

21st Annual Report

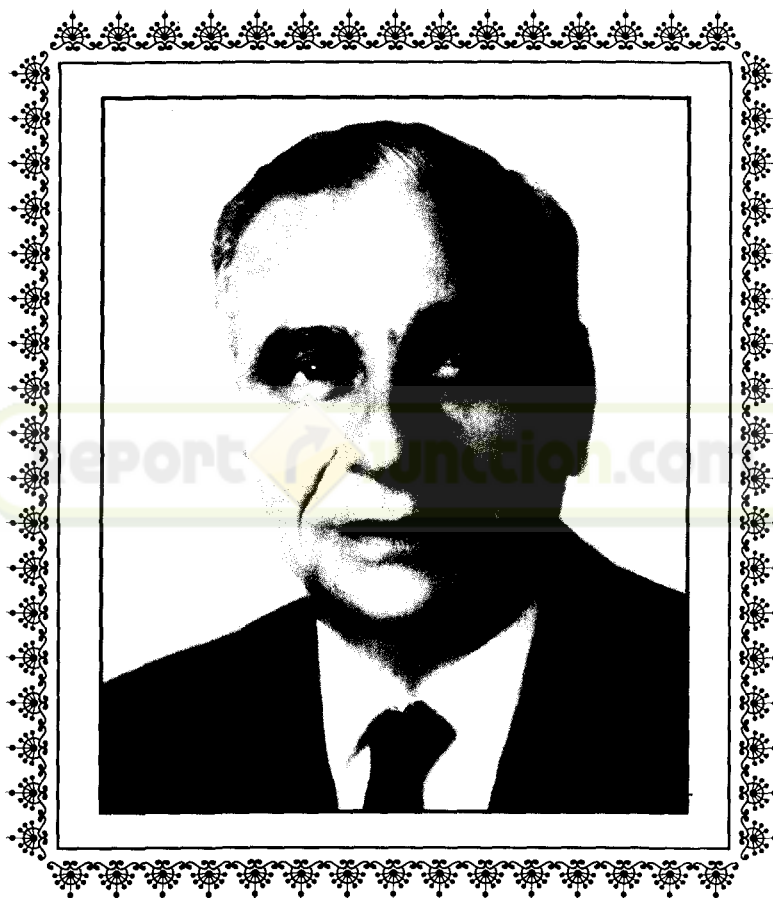
2004-05

Report  Junction.com



UNITED LEASING & INDUSTRIES LIMITED

**IN RESPECTFUL HOMAGE TO
OUR CHAIRMAN
SHRI. RAJ KUMAR KHANNA,
PADAMSHREE, PADAMBHUSHAN**



**12.04.1924 TO 20.06.2005
WE SHALL CONTINUE TO LIVE BY HIS VALUES**



UNITED LEASING & INDUSTRIES LIMITED



UNITED LEASING & INDUSTRIES LIMITED

CONTENTS

Notice
Directors' Report and Management Discussion & Analysis
Corporate Governance Report
Auditor's Certificate on Corporate Governance
Auditor's Report on Financial Statement
Balance Sheet and Profit & Loss Account along with notes to the Accounts
Balance Sheet Abstract & General Business Profile
Cash Flow Statement
Auditor's Certificate on Cash Flow Statement
Proxy Form
Attendance Slip
Nomination Form

CHAIRMAN

Mr. Anil Kumar Khanna

MANAGING DIRECTOR

Mr. Anoop Kumar Khanna

DIRECTORS

Col. R. M. Sharma (Retd.)

Col. D. P. Khanna (Retd.)

Mr. Kapil Dutta

COMPANY SECRETARY

Mr. Sushil Kumar Tibrewal

STATUTORY AUDITORS

M/s R. S. Ahuja & Co.
Chartered Accountants
C-353, Defence Colony,
New Delhi-110024

REGISTERED & CORPORATE OFFICE

Plot No. 66, Sector-34, EHTP, Gurgaon, Haryana

WORKS OFFICE

14 Kms., Gurgaon Pataudi Road, Village Jhund Sarai Veeran, Dist.
Gurgaon, Haryana

REGISTRAR & SHARE TRANSFER AGENTS

In-time Spectrum Registry Ltd.
A-31, 3rd Floor, Near PVR Naraina,
Naraina Industrial Area,
Phase-I, New Delhi-110028
Phone: 011-51410592-93-94
Fax : 011- 51410591

Annual General Meeting on Friday 30th of September 2005 at Company's Works premises at 14 Kms., Gurgaon Pataudi Road, Village Jhund Sarai Veeran, Dist. Gurgaon, Haryana at 3.00 P.M.

