



UNITED VAN DER HORST LTD.

**25th Annual Report
2011-2012**

INDU NISSAN OXO CHEMICAL INDUSTRIES LIMITED**BOARD OF DIRECTORS**

Mr. Inderpal Singh Sabharwal	Chairman & Managing Director
Mr. V. D. Sambre	Director
Mr. S. S. Chaudhary	Director

BANKERS

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

AUDITORS

M/s. Chokshi & Chokshi
Chartered Accountants, Mumbai

ANNUAL GENERAL MEETING

on Friday
28th September, 2012
at 11:00 A.M.
at
E-29/30 M.I.D.C. Taloja,
District Raigad, Maharashtra

REGISTRAR & TRANSFER AGENTS

M/s. Link Intime India Private Limited,
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai 400 078.

REGISTERED OFFICE & WORKS

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

CONTENTS

Notice.....	3
Directors Report.....	9
Compliance Certificate	12
Management Discussion and Analysis Report.....	16
Philosophy on Code of Governance.....	17
Auditors' Certificate on Corporate Governance.....	24
Auditors Report.....	25
Balance Sheet.....	30
Profit and Loss Account.....	31
Notes to Accounts	32
Notes Forming Part of Accounts.....	42
Balance Sheet Abstract	52
Cash Flow Statement.....	53

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY-FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF UNITED VAN DER HORST LIMITED WILL BE HELD ON 28th SEPTEMBER 2012 AT 11.00 A.M. AT E- 29/30, MIDC INDUSTRIAL AREA, TALOJA, DIST. RAIGAD 410208, MAHARASHTRA TOTRANSACTTHE FOLLOWING BUSINESS :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2012 and the Balance Sheet as on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sarbjit Singh Chaudhary, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint M/s Chokshi & Chokshi auditors 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:

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution :

“RESOLVED THAT subject to approval of the remuneration committee and members of the Company pursuant to Section 198, 269 read with Schedule XIII, 309, 310 and 311 or any other applicable provisions of the Companies Act 1956, the remuneration payable to Mr. Inderpal Singh Sabharwal, Managing Director of the Company be and is hereby revised with effect from 16th July, 2011 for the remaining period of his tenure i.e. up to 15th July, 2014 on the remuneration and terms and conditions mentioned in the Explanatory Statement annexed hereto.”

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 314(1), 314(1B) and other applicable provisions, if any, of the Companies Act, 1956 and Director's Relatives (Office or Place of Profit) Rules, consent of the Company be and is hereby accorded to Ms. Rubina I Sabharwal, a relative of Mr. Inderpal Singh Sabharwal, Managing Director of the Company to hold and continue to hold an office or place of profit as Administration Manager of the Company, for a period of three years commencing from 1st April 2012 on the terms and conditions as mentioned in the Explanatory Statement annexed hereto.”

By order of the Board of Directors
For United Van Der Horst Limited

Mr. Inderpal Singh Sabharwal
Chairman

REGISTERED OFFICE:

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

Date : 28th August 2012
Place: Mumbai

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 21st September 2012 to 28th September 2012 in connection with the Annual General Meeting.
3. 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.

LINK INTIME INDIA PRIVATE LIMITED
C-13, Pannalal Silk Mills Compound, LBS Marg,
Bhandup (West), Mumbai 400078

4. As per the Listing Agreement, particulars of Director who is proposed to be reappointed is furnished below :

Item No 2 :

1	Name of Director	Mr. Sarbjit Singh Chaudhary
2	Age	60 years
3	Date of Appointment	30.12.2005
4	Qualification	Chartered Accountant

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

By order of the Board of Directors
For United Van Der Horst Limited

Mr. Inderpal Singh Sabharwal
Chairman

REGISTERED OFFICE:

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

Date : 28th August 2012
Place: Mumbai

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 :**Item No.4 :**

Mr. Inderpal Singh Sabharwal has been appointed as the Managing Director of the Company with effect from 16th July 2011 for a period of 3 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 12th November, 2011 approved revision in the remuneration payable to Mr. Inderpal Singh Sabharwal as Managing Director with effect from 16th July 2011 to bring his remuneration in line with the overall salary structure at similar levels in the industry. The terms and conditions are set out hereunder :-

A. Salary : Salary of Rs.250,000/- per month

B. Perquisites :

1. 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 per annum.
2. Medical expenses incurred for self and family in accordance with the rules of the Company.
3. Leave Travel Concession for self and family once in a year in accordance with the rules of the Company.
4. Club fees. No admission or life membership fee be paid.
5. Personal accident insurance as per rules of the Company.
6. Company's contribution towards Provident Fund shall be as per the scheme of the company.

