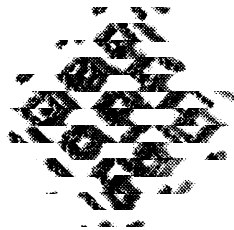


**42nd
ANNUAL REPORT**

**Statement of Accounts
2012 - 2013**



UNITED CREDIT LIMITED



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UNITED CREDIT LIMITED

BOARD OF DIRECTORS

Mr. A. K. Dabriwala,
Chairman and Managing Director
Mr. N. Mishra
Mr. R. M. Choubey
Mr. Suresh Chandra Saha
Mr. Devashish Dabriwal

VICE PRESIDENT AND COMPANY SECRETARY

Mr. Arunabha Biswas

SOLICITORS AND ADVOCATES

Khaitan & Co. LLP

AUDITORS

M/s. Ray & Ray

BANKERS

United Bank of India
State Bank of India

REGISTRARS & SHARE TRANSFER AGENT

C B Management Services (P) Limited
P-22, Bondel Road
Kolkata - 700 019
Phone : (033) 2280-6692, 2282-3643
2287-0263, 4011-6700
Fax : (033) 4011-6739
E-mail : rta@cbmsl.com
Website : www.cbmsl.com

AUDIT COMMITTEE

Mr. Suresh Chandra Saha
Mr. R. M. Choubey
Mr. N. Mishra

REMUNERATION COMMITTEE

Mr. R. M. Choubey
Mr. N. Mishra
Mr. Suresh Chandra Saha

SHAREHOLDERS' GRIEVANCE COMMITTEE

Mr. R. M. Choubey
Mr. A. K. Dabriwala
Mr. Devashish Dabriwal

REGISTERED OFFICE

27B, Camac Street (8th Floor), Kolkata-700 016
Phone: (033) 2287-9359/9360, Fax: (033) 2287-2047
E-mail : unitedcredit@vsnl.com
Website : www.unitedcreditltd.com



NOTICE TO SHAREHOLDERS

Notice is hereby given that the Forty-second Annual General Meeting of the members of UNITED CREDIT LIMITED will be held at the 'Shripati Singhania Hall', Rotary Sadan, 94/2, Chowringhee Road, Kolkata – 700 020 on Wednesday, the 25th September, 2013 at 10.00 A.M. to transact the following businesses :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Devashish Dabriwal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration. The retiring Auditors, M/s. Ray & Ray, Chartered Accountants, Kolkata, are eligible for re-appointment.

27B, Camac Street
Kolkata – 700 016
The 24th May, 2013

By Order of the Board of Directors
Arunabha Biswas
Vice President & Company Secretary



NOTES

- I) A member entitled to attend and vote at this Annual General Meeting may appoint a proxy, who need not be a member of the Company, to attend and vote on a poll on his behalf. Proxies in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- II) Members are requested to notify immediately any change in their address to the Company and/or to the Depository Participants, wherever applicable.
- III) Corporate Members, in case they intend to send their representative to attend the Meeting, are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- IV) The Register of Members and Share Transfer Books of the Company will remain closed from 16th September, 2013 to 25th September, 2013 (both days inclusive).
- V) Members are requested to bring the attendance slip with them duly filled in and hand over the same at the entrance of the Meeting hall.
- VI) In view of the increase in cost of printing, members are requested to bring their copy of the Annual Report with them at the Meeting.
- VII) Should the members wish to have any information in respect of the accounts of the Company, queries in writing may be sent to the Company at the Registered Office so as to reach the Registered Office of the Company at least 7 days before the date of the Meeting so that the required information can be made available at the Meeting. It will be helpful, if Registered Folio Number/ DP ID – Client ID Number is quoted in all the correspondence with the Company.
- VIII) Pursuant to the provisions of Sections 109A and 109B of the Companies Act, 1956, members are informed that every holder of shares at any time may nominate, in the prescribed manner, a person to whom his/her shares in the Company shall vest in the event of his/her death.
- IX) Pursuant to Sections 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends up to the financial years 2004-05 to the Investor Education and Protection Fund (IEPF) established by the Central Government under Section 205C(1) of the Companies Act, 1956.

Unclaimed dividend for the financial year ended 31st March, 2006 is due for transfer to the Investor Education and Protection Fund on 28th July, 2013 and no claim shall lie against the Fund or the Company in respect of the individual amounts which remain unclaimed and unpaid for a period of seven years from the date that they first become due for payment.

