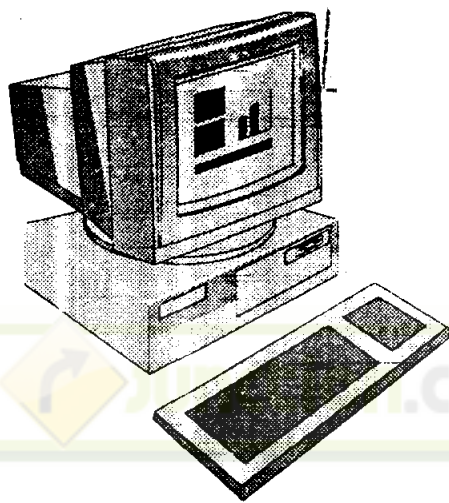


UNIPOINT COMPUTERS LIMITED



8th CERTIFIED TRUE COPY
Annual Report
1998-99

ANNUAL REPORT 1998-99



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Securities and Exchange Board of India vide its Letter No.SMDRP-POLICY:CIR-14/99 DATED 19TH May, 1999 has advised all the Stock Exchanges for amending Clause 32 of the Listing Agreement to the effect that a Company may supply single copy of complete and full Balance Sheet and Profit & Loss Account and Director's Report to the shareholders residing in one household and in that event, it will supply Abridged Balance Sheet to all the shareholders in the same household. After requisite approvals, this annual report is being sent pursuant to the above circular. Shareholders desirous of obtaining a full copy of the annual report may write to the company.



UNIPOINT COMPUTERS LIMITED

BOARD OF DIRECTORS

Mr. D. B. Negandhi
Mr. M. H. Sane
Ms. Bharti Mirchandani
Mr. R. K. Kapur
Mr. B. Maulik

AUDITORS

Mr. B. K. Rai & Associates
Chartered Accountants
Mumbai

SOLICITORS

Desai & Diwanji
2nd Floor, Lentin Chambers,
Fort, Dalal Street,
Mumbai - 400 001.

REGISTERED OFFICE

501, JVL Plaza,
Anna Salai, Tynampet,
Chennai - 600 018.

COROPRATE OFFICE

111, Marwah Industrial Estate,
Off Saki Vihar Road,
Saki Naka, Andheri (E),
Mumbai - 400 072.

BANKERS

Central Bank of India

ANNUAL REPORT 1998-99**NOTICE**

Notice is hereby given that the 8th Annual General Meeting of the members of the company will be held at the Hotel Hitash, 9, Gandhi - Irwin Road, Egmore, Chennai - 600 008, on Wednesday, 24th November, 1999 at 11.30 a.m. to transact the following business :

AS ORDINARY BUSINESS :

1. To receive consider and adopt the audited Balance Sheet as on 31st May, 1999 and Profit & Loss Account for the year ended on that date together with Reports of Directors and Auditors thereon.
2. To appoint Director in place of Ms. Bharati Mirchandani who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint M/s B.K. Rai & Associates, Chartered Accountants, Mumbai, as Statutory Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to fix their remuneration.

AS SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. R. K. Kapur be and is appointed as Director of the Company and to hold the office of Director and is liable for retirement by rotation.
5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. B. Maulik be and is appointed as Director of the Company and to hold the office of Director and is liable for retirement by rotation.
6. **SPECIAL RESOLUTION - MORTGAGE / CHARGE OF PROPERTY**

To consider and if thought fit, to pass with or without modifications following resolution as a SPECIAL RESOLUTION :

RESOLVED THAT the consent of the Company be and is hereby granted in terms of Section 293 (1) (a) and all other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors to mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, all or any of the moveable and/or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking (s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default in favour of the Agents/Trustees/Lenders for securing the said Equity Shares as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Agents and Trustees/Lenders.

7. SPECIAL RESOLUTION - INVESTMENTS

To consider and if thought fit, to pass with or without modifications following resolution as a SPECIAL RESOLUTION :

RESOLVED THAT pursuant to the provisions of Section 372A of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956, the Board of Directors of the company be and is hereby authorised to invest up to Rs. 500 Lacs. by subscribing to the share capital and/or debenture and/or term loan /investments of Trading Branch of the company proposed to be set up in United States of America, (USA) notwithstanding that such investments together with aggregate of the such investments, branch advances, loans, guarantees so far made by the company may exceeds 60% of its free Reserves and paid-up share capital required the consent of the members of the company be and are hereby accorded for the proposed investment by the company subject to the approval of the Reserve Bank of India

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RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to determine the time and manner of such investment up to above limit and to do all or any of the matters arising out of and to take all necessary steps for the proposed investments in the Trading Branch office in U.S.A. as per the guidelines of the Reserve Bank of India, and other Government authorities from time to time.