(NOTE) This contribution towards Provident 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.
7. Gratuity payable as per rules of the company.
8. Provision of car for use on Company's business and telephone at residence.
9. 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.
10. Reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the Company. Managing director has to submit the statement of entertainment expenses.
11. No sitting fees shall be paid for attending the meetings of the board of directors or committee thereof from the date of appointment.
12. The above remuneration is payable subject to provisions of section 198, 269, 309(3), 310 and 311, read with schedule XIII of the Companies Act, 1956, according to which :

A company having profits in a financial year may pay any remuneration, by way of salary, dearness allowance, perquisites, commission and other allowances, which shall not exceed five percent of its net profits for one such managerial person and where in any financial year during the currency of tenure of the managerial person, a company has no profits or profits are inadequate, it may pay remuneration to a managerial person, by way of salary, dearness allowance, perquisites, commission and other allowances as per the provisions of Section II of Part II of Schedule XIII.

Item No. 5 :**Profile of Mrs. Rubina I. Sabharwal**

Father's Name : Gursharan Singh Chhabra

Date of Birth : 29/03/1974

Ms. Rubina Sabharwal is a graduate from Mumbai University, and has experience in handling administration matters.

Remuneration Details :

- 1) Salary : Rs. 175,000 per month, with a provision for increase in salary of not more than 20% per annum over the previous year.
- 2) Perquisites and Allowances:
 - (a) Medical and accident insurance premium as per Company rules.
 - (b) Leave in accordance with the leave rules of the Company
 - (c) Gratuity payable as per Company rules

This resolution is required to be passed as a Special Resolution, pursuant to the provisions of Section 314 of the Act and accordingly the resolution is placed for the approval of the members.

None of the directors except Mr. Inderpal Singh Sabharwal is interested in the resolution.

By order of the Board of Directors
For United Van Der Horst Limited

Mr. Inderpal Singh Sabharwal
Chairman

REGISTERED OFFICE:

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

Date : 28th August 2012
Place: Mumbai

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 operates in the Refurbishing, Restandardising and Reconditioning Industry for Diesel Engine Components and Oil Rig Equipment. It specializes in Porous chrome plating technology, and manufacture of hydraulic cylinders. Company has all the necessary certifications for all its activities.

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) for year ended 31st March 2012 :

Revenue (Rs)	Expenses (Rs.)	Profit/ (Loss) Rs. Before tax
64,987,093	60,057,467	4,929,626

v. Export performance and Net Foreign Exchange Collaborations
The foreign exchange earned in year ended 31st March 2012 was Rs. Nil as against out go of Rs. 711,332/-

vi. Foreign Investments or collaborators, if any
Not applicable

II. INFORMATION ABOUT THE APPOINTEE :

a. Background Details

Mr. Inderpal Singh Sabharwal is one of the promoters of the Company and has over 20 years of experience in all aspects of business including conception of projects, establishing manufacturing units and managing the business operations. He is a commerce graduate.

b. Past Remuneration

Salary of Rs. 150,000/- per month and Perquisites.

c. Recognition or Awards

Mr. Indrapal Singh Sabharwal has been instrumental in obtaining ABS certification, and other recognition/certifications for the Company.

d. Job Profile and his suitability

As stated above, Mr. Inderpal Singh Sabharwal is a Commerce Graduate with over 20 years of experience in this field. He is one of the promoters of the Company, and is now vested with substantial powers of management as Managing Director of the Company. As is evident, Mr. Inderpal Singh Sabharwal is ideally suited to the nature of our industry, the benefits of which the company has reaped over the year under his leadership.

