



# **UNITED VAN DER HORST LTD.**

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**21<sup>st</sup> Annual Report  
2007 - 2008**

**BOARD OF DIRECTORS**

Mr. Ushpal Singh Sabharwal	<i>Chairman</i>
Mr. Inderpal Singh Sabharwal	<i>Vice Chairman &amp; Managing Director</i>
Mr. V.D. Sambre	<i>Director</i>
Mr. S.S. Chaudhary	<i>Director</i>
Mr. Anup Singh	<i>Director</i>

**ANNUAL GENERAL MEETING**

on Tuesday  
30<sup>th</sup> September, 2008  
at 3:00 P.M.  
at  
E-29/30 M.I.D.C. Talaja,  
District Raigad, Maharashtra

**BANKERS**

State Bank of India, Mumbai  
Dena Bank, Talaja, Navi Mumbai

**AUDITORS**

M/s. Chokshi & Chokshi  
Chartered Accountants, Mumbai

**REGISTRAR & TRANSFER AGENTS**

M/s. Intime Spectrum Registry Ltd.,  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai 400 078.

**REGISTERED OFFICE & WORKS**

E-29/30 MIDC  
Industrial Area,  
Talaja, Dist., Raigad,  
Navi Mumbai - 410208  
Maharashtra

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF UNITED VAN DER HORST LIMITED WILL BE HELD ON TUESDAY 30<sup>th</sup> SEPTEMBER, 2008, AT E-29/30, MIDC INDUSTRIAL AREA, TALOJA, DIST. RAIGAD 410208 MAHARASHTRA AT 3.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31<sup>st</sup> March 2008 and the Balance Sheet as on that date & Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S. S. Chaudhary, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Anup Singh, who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint M/s Chokshi & Chokshi Chartered Accountants to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorize the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s) as may be deemed fit, the following resolution as a Special 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 read with Schedule XIII (including any statutory modifications or re-enactments thereof, for the time being in force) and subject to such sanctions and approvals as may be necessary, the Consent of the Company be and is hereby accorded to the appointment of Mr. Ushpal Singh Sabharwal as an Executive Chairman for a period of 3 years, commencing from 1st August, 2008 on the following remuneration :

Monthly Remuneration : Rs. 1.50 lakh per month inclusive of perquisites.

**RESOLVED FURTHER THAT** the Board of Directors (herein after referred to as the "Board") of the Company, on the recommendation of the Remuneration Committee, be and is hereby authorized to revision the said remuneration during the currency of his tenure and the total cost of the Company on account of such revision for any year during the currency of his tenure is subject to the limits as set out under section 198 & 309 of the Companies Act, 1956 read with Schedule XIII thereto.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of net profits for any financial during his tenure, the said monthly remuneration shall be treated as the minimum remuneration payable to Mr. Ushpal Singh Sabharwal.

**RESOLVED FURTHER THAT** over and above the said minimum remuneration, Mr. Ushpal Singh Sabharwal shall also be eligible for the following perquisites / benefits, which shall not be included in the minimum remuneration specified above.

- a. Company's contributions to provident fund, superannuation fund or annuity fund upto the non-taxable limits under the Income-Tax Act, 1961 '
- b. Gratuity at the rate of half's month's salary for each completed year of service ;
- c. Encashment of leave at the end of the tenure.

**RESOLVED LASTLY THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary expedient and proper to give effect to this resolution.

**REGISTERED OFFICE:**

E-29/30, MIDC Industrial Area,  
Taloja, Dist.Raigad 410208  
Maharashtra

By Order of the Board of Directors

**For United Van Der Horst Limited**

**Mr.Ushpal Singh Sabharwal**

Chairman

Date : 25<sup>th</sup> August, 2008

Place : Mumbai

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**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

A proxy form duly completed and stamped, must reach the registered office of the company not less than 48 hours before the time for holding the aforesaid meeting.

2. The register of members and the share transfer books of the company will remain closed from 23<sup>rd</sup> September, 2008 to 30<sup>th</sup> September, 2008 (both days inclusive) in connection with the Annual General Meeting.
3. The relative Explanatory Statement pursuant to section 173 of the Companies Act, 1956 in regard to the business as set out item No. 5 above is annexed.
4. Members are requested to send all transfer deeds, share certificates and other correspondence relating to registration of transfers, transmission endorsement of payment of allotment moneys etc to the Registrar & Share Transfer Agents i.e.