8. **To Consider and if thought fit, to pass with or without modifications following resolution as a SPECIAL RESOLUTION.**

RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the company be and are hereby amended, altered and/or substituted in the manner and to the extent as is set out herein below:

- a) Article 2 of the Articles of Association shall include the following definitions with the marginal notes.

Beneficial Owner

"Beneficial Owner" means as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

Depository

"Depository" "Depository" shall mean a Depository as defined under clause (e) of sub-section (1) of Section of the Depositories Act, 1996

Depositories Act, 1996 "Depositories Act, 1996" shall include any statutory modification or re-enactment thereof "

Securities and Exchange Board of India

"Securities and Exchange Board of India" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992."

- (b) In Article 2 of the Articles of Association, the following Clause be added at the appropriate place: "Words and expression used and not defined in this Act but defined in the Depositories Act, 1996 shall have the same meanings respectively assigned to them in the Act."
- (c) In Article 2 of the Articles of Association of the Company, definition of "Member" shall be altered as follows: "**Member**" "Member" means the duly registered holder from time to time of share in the Company and includes the subscribers to the Memorandum of the Company and the beneficial owner(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996."
- (d) Article 11 of the Articles of Association be substituted by the following :

Register and Index of Members

The Company shall cause to be kept a Register and Index of Members in accordance with Section 151 of the Act, and the Depositories Act, 1996 with details of shares held in material and dematerialised forms in any media as may be permitted by law including in any form of electronic media. The Register and index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be Register and Index of Members for the purpose of this Act."

- (e) After Article 15 the following Article will be inserted as Article 15A and shall read as follows: "Power to 11A Company to dematerialise and re-materialise The Company shall be entitled to dematerialise its existing shares, debentures and other securities, re-materialise its shares, debentures and other securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any"
- (f) Article 15B of the Articles of Association be inserted by the following

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- "The shares in the capital shall be numbered progressively according to their denominations, provided however, that the provisions relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be sub divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which; the same originally distinguished."

- (g) In Article 15C after the words "the amount paid up thereon", the following words be added:

"provided however no share certificate(s) shall be issued for shares held by a Depository."

- (h) Article 15D of the Articles of Association be inserted by the following :

"Company do not bound to recognise any interest in share other than that a Registered holder or Beneficial owner.

Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equitable, contingent or other claim to or future or partible interest in any share or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not be shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any two or more persons or the survivor or survivors of them"

- (i) After Article 15E the following Article will be inserted and shall read as follows:

"Specific 22A beneficial provisions of Companies Act, 1956 not to apply to Depository In respect of the shares, debentures and other securities of the Company held by the Depository on behalf of the beneficial owners as defined in the Depositories Act, 1996 the provisions of Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall not apply"

- (j) Article 16A of Articles of Association be inserted by the following :

"**Register of Transfers** The Company shall keep a Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form."

- (k) After Article 16A the following Article will be inserted as Article 16B and shall read as follows: "Transfer and Transmission of shares held in electronic and fungible form.

In the case of transfer and transmission of shares, debentures or other marketable securities where the Company has not issued any certificate and where such shares or securities are being held in an electronic and fungible form in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply."

- (l) In Article 16B after the words "shares and the registration thereof" the following words be added: "Except in case of transfer of Securities effected by the Transferor and the Transferee both of whom are entered as beneficial owners in the records of the Depository."

- (m) Article 16C of the Articles of Association will be substituted by the following:

"**Register and Index of Debenture - holder**"

The Company shall, if at any time it issues Debentures, keep a Register and Index of Debenture holders in accordance with Section 152 of the Act and the Depositories Act 1996. The Register and Index of beneficial owners maintained by a Depository under section 11 of the Depositories Act, 1996 shall be deemed to be Registered and Index of Debenture holders for the purpose of this Act."

