



# UNITED VAN DER HORST LTD.

E-29/30 MIDC Talaja, Navi Mumbai 410208, Maharashtra, INDIA,  
Tel. : +91 22 27412728 (10 Lines) Fax : +91 22 27412725 / 27410308  
Email : sales@uvdhl.com Website : www.uvdhl.com  
CIN NO : L99989MH1987PLC044151

Date: 05/10/2016

To,  
**BSE Limited**  
**Bombay Stock Exchange,**  
P. J. Towers, Dalal Street,  
Mumbai - 400001

**Subject: Submission of Annual Report for F.Y. 2015-16 under regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir/Madam,

In compliance with the regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Annual Report of the Company for the financial year 2015-16 as approved and adopted in the 29<sup>th</sup> Annual General Meeting of the Company held on Friday, 30<sup>th</sup> September, 2016.

Thanking You.

**For United Vander Horst Limited**

**Indarpalsingh Sabharwal**  
Chairman & Managing Director  
DIN: 00359315

**BOARD OF DIRECTORS**

Inderpal Singh Sabharwal - Chairman and Managing Director  
Vijaychand Sambre - Independent Director  
Rubina Inderpal Sabharwal - Whole – Time Director and CFO  
Sarbjit Singh Chaudhary - Independent Director  
Pritam Singh Ichpanani - Independent Director

**BANKERS**

State Bank of India, Taloja,  
Navi Mumbai

**AUDITORS**

M/s. Chokshi & Chokshi  
LLP, Chartered Accountants,  
(FRN - 101872W/W100045).

**REGISTRAR AND TRANSFER AGENTS**

**M/s. Link Intime India Pvt Ltd.**

C-13, Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup West,  
Mumbai – 400 078  
Tel: +91 22 - 25963838  
Fax: +91 22 - 25962691

**E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)**

**REGISTERED OFFICE**

E-29/30, MIDC,  
Taloja,  
Dist-Navi Mumbai,  
Opp. Deepak Fertilisers,  
Navi Mumbai – 410208.

**ANNUAL GENERAL MEETING**

On Friday  
30<sup>th</sup> September, 2016  
at 10:00 A.M.

at  
E-29/30, MIDC, Taloja, Dist -Navi  
Mumbai, Opp. Deepak Fertilisers,  
Navi Mumbai – 410208.

## DIRECTORS' REPORT

To,  
The Members  
**United Vander Horst Limited**

Your Directors presenting their 29<sup>th</sup> Annual Report on the business and operations of the Company and statement of accounts for the year ended 31<sup>st</sup> March, 2016.

### **Financial Summary/Highlights:**

During the financial year, the performance of the Company is as under:

(Amounts in Rupees '000')

| <b>Particulars</b>   | <b>2015-16</b>   | <b>2014-15</b>     |
|--|------------------|--------------------|
| Total Income   | 35,290.27        | 52,566.00          |
| <b>Less: Expenses</b>  | 45,431.91        | 61,895.15          |
| <b>Profit/ (Loss) before exceptional and extraordinary items and tax</b> | (10,141.64)      | (9,329.15)         |
| Exceptional items  | (8581)           | 878.99             |
| <b>Profit/(Loss) before extraordinary items and tax</b>                  | <b>(1560.64)</b> | <b>(10,208.13)</b> |
| <b>Less: extraordinary items</b>   | -                | -                  |
| <b>Profit before tax</b>   | <b>(1560.64)</b> | <b>(10,208.13)</b> |
| Current Tax  | -                | -                  |
| Deferred Tax   | (63.79)          | (932.66)           |
| <b>Profit (Loss) After Taxation</b>                                      | <b>(1496.85)</b> | <b>(9,275.48)</b>  |

### **Overview of Company's Financial Performance:**

During the year under review, Income from Sales and Services was Rs. 35,030.57/- thousands against Rs. 52,566/- thousands in the previous year.

The Company has suffered a net loss of Rs.1496.85/- thousands in the current financial year and net loss of Rs. 9,275.48/- thousands in the previous financial year.

### **Transfer to reserves:**

During the financial year, the Company did not transfer any amount to reserve.

**Dividend:**

Considering the fact, that the Company has suffered a loss, your Directors have decided not to recommend any dividend on the equity shares for the year ended 31<sup>st</sup> March, 2016.

**Change in the nature of business:**

There was no change in the nature of business of the Company during the financial year.

**Public Deposits:**

During the financial year 2015-16, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

**Subsidiaries, Associate and Joint venture Companies:**

As on 31<sup>st</sup> March, 2016, according to Companies Act, 2013 and rules made there under the Company does not have any Subsidiary Company, Associate Company and Joint Venture Company. Hence, Form AOC - 1 is not applicable.

**Directors and Key Managerial Personnel:**

Mrs. Rubina Inderpal Sabharwal (holding DIN - 03556608), Whole-Time Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer herself for re-appointment. Your Directors recommend her re-appointment.

Mr. Ushpal Singh Sabharwal has resigned w.e.f. 6<sup>th</sup> July, 2015 from the Designation of Managing Director of the Company and Mr. Inderpal Sabharwal has been appointed as the Chairman and Managing Director on the Board of the Company w.e.f. 14<sup>th</sup> August, 2015.

Nomination and Remuneration Committee of the Board of Directors ('Board') had recommended to the Board, appointment of Mrs. Rubina Inderpal Sabharwal as Whole - Time Director of the Company. Subsequently, the Company has Appointed Mrs. Rubina Inderpal Sabharwal as Whole-Time Director of the Company for the period of three years w.e.f. 1<sup>st</sup> September, 2015 to 31<sup>st</sup> August, 2018 in accordance with the applicable provisions and rules of the Companies Act, 2013.

Mrs. Baljeet Kaur Mehra has resigned from the Designation of Chief Financial Officer of the Company w.e.f. 8<sup>th</sup> November, 2015 and Mrs. Rubina Inderpal Sabharwal has been appointed as Chief Financial Officer of the Company w.e.f. 9<sup>th</sup> November, 2015.

**Declaration by independent directors:**

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013 that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).

**Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

During the financial year, there were no such orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**Adequacy of Internal Financial Control:**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding the assets, the prevention and detention of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosure.

**Composition of Audit Committee:**

The Audit Committee Comprises of Three Directors. Composition of the Audit Committee during the financial year 2015-2016 is as follows:

| <b>Sr. No.</b> | <b>Name of the Committee Members</b> | <b>Designation</b> |
|----------------|--------------------------------------|--------------------|
| 1              | Mr. Vijay Chand Sambre               | Chairman           |
| 2              | Mr. Sarbjit Singh Chaudhary          | Member             |
| 3              | Mr. Inderpal Ushpalsingh Sabharwal   | Member             |

There were no matters during the financial year 2015-2016, wherein the Board did not accept recommendations given by the Audit Committee.

### **Establishment of Vigil Mechanism:**

The Company has established and adopted Vigil Mechanism and the policy (**Whistle Blower Policy**) thereof for directors and employees of the Company in accordance with the provisions of Companies Act, 2013 as well as regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015). During the year under review, no personnel of the Company approached the Audit Committee on any issue falling under the said policy. The vigil mechanism policy is available on the website of the company at link: <http://www.uvdhl.com>

### **Particulars of remuneration to employees:**

Pursuant to the provisions of section 197 of the Companies Act, 2013, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of employees are required to be provided in the Directors' Report. However, having regard to the provisions of section 136 of the Companies Act, 2013, the Annual Report, excluding the aforesaid particulars, is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining these particulars will be provided with the same upon receipt of a written request delivered at the Registered Office of the Company.

### **Management Discussion and Analysis:**

The Management Discussion and Analysis forms part of the Directors' Report is annexed herewith as '**Annexure C**'.

### **Corporate Governance Report:**

As required by Chapter IV read with Schedule V, Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance form part of this Annual Report. (**'Annexure -D'**)

### **Auditors:**

#### **a) Statutory Auditors:**

M/s. Chokshi & Chokshi LLP, Chartered Accountants (FRN: 101872W/ W100045), were re-appointed as the Statutory Auditors of the Company in 27<sup>th</sup> Annual general meeting to hold office till the conclusion of third consecutive annual General Meeting i.e. for the financial year ended 31<sup>st</sup> March, 2017 as per the provisions of Section 139 of the Companies Act, 2013. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the rules made there under for reappointment as Auditors of the Company.

**b) Secretarial Auditor:**

CS Rakesh Kapur, Practising Company Secretary was appointed to conduct the Secretarial Audit of the Company for the financial year 2015-2016, as required under Section 204 of the Companies Act, 2013 and rules made thereunder. The Secretarial Audit Report for financial year 2015-2016 forms part of the Directors Report as '**Annexure B**' to the Board's report.