**INTIME SPECTRUM REGISTRY LIMITED**  
C-13, PANNALAL SILK MILLS COMPOUND,  
L.B.S. MARG, BHANDUP (WEST),  
MUMBAI-400 078

5. As per the Listing Agreement, particulars of Directors who proposed to be appointed and reappointed is furnished below :

Item No. 2 :

1	Name of Director	Mr. Sarabjit S. Chaudhary
2	Age	57 Years
3	Date of Appointment	30.12.2005
4	Expertise in specific	Financial
5	Qualification	Chartered Accountant
6	Directorship held in other Limited Companies. (Excluding Foreign Companies)	None
7	Committee position held in other companies	None
8	Number of Shareholdings	Nil

Item No. 3 :

1	Name of Director	Mr. Anup Singh
2	Age	77 years
3	Date of Appointment	29.03.2006
4	Expertise in specific	Technical Advisor
5	Qualification	Mechanical Engineer
6	Directorship held in Other Limited Companies ( Excluding Foreign Companies )	1. Karam Chand Thapar & Bros. (Coal Sales) Limited. 2. Solaris Chem Tech Limited 3. RICO Auto Industries Limited 4. Sunil Synchem Limited
7	Committee position held in other Companies	None
8	Number of Shareholdings	NIL

6. Members are requested to bring their copy of the Annual Report at the meeting.



**EXPLANATORY STATEMENT PURSUANT SECTION 173(2) OF THE COMPANIES ACT, 1956 :**

Item No. 5 :

Mr. Ushpal Singh Sabharwal has been appointed as the Chairman of the Board of Directors when the management was changed, company was making heavy losses for few years. In terms of the recommendations of the Remuneration Committee and subject to the approval of the members, the Board of Directors in its meeting held on 28th March, 2008 has appointed Mr. Ushpal Singh Sabharwal as Executive Chairman of the company for a period of three year with effect from 1st August, 2008 on the terms and conditions as are set out hereunder : -

- A. REMUNERATION including Basic Salary, House Rent allowance, Expenditure on Gas, Electricity, Water and Furnishing, Medical Reimbursement, Leave Travel Concession, Club Fees, Personal Accident Insurance aggregating to, but not exceeding Rs. 1,50,000/- (Rupees One Lac Fifty Thousand Only) per month.
- B. PERQUISITES INCLUDED IN THE ABOVE REMUNERATION :
1. Company's contribution towards Provident Fund as per rules of the Company but not exceeding 12% of the salary as laid down under the Income Tax Rules, 1962.
  2. Company's contribution towards Superannuation Fund as per the rules of the Company, but it shall not, together with the Company's contribution to Provident Fund, exceed 27% of the Salary as laid down under the Income Tax Rules, 1962.
  3. Gratuity - Not exceeding half month's salary for each completed year of service, subject to a ceiling of Rs. 3,50,000/- or such amount as may be laid down under the provisions of Payment of Gratuity Act, 1972.
  4. Earned / Privilege Leave - As per rules of the Company. Leave accumulated but not availed during the tenure may be allowed to be encashed at the end of the tenure.
  5. Free use of Company's car with driver for the business of the Company.
  6. Free telephone facility at Company's cost at residence. However, personal long distance calls shall be billed to the appointee.

Further in the event of absence or inadequacy of profits in any financial year during the tenure, Mr. Ushpal Singh Sabharwal shall be paid a consolidated remuneration of Rs. 1,50,000/- per month as a minimum remuneration.

**INFORMATION REQUIRED PURSUANT TO THE PROVISIONS OF SCHEDULE XIII TO THE COMPANIES ACT, 1956 READ WITH CLAUSE 49 OF THE LISTING AGREEMENT IS FURNISHED AS UNDER :**

**I. General Information :**

**i. Nature of Industry**

The Company is one of the leading company offering "Porous Chrome Plating Technology and other specialized reconditioning services.

