



United Van Der Horst Limited

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**12th Annual Report
1998-99**

United Van Der Horst Limited

BOARD OF DIRECTORS

Mr. S.R. Gupte	<i>Chairman</i>
Mr. P.T. Matthew	<i>Managing Director</i>
Mr. P.K. Daruwalla)
Mr. Anup Singh) Directors
Mr. B.C. Wee)
Mr. Johannes M. Kievit)

ANNUAL GENERAL MEETING

On Friday,
24th December 1999
at 11.00 a.m.
E,29/30 MIDC
Industrial Area,
Taloja, Dist.Raigad,
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.Intime Spectrum Registry Pvt.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 M.I.D.C.
Industrial Area,
Taloja, Raigad Dist.,
Maharashtra.

Content	Page No.
Notice	2
Directors' Report	6
Auditors' Report	9
Balance Sheet	12
Profit & Loss Account	13
Schedules to Balance Sheet	14
Schedules to Profit & Loss A/c.	17
Notes to Accounts	20
Cash Flow Statement	22

United Van Der Horst Limited

NOTICE

Notice is hereby given that the Twelfth Annual General Meeting of UNITED VAN DER HORST LIMITED will be held on 24th December 1999, at 11.00 a.m. at the Registered Office of the Company at E 29/30, M.I.D.C., District Taloja, Raigad, Maharashtra to transact the following business.

ORDINARY BUSINESS :

1. To receive and adopt the audited Balance Sheet as at 31st March 1999 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.S.R. Gupte 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 Section 198, 269, 309, and other applicable provisions, if any, of the Companies Act 1956, the Company hereby approves the reappointment of and remuneration payable to Mr. P.T. Matthew as Managing Director for a period of ONE YEAR effective from 1st May, 1999 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 effect from 1st May, 1999".

"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 : 29-10-99

By Order of the Board

S.W. HAWALDAR
Finance Controller &
Company Secretary

Annual Report 1998-99

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.
3. "The Register of Members and the Share Transfer Register of the Company will be closed on 24-12-99.
4. Members are requested to send all transfer deeds, Share Certificates and other correspondence relating to registration of transfers, transmission, endorsement for payment of Allotment Money etc. to the Registrar & Share Transfer Agents M/s. Intime Spectrum Registry Pvt. 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 reappointed as Managing Director for a period of 1 year from 1st May 1998. Mr.P.T. Matthew was reappointed as Managing Director for a further period of 1 year commencing from 1st May, 1999 on the terms and conditions set out below :

1. Subject to the supervision, superintendence of control of the Board of Directors, the Managing Director will carry out such duties and exercise such powers as may be entrusted to him by the Board of Directors.
2. Remuneration : Subject to the approval by the Company in general meeting the Managing Director would be entitled to the following remuneration and benefits.
 - (a) Salary of Rs.26,500/- per month with annual increment as may be fixed by the Board of Directors from time to time.
 - (b) Soft Furnishing Allowance @ 10% of the salary per month.
 - (c) Commission at 1 percent of the net profits of the company in the matter laid down in Section 309 (5) of the Companies Act, 1956 subject to a ceiling of 20 percent of the salary or Rs. 90,000/- per annum, whichever is less.

United Van Der Horst Limited

(c) Perquisites :

Category A

i) Housing I

The expenditure by Company of hiring unfurnished accommodation will be subject to a ceiling of 60% of the salary in so far as the cities of Mumbai, Calcutta, Delhi and Chennai are concerned and 50% in respect of other places subject to the conditions that 10% of the salary shall be payable by Managing Director.

Housing II

In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in Housing I.

The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income-tax Rules, 1962 and will be subject to a ceiling 10% of the salary.

- ii) Medical expenses incurred for self and family will be subject to ceiling of one month's salary in a year or three month's salary over a period of three years.
- iii) Leave Travel Concession for self and family once in a year in accordance with the rules specified by the Company.
- iv) Club fees subject to a maximum of two clubs, No admission or life membership fee be paid.
- v) Personal accident insurance as per rules of the Company.