**Explanations by the Board on qualification, reservation or adverse remark or disclaimer made by the:**

• **Auditors in their report**

The qualifications given by Auditors in their report for the financial year 2015-2016 are as follows:

| <b>Sr.no.</b> | <b>Auditors Qualification</b>  | <b>Directors Reply</b>   |
|---------------|--|--|
| 1             | The Company continues to prepare accounts on a going concern basis, despite accumulated losses as on 31.03.2016 being more than 50% of the average net worth during the four years immediately preceding the current financial year. | The Company has positive net worth as on 31.03.2016 after adjustment of all accumulated losses. In view of this and based on the internal assessment and future projections, the management has prepared accounts on a going concern basis.  |
| 2             | The amounts aggregating Rs.10,752.23 thousand towards Trade Payable and Rs.6,370.10 thousand towards Trade Receivables are subject to confirmation from the parties.   | The Company had advised the parties to send yearend balance confirmation, which is awaited towards Trade Payable amounting to Rs.10,752.23 thousand and Trade Receivables amounting to Rs.6,370.10 thousand. Since the amount due to/ from these parties are fully payable/recoverable, no material difference is expected to arise at the time of settlement, requiring accounting effect in the current financial year |
| 3             | During the year ended 31.03.2016, the Company has written back amounts aggregating Rs.8,581 thousand payable to related parties towards Trade Payable/ Unsecured Loans / Expenses subject to confirmation from these parties.        | Pending confirmation, the Company has written back amounts aggregating Rs.8,581 thousand payable to related parties towards Trade Payable/ Unsecured Loans / Expenses during the year ended 31.03.2016 based on internal approval. The Company shall be seeking written confirmation from these parties.   |

- **Company secretary in practice in his Secretarial Audit Report:**

The qualification/Observation given by the Company secretary in practice in his Secretarial Audit Report for the financial year 2015-2016 is as follows:

| <b>Observation</b>   | <b>Directors Reply to the observation</b>  |
|--|--|
| During the Financial Year 2015-16, The Company has not appointed Company Secretary in whole time employment of the Company as required to be appointed as per Section 203 of the Companies Act, 2013 and rules made there under. | Despite of several efforts, the Company is searching and finalizing appropriate candidate for the post of whole time Company Secretary. Consequently, the position of the same was vacant during the Financial Year 2015-16. |

**Employees Stock Option Scheme (ESOS), Sweat Equity & Shares having differential voting rights:**

Your Company has not issued any shares to the employees of the Company under the Employee Stock Option Scheme, Sweat Equity and with differential voting rights in the previous financial year.

**Extract of Annual Return:**

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the Annual return in the prescribed format is annexed herewith as '**Annexure A**' to the Board's report.

**Number of Meetings of the Board:**

During the financial year, 6 (Six) Board Meetings and 4 (Four) Audit Committee Meetings were held the details of which are given in the Corporate Governance Report forming part of the Annual Report.



### **Director's Responsibility Statement:**

Pursuant to the requirement of Section 134(3)(c) of the Companies Act 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- a) that in the preparation of the accounts for the financial year ended on 31<sup>st</sup> March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures,
- b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and of the profit/ loss of the Company for the year ended on that date;
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the Directors had prepared the accounts for the financial year ended on 31<sup>st</sup> March, 2016 on a 'going concern' basis.
- e) that Directors had laid down adequate financial controls and that the financial controls were adequate and were operating effectively.
- f) that Directors had devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **Policy on Director's appointment and remuneration:**

Policy for Selection and Appointment of Directors and their Remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted and altered by the Board, is annexed as '**Annexure E**' to the Board's report.

### **Particulars of loans, guarantees or investments under Section 186:**

During the financial year 2015-2016, there are no such transactions transacted by the Company and hence particulars of details of loans, guarantee, security or investments covered under Section 186 of the Companies Act, 2013 are not required to be furnished. Additionally mentioned in details in the notes to accounts of financial statements.

### **Particulars of contracts or arrangements made with related parties:**

During the Financial Year 2015-16, all Related Party Transactions entered in to with Related Parties were at arm's length and were in the ordinary course of the business. There were no materially significant related party transactions entered in to by the Company with any Related Parties which require shareholders approval. Hence, particulars of related party contracts or arrangements in Form AOC - 2 is not applicable. The particulars of contracts or arrangement with Related Parties forms part of the notes to the Financial Statements.

### **Corporate Social Responsibility:**

The Company is not falling in any criteria as mentioned in Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Act. Hence, provision of CSR is not applicable to the Company.

### **Material changes and commitments affecting financial position between the end of the financial year and date of report:**

There are no material changes and commitments affecting financial position between the end of the financial year and date of Boards Report.

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo:**

#### **A. Conservation of Energy Technology Absorption:**

##### **1. Steps taken or impact on conservation of energy:**

All the manufacturing facilities continued their efforts to reduce the specific energy consumption. Specific and total energy consumption is tracked at individual block level and also at consolidated manufacturing level. Apart from regular practices and measures for energy conservation, many new initiatives were driven across the units. Some of them are mentioned below:

- Use of natural Lightning and natural ventilation
- LED Lights in office in place of CFL in offices
- Encouraging Go Green Initiatives

##### **2. The steps taken by the company for utilizing alternate sources of energy:**

The manufacturing units continue to put in effort to reduce specific energy consumption. The Company is evaluating other sources of energy.

### **3. Capital investment on energy conservation equipments:**

During the Financial Year, the Company has not made any new investments in the energy conservation equipments which is Capital in nature.

### **B. Technology Absorption:**

- **Efforts made towards technology absorption:** The Company has on ongoing basis absorbed the technology for manufacturing of products and major up gradation process was carried out to reduce the cost.
- **Benefits derived as a result of the above efforts:** Product improvement, cost reduction, product development etc. The Company is in Process of Developing the ways for technology absorption, adaptation and innovation.
- **In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):** No new technology has been imported during the year.
- **Expenditure Incurred on Research and Development:** The Company is in process to spend some amount for research and development as to reduce cost and improve the quality of product.

### **C. Foreign exchange earnings and outgo:**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

- Foreign Exchange Earning - NIL
- Foreign Exchange Outgo - NIL

### **Risk Management Policy and Compliance Framework:**

Risk Management policy of the Company has been developed and implemented, recommended by the Audit Committee and approved by Board of Directors. In the opinion of the board the below given risks may threaten the existence of the Company:

### **External Risk Factors:**

- a. Economic Environment and Market conditions
- b. Political Environment
- c. Competition
- d. Technology

**Internal Risk Factors:**

- a. Contractual Compliance
- b. Environmental Management
- c. Human Resource Management

**Board Evaluation:**

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and Individual Directors. Schedule IV of the Companies Act, 2013 and regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the corporate governance report section in this Annual Report.

**Acknowledgment:**

Your Directors would like to express their grateful appreciation for the assistance, support and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review.

On behalf of the Board of Directors  
**For United Vander Horst Limited**

**SD/-**

Mr. Inderpal Singh Sabharwal  
Chairman & Managing Director  
DIN: 00359315  
Add: Flat No-2C,  
2<sup>nd</sup> Floor, Hill Top Bldg.,  
49-49A Pali Hill, Bandra (W),  
Mumbai - 400050

**SD/-**

Mrs. Rubina Inderpal Sabharwal  
Whole –Time Director & CFO  
DIN: 03556608  
Add: Flat No-2C, Add:  
2<sup>nd</sup> Floor, Hill Top Bldg.,  
49-49A Pali Hill, Bandra (W),  
Mumbai - 400050

Place: Navi Mumbai  
Date: 30/05/2016

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31<sup>st</sup> March, 2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

|      |   |  |
|------|---|--|
| i)   | CIN   | L99999MH1987PLC044151  |
| ii)  | Registration Date   | 22/07/1987   |
| iii) | Name of the Company   | United Vander Horst Limited  |
| iv)  | Category / Sub-Category of the Company                                    | Company having share capital/Indian Non - Government Company   |
| v)   | Address of the Registered office and contact details                      | E.29/30, MIDC, Taloja, Navi Mumbai - 410208, Maharashtra, India, Tel. 022-2741 2728  |
| vi)  | Whether listed company  | Yes  |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | <b>Link Intime India Private Limited,</b><br>C-13, Pannalal Silk Mills Compound,<br>L. B. S. Marg, Bhadup (W), Mumbai - 400078<br>Tel No. 022 - 25963838 |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the Company |
|---------|---|----------------------------------|------------------------------------|
| 1       | Job Work of Hydraulic cylinders                 | 2812                             | 64.69%                             |
| 2       | Manufacturing of Hydraulic cylinders            | 2812                             | 39.29%                             |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – NOT APPLICABLE**

| SR. NO | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | %of shares held | Applicable Section |
|--------|---------------------------------|---------|--------------------------------|-----------------|--------------------|
| 1      | -                               | -       | -                              | -               | -                  |

**IV. SHAREHOLDINGPATTERN  
(Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

| Category of Shareholders                   | No. of Shares held at the beginning of the year |          |         |                   | No. of Shares held at the end of the year |          |         |                   | % Change during the year |
|--|---|----------|---------|-------------------|---|----------|---------|-------------------|--------------------------|
|  | Demat   | Physical | Total   | % of Total Shares | Demat                                     | Physical | Total   | % of Total Shares |                          |
| <b>A. Promoters</b>                        |   |          |         |                   |   |          |         |                   |                          |
| (1) <b>Indian</b>                          |   |          |         |                   |   |          |         |                   |                          |
| a) Individual/ HUF                         | 2695214   | -        | 2695214 | 67.46             | 2695214                                   | -        | 2695214 | 67.46             | -                        |
| b) Central Govt.                           | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| c) State Govt.(s)                          | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| d) Bodies Corporate                        | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| e) Banks / FI                              | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| f) Any other. Persons Acting in Concert    | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| Sub- Total (A) (1):                        | 2695214   | -        | 2695214 | 67.46             | 2695214                                   | -        | 2695214 | 67.46             | -                        |
| (2) <b>Foreign</b>                         |   |          |         |                   |   |          |         |                   |                          |
| a) NRIs – Individuals                      | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| b) Other – Individuals                     | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| c) Bodies Corporate                        | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| d) Banks / FI                              | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| e) Any Other...                            | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| Sub-Total (A) (2)                          | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>Total Shareholding of Promoters (A)</b> | 2695214   | -        | 2695214 | 67.46             | 2695214                                   | -        | 2695214 | 67.46             | -                        |



