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SUMEDHA
FISCAL
SERVICES
LIMITED

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SUMEDHA FISCAL SERVICES LIMITED

REGISTERED AND CORPORATE OFFICE

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6A, Geetanjali
Kolkata – 700 071
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Fax : (033) 226 4140
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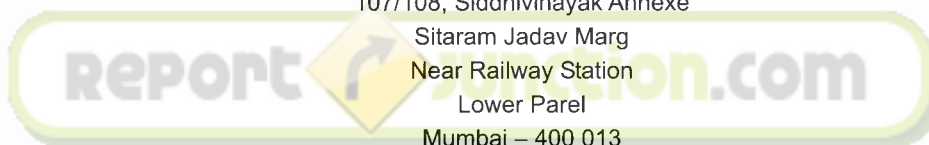
Mumbai

107/108, Siddhivinayak Annexe
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UMEDIA FINANCIAL SERVICES LIMITED

DIRECTORS

: R. L. GAGGAR, *Chairman*
DR. A. K. BHATTACHARYA
VIJAY MAHESHWARI
PRAKASH KUMAR BIYANI
RAJEEV TANDON
ANUJ CHOWDHRY
BIJAY MURMURIA
BHAWANI SHANKAR RATHI, *Wholetime Director*
ASHISH MITTAL, *Wholetime Director*
PAWAN KUMAR AGARWAL, *Wholetime Director*

COMPANY SECRETARY

: DEB KUMAR SETT

BANKERS

: CANARA BANK
STATE BANK OF INDORE
INDUSIND BANK LTD

STATUTORY AUDITORS

: KHANDELWAL RAVINDRA & CO.
Chartered Accountants

REGISTRARS

: AMI COMPUTERS (I) LTD.
60A & B, Chowringhee Road
Kolkata – 700 020
Phone : (033) 280 0812 / 280 0900
Fax : (033) 240 6585

**REGISTERED AND
CORPORATE OFFICE**

: 8B, MIDDLETON STREET
6A, GEETANJALI
KOLKATA – 700 071

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NOTICE

Notice is hereby given that the Thirteenth Annual General Meeting of the Members of SUMEDHA FISCAL SERVICES LIMITED will be held at Merchants' Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001 on Saturday, 14th September, 2002 at 10.30 A.M. to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt Audited Accounts of the Company for the year ended 31st March, 2002 together with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Amal Kumar Bhattacharya who retires by rotation.
3. To appoint a Director in place of Mr. Rajeev Tandon who retires by rotation.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED THAT Mr. Mool Chand Choradia be and is hereby appointed a Director of the Company pursuant to Section 257(1) of the Companies Act, 1956."

6. **Re-appointment of Branch Auditor for Mumbai Branch**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED THAT subject to compliance of all statutory formalities, M/s. Prakash Modi & Associates, Chartered Accountants, 303, VINOD VILLA, 3rd Floor, 66, 3rd Cavel Cross Lane, Kalbadevi Road, Mumbai - 400 002 be re-appointed as the Auditors, for auditing Mumbai Branch Accounts of the Company for the financial year 2002-2003 at a remuneration to be decided by the Board of Directors."

7. **Re-appointment of Mr. B.S. Rathi as Wholetime Director**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :-

"RESOLVED THAT subject to provisions of Section 198, 269, 309, 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (Act) the Board of Directors of the Company hereby re-appoints Mr. Bhawani Shankar Rathi as a Whole-time Director of the Company with effect from 1st April, 2002 for a period of three years on the terms and conditions as set out hereinbelow with liberty to the Board of Directors to alter and vary the said terms and conditions so as not to exceed the limits specified in Schedule XIII to the Act or any amendments thereto as may be agreed to between the Board of Directors and Mr. Bhawani Shankar Rathi -

a) **SALARY**

Rs. 22,500/- per month.

In addition to salary, perquisites restricted to an amount equal to annual salary. For this purpose perquisites are classified into following three categories viz. Categories 'A', 'B' and 'C'.

CATEGORY 'A'

- i) Housing :
 - 1) the Company will provide hired unfurnished accommodation; or
 - 2) the Company will provide unfurnished Company owned accommodation; or
 - 3) where no accommodation is provided by the Company or Mr. B. S. Rathi does not opt for the accommodation provided by the Company, he shall be entitled to House Rent Allowance at the rate of Rs. 10,000/- (Rupees ten thousand) per month.
- ii) Medical Reimbursement : Expenses incurred for himself and his family subject to a ceiling of one month's salary per annum or three months' salary over a period of three years.
- iii) Leave Travel Concession : For himself and family once in a year incurred in accordance with the Rules of the Company. For the purpose of (ii) and (iii) above, "family" means the spouse, dependant children and dependant parents of Mr. Bhawani Shankar Rathi.
- iv) Club Fees : Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- v) Bonus : Equivalent to 1 and 1/2 month's Basic Salary.
- vi) Books and Periodicals : Upto Rs. 1,000/- per month.

