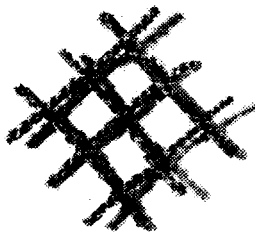


34th ANNUAL REPORT

**Statement of Accounts
2004 - 2005**

REPORT JUNCTION.COM



UNITED CREDIT LIMITED

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As a measure of economy, copies of the Report and Accounts will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies to the meeting

UNITED CREDIT LIMITED

(Successor to United Bank of India Limited)

BOARD OF DIRECTORS

Mr. Ravi Poddar, Chairman
Mr. A. K. Dabriwala, Managing Director
Mr. N. Himatsingka
Mr. N. Mishra
Mr. Samir Ghosh
Kumar Rathindro Mullick
Mr. N. K. Sarawgi
Mr. R. M. Choubey
Mr. Devashish Dabrial
Miss Pooja Poddar

SECRETARY

Mr. Arunabha Biswas

SOLICITORS AND ADVOCATES

Khaitan & Co.
C. K. Deora & Co.

AUDITORS

M/s. Ray & Ray

BANKERS

Citibank, N.A.
United Bank of India

REGISTRARS & SHARE TRANSFER AGENT

C B Management Services (P) Limited
P-22, Bondel Road,
Kolkata - 700 019
Phone : (033) 2280 6692/93/94,
2280 2486, 2280 2937
Fax : (033) 2247 0263
email : cbmsl1@cal2.vsnl.net.in

AUDIT COMMITTEE

Mr. Samir Ghosh
Mr. R. M. Choubey
Kumar Rathindro Mullick

REMUNERATION COMMITTEE

Mr. N. Himatsingka
Mr. N. Mishra
Kumar Rathindro Mullick

GRIEVANCE COMMITTEE

Mr. N. K. Sarawgi
Mr. A. K. Dabriwala
Mr. Samir Ghosh

REGISTERED OFFICE

27B, Camac Street (8th floor)
Kolkata- 700 016

Phone : (033) 2247-0930/9359, 2240-9185

Fax : (033) 2240-2047

email : ucl@cal2.vsnl.net.in

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Thirty-fourth Annual General Meeting of the Members of UNITED CREDIT LIMITED will be held at the "Gyan Manch Education Society", 11, Pretoria Street, Kolkata 700 071 on Thursday, the 23rd June, 2005 at 11.30 a.m.

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2005 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend for the financial year ended 31st March, 2005.
3. To elect a Director in place of Mr. R. M. Choubey, who retires by rotation, and being eligible, offers himself for reappointment.
4. To elect a Director in place of Kumar Rathindro Mullick who retires by rotation, and being eligible, offers himself for reappointment.
5. To elect a Director in place of Mr. N. Himatsingka who retires by rotation, and being eligible, offers himself for reappointment.
6. To appoint Auditors and to fix their remuneration. The retiring Auditors, Messrs. Ray & Ray, Chartered Accountants, Kolkata are eligible for reappointment.

SPECIAL BUSINESS

To consider and if thought fit, to pass with or without any modification(s), the following resolutions :

As Ordinary Resolutions

7. "RESOLVED THAT Miss Pooja Poddar who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act 1956 be and is hereby appointed a Director of the Company whose period of office shall be liable to determination by retirement of Director by rotation."
8. "RESOLVED THAT the directors be paid fees for attending meetings of the Board and its Committees and any other fees upto the permissible limit prescribed by Sec. 309(2) and the first proviso to Sec. 310 of the Companies Act, 1956 and relevant rule 10B of Companies (Central Government's) General Rules & Forms, 1956 and compensation including any incidental expenses that may be deemed fit by the Board of Directors, within the permissible limit of the applicable Laws, Rules and Acts for performing any act/attending any business that may be assigned to any director from time to time".

As Special Resolutions

9. "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 310 and 311 and Schedule XIII and other applicable provisions, if any of the Companies Act, 1956 and subject to any statutory approval that may be required, the approval of the members be and is hereby accorded to the re-appointment of Mr. A. K. Dabriwala as Managing Director of the Company for a period of 5 years with effect from 1st November, 2005 to discharge the duties and responsibilities under the control and directions of the Board of Directors of the Company on the terms and conditions as set out below with liberty to the Board of

Directors to alter and vary the terms and conditions of this reappointment in such manner as may from time to time be prescribed by the Central Government and any modification in Schedule XIII, as may be agreed by the Board and Mr. A. K. Dabirwala.