‘ANNEXURE – A’

|  |         |        |         |        |         |        |         |        |         |
|--|---------|--------|---------|--------|---------|--------|---------|--------|---------|
| Nationals                                    |         |        |         |        |         |        |         |        |         |
| iii) Foreign Bodies                          | -       | -      | -       | -      | -       | -      | -       | -      | -       |
| iv) NRI/ OCBs                                | 1200    | -      | 1200    | 0.03   | 1200    | -      | 1200    | 0.03   | -       |
| v) Clearing Members/<br>Clearing House       | 5631    |        | 5631    | 0.14   | 739     |        | 739     | 0.019  | (0.121) |
| vi) Trusts                                   | -       | -      | -       | -      | -       | -      | -       | -      | -       |
| vii) Limited Liability Partnership           | -       | -      | -       | -      | -       | -      | -       | -      | -       |
| viii) Foreign Portfolio Investor (corporate) | -       | -      | -       | -      | -       | -      | -       | -      | -       |
| ix) Qualified Foreign Investor               | -       | -      | -       | -      | -       | -      | -       | -      | -       |
| x) Directors/ Relatives                      | -       | -      | -       | -      | -       | -      | -       | -      | -       |
| xi) HUF                                      | -       | -      | -       | -      | -       | -      | -       | -      | -       |
| Sub- Total (B) (2)                           | 838566  | 460120 | 1298686 | 32.5   | 806999  | 491687 | 1298686 | 32.5   | -       |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 838566  | 461720 | 1300286 | 32.54  | 806999  | 493287 | 1300286 | 32.54  | -       |
| C. Shares held by Custodian for GDRs & ADRs  | -       | -      | -       | -      | -       | -      | -       | -      | -       |
| Grand Total (A+B+C)                          | 3531035 | 464465 | 3995500 | 100.00 | 3502213 | 493287 | 3995500 | 100.00 | -       |



(ii) **Shareholding of Promoters:**

| Sl. No. | Shareholder's Name           | Shareholding at the beginning of the year |                                 |   | Shareholding at the end of the year |                                 |   | % change in share holding during the year |
|---------|------------------------------|---|---------------------------------|---|-------------------------------------|---------------------------------|---|---|
|         |                              | No. of Shares                             | %of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares                       | %of total Shares of the company | %of Shares Pledged / encumbered to total shares |   |
| 1.      | Mr. Ushpal Singh Sabharwal   | 22,78,016                                 | 57.01                           | -   | 22,78,016                           | 57.01                           | -   | -   |
| 2.      | Mr. Inderpal Singh Sabharwal | 4,17,198                                  | 10.44                           | -   | 4,17,198                            | 10.44                           | -   | -   |

(iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

**There is no change in promoter's shareholding in the financial year 2015-2016.**

|  | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|--|---|---------------------------------|---|---------------------------------|
|  | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| At the beginning of The year   | -   | -                               | -                                       | -                               |
| Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               | -                                       | -                               |
| At the end of the year   | -   | -                               | -                                       | -                               |

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Daga Sandeep Ramdas and Daga Anjana Sandeep</b>  |   |                                 |   |                                 |
| At the beginning of The year  | 78523                                     | 1.97                            | 78523                                   | 1.97                            |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               | -                                       | -                               |
| At the end of the year  | 78523                                     | 1.97                            | 78523                                   | 1.97                            |

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Ninja Securities Private Limited</b>   |   |                                 |   |                                 |
| At the beginning of The year  | 38608                                     | 0.966                           | 38608                                   | 0.966                           |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               | -                                       | -                               |
| At the end of the year  | 38608                                     | 0.966                           | 38608                                   | 0.966                           |

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Vallabh Rathi</b>  |   |                                 |   |                                 |
| At the beginning of The year  | 32500                                     | 0.813                           | 32500                                   | 0.813                           |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               |   | -                               |
| At the end of the year  | 32500                                     | 0.813                           | 32500                                   | 0.813                           |

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Danita V Rathi</b>   |   |                                 |   |                                 |
| At the beginning of The year  | 32500                                     | 0.813                           | 32500                                   | 0.813                           |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               |   | -                               |
| At the end of the year  | 32500                                     | 0.813                           | 32500                                   | 0.813                           |

‘ANNEXURE – A’

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Radhey Shyam</b>   |   |                                 |   |                                 |
| At the beginning of The year  | 29018                                     | 0.73                            | 29018                                   | 0.73                            |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               |   | -                               |
| At the end of the year  | 29018                                     | 0.73                            | 29018                                   | 0.73                            |

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Sureshkumar Jamandass Mundhra</b>  |   |                                 |   |                                 |
| At the beginning of The year  | 23698                                     | 0.59                            | 23698                                   | 0.59                            |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               |   | -                               |
| At the end of the year  | 23698                                     | 0.59                            | 23698                                   | 0.59                            |

‘ANNEXURE – A’

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Meena Suresh Trevadia</b>  |   |                                 |   |                                 |
| At the beginning of The year  | 20000                                     | 0.50                            | 20000                                   | 0.50                            |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               |   | -                               |
| At the end of the year  | 20000                                     | 0.50                            | 20000                                   | 0.50                            |

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Baljinder Singh</b>  |   |                                 |   |                                 |
| At the beginning of The year  | 13004                                     | 0.33                            | 13004                                   | 0.33                            |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               |   | -                               |
| At the end of the year  | 13004                                     | 0.33                            | 13004                                   | 0.33                            |

‘ANNEXURE – A’

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Arvindkumar Sanchetti</b>  |   |                                 |   |                                 |
| At the beginning of The year  | 10600                                     | 0.27                            | 10600                                   | 0.27                            |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               |   | -                               |
| At the end of the year  | 10600                                     | 0.27                            | 10600                                   | 0.27                            |

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Arun Chaturbhuj</b>  |   |                                 |   |                                 |
| At the beginning of The year  | 10000                                     | 0.25                            | 10000                                   | 0.25                            |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               |   | -                               |
| At the end of the year  | 10000                                     | 0.25                            | 10000                                   | 0.25                            |

**(v) Shareholding of Directors and Key Managerial Personnel:**

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Mr. Ushpal Singh Sabharwal*</b>  |   |                                 |   |                                 |
| At the beginning of The year  | 22,78,016                                 | 57.01                           | 22,78,016                               | 57.01                           |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               | -                                       | -                               |
| At the end of the year  | 22,78,016                                 | 57.01                           | 22,78,016                               | 57.01                           |

\* Mr. Ushpal Singh Sabharwal was the Managing Director of the Company till 6<sup>th</sup> July, 2015.

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Mr. Inderpal Singh Sabharwal</b>   |   |                                 |   |                                 |
| At the beginning of The year  | 4,17,198                                  | 10.44                           | 4,17,198                                | 10.44                           |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               | -                                       | -                               |
| At the end of the year  | 4,17,198                                  | 10.44                           | 4,17,198                                | 10.44                           |

‘ANNEXURE – A’

|   | Shareholding at the beginning of the year |                                 | Cumulative Shareholding during the year |                                 |
|---|---|---------------------------------|---|---------------------------------|
|   | No. of shares                             | %of total shares of the company | No. of shares                           | %of total shares of the company |
| <b>Mrs. Baljeet Kaur Mehra (CFO)*</b>   |   |                                 |   |                                 |
| At the beginning of The year  | 2   | 0.00                            | 2                                       | 0.00                            |
| Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc): | -   | -                               | -                                       | -                               |
| At the end of the year  | 2   | 0.00                            | 2                                       | 0.00                            |

\* Mrs. Baljeet Kaur Mehra has resigned from the designation of CFO of the Company w.e.f. 8<sup>th</sup> November, 2015.

None of the Directors & KMP hold shares in the Company except Mr. Ushpal Singh Sabharwal and Mr. Inderpal Singh Sabharwal- Shareholding as mentioned above.