CATEGORY 'B'

- i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity payable should not exceed half a month's salary for each completed year of service.
- ii) Encashment of Leave at the end of this tenure will not be included in the computation of the ceiling on perquisites.

CATEGORY 'C'

The Company shall provide a car with a driver and a telephone at his residence. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance telephone calls and use of car for private purpose shall be billed to Mr. Bhawani Shankar Rathi.

Mr. Bhawani Shankar Rathi will not be entitled to any sitting fee for attending Meeting(s) of the Board or any Committee thereof."

8. Re-appointment of Mr. Pawan Kumar Agarwal as Wholetime Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :-

"RESOLVED THAT subject to provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (Act) the Board of Directors of the Company hereby re-appoints Mr. Pawan Kumar Agarwal as a Whole time Director of the Company with effect from 29th May, 2002 for a period of three years on the terms and conditions as set out hereinbelow with liberty to the Board of Directors to alter and vary the said terms and conditions so as not to exceed the limits specified in Schedule XIII to the Act or any amendments thereto as may be agreed to between the Board of Directors and Mr. Pawan Kumar Agarwal -

a) SALARY

Rs. 7,000/- per month with annual increment of Rs. 1,000/-.

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In addition to salary, perquisites restricted to an amount equal to annual salary. For this purpose perquisites are classified into following three categories viz. Categories 'A', 'B' and 'C'.

CATEGORY 'A'

- i) Housing : N.A.
- ii) Medical Reimbursement : Expenses incurred for himself and his family subject to a ceiling of one month's salary per annum or three months' salary over a period of three years.
- iii) Leave Travel Concession : For himself and family once in a year incurred in accordance with the Rules of the Company. For the purpose of (ii) and (iii) above, "family" means the spouse, dependant children and dependant parents of Mr. Pawan Kumar Agarwal.
- iv) Club Fees : Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- v) Bonus : Equivalent to 1 and 1/2 month's Basic Salary.
- vi) Books and Periodicals : Upto Rs. 1000/- per month.

CATEGORY 'B'

- i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity payable should not exceed half a month's salary for each completed year of service.
- ii) Encashment of Leave at the end of this tenure will not be included in the computation of the ceiling on perquisites.

CATEGORY 'C'

The Company shall provide a car with a driver and a telephone at his residence. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance telephone calls and use of car for private purpose shall be billed to Mr. Pawan Kumar Agarwal.

Mr. Pawan Kumar Agarwal will not be entitled to any sitting fee for attending Meeting(s) of the Board or any Committee thereof."

9. Re-appointment of Mr. Ashish Mittal as Wholetime Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED THAT subject to provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (Act) the Board of Directors of the Company hereby re-appoints Mr. Ashish Mittal as a Whole time Director of the Company with effect from 29th May, 2002 for a period of three years on the terms and conditions as set out hereinbelow with liberty to the Board of Directors to alter and vary the said terms and conditions so as not to exceed the limits specified in Schedule XIII to the Act or any amendments thereto as may be agreed to between the Board of Directors and Mr. Ashish Mittal -

a) SALARY

Rs. 7,000/- per month with annual increment of Rs. 1,000/-.

In addition to salary, perquisites restricted to an amount equal to annual salary. For this purpose perquisites are classified into following three categories viz. Categories 'A', 'B' and 'C'.

CATEGORY 'A'

- i) Housing : N.A.

- ii) Medical Reimbursement : Expenses incurred for himself and his family subject to a ceiling of one month's salary per annum or three months' salary over a period of three years.
- iii) Leave Travel Concession : For himself and family once in a year incurred in accordance with the Rules of the Company. For the purpose of (ii) and (iii) above, "family" means the spouse, dependant children and dependant parents of Mr. Ashish Mittal.
- iv) Club Fees : Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- v) Bonus : Equivalent to 1 and 1/2 month's Basic Salary.
- vi) Books and Periodicals : Upto Rs. 1000/- per month.

CATEGORY 'B'

- i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity payable should not exceed half a month's salary for each completed year of service.
- ii) Encashment of Leave at the end of this tenure will not be included in the computation of the ceiling on perquisites.

CATEGORY 'C'

The Company shall provide a car with a driver and a telephone at his residence. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance telephone calls and use of car for private purpose shall be billed to Mr. Ashish Mittal.