- e. Remuneration proposed
As mentioned in Item no. 4
- f. Comparative remuneration profile with respect to the 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 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. Inderpal Singh Sabharwal's invaluable contribution to the Company, his strategic role in turning around the Company from its difficult position the proposed remuneration is reasonable, and in line with the remuneration levels in the industry, across the country and befits his position.

III. OTHER INFORMATION :

- a. Reasons for loss or inadequate profits
The Company incurred the losses primarily due to carry forward of historical losses made under previous management, and also due to slow down observed in two business segments – Diesel Engine Components and Oil Field Equipments. The carry forward losses has been reducing annually due to the profits generated in recent years.
- b. Steps taken or proposed to be taken for improvement
Company has been consistently developing new 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 :

Remuneration package of the managerial person – as disclosed above.

The remuneration payable to the Managing Director 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.

Other than Mr. Inderpal Singh Sabharwal, none of the other directors are in any way concerned or interested in this resolution.

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

By order of the Board of Directors
For United Van Der Horst Limited

Mr. Inderpal Singh Sabharwal
Chairman

REGISTERED OFFICE:

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

Date : 28th August 2012

Place: Mumbai

DIRECTOR'S REPORT

To,
The Members,
United Van Der Horst Limited

The Directors have pleasure in presenting the 25th Annual Report together with the Audited Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS :

	31 st March 2012 Rs.	31 st March 2011 Rs.
Profit/ (Loss) Before Taxation	4,929,626	21,726,194
Less /(Add):Current Tax	1,000,000	6,200,000
Less/(Add): Deferred Tax (Provision)	(572,215)	2,005,505
Add/(Less): Prior Period Tax Adjustments	—	—
Profit/(Loss) After Taxation	4,501,841	13,520,689
Profit/ (Loss) brought forward	(19,451,764)	(32,972,453)
Profit/ (Loss) carried to Balance Sheet	(14,949,923)	(19,451,764)

* (Above figures as per revised Schedule VI)

PERFORMANCE REVIEW :

The Company's turnover for the year 2011-2012 has been Rs. 641.28 lakhs as compared to last year figure of Rs.1064.85 lakhs. The company has made a net profit after taxation of Rs. 45.01 lakhs against Rs. 135.20 lakhs last year.

DIVIDEND :

In view of the accumulated losses your Directors do not recommend dividend for the year under review.

PUBLIC DEPOSITS :

The Company had not accepted the deposits from the public as per Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and the company's Articles of Association Mr. Sarbjit Singh Chaudhary, Director of the Company, retires by rotation and being eligible, offers himself for re- appointment.

AUDITORS :

The Company's Auditors M/s. Chokshi & Chokshi, Chartered Accountants retire on the conclusion of the forthcoming Annual General Meeting and are eligible for reappointment.

COMPANY SECRETARY COMPLIANCE CERTIFICATE :

The Company has obtained Compliance Certificate from Shri. Virendra G. Bhatt, a practicing Company Secretary, as under Section 383A (1) of the Companies Act, 1956, which is enclosed herewith forming part of the Director's Report.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representation received from the operating management, confirm that :

- i) in preparation of the Annual Accounts for the year ended 31st March,2012 the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii) the directors had selected such accounting policies and applied consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March,2012 and the profit of the Company for the year under review;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,1956,for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts for the year ended 31st March,2012 have been prepared on a 'going concern basis'.

CORPORATE GOVERNANCE :

Pursuant to Clause 49 of the listing agreement with Stock Exchange, a Management Discussion & Analysis, Corporate Governance Report and Auditors Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO :

The prescribed particulars under section 217(1) (e) of the Companies Act, 1956 relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are detailed below :

1) Total energy consumption per unit of production.

Particulars	2011-2012	2010-2011
Electricity Purchased		
i) Units	691986	809676
ii) Total amount (Rs. in '000)	4913	5068
iii) Rate / KWH (Rs.)	4.80	4.80

2) Foreign Exchange Earnings and Outgo.**(Rs. in Thousand)**

Particulars	2011-2012	2010-2011
Total Foreign Exchange Earned	Nil	25.74
Total Foreign Exchange Outgo	711.33	169.08