**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment:** amount in (‘Rs.’)

|  | <b>Secured Loans excluding deposits</b> | <b>Unsecured Loans</b> | <b>Deposits</b> | <b>Total Indebtedness</b> |
|--|---|------------------------|-----------------|---------------------------|
| <b>Indebtedness at the beginning of the financial year</b> |   |                        |                 |                           |
| i) Principal Amount  | 2,77,69,869.03                          | 90,95,757.80           | -               | 3,68,65,626.83            |
| ii) Interest due but not paid                              | -                                       | -                      | -               |                           |
| iii) Interest accrued but not due                          | -                                       | -                      | -               |                           |
| <b>Total (i+ii+iii)</b>                                    | <b>2,77,69,869.03</b>                   | <b>90,95,757.80</b>    | <b>-</b>        | <b>3,68,65,626.83</b>     |
| <b>Change in Indebtedness during the financial year</b>    |   |                        | -               |                           |
| □Addition  | 3,22,13,260.81                          | 76,20,000.00           | -               | 3,98,33,260.81            |
| □Reduction   | 3,25,70,809.24                          | 34,85,952.90           | -               | 36,056,762.14             |
| <b>Net Change</b>  | <b>(3,57,548.43)</b>                    | <b>41,34,047.10</b>    | <b>-</b>        | <b>37,76,498.67</b>       |
| <b>Indebtedness at the end of the financial year</b>       |   |                        | -               |                           |
| i) Principal Amount  | 2,74,12,320.6                           | 13,229,804.9           | -               | 40,642,125.5              |
| ii) Interest due but not paid                              | -                                       | -                      | -               | -                         |
| iii) Interest accrued but not due                          | -                                       | -                      | -               | -                         |
| <b>Total (i+ii+iii)</b>                                    | <b>2,74,12,320.6</b>                    | <b>13,229,804.9</b>    | <b>-</b>        | <b>40,642,125.5</b>       |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| <b>Sr. no</b> | <b>Particulars of Remuneration</b>   | <b>Mr. Ushpal *<br/>Singh<br/>Sabharwal</b> | <b>Mr. Inderpal<br/>Singh<br/>Sabharwal</b> | <b>Mrs. Rubina<br/>Sabharwal</b> | <b>Total<br/>Amount</b> |
|---------------|--|---|---|----------------------------------|-------------------------|
| 1.            | Gross salary   |   |   |                                  |                         |
|               | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, | Nil   | 37,60,950                                   | 14,50,000                        | 52,10,950               |
|               | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                        | Nil   | Nil   | Nil                              | Nil                     |
|               | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961         | Nil   | Nil   | Nil                              | Nil                     |
| 2.            | Stock Option   | Nil   | Nil   | Nil                              | Nil                     |
| 3.            | Sweat Equity   | Nil   | Nil   | Nil                              | Nil                     |
| 4.            | Commission   |   |   |                                  |                         |
|               | - As % of profit   | Nil   | Nil   | Nil                              | Nil                     |
|               | others, specify....  | Nil   | Nil   | Nil                              | Nil                     |
| 5.            | Others, please specify (Rent/Professional Charges)                             | Nil   | 14,90,000                                   | 445,000                          | 19,35,000               |
|               | <b>Total (A)</b>   | Nil   | <b>52,50,950</b>                            | <b>18,95,000</b>                 | <b>71,45,950</b>        |

\* Mr. Ushpal Singh Sabharwal was the Managing Director of the Company till 6<sup>th</sup> July, 2015.

**B. Remuneration to the Directors:**

| SL. no. | Particulars of Remuneration                                      | Name of Directors    |                             |                  | Total Amount  |
|---------|--|----------------------|-----------------------------|------------------|---------------|
|         |  | Mr.Vijaychand Sambre | Mr. Sarbjit Singh Chaudhary | Mr. Pritam Singh |               |
|         | Independent Directors Fee for attending board committee meetings | 15,000               | -                           | -                | 15,000        |
|         | Commission   | -                    | -                           | -                | -             |
|         | Others, please specify   | -                    | -                           | -                | -             |
|         | Total (1)  | 15,000               | -                           | -                | 15,000        |
|         | <b>4. Other Non-Executive</b>                                    | -                    | -                           | -                | -             |
|         | Fee for attending board committee meetings                       | -                    | -                           | -                | -             |
|         | Commission   | -                    | -                           | -                | -             |
|         | Others, please specify   | -                    | -                           | -                | -             |
|         | Total (2)  | -                    | -                           | -                | -             |
|         | Total (B)=(1+2)  | 15,000               | -                           | -                | 15,000        |
|         | Total Managerial Remuneration                                    | <b>15,000</b>        | -                           | -                | <b>15,000</b> |

**REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

| Sr. no. | Particulars of Remuneration  | Key Managerial Personnel       |                               |
|---------|--|--------------------------------|-------------------------------|
|         |  | CFO (Mrs. Baljeet Kaur Mehra)* | Total                         |
| 1.      | Gross salary<br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961<br><br>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961<br><br>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 167,600<br><br>NIL<br><br>NIL  | 167,600<br><br>NIL<br><br>NIL |
| 2.      | Stock Option   | NIL                            | NIL                           |
| 3.      | Sweat Equity   | NIL                            | NIL                           |
| 4.      | Commission<br>- as % of profit<br>- others, specify...   | NIL                            | NIL                           |
| 5.      | Others, please specify<br>(Car Hiring Charges)   | NIL                            | NIL                           |
|         | <b>Total</b>   | <b>167,600</b>                 | <b>167,600</b>                |

\* Mrs. Baljeet Kaur Mehra has resigned from the designation of CFO of the Company w.e.f. 8<sup>th</sup> November, 2015.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

| Type                             | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give Details) |
|----------------------------------|------------------------------|-------------------|---|-------------------------------|------------------------------------|
| <b>Company</b>                   |                              |                   |   |                               |                                    |
| Penalty                          | NIL                          |                   |   |                               |                                    |
| Punishment                       |                              |                   |   |                               |                                    |
| Compounding                      |                              |                   |   |                               |                                    |
| <b>Directors</b>                 |                              |                   |   |                               |                                    |
| Penalty                          | NIL                          |                   |   |                               |                                    |
| Punishment                       |                              |                   |   |                               |                                    |
| Compounding                      |                              |                   |   |                               |                                    |
| <b>Other Officers in Default</b> |                              |                   |   |                               |                                    |
| Penalty                          | NIL                          |                   |   |                               |                                    |
| Punishment                       |                              |                   |   |                               |                                    |
| Compounding                      |                              |                   |   |                               |                                    |

**On behalf of the Board of Directors**

For United Vander Horst Limited

**SD/-**

Mr. Inderpal Singh Sabharwal  
Chairman & Managing Director  
DIN: 00359315  
Add: Flat No-2C,  
2<sup>nd</sup> Floor, Hill Top Bldg.,  
49-49A Pali Hill, Bandra (W),  
Mumbai - 400050

**SD/-**

Mrs. Rubina Inderpal Sabharwal  
Whole –Time Director & CFO  
DIN: 03556608  
Add: Flat No-2C, Add:  
2<sup>nd</sup> Floor, Hill Top Bldg.,  
49-49A Pali Hill, Bandra (W),  
Mumbai - 400050

Place: Navi Mumbai

Date: 30/05/2016

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31.03.2016**

**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

**TO,  
THE MEMBERS,  
M/s. UNITED VANDER HORST LIMITED  
E.29/30, MIDC, TALOJA,  
RAIGAD, MAHARASHTRA: 410208  
INDIA.**

**CIN: L45200MH1974PLC017653  
AUTHORISED CAPITAL RS. 50,000,000/-**

I, CS Rakesh Kapur, Practising Company Secretary, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. United Vander Horst Limited CIN: L45200MH1974PLC017653** (hereinafter called the company).

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the M/s. United Vander Horst Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. United Vander Horst Limited ("the Company") for the financial year ended on 31.03.2016 according to the provisions of:

(i) The Companies Act, 2013 and the Companies Act, 1956 (to the extent applicable) the Act and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

(b) The Company has complied with The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/ The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. However, the Company has adopted the prescribed code of conduct under the Regulations.

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) regulations, 1993 regarding the Companies Act and dealing with client;

(vi) As informed to me the following other Laws specifically applicable to the Company as under:

1. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

1. Employees' State Insurance Act, 1948

2. Equal Remuneration Act, 1976

3. The Industrial Employment (Standing Orders) Act, 1946

4. Maternity Benefit Act, 1961

5. The Minimum Wages Act, 1948

6. The Payment of Wages Act, 1936
7. The Negotiable Instruments Act, 1881
8. The Water (Prevention and Control of Pollution) Act 1974
9. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards relating to General and Board Meeting Minutes issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited, Mumbai and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations mentioned in this report.

In respect of other laws specifically applicable to the Company, I have relied on information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

**I further report that;**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions of the board were unanimous and the same was captured and recorded as part of the minutes.

**I further report that** there is scope to improve the systems and processes in the company and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



**I further report that** *during the Financial Year 2015-16, The Company has not appointed Company Secretary in whole time employment of the Company as required to be appointed as per Section 203 of the Companies Act, 2013 and rules mad there under.*

**I further report that** during the audit period there were no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/ sweat equity.
- (ii) Redemption / buy-back of securities
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) Foreign technical collaborations

**CS Rakesh Kapur**

FCS No. 3863

C P No.: 12085

**Place: Mumbai**

**Date: 30.05.2016**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **1. INDUSTRY STRUCTURE AND DEVELOPMENTS:**

Your Company operates in the Designing, manufacturing and supplying of marine engine parts 2 stroke & 4 strokes. Designing, manufacturing and supplying of Hydraulic / Pneumatic cylinders and also provides reconditioning, repairing and maintenance service. The major customers are Shipping Companies, Oilfield Companies, Chemical and Fertilizer, Steel and Mining, Cement Companies etc. These Companies make use of our facilities for repair and save on replacement cost through utilization of services on lower side, with API certification oilfield companies in particular and industry in general are benefitted due to procedures and quality systems in place.

### **2. OPPORTUNITIES AND THREATS:**

The most important threat continues to be competition from low cost products and further During the year, the Company has not undertaken any projects which increase its sales and revenue, Company shall have to invest hugely in stocks which has never been done before which will enable of the shelf deliveries. Further there are some internal changes in the management of the Company is in process. Proposed new management will be in the hands of Mr. Inderpal Singh Sabharwal and Family, Chairman and Managing Director of the Company.