The Company has also complied with the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012.



The members who have not received / encashed dividend warrants for the following financial years may write to the Company for payment immediately :

2006-07	:	Equity Shares only
2007-08	:	Equity Shares only
2008-09	:	Preference Shares only
2009-10	:	Both Equity and Preference Shares
2010-11	:	Both Equity and Preference Shares
2011-12	:	Preference Shares only

- X) Members are informed that the scrips of the Company have been activated both in Central Depository Services (India) Ltd. and National Securities Depository Ltd. and may be dematerialised under the ISINs INE858C01027 for Equity Shares and INE858C04013 for Preference Shares.
- XI) The members are requested to furnish a copy of their PAN Card to the Company / Registrars and Share Transfer Agent, C B Management Services (P) Ltd. immediately. Pursuant to Circular No.MRD/DoP/Cir-05/2009 dated 20th May, 2009 of the Securities and Exchange Board of India (SEBI), it is mandatory for the transferee(s) to furnish copy of PAN Card to the Company / Registrars and Share Transfer Agent for registration of transfer of shares.
- XII) Pursuant to Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013 issued by SEBI:
- cash payment to the investors will be made compulsorily by means of Reserve Bank of India approved electronic mode such as ECS / LECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS) / NEFT, etc.
 - bank account details of the shareholders shall be mandatorily printed on the physical instrument issued to shareholders, in cases where the details such as Magnetic Ink Character Recognition (MICR) No., Indian Financial System Code (IFSC), etc., that are required for making electronic payment, are not available or the electronic payment instructions have failed or have been rejected by the Bank.

Accordingly, shareholders are requested to inform the Company or its Registrars and Share Transfer Agent, C B Management Services (P) Ltd., the correct bank details namely, Name of the Bank and branch with whom such Account is held, Account No., MICR No., IFSC, Account Type, etc. to enable the Company to comply with the requirements of SEBI and make payment as and when required.

- XIII) **The shareholders who have not yet surrendered their share certificates of erstwhile United Credit Financial Services Limited, are requested to contact the Registrars and Share Transfer Agent of the Company, C B Management Services (P) Ltd. for necessary action immediately.**
- XIV) **Pursuant to the Circulars No. 17/2011 and No. 18/2011 dated 21st April, 2011 and 29th April, 2011 respectively issued by the Ministry of Corporate Affairs, shareholders are requested to register their e-mail address with the Company/ Registrars and Share Transfer Agent of the Company, C B Management Services**



UNITED CREDIT LIMITED

(P) Ltd. and/or with the concerned depository participant where applicable and changes therein from time to time, to enable the Company to serve notice/ documents through e-mail, in compliance of Section 53 of the Companies Act, 1956. Shareholders are requested to visit the following web page to register their e-mail IDs and exercise their option accordingly.

www.cbmsl.com/green.php

The members are requested to fill up the E-Communication Registration Form attached to this notice and send it back to us at the address given in the form.

- XV) Pursuant to Article 78(c) of the Articles of Association of the Company read with Section 256 of the Companies Act, 1956, Mr. Devashish Dabriwal, Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Brief resume of Mr. Devashish Dabriwal, nature of his expertise in specific functional areas, names of companies in which he holds directorship / membership / chairmanship of the Board and Committees of the Board, shareholding and relationship between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India are provided in the Report on Corporate Governance forming part of the Annual Report. The Board of Directors recommends re-appointment of Mr. Devashish Dabriwal.

**DIRECTORS' REPORT****TO THE MEMBERS**

Your Directors are pleased to present the Forty-second Annual Report and the audited accounts for the financial year ended 31st March, 2013.

FINANCIAL HIGHLIGHTS

Financial Highlights of the Company for the financial year 2012-2013 as compared to the previous financial year are given hereunder :

	(₹ in Lacs)	
	2012-2013	2011-2012
Total Revenue	227.80	233.23
Profit before Exceptional and Extraordinary Items and Tax (PBEEIT)	(481.87)	118.57
Exceptional Items	Nil	Nil
Profit before Extraordinary Items and Tax (PBEIT)	(481.87)	118.57
Extraordinary Items	Nil	Nil
Profit before Tax (PBT)	(481.87)	118.57
Tax expense :		
– Current Tax	34.63	39.00
– Deferred Tax	(199.88)	8.10
Profit / (Loss) for the period (PAT)	(316.62)	71.47

DIVIDEND

In view of absence of profit, no dividend is recommended by the Board in the current financial year.