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(n) After Article 16C, the following Article will be inserted as Article 16D and shall read as follows:

"Service of documents on the Company where securities of the company are held in a Depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of depository floppies or discs.

By Order of the Board

Sd -
M. H. Sane
Director

Dated : 4th October, 1999

Place : Mumbai

Registered Office :
501, JVL Plaza,
Annasalai, Tynampet
Chennai - 600 018.

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTYEIGHT HOURS BEFORE THE MEETING.
2. An explanatory statement as required under Section 173 (2) of the Companies Act, 1956 pertaining to the Special Business contained in item No. 4 and 8 is annexed.
3. Members are required to intimate the change of their registered address, if any, with the pin code quoting reference to their folio number and to send their transfer deed etc. to the registered office of the Company.
4. Members are requested to quote their registered folio numbers in all correspondence.
5. The company's Memorandum of Association and Articles of Association are open for inspection at the Company's registered office during the usual business hours on any working day.
6. Members are requested to bring their copy of the Annual Report and Attendance slip at the A.G.M.
7. The Register of transfer and share holders Register shall remain closed as recent date for AGM from Friday, 19th November, 1999 to Wednesday 24th November, 1999 (Both days are inclusive) for the conducting of the A.G.M.
8. Members desirous of obtaining any information concerning the accounts of the Company are requested to address their questions to the company at least 7 days before the date of meeting so that the information required may be made at the meeting.

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ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT "PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No. 4

Mr. R.K. Kapur was appointed by the Board of Directors as Additional Director at the Board meeting held on 1st April 1999 and he is holding the office until the conclusion of this Annual General Meeting. The Board of Directors recommend his appointment for approval by the Shareholders.

Item No. 5

Mr. B. Maulik was appointed by the Board of Directors as Additional Director at the Board meeting held on 27th September, 1999 and he is holding the office until the conclusion of this Annual General Meeting. The Board of Directors recommend his appointment for approval by the Shareholders.

None of the Directors except Mr. B. Maulik are in any way concerned or interested in the resolutions.

Item No. 7

The Companies (Amendment) Act, 1999 has introduced a new Section 372 A, which, inter-alia, provides that a company shall not be permitted to make inter-corporate loans or investments or give guarantees/provide securities beyond 60 % of the aggregate of company's paid-up share capital and free reserves or 100% of the company's free reserves, whichever is higher, except after obtaining prior authorisation by way of a special resolution passed at the General Meeting of the shareholders of the Company subject to the approval of the Reserve Bank of India.

The company had applying for the permission from Reserve Bank of India for the establishment of representative office/trading branch at USA for the purpose of the development of business of software development at USA and other developed and developing countries.

As the company is planning to invest in the representative office/trading branch at USA, the proposed Special resolution at Item No.6 is to be passed by way of abundant caution.

None of the Directors are interested in the above special resolution.

None of the Directors are either directly or indirectly concerned or interested in the resolution.

Item No. 8

Consequent upon the enactment of the Depositories Act, 1996 and the Securities and Exchange Board of India (SEBI) making dematerialisation of equity shares compulsory for Foreign Institutional Investors (FIIs), Financial Institution (FIS) etc., and SEBI GUIDELINES from time to time to include further Companies for de-materialization and based on the directive that may be issued by SEBI, some shareholders may insist on holding equity shares in de-materialised form.

The Depositories Act, 1996 has amended some of the provisions of the Companies Act, 1956 and the Securities Contracts (regulations) Act, 1956 (hereinafter collectively referred to as the Acts) pertaining to issue, holding, transfer and dealing in shares and other securities as also issue of relevant certificates as to facilitate the introduction and implementation of the Depository System. The existing Articles Of Association does not provide for certain enabling provisions like dematerialise of Equity Shares or other securities etc.

In order to bring the Articles of Association of the Company in line with the Acts, it is proposed to amend the Articles of Association of the Company to provide for the above. A copy of the Articles of Association of the Company will be open for inspection by the members at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on any working day except Saturday.

None of the Directors is concerned or interested in the resolutions

By Order of the Board

Sd/-

M. H. Sane
Director

Dated : 4th October, 1999

Place : Mumbai

Registered Office :

501, JVL Plaza, Annasalai, Tynampet

Chennai - 600 018