Category B

- vi) Company's contribution towards Superannuation/Annuity Fund shall be in accordance with the Scheme of the Company subject to a maximum of Rs. 75,000/- per year.

(NOTE) : These contribution towards Provident Fund and Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent these singly or put together are not taxable under the Income Tax Act 1961.

- vii) Gratuity Payable as per rules of the Company shall not exceed half a month's salary for each completed year of service subject to a ceiling of Rs. 1,00,000/-.

Category C

Provision of 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 car for private purpose shall be billed by the Company.

The perquisites will be restricted to an amount equivalent to the annual salary as per para 2(a) above.

- 3. Earned/privilege leave on full pay and allowances, as per Rules of the Company but not more than one month's leave for every eleven months of service. However, leave accumulated, but not availed of, will not be allowed to be encashed.

Annual Report 1998-99

4. Reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of Company. A reasonable ceiling for such expenses may, however, be fixed in this regard by the Board.
5. No sitting fees shall be paid for attending the meetings of the Board of Directors or Committee thereof from the date of appointment.
6. The Managing Director will not so long as he functions as Managing Director, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company in future without the prior approval of the Central Government has been obtained.
7. The above remuneration is payable subject to the limits of 5 percent and 10 percent the net profits of the Company as the case may be, as laid down in sub-section (3) of Section 309 of the Companies Act, 1956 and the overall limit of 11 percent of the net profits as laid down in sub-section (1) of Section 198 of the Act.
8. In the event of less or inadequacy of profits in any year, the Managing Director shall be paid the salary mentioned in para 2 above, and the perquisites relating to salary will be worked out on the basis of substantive salary in 2(a).

The Board also approved the payment of revised remuneration and perquisites to MR.P.T. Matthew with retrospective effect from 1st May, 1999.

Except Mr.P.T. Matthew, no other Director is concerned or interested in the reappointment of Managing Director.

Registered Office :

By Order of the Board of Directors

E-29/30 MIDC Taloja
Dist. Raigad
Maharashtra 410 208

S.W. HAWALDAR
Finance Controller &
Company Secretary

Date : 29-10-99

United Van Der Horst Limited

DIRECTORS' REPORT

To The Members,
United Van Der Horst Ltd.,

Your Directors submit the Twelfth Annual Report together with the Balance Sheet and Profit & Loss Account for the financial year ending 31st March 1999.

FINANCIAL RESULTS

	1998-99 Rs. in lakhs	1997-98 Rs. in lakhs
The Working of your Company for the year under review result in an operating profit of :	3.66	81.43
From which has to be deducted :		
For Interest	62.44	68.07
For Depreciation	42.57	48.50
	105.01	116.57
Resulting in a Profit/(Loss) of	(101.35)	(35.14)
To which has to be added/deducted :		
For Amortisation of Preliminary Expenses	1.73	1.73
Share Issue Expenses and Deferred Revenue Expenditure		
Previous year Expenses	(37.34)	(0.94)
Resulting a Net Profit/(Loss) for the year	(65.74)	(35.93)
To which is added/deducted Profit/(Loss) brought forward	(271.72)	(235.79)
Leaving a Profit/(Loss) of which your Directors propose to be carried forward to the next year	(337.46)	(271.72)

1. Operation & Financial Results :

The year under review witnessed widespread impact of recession in all industries. The impact of recession in industries have a major impact on working of your Company. The sales of the Refurbishing Activity remained on the same Level as last year. There is reduction in Service Income mainly because the period of mechanical maintenance contract of ONGC Hazira is over & the contract was not renewed in Company's favour as it was uneconomical to continue on Lower rates. The Company has made a Loss of Rs.101.35 lacs as compared to Rs.35.14 lacs in previous year. After making adjustments of prior transactions the net loss was Rs.65.74 lacs. The Company has made Settlement with ICICI for liquidation of Longterm Loan which has resulted in waiver of interest from ICICI.

2. Directors :

Persuant to Article 148 of the Articles of Association of the Company, read with Section 256 of the Companies Act, Mr.S.R. Gupte & Mr.B.C. Wee 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.