### **3. SEGMENT-WISE PERFORMANCE:**

The Company is catering to Design, Manufacture and Supply of Marine Engine Parts 2 stroke & 4 strokes. Design Manufacture and Supply of Hydraulic/ Pneumatic cylinders up to 1500 mm dia and 10 mtr length Design Manufacture Flanged connectors, Other End connectors and Ring Gaskets at PSL1 through PSL3, Repair/Remanufacture Hydraulic/ Pneumatic Cylinders, Flanged connectors, Other End connectors, Ring gaskets at PSL 1 through PSL 3, Ram BOP and Annular BOP, Marine & Land Engines 2 stroke and 4 stroke. The turnover performance information is given as under:-

(Amount in Rs.'000')

| Particulars                             | Year ended       | Year ended       |
|---|------------------|------------------|
|   | 31.03.2016       | 31.03.2015       |
| <b>1. Segment Revenue</b>               |                  |                  |
| (a) Manufacturing                       | 13763.80         | 13,666.30        |
| (b) Job Work & Reconditioning           | 22,661.60        | 39,998.56        |
| (c) Other Revenue                       | 64.10            | 205.74           |
| Less: Excise Duty                       | 1458.93          | 1304.60          |
| <b>Total</b>                            | <b>35030.57</b>  | <b>52,566.00</b> |
| <b>Less: Inter Segment Revenue</b>      |                  | -                |
| <b>Net Sales/Income from Operations</b> | <b>35,030.57</b> | <b>52,566.00</b> |

|  |                  |   |   |
|--|------------------|---|---|
| <b>2. Ratios:</b>                                  |                  |   |   |
| (a) Manufacturing (Increase in Rs.)                | 97.50            | - |   |
| Increase in Percentage.                            | 0.71%            | - |   |
| (b) Job Work & Reconditioning<br>(Decrease in Rs.) | 17,336.96        | - |   |
| Decrease in Percentage                             | 43.34%           | - |   |
| <b>Profit /(Loss)</b>                              | <b>(1496.85)</b> |   | - |

The Company turnover for the year 2015-16 has been Rs. 3,50,30,570/- as compared to last year figure of Rs. 5,25,66,000/- there has been decreased in turnover in the current year. The Company has made a loss of Rs.14,96,850/- in the current year and a loss of Rs. 92,75,480/- in the last year.

#### 4. **OUTLOOK:**

Your Company, keeping pace with the overall market scenario has grown significantly. The Management expects to continue this trend in the years to come, subject to favorable market conditions, and stable economic policies.

**5. RISK AND CONCERNS:**

The Company concentrates on reconditioning and refurbishing activities specifically being the core business since its inception. Company is doing various research activities, which will mitigate the risk and reduce the cost of the Company. There are some non – compliances or delay in giving of intimation to regulatory authorities on the part of the Company and the Company is in process to comply with the same and also will take care of all the compliances in the future.

**6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has in place adequate internal control systems covering all its operations. Proper accounting records highlight the economy and efficiency of operations, safeguarding of assets against unauthorized use or losses, and the reliability of financial and operational information.

**Some of the significant features of internal control system are:**

- Financial and Commercial functions have been structured to provide adequate support and control of the business.
- Risk Management policy has been adopted by the Company.
- The Company has an Internal Audit System conducted by the internal auditor of the Company. Standard operating procedures and guidelines are reviewed periodically to ensure adequate control.

**7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The Company's revenue from operations has declined as compared to the previous financial year ended 31<sup>st</sup> March, 2015 for which it was Rs. 5,25,66,000/- whereas for the financial year ended 31<sup>st</sup> March, 2016 it is Rs.3,50,30,570/-

**8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES /INDUSTRIAL RELATIONS FRONT , INCLUDING NUMBER OF PEOPLE EMPLOYED:**

The Company has total 22 permanent employees and 7 workers. Your Company continuously endeavors to improve the work environment for its employees. Competitive compensation package, innovative and challenging environment to work, transportation facilities, etc., are some of the steps taken by the Company for the welfare of its employees.

On behalf of the Board of Directors  
For **United Vander Horst Limited**

**SD/-**

Mr. Inderpal Singh Sabharwal  
Chairman & Managing Director  
DIN: 00359315  
Add: Flat No-2C,  
2<sup>nd</sup> Floor, Hill Top Bldg.,  
49-49A Pali Hill, Bandra (W),  
Mumbai - 400050

**SD/-**

Mrs. Rubina Inderpal Sabharwal  
Whole –Time Director & CFO  
DIN: 03556608  
Add: Flat No-2C,  
2<sup>nd</sup> Floor, Hill Top Bldg.,  
49-49A Pali Hill, Bandra (W),  
Mumbai - 400050

Place: Navi Mumbai  
Date: 30/05/2016

## **CORPORATE GOVERNANCE REPORT**

(Pursuant to Chapter IV read with Schedule V, Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

### **1. CORPORATE GOVERNANCE PHILOSOPHY:**

Corporate Governance is a system by which an organization is managed and controlled within the parameters laid down by regulatory bodies. The Company is committed to good Corporate Governance and to be an active and responsible corporate citizen wherever it does business. The Company fully understands that Corporate Governance is a key element in enhancing overall stakeholders' value. The Company continuously strives to achieve business excellence and reach higher standards in conducting its corporate and business affairs through transparency, accountability, empowerment and integrity, keeping in mind the interest of all stakeholders.

The Securities and Exchange Board of India ("SEBI") on 2<sup>nd</sup> September, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') with an aim to consolidate and streamline the provisions of the Listing Regulations for different segments of capital markets to ensure better enforceability. LODR were effective from 1<sup>st</sup> December, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within Six months from the effective date. Your Company has entered into Listing Agreement with BSE Limited. A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) are given below:

### **2. BOARD OF DIRECTORS:**

#### **A) Composition:**

In terms of the Company's Corporate Governance Policy, all statutory and other significant material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company.

The Board of Directors ('Board') of the Company is a balanced Board, comprising of Executive and Non-Executive Directors. Mr. Inderpal Singh Sabharwal has appointed as Chairman of the Board of the Company w.e.f. 14<sup>th</sup> August, 2015 and re-appointed as Managing Director of the Company for three years from 14<sup>th</sup> August, 2015 to 12<sup>th</sup> August, 2018. Whereas, as on 31<sup>st</sup> March, 2016 majority of the board members are Non-executive Directors and Independent Directors

Mrs. Rubina Inderpal Sabharwal appointed as Whole-Time Director (Woman Director) of the Company for three years from 1<sup>st</sup> September, 2015 to 31<sup>st</sup> August, 2018.

**‘Annexure - D’**

The following is the composition of the Board as on 31<sup>st</sup> March, 2016:

| Category                              | Number of Directors | Percentage of Total Number of Directors |
|---------------------------------------|---------------------|---|
| Executive Directors                   | 2                   | 40                                      |
| Non - Executive Independent Directors | 3                   | 60                                      |
| <b>Total</b>                          | <b>5</b>            | <b>100</b>                              |

The Company has thus complied with the requirement of having at least half of the Board members comprising of Independent and Non-executive Directors. Following are the status as on 31<sup>st</sup> March, 2016.

| Director                       | Designation                  | Category    | Particulars of other Directorship, Committee Memberships/ Chairmanships |   |                          |
|--------------------------------|------------------------------|-------------|---|---|--------------------------|
|                                |                              |             | *Other Directorships  | #Committee Membership (Including UVDHL) | #Committee Chairmanships |
| <b>Executive Directors</b>     |                              |             |   |   |                          |
| Mr. Inderpal Singh Sabharwal   | Chairman & Managing Director | Executive   | 1   | 3                                       | Nil                      |
| Mrs. Rubina Inderpal Sabharwal | Whole – Time Director        | Executive   | 1   | Nil                                     | Nil                      |
| <b>Non-Executive Directors</b> |                              |             |   |   |                          |
| Mr. Vijaychand Sambre          | Director                     | Independent | Nil   | 3                                       | 3                        |
| Mr. Sarbjit Singh Chaudhary    | Director                     | Independent | Nil   | 3                                       | Nil                      |
| Mr. Pritam Singh Ichpanani     | Director                     | Independent | 1   | 1                                       | Nil                      |

\* *Excludes* Directorship held in Foreign Companies, Companies formed under Section 25 of the Companies Act, 1956 & Section 8 of the Companies Act, 2013 and Directorship held as an alternate Director.

# Committee includes Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee. It also includes Membership/Chairmanship of United Vander Horst Limited.

**B) Meetings and Attendance:**

During the financial year ending on 31<sup>st</sup> March, 2016, 6 (Six) Meetings of the Board of Directors were held as follows and gap between two meetings were well within a period of 120 days:-

| Sr. No. | Date of Board Meeting | Board Strength | Number of Directors Present |
|---------|-----------------------|----------------|-----------------------------|
| 1       | 30/05/2015            | 6              | 6                           |
| 2       | 06/07/2015            | 5              | 5                           |
| 3       | 14/08/2015            | 5              | 5                           |
| 4       | 31/08/2015            | 5              | 5                           |
| 5       | 09/11/2015            | 5              | 4                           |
| 6       | 09/02/2016            | 5              | 4                           |

The attendance at the Board Meetings and at the Annual General Meeting (AGM) during the financial year is as follows:

| Sr. No. | NAME OF THE DIRECTORS                   | NO. OF BOARD MEETINGS ATTENDED | ATTENDANCE AT LAST AGM |
|---------|---|--------------------------------|------------------------|
| 1       | Mr. Ushpal Singh Kartar Singh Sabharwal | 1                              | NA                     |
| 2       | Mr. Vijaychand Devichand Sambre         | 6                              | Yes                    |
| 3       | Mr. Inderpal Ushpalsingh Sabharwal      | 6                              | Yes                    |
| 4       | Mr. Sarbjit Singh Chaudhary             | 6                              | Yes                    |
| 5       | Mr. Pritam Singh Ichpanani              | 4                              | Yes                    |
| 6       | Mrs. Rubina Inderpal Sabharwal          | 6                              | Yes                    |

**C) DIRECTOR RELATION INTER-SE AND SHAREHOLDING OF NON – EXECUTIVE DIRECTORS:**

Mr. Inderpal Ushpalsingh Sabharwal, Chairman and Managing Director of the Company is spouse of Mrs. Rubina Inderpal Sabharwal, Who is Whole-Time Director & CFO of the Company. None of the Non-Executive & Independent Directors holding any shares in the Company.