PLEASE NOTE:

1. No gifts/ gift coupons/ company products will be given at the Annual General Meeting.
2. No attendance slip will be issued at the AGM venue.
3. Please bring your copy of Annual Report at the AGM.



NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT THE 21st ANNUAL GENERAL MEETING OF THE MEMBERS OF UNITED LEASING & INDUSTRIES LIMITED WILL BE HELD ON 30th DAY OF SEPTEMBER, 2005 AT THE WORKS PREMISES OF THE COMPANY AT 14 KM, VILLAGE JHUND SARAIVEERAN, GURGAON PATAUDI ROAD, GURGAON, HARYANA AT 3.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

A. ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2005 and the Profit & Loss account for the year ended on that date, together with the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Col. D. P. Khanna (Retd.) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration. M/s R. S. Ahuja & Co., Chartered Accountants, the retiring auditors being eligible, offers themselves for re-appointment.

B. SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution:
"RESOLVED THAT Col. R. M. Sharma (Retd.), who was appointed as an additional Director of the Company by the Board of Directors and who holds office as per section 260 of the Companies Act, 1956 up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the company liable to retire by rotation"
5. To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution:
"RESOLVED THAT Mr. Kapil Dutta, who was appointed as an additional Director of the Company by the Board of Directors and who holds office as per section 260 of the Companies Act, 1956 up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the company liable to retire by rotation"

By order of the Board
For United Leasing & Industries Limited

Date : 25/07/2005
Place: New Delhi

(Sushil Kumar Tibrewal)
Company Secretary



NOTES:

1. PROXY

A member entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote instead of himself and that proxy need not be a member. The instrument appointing a proxy should however be deposited at the Corporate Office of the Company not less than 48 hours before the commencement of the meeting. A blank proxy form is annexed to this Annual Report.

2. BOOK CLOSURE

Share Transfer Books and Register of Members of the Company will remain closed from Monday 26th September 2005 to Friday 30th September 2005 (Both days inclusive).

3. NOMINATION FACILITY

In terms of Section 109A of the Companies Act, 1956, every shareholder is now entitled to nominate a person to whom his shares in the company shall vest in the unfortunate event of his death.

(a) Nomination by Joint Holders: Where the shares are held jointly by two persons, the joint holders may together nominate a person to whom all rights in the shares shall vest in the event of death of both the joint holders. It may be noted that nomination of separate persons by the joint holders is not permitted.

(b) Nomination of a Minor: Where the nominee is a minor, the shareholder may appoint any person to become entitled to the securities in the event of his death during minority.

The shareholders who want to avail of the facility of nomination may send in their nomination in Form 2B prescribed under the Companies Act, 1956. A specimen of the said form is appended at the end of this Annual Report.

4. MEMBERS ARE REQUESTED TO :

- i) Notify any change in their Address immediately.
- ii) Quote their Folio Number while corresponding with the Company.
- iii) Send their queries, if any, to reach the Company's Regd. Office at least 10 days before the date of the meeting so that information can be made available at the meeting.
- iv) Bring their copy of the Annual Report at the meeting.
- v) The explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business under item 4 & 5 as set out above is annexed hereto.

**By order of the Board
For United Leasing & Industries Limited**

**Date : 25/07/2005
Place: New Delhi**

**(Sushil Kumar Tibrewal)
Company Secretary**



Explanatory Statement

(Pursuant to Section 173 of the Companies Act, 1956)

Item No.4

The Board of Directors has appointed Col. R. M. Sharma (Retd.) as Additional Director on the Board with effect from 25th May 2005. Under Section 260 of the Companies Act 1956, he hold office as Director only upto the date of the forthcoming Annual General Meeting. In view of his past experience, it is eminently in the Company's interest to re-appoint him as Director of the Company.

Other than Col. R. M. Sharma (Retd.), none of the Directors of the company is in any way concerned or interested in this resolution.

Your Directors recommend passing of this resolution.

Item No.5

The Board of Directors has appointed Mr. Kapil Dutta as Additional Director on the Board with effect from 25th May 2005. Under Section 260 of the Companies Act 1956, he hold office as Director only up to the date of the forthcoming Annual General Meeting. In view of his past experience, it is eminently in the Company's interest to re-appoint him as Director of the Company.

Other than Mr. Kapil Dutta, none of the Directors of the company is in any way concerned or interested in this resolution.

Your Directors recommend passing of this resolution.

