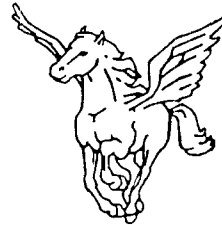


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VE	<input checked="" type="checkbox"/>			



UNITED



United Van Der Horst Limited

**10th Annual Report
1996-97**



United Van Der Horst Limited

BOARD OF DIRECTORS

Mr. S.R. Gupte, Chairman

Mr. P.K. Daruwalla

Mr. Anup Singh

Mr. B.C. Wee

Mr. M.A. Oxborrow

Mr. Johannes M. Kievit

Mr. P.T. Matthew, Managing Director

Annual General Meeting

On Thursday, 4th September, 1997

At 11.30 a.m.

AT

E, 29/30 MIDC

Industrial Area,

Taloja, Raigad Dist.

Maharashtra

Finance Controller and Company Secretary

Mr. Shrikant Hawaldar

Bankers

State Bank of India, Mumbai

Dena Bank, Taloja, Maharashtra

Auditors

M/s. Narkar & Associates

Chartered Accountants, Mumbai

Registrar & Transfer Agents

M/s. Spectrum Corporate Services Ltd.

Shri Ganesh Industrial House,

1st Floor, B-Wing, Near Amar Cinema,

Waman Tukaram Patil Marg,

Chembur, Mumbai - 400 071.

Registered Office & Works

E, 29/30 MIDC

Industrial Area,

Taloja, Raigad Dist.

Maharashtra

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United Van Der Horst Limited

NOTICE

Notice is hereby given that the Tenth Annual General Meeting of UNITED VAN DER HORST LIMITED will be held on 4th September 1997 at 11.30 a.m. at the Registered Office of the Company at E 29/30, MIDC, Taloja, Raigad District, Maharashtra to transact the following business.

ORDINARY BUSINESS :

1. To receive and adopt the audited Balance Sheet as at 31st March 1997 and the Profit & Loss Account for the financial year ended on the same date together with the Directors' Report and Auditors Report thereon.
2. To appoint a Director in place of Mr. B.C. Wee who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Johannes M. Kievit who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the revised remuneration payable to Mr. P.T. Matthew as Managing Director at such remuneration and on such terms and conditions as are set out in the Explanatory Statement attached hereto below".

"RESOLVED FURTHER THAT the revised remuneration and perquisites shall be payable to Mr. P.T. Matthew with retrospective affect from 1st October, 1996".

"RESOLVED FURTHER THAT the aforesaid remuneration and perquisites shall be payable to Mr. P.T. Matthew as minimum Remuneration, notwithstanding that in any financial year of the Company during the aforesaid period, the Company has made no profits or its profits are inadequate".

Registered Office :
E 29/30, MIDC
Taloja, Dist. Raigad
Maharashtra
Dated : 26th June, 1997

BY ORDER OF THE BOARD

D.K. Sundaram
Finance Controller & Company Secretary

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER.
2. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

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3. The Register of Members and the Share Transfer Register of the Company will be closed on 4th September, 1997.
4. Members are requested to send all transfer deeds, Share Certificates and other correspondence relating to registration of transfers, transmission, etc. to the Registrar & Share Transfer Agents M/s Spectrum Corporate Services Ltd., Shri Ganesh Industrial House, 1st Floor, B Wing, Near Amar Cinema, Waman Tukaram Patil Marg, Chembur, Mumbai 400 071.
5. Members are requested to bring their copy of the Annual Report at the meeting.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 5

Mr. P.T. Matthew was appointed as Managing Director for 5 years from 1st May, 1990 and the term had expired on 30th April, 1995. In the Board Meeting held on 30th May, 1995, Mr. P.T. Matthew was reappointed as Managing Director for a further period of 3 years commencing from 1st May, 1995 on the revised terms and conditions and the same was approved by the Shareholders in their meeting held on 28th November, 1995. Subject to the approval of Shareholders in the ensuing Annual General Meeting, it is now proposed to increase the remuneration of Mr. P.T. Matthew as follows :

	Existing (Per month)	Revised (Per month)
Basic	Rs. 25000	Rs. 26500
Soft Furnishing	Rs. 2500	Rs. 2650

The Board approves the payment of revised remuneration and perquisites to Mr. P.T. Matthew with retrospective effect from 1st October, 1996. It is further stated that there shall not be any change in the other remuneration structure and that the Resolution passed by the Shareholders in the Annual General meeting held on 28th November, 1995 shall hold good for all items other than the aforesaid revisions.

Except Mr. P.T. Matthew, no other Director is concerned or interested in the above matter.

Registered office:
E-29/30, MIDC, Taloja,
Dist. Raigad
Maharashtra 410208

By the Order of the Board of Directors

D.K. Sundaram
Finance Controller & Company Secretary

Dated : 26th June, 1997

United Van Der Horst Limited

DIRECTORS' REPORT

To The Members,
United Van Der Horst Ltd.,

Your Directors submit the Tenth Annual Report together with the Balance Sheet and Profit & Loss Account for the financial year ending 31st March, 1997.

