Bank is in any way concerned with or interested in the resolutions at item Nos. 8 and 9 of the Notice.

Item No. 10

In terms of Section 293 (1) (d) of the Companies Act, 1956, read with Article 55 of the Articles of Association of the Bank, borrowings by the Bank (apart from temporary loans, if any, obtained from the Bank's Bankers and deposits accepted in the ordinary course of business) in excess of the paid up capital of the Bank and its free reserves, that is to say, reserves not set apart for any specific purpose, require the approval of the members.

The volume of business of the Bank has grown strongly, and is expected to show further robust growth. The Bank plans to expand its branch network and to substantially



increase the number of Off-Site ATMs. To meet the increased demand for funds to carry out these tasks successfully, it is felt necessary that the Bank should have borrowing powers in excess of the paid up capital and free reserves as existing at present. It is proposed to fix a ceiling of Rs. 3,000 Crores as borrowing powers of the Board of Directors of the Bank.

The Directors recommend approval of a maximum amount of borrowing of Rs. 3,000 Crores.

None of the Directors is in any way concerned with or interested in the resolution at item No. 10 of the notice except to the extent that it is proposed to authorise them to borrow monies as stated in the resolution.

Item No. 11

- (i) The Central Government has proposed to introduce in the Companies (second Amendment) Bill, 1999, certain resolutions which may be declared by the Central Government to be conducted and passed only by means of postal ballot, instead of transacting the business in General Meeting in the manner which may be specified by Central Government in this regard. Accordingly, it is proposed to suitably amend the Articles of Association to provide for postal ballot.

- (ii) At present the Articles of Association of the Bank do not allow payment of sitting fees to a Director who is an official in the whole time employment of UTI, RBI, Public sector bank and/or Nationalised Bank or Public Financial Institution. It is now proposed to remit the sitting fees payable to such directors, directly to their respective institutions, as generally there is no restriction on payment of sitting fees to nominee Directors who represent the institutions in Board of Corporates and the practice is that the sitting fees are remitted to the institutions as long as the nominee Director is in the whole time employment of the institution. Accordingly, the relevant amendment is proposed in the existing Article.

The Directors recommend approval of the resolution.

None of the Directors in any way concerned with or interested in the resolution at item No. 11 of the Notice.

By order of the Board

Place : Mumbai

Date : 27/04/2000

P. J. Oza

Company Secretary