### **3. COMMITTEES OF THE BOARD:**

Currently, there are Three Committees of the Board such as Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee. The terms of reference to the Board Committees are determined by the Board from time to time. Meetings of each Committee are convened by the respective Committee Chairman. The minutes of the Committee meetings are placed for information and noting of the Board.

#### **A. Audit Committee:**

##### **(i) Brief description of Terms of Reference:**

The roles, powers and functions of Audit Committee specified by the Board are in conformity with the requirements of regulation 18 and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013. Terms of reference of the Committee includes inter alia;

- a) Overseeing the Company's financial reporting process to ensure disclosure of financial information as per the requirements of Stock Exchange and the Company Law requirements and to ensure that the financial statements are correct, sufficient and credible.
- b) Review and examination of quarterly, half yearly and annual financial statements and the auditors' report thereon before submission to the Board for approval.
- c) Review of Management Discussion & Analysis of financial condition and results of operations, statement of significant related party transactions.
- d) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and Internal Auditor and the fixation of audit fees and terms of appointment.
- e) Review and monitor the auditor's independence and performance and effectiveness of audit process.
- f) Approval or any subsequent modification of transactions of the Company with related parties.
- g) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.

- h) Review of adequacy of internal control systems, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit and further recommending to the Internal Auditors the nature and scope of internal audit. Evaluation of risk management systems.
- i) Scrutiny of inter-corporate loans and investments.
- j) Valuation of undertakings or assets of the company, wherever it is necessary.
- k) Review of reports of Statutory and Internal Auditors and replies of the management thereof.
- l) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer documents/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
- m) Review of the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- n) Review of the annual financial statements with the management before submission to the Board for approval, with particular reference to :
  - Matters required to be included in the Directors’ Responsibility Statement to be included in the Board’s report.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on exercise of judgment of management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosures of any related party transactions.
  - Qualifications in the draft audit report.
- o) Review of management representation letters to be issued to the Statutory Auditors.
- p) Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- q) Reviewing compliances as regards the Company’s Whistle Blower Policy.
- r) Approval of the appointment of the Chief Financial Officer (CFO) of the Company after assessing the qualifications, experience & background, etc. of the Candidate.
- s) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

- t) Management discussion and analysis of financial condition and results of operations.
- u) Management letters / letters of internal control weaknesses issued by the statutory auditors.
- v) Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- w) Statement of deviations, if any.

**ii) Composition of the Committee, Name of the members and the Chairman and Attendance:**

The Audit Committee comprises of three Directors and majority are of independent Directors. The Chairman and other Members of the Committee are having ability to read and understand financial statement. Besides, all members have knowledge of finance, accounting and law. Composition of the Audit Committee during the year 2015-16 and status of the attendance of the members were as follows:

| <b>Name of the Directors</b> | <b>Position</b> | <b>No. of Meetings held during the year</b> | <b>No. of Meetings attended</b> |
|------------------------------|-----------------|---|---------------------------------|
| Mr. Vijaychand Sambre        | Chairman        | 4   | 4                               |
| Mr. Sarbjit Singh Chaudhary  | Member          | 4   | 4                               |
| Mr. Inderpal Singh Sabharwal | Member          | 4   | 4                               |

**iii) Meetings of the Audit Committee:**

The Audit Committee met Four times during the financial year 2015-16 i.e. 30/05/2015, 14/08/2015, 09/11/2015 and 09/02/2016. Necessary quorum was present at all the meetings of the Committee held during the year under review.

The Chairman of the Audit Committee Mr. Vijaychand Sambre, was present at the 28<sup>th</sup> Annual General Meeting, and replied to the shareholder’s queries. The representative of the statutory auditor has attended the meetings as invitee.

**B) Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee is constituted pursuant to Section 178 of Companies Act, 2013 and regulation 19 and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to fix compensation/remuneration for managing/ Whole-time Directors, KMP and relative of Directors.

**i) Terms of Reference:**

The Nomination and Remuneration Committee is empowered to determine, inter-alia, include the following:

- a) Formulate a criteria for determining qualifications, positive attributes and independence of a Director.

- b) Formulate criteria for evaluation of Independent Directors and the Board.
- c) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- d) Carry out evaluation of every Director’s performance.
- e) Recommend to the Board the appointment and removal of Directors and Senior Management.
- f) Recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel, Senior Management and other employees.
- g) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- h) Devise a policy on Board diversity.
- i) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- j) Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company’s Executive Directors on an annual basis or as may be permissible by laws applicable.
- k) Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
- l) Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
- m) Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice
- n) Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- o) Perform such other functions as may be necessary or appropriate for the performance of its duties.
- p) Extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**ii) Composition, Name of the Member, Chairperson and Attendance at Meeting:**

The Nomination and Remuneration Committee comprises of Four Directors. The Chairman of the Committee is a Non-Executive and Independent Director. Composition of the Nomination and Remuneration Committee during the year 2015-16 and status of the attendance of the members was as follows:

| Name of the Directors        | Position | No. of Meetings held during the year | No. of Meetings attended |
|------------------------------|----------|--------------------------------------|--------------------------|
| Mr. Vijaychand Sambre        | Chairman | 1                                    | 1                        |
| Mr. Sarbjit Singh Chaudhary  | Member   | 1                                    | 1                        |
| Mr. Pritam Singh Ichpanani   | Member   | 1                                    | 1                        |
| Mr. Inderpal Singh Sabharwal | Member   | 1                                    | 1                        |

The Committee met one time during the financial year 2015-16 on 14/08/2016.

**iii) Remuneration Policy:**

The Company follows a policy on remuneration to Directors, Key Managerial Personnel and Senior Management and other employees. The remuneration policy of the Company is structured in order to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. The Remuneration Policy is appended as ‘Annexure E’ to this Report.

**(C) Stakeholders Relationship Committee:**

**(i) Composition and Status of the Attendance:**

The Company has a Stakeholders Relationship Committee. The Committee is headed by Mr. Vijaychand Sambre, an Independent-Non-Executive Director and comprises of the following members in the financial year 2015-16:

| Name of the Directors        | Position | No. of Meeting held during the year | No. of Meeting attended |
|------------------------------|----------|-------------------------------------|-------------------------|
| Mr. Vijaychand Sambre        | Chairman | 4                                   | 4                       |
| Mr. Sarbjit Singh Chaudhary  | Member   | 4                                   | 4                       |
| Mr. Inderpal Singh Sabharwal | Member   | 4                                   | 4                       |

The Committee met Four times during the financial year 2015-16 on 30/05/2015, 14/08/2015, 09/11/2015 and 09/02/2016. Mr. Inderpal Singh Sabharwal, has been appointed as the Compliance Officer.

**(ii) Complaints/request received from Shareholders during the period 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016 and its status:**

- During the financial year 2015-2016, no complaints were received from shareholders of the Company.
- During the year there were no pending complaints of shareholders.

**4. REMUNERATION TO DIRECTORS:**

**a. Sitting Fees to Independent Director / Pecuniary relationship with Non-Executive Director:**

During the financial year 2015-16, the Company has not entered in to any transaction with the Non-Executive Director of the Company.

Rs. 15,000/- as Sitting Fees paid to Mr. Mr. Vijaychand Sambre for Attending Meetings.

**b. Remuneration to Executive Directors:**

During the financial year 2015-16, the Company has paid remuneration to its Executive Directors as per details given below:

| <b>Names of Directors</b>    | <b>Salary</b> | <b>Bonus &amp; Stock Options</b> | <b>Perquisites and others if any, (Rent/ Professional Charges )</b> |
|------------------------------|---------------|----------------------------------|---|
| Mr. Ushpal Singh Sabharwal   | Nil           | Nil                              | Nil   |
| Mr. Inderpal Singh Sabharwal | 37,60,950     | Nil                              | 14,90,000   |
| Mrs. Rubina Sabharwal        | 14,50,000     | Nil                              | 445,000   |

**5. GENERAL BODY MEETINGS:**

The Annual General Meetings (AGMs) of the Company have been held at the registered office of the Company at E.29/30, MIDC, Taloja, Navi Mumbai - 410208 in the last three years at the time and date given below:

| <b>AGM</b>       | <b>Year</b> | <b>Day &amp; Date</b>                      | <b>Time</b> | <b>Special Resolution passed</b>  |
|------------------|-------------|--|-------------|---|
| 26 <sup>th</sup> | 2012-13     | Saturday, 28 <sup>th</sup> September, 2013 | 11.00 a.m.  | No Special Resolution was passed at this meeting.   |
| 27 <sup>th</sup> | 2013-14     | Monday, 29 <sup>th</sup> September, 2014   | 09.30 a.m.  | For appointing Mr. Ushpal Singh Sabharwal as Managing Director of the Company.  |
| 28 <sup>th</sup> | 2014-15     | Tuesday, 29 <sup>th</sup> September, 2015  | 09.30 a.m.  | 1. Adoption of New Set of Articles of Association<br><br>2. To Authorize the Board of Director to borrow money in excess of paid up share capital and Free reserves of the Company.<br><br>3. To Authorize the Board of Director to Create Charge on the Assets of the Company to secured the borrowings. |

No resolution was passed through postal ballot last year. Also No resolution is proposed to be passed through postal ballot.