I. REMUNERATION :

A. Salary : Rs. 50,000/- (Rupees Fifty thousand only) per month in the salary range of Rs. 50,000 - 2,500 - 62,500

B. Perquisites : Perquisites will be allowed in addition to salary and shall be restricted to an amount equal to the annual salary.

a) Housing

i) The expenditure by the Company on hiring furnished residential accommodation will be subject to a ceiling of 60% of the salary.

ii) The expenditure incurred by the Company on gas, electricity, water will be evaluated as per the Income-tax Rules, 1962. This will, however, be subject to a ceiling of 10% of the salary.

iii) Wherever the Company does not provide accommodation, house rent allowance may be paid in accordance with (i) above.

b) Medical reimbursement for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.

c) Leave travel concession for self and family once in a year in accordance with the rules of the Company.

d) Fees of clubs subject to a maximum of two clubs, excluding admission and life membership fees.

e) Personal Accident Insurance of an amount, the annual premium of which is not to exceed Rs.1,000/-

f) 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. Gratuity payable should not exceed half a month's salary for each completed year of service.

g) Provision of a car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of the car for private purposes shall be billed by the Company."

II. MINIMUM REMUNERATION :

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Managing Director the payment of salary, perquisites etc. shall be governed by the limits prescribed under Sec. II of Part-II of Schedule XIII of the Companies Act, 1956 or any amendment thereof, and/or the relevant provision of the Companies Act and Rules thereof in case the existing Companies Act, 1956 is substituted by a new set of Acts, Rules and Regulations as may be made during the currency of tenure of the Managing Director.

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things that may be considered desirable or expedient to implement the resolution."

"FURTHER RESOLVED THAT in consonance with Article 102(b) of the Articles of Association of the Company Mr. A. K. Dabirwala shall not while he continues to hold the office of Managing Director be subject to retirement by rotation."

As Special Resolution

10. "RESOLVED THAT in conformity with article 81(a) of the Articles of Association of the Company and clause (b) of sub-section (4) of section 309 of the Companies Act, 1956, and subject to the approval of such statutory authorities, as may be required, authority be and is hereby accorded to the payment to the Directors of the Company not being Managing/Whole-time Director(s) of the Company (to be divided between the Directors not in the whole-time employment of the Company in such manner, as the Board of Directors may from time to time determine) one per cent of the net profits of the Company in each financial year over a period of five years extending up to and including the financial year of the company ending on 31st March, 2010."

27B, Camac Street
Kolkata 700 016
The 29th April, 2005

By Order of the Board of Directors
Arunabha Biswas
Company Secretary



NOTES

- I) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy need not be member of the Company.
- II) A proxy, to be valid, should reach the Registered Office of the Company at least 48 hours before the hour of commencement of the meeting.
- III) Members are requested to notify immediately any change in their address to the Company
- IV) An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of items of special business is annexed hereto.
- V) The Register of Members and Transfer Book of the Company will remain closed from 16th June, 2005 to 23rd June, 2005 (both days inclusive).

The dividend as recommended by the Board, if approved at the meeting by the members, will be paid on or after 4th July, 2005 to those members whose names stand registered on the Company's Register of members or their mandates :

- (a) as Beneficial Owners as at the end of business hour on 15th June, 2005 as per lists to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form and
 - (b) as Members of the Company after giving effect to valid share transfer in physical form lodged with the Company on or before 15th June, 2005.
- VI) 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.
 - VII) 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.
 - VIII) 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.
 - IX) It will be helpful if Registered Folio Number/ DP ID – Client ID Number is quoted in all the correspondence with the Company.
 - X) Pursuant to the provision of Section 109A and 109B members are informed that every holder of shares at any time may nominate, in the prescribed manner, a person to whom his shares in the Company shall vest in the event of his death.

NOTES CONTD.

- XI) Pursuant to Section 205A(5) of the Companies Act, 1956 as amended by the Companies (Amendment) Act 1999 w.e.f. 31.10.98 any money transferred to the unpaid dividend account of the company in pursuance of Section 205A(1), which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company to the investor Education and Protection Fund established under Section 205C (1) of the Companies Act, 1955 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 dates that they first become due for payment.

The members who have not received/encashed dividend warrants for the financial years 1997-98, 2000-01 and 2003-04 may write to the Company for payment immediately.

- XII) Members are informed that the scrips of the Company have been activated both in CDSL and NSDL and may be dematerialised under the ISIN INE 858C 01019.
- XIII) All documents referred to in the above notes and explanatory statement are open for inspection at the Registered Office of the Company during office hours.
- XIV) The members are requested to inform their PAN allotted by the Income Tax authorities immediately.
- XV) Shareholders are requested to notify the Registrars latest by 16th June, 2005 their bank account number, the name of the bank and branch with whom such account is held to enable the Registrars to print the said details in the Dividend Warrant after the name of the payee, if dividend is declared.
- XVI) Members holding shares in electronic form may please note that their bank account details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the Depositories or may be paid through ECS where such facility is available and the Company will not entertain any direct request from such members for deletion of/ change in such bank account details. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend, directly to their Depository Participants.
- XVII) The shareholders who have not yet surrendered their share certificates of erstwhile United Credit Financial Services Limited, are requested to contact the Registrar and Share Transfer Agents of the Company, C B Management Services (P) Limited for necessary action immediately.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