- ii. **Date or expected date of commencement of commercial production**  
Not Applicable.
- iii. **Incase of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.**  
Not Applicable.
- iv. **Financial performance based on given indicators**  
The relevant financial figures (Audited) as at the year ended 31st March 2008.

Revenue	Expenses	Net Profit / (Loss)
65,795,792.75	56,261,190.15	9,534,602.60

- v. **Export performance and Net Foreign Exchange Collaborations**  
The foreign exchange earned was Rs. 3,74,683.60/- as against out go of Rs. 5,20,292.30/-
- vi. **Foreign Investments or collaborators, if any**  
Not Applicable.

## II. INFORMATION ABOUT THE APPOINTEE :

### a. **Background Details**

Mr. Ushpal Singh Sabharwal is one of the promoters of the Company and has over 40 years of experience in all aspects business like conception of projects, establishing manufacturing units and managing the business operations. He is a commerce graduate.

### b. **Past Remuneration**

Not Applicable.

### c. **Recognition or Awards**

He is renowned personality in the field of Chrome Industry and had immensely contributed to the nation in developing and introducing quality chrome plating technology and other related services.

### d. **Job Profile and his suitability**

As stated above, Mr. Ushpal Singh Sabharwal is a Commerce Graduate with over 40 years of experience. He is one of the promoters of the Company and is now vested with the substantial powers of management of the Company. As is evident from his qualifications Mr. Ushpal Singh Sabharwal is ideally suited to the nature of our industry, the benefits of which, the company has reaped over the year under his Chairmanship.

### e. **Remuneration Proposed**

As mentioned above in item no. 5.

### f. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)**

The prevalent levels of remuneration in manufacturing industries, in general and the industry in particular are higher. Taking into account the turnover of the Company, Mr. Ushpal Singh



Sabharwal's invaluable contribution to the Company, his role in placing the Company in pre eminent position in the industry, his strategic role in turning around the Company from its difficult position, the proposed remuneration to the appointee is reasonable and in line with the remuneration levels in the industry, across the country and befits his position.

**g. Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any**

Mr. Ushpal Singh Sabharwal is one of the promoters of the Company and has been instrumental in bringing significant growth in the volume of its business since change of management. He is also related to Mr. Inderpal Singh Sabharwal, who is the other promoter and Managing Director of the Company.

### III. OTHER INFORMATION :

**a. Reasons of loss or inadequate profits**

The Company incurred the losses primarily due to carried forward of losses.

**b. Steps taken or proposed to be taken for improvement**

Company has been consistently developing newer technologies for applications and is in advanced stages of their commercialization. This will help the company to improve its operations and bottom lines.

**c. Expected increase in productivity and profit in measurable terms**

The Company will strive to widen its customer base, increase market share and develop new products, new segments and step up market initiatives and look for overall growth in domestic top line. Company is entering long-term contract with the raw material suppliers to avoid unexpected price variation / shortages.

The aforesaid measures are expected to substantially increase the productivity and profits of the Company.

### IV. DISCLOSURES

**The proposed managerial remuneration package of the managerial person**

As mentioned above.

The appointment and remuneration payable to the appointee needs to be approved by the shareholders in a general meeting and accordingly the resolution is placed before the members.

The Directors recommend the resolution for the approval of the members.

Mr. Ushpal Singh Sabharwal is also holding Directorship in the following companies :-

1. Spareage Seals Limited
2. USS Hydraulics & Seals Private Limited
3. UK Hydraulics & Seals Private Limited

Mr. Ushpal Singh Sabharwal and Mr. Inderpal Singh Sabharwal, being related to each other, may be deemed to be interested in this resolution. None of the other Directors is in any way concerned or interested in this resolution.

The relevant documents relating the remuneration and appointment of Mr. Ushpal Singh Sabharwal as an executive chairman are open for inspection at the registered office of the Company, during the business hours on all working days upto the date of this Annual General Meeting.

The above may also be treated as an abstract of terms of appointment and memorandum of interest under Section 302 of the Companies Act, 1956.

**REGISTERED OFFICE:**

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By Order of the Board of Directors

**For United Van Der Horst Limited**

**Mr. Ushpal Singh Sabharwal**

Chairman

Date : 25<sup>th</sup> August, 2008

Place : Mumbai

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