**6. MEANS OF COMMUNICATION:**

1. The quarterly and annual results of the Company are submitted to the BSE Ltd. (Bombay Stock Exchange). The result(s) were generally published in ‘Active Times’ and ‘Mumbai Lakshadip’. The Annual report is also posted to all shareholders.
2. During the Financial Year 2015-16, the Company has not displayed its results in any official news releases and no presentations were made to any Institutional Investors and analysts.

**7. GENERAL SHAREHOLDERS’ INFORMATION:**

**(a) Particulars of ensuing Annual General Meeting:**

|                              |   |
|------------------------------|---|
| <b>Venue</b>                 | E.29/30, MIDC, Taloja, Navi Mumbai - 410208 |
| <b>Time</b>                  | 10:00 A.M.                                  |
| <b>Day</b>                   | Friday                                      |
| <b>Date</b>                  | 30 <sup>th</sup> September, 2016            |
| <b>Financial Year ended</b>  | 31 <sup>st</sup> March, 2016                |
| <b>Dividend Payment Date</b> | Not Applicable                              |

**(b) Stock Exchanges where shares are listed:**

| <b>Name and address of the stock exchange</b>  | <b>Stock Code/Symbol</b> |
|--|--------------------------|
| <b>BSE Limited (BSE)</b><br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Fort,<br>Mumbai- 400 001 | 522091                   |

Annual Listing Fees for F.Y. 2015-16 has not been paid till date, the Company is in process for arrangement of the same.

**(c) Stock Market data:**

- (i) **Monthly high and low quotations of the Company's shares on BSE during the financial year 2015-2016 are as follows** – During the Financial Year 2015-16, there has been no trading in shares of the Company as the Company has been suspended from the trading due to penal reasons.
- (ii) **Performance in comparison to broad based indices such as BSE Sensex, CRISIL Index etc.** - During the Financial Year 2015-16, there has been no trading in shares of the Company as the Company has been suspended from the trading due to penal reasons.

**(d) Registrar and Transfer Agents:**

**M/s. Link Intime India Pvt. Ltd.**  
C-13, Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup West,  
Mumbai – 400 078  
Tel: +91 22 - 25963838  
Fax: +91 22 - 25962691  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**(e) Share Transfer System:**

The Company's shares being in demat mode are transferable through the depository system. Shares in physical form are transferable through Company's Registrar & Share Transfer Agent.



**(f) Distribution of Shareholding as on 31<sup>st</sup> March, 2016:-**

| Range            | Number of Holders | % to Total Holders | Shareholding (Shares) | % to Total Capital |
|------------------|-------------------|--------------------|-----------------------|--------------------|
| 1 - 500          | 5408              | 95.6999            | 701294                | 17.5521            |
| 501 – 1,000      | 147               | 2.6013             | 115934                | 2.9016             |
| 1,001 – 2,000    | 51                | 0.9025             | 73368                 | 1.8363             |
| 2,001 - 3000     | 17                | 0.3008             | 41117                 | 1.0291             |
| 3,001 - 4000     | 9                 | 0.1593             | 31781                 | 0.7954             |
| 4,001 - 5000     | 2                 | 0.0354             | 9065                  | 0.2269             |
| 5,001 - 10000    | 5                 | 0.0885             | 36481                 | 0.9131             |
| 10,001 and above | 12                | 0.2124             | 2986460               | 74.7456            |
| <b>TOTAL</b>     | <b>5651</b>       | <b>100</b>         | <b>39,95,500</b>      | <b>100</b>         |

**(g) Status of dematerialization of shares and liquidity as on 31<sup>st</sup> March, 2016:**

| Details                                  | No. of shares    | % of Share Capital |
|--|------------------|--------------------|
| Nationalized Securities Depository Ltd.  | 32,25,218        | 80.7213            |
| Central Depository Services (India) Ltd. | 3,10,084         | 7.7608             |
| <b>Total dematerialized</b>              | <b>35,35,302</b> | <b>88.4821</b>     |
| Physical                                 | 4,60,198         | 11.5179            |
| <b>Total</b>                             | <b>3995500*</b>  | <b>100%*</b>       |

\*There are 650 Equity Shares which are partly paid up.

**(h) Outstanding GDR / ADR / Warrants, any Convertible Instruments, Conversion dates and its likely impact on the equity:**

No GDR/ ADR are outstanding as at 31<sup>st</sup> March, 2016.  
No warrants are outstanding as at 31<sup>st</sup> March, 2016.

**(I) Commodity Price Risk or Foreign Exchange Risk or Hedging Activities:**

**Commodity Risk:** The Company has been suspended from the trading due to penal reasons.

**Foreign Exchange Risk:** During the Financial year, the Company has not involved in the any foreign transactions.

**Hedging Activities:** During the Financial year, no hedging activities carried out of by the Company.

**(I) Plant Location:** E.29/30, MIDC, Talaja, Navi Mumbai - 410208, Maharashtra, India.

**(J) Address for Investor Correspondence:**

| Sr. No. | For Shares held in Physical Form  | For Shares held in Demat Form        |
|---------|---|--------------------------------------|
| 1.      | <b>Registrar &amp; Transfer Agents :</b><br><b>M/s. Link Intime India Pvt. Ltd.</b><br>C-13, Pannalal Silk Mills Compound,<br>L. B. S. Marg, Bhandup West,<br>Mumbai – 400 078<br>Tel: +91 22 - 25963838<br>Fax: +91 22- 25962691<br>E-mail: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> | To Respective Depository Participant |
| 2.      | <b>Registered Office:</b><br><b>United Vander Horst Limited</b><br>E.29/30,<br>MIDC, Talaja,<br>Navi Mumbai - 410208<br>Email: <a href="mailto:accounts@uvdhl.com">accounts@uvdhl.com</a>   |                                      |

**8. DISCLOSURES:**

**(a) Disclosure on Related Party Transactions:**

Related Party transactions during the year have been disclosed in Notes forming Part of financial statement as per the requirements of “**Accounting Standard 18 – Related Party Disclosure**” issued by the Institute of Chartered Accountants of India. The same were placed before the Audit Committee from time to time as required. None of these transactions have any potential conflict with the interests of the Company. No related party transaction was outside the normal course of business of the Company and all related party transactions were entered on arms length basis.

**(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities or any matter related to capital markets during the last three years:**

There are some non - compliances made by the Company in preceding financial years and hence, in consequences the company has been suspended from the trading in the financial year 2013-14.

**(c) Whistle Blower policy and affirmation that no personnel has been denied access to the audit committee:**

The Company has adopted the Whistle Blower Policy and placed it on the website of the Company. During the period under review, no personnel of the Company have been denied access to the Audit Committee on any issue falling under the said policy.

**(d) Details of compliance with the mandatory requirements and adoption of the non-mandatory requirements:**

The Company has generally complied with all the mandatory requirements as stipulated under Clause 49 of the Listing Agreement / Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges. The Chairman of the Audit Committee Mr. Vijaychand Sambre, was present at the 28<sup>th</sup> Annual General Meeting, and replied to the shareholder’s queries. Further the Company has not adopted non-mandatory requirement of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**(e) Material Subsidiary/(ies):**

Since, the Company does not have any Subsidiary, hence, the policy for determining ‘material subsidiary’ is not adopted.

**(f) Policy on Dealing with Related Party Transactions:**

Pursuant to sub-regulation 2 of regulation 15 of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 disclosure of policy on website is not mandatory for the Company. Hence, the same has not been disclosed on website of the Company.

**(g) Adoption of Part – E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

The Chairman of the Company is Executive Director. Modified Opinion of Auditor considered by the Company. Further No Chief executive officer in the Company, Chairman and Managing Director is the same person and Internal Auditor generally present in the Audit Committee Meeting.

**(h) Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of all its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**(i) Disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:**

Since, the Company’s Paid up Share Capital is not exceeding Rs. Ten Crores and Net Worth not exceeding Rs. Twenty Five Crores, Hence, compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are not applicable to the Company.