By order of the Board
For United Leasing & Industries Limited

Date : 25/07/2005

Place: New Delhi

(Sushil Kumar Tibrewal)
Company Secretary

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting

(In pursuance of Clause 49 of the Listing agreement)

Name of the Director	Mr. Kapil Dutta	Col. R. M. Sharma (Retd.)	Col. D. P. Khanna (Retd.)
Date of Appointment	25-05-05	25-05-05	18-12-03
Date of Birth	25-07-56	06-04-44	17-10-37
Nature of his experience in specific functional areas	Vast experience in business administration & development	Vast experience in Finance & Administration	Vast experience in Leasing, Finance, Recoveries & Legal
Qualification	B.A. HONS. (Econ.)	Msc. MBA (Finance)	M.A., LLB.
Directorship in other public Ltd. Companies	NIL	NIL	NIL
Membership/Chairmanship in committees of the Board of other public Ltd. Companies	NIL	NIL	NIL



DIRECTORS' REPORT

The Board of directors present the 21st Annual Report together with the Audited accounts of the Company for the year ended on 31st March, 2005.

FINANCIAL RESULTS

The financial results of the Company for the year ended 31st March, 2005 are as follows:

Particulars	Current Year ended 31.03.05 (Rs. in lacs)	Previous Year ended 31.03.04 (Rs. in lacs)
Total Income	172.72	135.08
Operating Expenses	105.43	69.93
Profit before Interest, Depreciation & Tax	67.29	65.15
Financial Expenses	41.20	41.82
Profit before Depreciation & Tax	26.09	23.33
Depreciation	21.74	21.74
Provision for Taxation	0.34	0.12
Profit after Tax	4.01	1.47
Balance Brought Forward	44.38	92.91
Prior Period Adjustment	Nil	50.00
Balance Carried forward	48.39	44.38

OPERATIONS

During the year the company made a Cash Profit of Rs. 26.09 lacs and Net Profit after depreciation of Rs. 4.01 lacs. After settlement of liabilities of all Bankers and Financial Institutions, the company is now going through a process of consolidation and will take up further expansion of business after due consideration.

DIVIDEND

Company has not declared any dividend this year.

DEPOSITS

Total public deposits as on 31st March 2005 were Rs. 168.13 lacs.

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY SCENARIO

The embroidery industry is dependent on the growth of exports of garments and made ups etc. The embroidery serves as the major value addition factor for manufacturing garments and made ups. The management continued to concentrate more on exporters' embroidery orders.

OPPORTUNITIES

Since, from the last budget, the textile industry has been exempted from the excise duty, there is tremendous potential for the growth of textile industry and for textile embroidery industry also. The textile industry provides huge employment to the Indian populace and it also contributes substantial foreign exchange through exports of textile goods.

THREATS, RISKS AND CONCERNS

Like other industries, the textile embroidery business is also exposed to global competition to deliver excellent quality goods at competitive prices.



OUTLOOK

Our company is gradually strengthening its position in the market and shall attain better financial results in the years to come.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Company has adequate internal control systems commensurate with its size and nature of business.

DIRECTORS

Col. D. P. Khanna (Retd.), Director of the company, retires at the ensuing Annual general Meeting, pursuant to clause 108 of the Articles of association of the Company and being eligible offers himself for re-appointment.

Col. R. M. Sharma (Retd) and Mr. Kapil Dutta, who were appointed by the Board of Directors as Additional Directors of the Company with effect from 25th May 2005, retires at the ensuing Annual general Meeting of the Company under Section 260 of the Companies Act 1956, but is eligible for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of Sec. 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

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

CONSERVATION OF ENERGY

The Company does not belong to the category of power intensive industries and hence consumption of power is not significant. However, the management is aware of the importance of conservation of energy and also reviews from time to time the measures taken / to be taken for reduction of consumption of energy.

TECHNOLOGY ABSORPTION

The company is running successfully its embroidery unit in Gurgaon comprising 2 computerised, high quality embroidery machines purchased from Saurer, Switzerland.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange earned	: Rs. 29,57,436/-
Total Foreign exchange used	: Rs. Nil

PARTICULARS OF EMPLOYEES

The company had no employee during the financial year under review whose particulars are required to be given under section 217(2A) of the Companies Act, 1956.



AUDITORS

M/s R.S.Ahuja & Co. Chartered Accountants, Auditors of the company, retire at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

ACKNOWLEDGEMENTS

Yours Directors take the opportunity to express their gratitude for the assistance and continued cooperation extended by Banks, Depositors and Customers. Your Directors also wish to thank the shareholders for their confidence in the Company and express their deep appreciation for the devoted and sincere services rendered by all the employees of the Company at all levels.

Place : New Delhi
Date : 25/05/2005

ON BEHALF OF THE BOARD

(Anoop K. Khanna)
Managing Director

(Anil K. Khanna)
Director

(Col. D. P. Khanna)
Director