FINANCIAL RESULTS

	1996-97 Rs. in lakhs	1995-96 Rs. in lakhs
The Working of your Company for the year under review result in an operating profit of	97.58	147.59
From which has to be deducted		
For Interest	77.86	79.71
For Depreciation	48.45	48.26
Resulting in a Profit/(Loss) of	126.31 (28.73)	127.97 19.62
To which has to be added/ deducted :		
For Amortisation of Preliminary Expenses	1.88	1.88
Share Issue Expenses and Deferred Revenue Expenditure		
Previous year Expenses	(5.61)	5.76
Resulting a Net Profit/(Loss) for the year	(25.00)	11.98
To which is added/deducted Profit/(Loss) brought forward	(210.79)	(222.77)
Leaving a Profit/(Loss) of which your Directors propose to be carried forward to the next year.	(235.79)	(210.79)

1. Operation & Financial Results

The year under review witnessed a decline in the growth of the Company. The turnover of the Company decreased from Rs. 391 lakhs to Rs. 370 lakhs. The company made a loss of Rs. 28.73 lakhs for the year as compared to a profit of Rs. 19.62 lakhs in the previous year. However, after adjustment of prior period transactions, the net loss was Rs. 25 lakhs. The reason for the decline in the growth is mainly due to depressed conditions in the market. The Company also faced sever break-down problems in the beginning of the Year.

As in the past, the Company continues to face increased competition at international prices from the shipping Industry, in particular. The Company has been trying to obtain better prices for its services, which perhaps might materialise shortly.

There has been substantial increase in turnover from the maintenance Activity at ONGC, Hazira.

As stated in the Last Year's Report, the Company is in the process of executing the Contract amounting to Rs. 98.43 lakhs received from Power & Electricity Department, Government of Mizoram, Aizawl. The shipment of Yanmar Diesel Engine spare parts has duly arrived and the Company should be able to execute the subject contract in a short period of time.

2. Directors

Mr. Herbert Frohlich resigned from the board and in his place Mr. Johannes M. Kievit was appointed as Director. The Board appreciates the contribution made by Mr. Herbert Frolich. Pursuant to Article 148 of the Articles of Association of the Company, read with Section

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256 of the Companies Act, 1956, Mr. B.C. Wee and Mr. Johannes M. Kievit retire by rotation. Both being eligible for reappointment, your Board considers it desirable that the Company should continue to avail itself of their experience and guidance.

3. Particulars of Appointment

Information in accordance with Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees Rules 1975).

Statement giving the required information relating to the employees covered by this Section of the Act is given below :

Name	Gross Remuner ation Rs.	Designation Nature of Duties and Age	Qualification & Experience (Years)	Date of Comme cement of employment which position Held.	Particulars of last employer position held & period for
Mr. P.T. Matthew	414900	Managing Director 59	B.Tech (Hons) MMS 37	1.5.90	Atlas Copco Ltd., Vice President (Mfg.) 20 years.

- i Remuneration includes salary, allowances and other perquisites.
- ii Mr. P.T. Matthew is not related to any of the Directors of the Company.
- iii The nature of employment is not contractual.

4. Conservation of Energy

Pursuant to Section 217 (i) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 the following information is provided.

A. CONSERVATION OF ENERGY - not applicable.

B. TECHNOLOGY ABSORPTION

1. Specific area in which R & D is carried out by the Company

Practically every repair job undertaken is an R & D exercise as the kind and extent of repairs is different in each case. As such, technology has been absorbed to the extent of all new jobs undertaken.

2. Benefits

With experience gained on different jobs, repeat orders can be completed much faster. Simultaneously the technical know how developed can be effectively used for future jobs.

3. Future Plan of Action

The Company apart from getting guidance and assistance from collaborators will develop its know-how based on jobs undertaken.

4. Costs of R & D

It is difficult to isolate R & D costs as first order of each "Job type" is an R & D job and even the second of the same type may involve different technology.

Technology absorption, adaption and innovation :

1. In addition to the expertise the Company has developed in the area of reconditioning Easter Rolls for Aluminium Industries, Lime Stone Crusher for Cement Industries, X'Mas Trees, Connectors for Drilling Rigs and Crude Oil Transfer Pumps used on Oil Production Platform, the Company has developed technologies for porous chrome plating of Skoda Engine Liners, hard chrome plating of chilled iron Calendar Rollers for Paper Mills and has also

United Van Der Horst Limited

developed technology for overhauling of HVAC Compressors.

2. Benefits derived

With the increased experience gained on different types of jobs, new areas and markets for reconditioning have been opened out.

3. In case of imported technology (imported during the last three to four years reckoned from the beginning of the financial year).

a) Technology imported :

The agreement for import of technology from the collaborators has expired and has not been renewed.

b) Year of import : Nil

c) Has Technology been fully absorbed :

We have absorbed imported technology in the areas of reconditioning and can now compete internationally in the Shipping & Oilfield Industries.

d) If not fully absorbed, areas where this has not taken place, reasons thereof, and future plans of action :

The above is not applicable as all the technology supplied by our collaborators has been fully absorbed.

C. FOREIGN EXCHANGE EARNINGS & OUTGO :

1. Activities relating to export, initiatives taken to increase exports, developing of new export markets for products and services and export plans.

The Indian Shipping Companies are utilising the same in Rupee payment and thus saving foreign exchange.

2. Total Foreign Exchnage used and earned :

Total Foreign Exchange used : Rs. 0.44 lakhs

Total Foreign Exchange earned : Rs. 18. 86 lakhs

5. Auditors :

M/s, Narkar & Associates, your Company's Auditors, retire at the conclusion of the 10th Annual General Meeting and are eligible for reappointment.

6. Acknowledgement :

Your Directors place on record their appreciation for the continues suport from shareholders, customers, suppliers, banks and financial institutions. Your Directors would also like to express their appreciation for the outstanding contribution by all employees of the Company during the period.

FOR & ON BEHALF OF THE BOARD

S.R. Gupte
Chairman

Mumbai : 26th June, 1997