Mr. Ashish Mittal will not be entitled to any sitting fee for attending Meeting(s) of the Board or any Committee thereof."

10. Increase in Authorised Capital

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :-

"RESOLVED THAT pursuant to Section 94 of the Companies Act, 1956 the Authorised Share Capital of the Company be increased from Rs. 7,00,00,000/- (Rupees Seven Crores only) divided into 70,00,000 (Seventy Lakhs) Equity Share of Rs. 10/- (Rupees Ten) each to Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 70,00,000 (Seventy Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each and 3,00,000 (Three Lakhs) Preference Shares of Rs 100/- (Rupees One Hundred) each by creation of 3,00,000 (Three Lakhs) new Preference Shares of Rs 100/- (Rupees One Hundred) each and consequently the existing Clause - V of the Memorandum of Association of the Company be and is hereby deleted and the following new Clause - V be and is hereby substituted in its place :-

- V) The Authorised Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 70,00,000 (Seventy Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each and 3,00,000 (Three Lakhs) Preference Shares of Rs 100/- (Rupees One Hundred) each with the rights, privileges and conditions as may be permissible by law and as may be determined by or in accordance with the provisions of the Articles of Association ("Articles") and with the power to (a) increase or reduce the Capital of the Company (b) divide the shares in the Share Capital for the time being into several classes and attach thereto respectively such preferential, qualified or special rights, privileges and conditions as may be permissible by law and as may be determined by or in accordance with the provisions of the Articles (c) to vary modify and abrogate the same in accordance with the relevant provisions of the said Articles and the legislative provisions for the time being in force in this behalf."

11. Alteration of Articles of Association

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

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the existing Article 3 of the Articles of Association of the Company be altered as below : -

- I. The existing Article 3 of the Articles of Association of the Company be deleted and the following new Article 3 be and is hereby substituted in its place :
 - 3) The Authorised Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 70,00,000 (Seventy Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each and 3,00,000 (Three Lakhs) Preference Shares of Rs 100/- (Rupees One Hundred) each subject to be increased or reduced in accordance with the regulations of the Company and the legislative provisions for the time being in force in this behalf and with the power to divide the shares in the Share Capital of the Company for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights, voting and non-voting rights, privileges and conditions and also to acquire, purchase, hold, re-sell, any of its own fully/partly paid shares and/or Preference Shares whether redeemable or not and to make any payment out of capital or out of the funds at its disposal, for and in respect of such purchase, subject to the provisions of the Act in force from time to time.
- II. The existing Article 4 of the Articles of Association of the Company be deleted and the following new Article 4 be and is hereby substituted in its place :
 - 4) The Company may, subject to the provisions of Section 80, 80A and other applicable provisions of the Companies Act, 1956, issue Preference Shares as Cumulative/Non-Cumulative Redeemable Preference Shares and in such proportion as may be decided by the Board at the time of issue thereof, and the same shall have such rights, privileges and conditions attaching thereto as the Board may decide in this behalf."

12. Issue of Redeemable Preference Shares

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

"RESOLVED THAT in accordance with Section 80 and 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof, for the time being in force), and the enabling provisions in the Memorandum and Articles of Association of the Company, the listing agreements and the existing Guidelines of Securities and Exchange Board of India (SEBI), Reserve Bank of India and subject to approvals of the Financial Institutions/Banks (FIs/Banks) and all other consents and permissions as may be required and subject to such conditions and modifications as may be imposed by any of them which may be agreed to by the Board of Directors of the Company and/or a duly authorised committee constituted or may hereafter be constituted for exercising the power hereby conferred (for brevity's sake hereinafter referred to as "the Board"), the consent of the Company be and is hereby accorded to the Board to issue, offer and allot for cash and/or consideration other than cash, at par 3,00,000 Cumulative Redeemable Preference Shares of Rs 100/- each (Preference Shares), for cash and/or consideration other than cash, at per aggregating to Rs. 3,00,00,000/- (Rupees Three Crores only) to the Promoters/Associates/ Group Companies/Nominees/Bodies Corporate and/or other persons or entities whether an existing member of the Company or not, on preferential and/or private placement basis, in one or more tranches to the extent and on such terms and conditions and in the manner as the Board may consider desirable in the best interest of the Company."

"Resolved further that -

- i. The Preference Shares to be issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank only for pro rata dividend and for the period during which such Share Capital is so paid up;
- ii. The Preference Shares will be entitled to the preferential dividend at such rate on Cumulative/Non-Cumulative basis and right on a winding up to return of capital with arrears of dividend in priority to the

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Equity Shares and will be Redeemable at par along with the accumulated dividend in three equal annual instalments subject to the provisions of Section 80 and other applicable provisions of the Companies Act, 1956 and of the Articles of Association of the Company.