RESERVES & SURPLUS

The balance in Reserves & Surplus stands at ₹1512.04 Lacs (Previous year ₹1828.65 Lacs) after the appropriations.

PERFORMANCE

During the year under review, the Company has achieved a total revenue of ₹ 227.80 Lacs as compared to ₹ 233.23 Lacs in the previous year. However, in compliance of AS-13 and as a prudent business policy, the Company has provided for diminution in the value of investments to the extent of ₹ 598.01 Lacs which has resulted in a loss of ₹ 316.62 Lacs in the current year as against a profit of ₹ 71.47 Lacs during the previous year.

FUTURE OUTLOOK

With the intention of diversifying the range of activities, the Company has acquired 9481 sq. ft. commercial space during the year under review, which would generate considerable income in the form of rent, for the Company.

It has become difficult for small Non-Banking Financial Companies (NBFCs) to operate successfully.



There has been various proposals by which the Reserve Bank of India (RBI) intends to monitor the activities of the NBFCs. Amongst the recent proposals, provisioning norms proposed by RBI like classifying a loan as non-performing asset in case the borrower defaults for ninety days, is most stringent. These regulations are akin to the regulations applicable to banks. The Finance Industry Development Council (FIDC), a body of NBFCs, suggested that RBI should allow NBFCs to use the stringent loan recovery law, like The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (Sarfaesi Act) if it insists on tightening the provisioning norms to ninety days.

REDEMPTION OF PREFERENCE SHARES

Pursuant to the Order of the Hon'ble High Court at Calcutta passed on 2nd July, 2008, 10,55,086 12.5% Redeemable Cumulative Preference Shares of ₹ 10/- each were issued and allotted on 4th September, 2008 by way of conversion of equal number of Equity Shares of ₹ 10/- each. These Preference Shares are redeemable at a premium of 50% at the end of five years from the date of issue i.e. on 3rd September, 2013 or earlier at the option of the Company.

The Company has to accordingly redeem the Preference Shares latest by 3rd September, 2013.

LISTING WITH THE STOCK EXCHANGES

The Company's Equity Shares are listed with The Calcutta Stock Exchange Limited and BSE Ltd.

DEPOSITS

The Company has no public deposit as on 31st March, 2013.

DIRECTORS

Mr. Devashish Dabriwal retires by rotation in the forthcoming Annual General Meeting and being eligible, offers himself for re-election.

AUDITORS

M/s. Ray & Ray, Chartered Accountants, Statutory Auditors of the Company, hold office up to the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from M/s. Ray & Ray to the effect that their re-appointment, if made, would be within the limit prescribed under Section 224(1B) of the Companies Act, 1956.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company being engaged in non-banking financial activities, the question of conservation of energy and technology absorption does not arise.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There has been no foreign exchange earnings in any manner. However, expenditure in foreign currency amounted to ₹ 2,73,453/- during the year under review.

TRANSFER OF AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the declared dividends which remain unpaid or unclaimed for a period of seven years have been duly transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government under Section 205C(1) of the said Act.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, the Company has implemented the Code of Corporate

UNITED CREDIT LIMITED



Governance and a separate section has been included in this report. The report on Corporate Governance and the declaration by the Chairman & Managing Director in respect of Code of Conduct for all Board Members and senior management personnel and the certificate issued by M/s. Ray & Ray, Statutory Auditors of the Company in confirmation of the compliance as per requirement of Clause 49 of the Listing Agreement with the Stock Exchanges form part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report has been appended to this report in terms of the Listing Agreement.

SUBSIDIARY COMPANIES

The Company has no subsidiary as on the date of this report.

PARTICULARS OF EMPLOYEES

The Company has no employee in respect of whom information under Section 217(2A) of the Companies Act, 1956 is required to be annexed.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956

The Directors hereby confirm that –

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit or loss of the Company for that period;
- iii) they had 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; and
- iv) the annual accounts had been prepared on a going concern basis.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their deep appreciation for the whole-hearted and sincere co-operation the Company has received from the statutory authorities, stakeholders, customers and bankers.

Your Directors also wish to thank all the employees for their dedicated and committed service to the Company.

Kolkata - 700016
The 24th May, 2013

For and on behalf of the Board
A. K. Dabriwala
Chairman & Managing Director