ITEM NO. 7

Miss Pooja Poddar was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 79(b) of the Articles of Association of the Company in the Board Meeting held on 28.10.2004. In terms of Section 260 of the Companies Act, 1956, Miss Pooja Poddar ceases to hold office on and from 23rd June, 2005 i.e. the date of Annual General Meeting. She is eligible for appointment as Director of the Company and in this respect the Company has received from a member notice under Section 257 of the Companies Act, 1956 proposing her appointment as Director of the Company under Article 83 of the Company's Articles of Association.

Miss Poddar is holding 1580 shares in her own name in the Company as on 31.3.2005.

Miss Poddar has also confirmed that she is not disqualified to act as Director under Section 274(1)(g) of the Companies Act, 1956.

The Board recommended Miss Pooja Poddar to be appointed as Director of the Company.

Mr. Ravi Poddar, Chairman of the Company is interested in the resolution set out in item no. 7 of the convening notice being related to Miss Pooja Poddar.

ITEM NO.8

In terms of the revised Clause 49 of the Listing Agreement with the Stock Exchanges pertaining to Corporate Governance all fees/compensation, if any, paid to non-executive directors including independent directors shall be fixed by the Board of Directors with the previous approval of the shareholders in general meeting. The resolution is accordingly placed before the members in the general meeting for their approval.

The directors recommend the resolution for members' approval. None of the directors is interested or concerned in the resolution except to the extent of sitting fee and compensation that may be paid to them.

ITEM NO.9

Mr. A. K. Dabriwala was reappointed Managing Director of the Company for a period of five years with effect from 1st November, 2000 on a remuneration fixed by the Board of Directors in their meeting held on 26th July, 2000 and approved by the Shareholders in the 29th Annual General Meeting of the Company held on 12th September, 2000. His tenure of office will expire on 31st October, 2005. The members of the Remuneration Committee considered and approved the payment of remuneration and other terms and conditions of his appointment in their meeting held on 27.1.2005. The Board of Directors also considered his reappointment as Managing Director of the Company in the Board Meeting held on 29th April, 2005. The terms and conditions mentioned in the resolution are now placed before the members for their approval.

Accordingly, the special resolution as set out in the notice is proposed for approval by the shareholders. The explanatory statement together with the accompanying notice is and should

be treated as an abstract of the terms of service of Mr. A. K. Dabriwala and memorandum of interest under Section 302 of the Companies Act, 1956.

Mr. Dabriwala has also confirmed that he is not disqualified to act as Director under section 274(1)(g) of the Companies Act, 1956.

The Board recommended the resolution for members' approval.

Mr. A. K. Dabriwala is interested in the resolution to the extent of the remuneration receivable by him as Managing Director, Mr. Devashish Dabirwal and Mr. Ravi Poddar, directors of the Company, are also interested in this resolution as his relative.

ITEM NO.10

The Board of Directors runs the Company and the Managing Director performs as per the directions given by the Board of Directors. In fact, the Directors have to frame the policies which the Managing Director implements. But for their active participation, United Credit Limited would not have been able to reach today's height. In view of recent changes in the various statutes, the job of the Board has become more onerous. You will appreciate that to increase the efficiency of the overall management of the company, the Directors should be properly remunerated to commensurate with the time, energy and risk involved in their duties. In view of this, the resolution is placed for your approval so that commission of one per cent of the net profits of the Company, to be apportioned among all the Directors not in whole-time employment of the company, be paid to them. Pursuant to sub-section (5) of section 309, such net profits, as referred to above, shall be computed in the manner referred to in section 198(1) and other applicable provisions of the Companies Act, 1956. Sub-section (7) of section 309 provides that any Special Resolution according authority for payment of remuneration to the Directors shall not remain in force for a period of more than five years, but may be renewed, from time to time, by Special Resolution, for further period of not more than five years at a time. It is also a condition that no renewal shall be effected earlier than one year from the date on which it is to come into force.

With the exception of Mr. A. K. Dabriwala, who is in the whole-time employment of the company, all other Directors serve the company without any remuneration with the exception that each Director of the Company is entitled to a fee Rs. 2,500/- per meeting of the Board and Rs. 1,500/- per meeting of the Committee attended by them.

The Board recommended the resolution for members' approval.

The Directors, as referred to above, of your company are interested in this resolution to the extent of remuneration proposed to be paid to them.

27B, Camac Street
Kolkata 700 016
The 29th April, 2005

By Order of the Board of Directors
Arunabha Biswas
Company Secretary