- iii. The Board be and is hereby authorised to accept any modification(s) to or to modify the terms of issue of the said Preference Shares subject to the provisions of the Companies Act, 1956 and SEBI Guidelines/Regulations, without being required to seek any further consent or approval of the Company in General Meeting.
- iv. For the purpose of giving effect to this resolution the Board be and is hereby authorised to do all acts, deeds and things as the Board may in its absolute discretion consider necessary, proper, desirable or appropriate for making the said issue as aforesaid and to settle any question, difficulty or doubt that may arise in this regard."

Registered Office :
8B, Middleton Street,
6A, Geetanjali,
Kolkata – 700 071.
June 22, 2002.

By Order of the Board

DEB KUMAR SETT
Company Secretary

NOTES:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his behalf and the proxy need not be a member of the Company.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 11th September, 2002 to 14th September, 2002 (both days inclusive).
3. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays, between 11.00 A.M. to 1.00 P.M. upto the date of the Annual General Meeting.
4. Shareholders seeking any information with regard to Accounts are requested to write to the Company early so as to enable the management to keep the information ready.
5. Pursuant to the provision of Section 205A of the Companies Act, 1956, as amended, dividend which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government.
6. Members are requested to bring their copy of the Annual Report to the Meeting and produce the enclosed Attendance Slip at the entrance to the hall.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(3) OF THE COMPANIES ACT, 1956

Item No. 5

The Company had received a notice under Section 257 of the Companies Act, 1956 from Mr. Mool Chand Choradia offering himself for election as a Director of the Company together with the statutory deposit. The relevant particulars as provided by him are given in the statement containing 'Details of Directors seeking appointment / re-appointment in the 13th AGM.'

None of the Directors of the Company except Mr. Mool Chand Choradia is interested in the resolution.

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Item No. 6

The Auditors for Mumbai Branch Office of the Company who retire at the forthcoming Annual General Meeting, being eligible, offer themselves for re-appointment.

The Directors recommend your approval to the resolutions.

None of the Directors of your Company is in any way interested in the resolution.

Item No. 7

The Board of Directors of the Company re-appointed, subject to approval of the members at the forthcoming Annual General Meeting, Mr. Bhawani Shankar Rathie as a Wholetime Director of the Company for a period of three years with effect from 1st April, 2002 with a marginal increase in salary in order to take care of enhanced cost of living at Mumbai. The relevant particulars as provided by him are given in the statement containing 'Details of Directors seeking appointment / re-appointment in the 13th AGM.'

None of the Directors other than Mr. Bhawani Shankar Rathie is in any way interested in the resolution.

Item No. 8 & 9

Guidelines of National Stock Exchange, inter alia, require the core promoters of the Company to be involved with the Member Company as Wholetime/Managing Director. Accordingly Mr. Pawan Kumar Agarwal and Mr. Ashish Mittal who retires on 29th May, 2002, have been re-appointed by the Board as Wholetime Directors on the same terms and conditions. Their respective re-appointments are subject to approval of the members at the forthcoming Annual General Meeting. The relevant particulars as provided by them are given in the statement containing 'Details of Directors seeking appointment / re-appointment in the 13th AGM.'

None of the Directors other than Mr. Pawan Kumar Agarwal and Mr. Ashish Mittal is in any way interested in the resolutions.

Item Nos. 10, 11 and 12

The growth of the Company's existing operations and diversification into new areas created by dynamic forces of the liberalised economy require augmentation of resources / net worth. Accordingly Authorised Share Capital of the Company is proposed to be increased by creation of 3,00,000 Preference Share of Rs. 100/- each which may subsequently be issued in one or more tranches.

As per Section 94 (2) of the Companies Act, 1956, the power to increase the Authorised Share Capital has to be exercised by the Company at its General Meeting. Accordingly, the resolution at Item No. 10 of the Notice seeks approval of the Members for increasing the Authorised Capital of the Memorandum of Association of the Company. Resolutions in Item Nos. 11 of the Notice seek Members' approval for making consequential changes in the Articles of Association of the Company. Resolutions in Item No. 12 of the Notice seek to authorise the Board of Directors of the Company to issue Preference Shares at appropriate times and on appropriate terms and conditions.

None of the Directors of the Company is in any way concerned or interested in the proposed amendments to the Memorandum and Articles of Association of the Company.

The Directors recommend the resolutions for approval of Members.

Registered Office :
8B, Middleton Street,
6A, Geetanjali,
Kolkata - 700 071.
June 22, 2002.

By Order of the Board

DEB KUMAR SETT
Company Secretary