**9. DECLARATION UNDER REGULATION 17 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

As provided under regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the code of Conduct for Board of Directors and Senior Management for the year ended March 31, 2016

**10. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE:**

Pursuant to sub-regulation 2 of regulation 15 of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance of provision of Corporate Governance is not applicable to the Company. Hence, the Company has not obtained the Compliance Certificate on Corporate Governance from the Auditor /Company Secretary in Practice as per the provisions SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**On behalf of the Board of Directors**

For United Vander Horst Limited

**SD/-**

Mr. Inderpal Singh Sabharwal  
Chairman & Managing Director  
DIN: 00359315  
Add: Flat No-2C,  
2<sup>nd</sup> Floor, Hill Top Bldg.,  
49-49A Pali Hill, Bandra (W),  
Mumbai - 400050

**SD/-**

Mrs. Rubina Inderpal Sabharwal  
Whole –Time Director & CFO  
DIN: 03556608  
Add: Flat No-2C, Add:  
2<sup>nd</sup> Floor, Hill Top Bldg.,  
49-49A Pali Hill, Bandra (W),  
Mumbai - 400050

Place: Navi Mumbai

Date: 30/05/2016

## **NOMINATION AND REMUNERATION POLICY**

### **INTRODUCTION:**

Pursuant to Section 178 of the Companies Act, 2013 and regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR')

The Remuneration Policy of the Company is designed to attract, motivate and retain manpower in a competitive and international market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

### **1) DEFINITIONS:**

- i. "Board"** means Board of Directors of the Company.
- ii. "Company"** means **"United Vander Horst Limited"**
- iii. "Independent Director"** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- iv. "Key Managerial Personnel" (KMP)** means (i) Chief Executive Officer or the Managing Director or the Manager, (ii) Company Secretary, (iii) Whole-time Director, (iv) Chief Financial Officer and (v) Such other officer as may be prescribed.
- v. "Nomination and Remuneration Committee"** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and LODR.

- vi. **“Policy or This Policy”** means, “Nomination and Remuneration Policy.”
- vii. **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- viii. **“Senior Management”** mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

**2) SCOPE:**

The Remuneration Policy applies to the Company's senior management, including its Key Managerial Person and Board of Directors.

**3) OBJECTIVE:**

**The Key Objectives of the policy would be:**

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management
2. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

**4) GUIDING PRINCIPLES:**

The Policy ensures that:

1. The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person.
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and

3. The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets.

**5) TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE:**

1. To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
2. Formulate criteria for evaluation of Independent Directors and the Board.
3. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
4. To carry out evaluation of every Director’s performance.
5. To recommend to the Board the appointment and removal of Directors and Senior Management.
6. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel, Senior Management and other employees.
7. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks
8. To devise a policy on Board diversity.
9. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
10. Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company’s Executive Directors on an annual basis or as may be permissible by laws applicable.



11. Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
12. Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
13. Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice
14. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
15. To perform such other functions as may be necessary or appropriate for the performance of its duties.
16. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**6) APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT APPOINTMENT OF DIRECTOR (INCLUDING INDEPENDENT DIRECTORS):**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

As per the applicable provisions of Companies Act 2013, Rules made there under and LODR the Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

**7) CRITERIA FOR APPOINTMENT OF KMP/SENIOR MANAGEMENT:**

To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities

- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct.

**8) REMOVAL:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

**9) POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP & SENIOR MANAGEMENT PERSONNEL:**

- No director/KMP/ other employee is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weight age to arrive at a competitive quantum of remuneration.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.

- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.
- Executive remuneration is proposed by the Committee and subsequently approved by the Board of Directors. Executive remuneration is evaluated annually against performance. In determining packages of remuneration, the Committee may take the advice of the Chairman/ Managing Director of the Company.
- The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

**10) FOLLOWING CRITERIA ARE ALSO TO BE CONSIDERED:**

Responsibilities and duties ; Time & efforts devoted; Value addition; Profitability of the Company & growth of its business; Analyzing each and every position and skills for fixing the remuneration yardstick ;

There should be consistent application of remuneration parameters across the organisation.

**11) REVIEW:**

The policy shall be reviewed by the Nomination & Remuneration Committee and the Board, from time to time as may be necessary.

*This policy has been recommended by the Nomination & Remuneration Committee and approved and adopted by the Board of Directors of the Company in their meeting held on 26<sup>th</sup> March, 2015 and altered on 13<sup>th</sup> May, 2016 to align with the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF UNITED VAN DER HORST LTD.****1. Report on the Financial Statements:**

We have audited the accompanying financial statements of UNITED VAN DER HORST LTD. ("the Company"), which comprise the Balance Sheet as at 31.03.2016, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**2. Management's Responsibility for the Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**3. Auditor's Responsibility:**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**4. Basis for Qualified Opinion:**

4.1 *The Company continues to prepare accounts on a going concern basis, despite accumulated losses as on 31.03.2016 being more than 50% of the average net worth during the four years immediately preceding the current financial year. Management explanations in this regard about internal assessment and future projections, have been relied upon. [Refer Note 26 (B)9]*

4.2 *The amounts aggregating Rs.10,752.23 thousand towards Trade Payable and Rs.6,370.10 thousand towards Trade Receivables are subject to confirmation from the parties. Management explanations in this regard that the amounts due to / from these parties are fully payable / recoverable have been relied upon. [Refer Note 26 (B)10]*

4.3 *During the year ended 31.03.2016, the Company has written back amounts aggregating Rs.8581.00 thousand payable to related parties towards Trade Payable/ Unsecured Loans / Expenses subject to confirmation from these parties. Management explanations in this regard that the amounts have been written back based on the internal approval have been relied upon. [Refer Note 26 (B)11]*

**5. Qualified Opinion:**

*In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31.03.2016, and its loss and its cash flows for the year ended on that date.*

**6. Report on Other Legal and Regulatory Requirements:**

6.1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure 'A'** a statement on the matters specified in paragraphs 3 and 4 of the Order as applicable.

6.2 As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- f) On the basis of the written representations received from the directors as on 31.03.2016 taken on record by the Board of Directors, none of the directors are disqualified as at 31.03.2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

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- h) With respect to the adequacy of the internal financial control over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in **Annexure 'B'**
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position– Refer Note 26 (B)(3) to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The Company is not required to transfer funds to the Investor Education and Protection Fund.

FOR **CHOKSHI & CHOKSHI LLP**

Chartered Accountants

FRN - 101872W/W100045

Vineet Saxena

Partner

M.No.100770

Place: Navi Mumbai

Date: 30.05.2016

**ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT****(Referred to in paragraph 6.1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situations of the fixed assets.  
  
(b) The fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. According to the information and explanations given to us, no material discrepancies were noticed on such verification.  
  
(c) The title deeds of the immovable properties are held in the name of the company.
- ii. As explained to us, inventories have been physically verified by the management at reasonable intervals with the records. In our opinion, the Company is maintaining proper records of inventory. No material discrepancies were noticed by the management on physical verification of inventory as compared to the books of account.
- iii. According to the information and explanations given to us and based on our examination of the records of the company, the Company has not granted any loans, secured or unsecured, to companies / firms / Limited Liability Partnerships / other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly sub clause (a), (b)& (c) of the Order are not applicable.
- iv. According to the information and explanations given to us and based on our examination of the records of the company, the applicable requirements in respect of the loans, investments, guarantees and security covered by the provisions of Section 185 and 186 of the Act have been complied with.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any public deposits and hence directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable. As per the information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this respect.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Act and are of the opinion that prima-facie the prescribed accounts and records have been maintained. We have, however not undertaken a detailed examination of the records with a view to determine whether they are accurate or complete.



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- vii. (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, amount deduced / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employee State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and other material statutory dues, *have not been regularly deposited during the year by the Company with the appropriate authorities in certain cases. The extent of dues remaining outstanding at the end of the financial year for more than six months from the date from which they were payable have been mentioned as under.*

(Rs.in '000)

| Name of the statute  | Nature of dues   | Amount   | Period to which the amount relates | Due Date                                |
|--|--|--|------------------------------------|---|
| The Finance Act, 1994  | Service Tax (including education cess, secondary and higher education) | Rs.9,82.95<br>(Net off Input Credit of Rs.2,53.35) | March 2015 to August 2015          | 6 <sup>th</sup> of the following month  |
| The Central Sales Tax, 1956  | Central Sales Tax  | Rs.35.20   | August 2015                        | 21 <sup>st</sup> of the following month |
| The Income Tax Act, 1961   | Tax deducted at Source   | Rs.292.90  | July 2015 to August 2015           | 7 <sup>th</sup> of the following month  |
| The Employees Provident Funds & Miscellaneous Provisions Act, 1952 | Provident Fund   | Rs.322.59  | May 2015 to August 2015            | 15 <sup>th</sup> of the following month |
| The Professional Tax Act, 1975                                     | Professional Tax   | Rs.6.85  | August 2015                        | 15 <sup>th</sup> of the following month |
| <b>Total</b>   |  | <b>1,640.49</b>                                    |                                    |   |

- (b) According to the information and explanations given to us, the details of disputed dues in respect of Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax and Cess as at 31.03.2016 are as under.

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**CHOKSHI & CHOKSHI LLP**Chartered Accountants

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(Rs.in '000)

| <b>Name of the statute</b> | <b>Nature of dues</b> | <b>Forum where dispute is pending</b> | <b>Period to which the amount relates</b> | <b>Amount involved (Rs.)</b> | <b>Amount unpaid (Rs.)</b> |
|----------------------------|-----------------------|---------------------------------------|---|------------------------------|----------------------------|
| The Income Tax Act,1961    | Income Tax            | #                                     | A.Y. 2008-09                              | Rs.621.59                    | Rs.621.59                  |
| The Income Tax Act,1961    | Income Tax            | #                                     | A.Y. 2009-10                              | Rs.397.03                    | Rs.397.03                  |

# The appeal is not filed as on the date of reporting.

- viii. According to the information and explanations given to us and based on our examination of the records of the company, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks or debentures holders during the year.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. During the course of our examination of the books of accounts, carried out in accordance with the generally accepted auditing standards in India, and according to the information and explanation given to us, we have not come across any instance of fraud by the Company or on the Company by its officers or employees, either noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not in the nature of a Nidhi Company as defined under Section 406 of the Act. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has complied with sections 177 and 188 of the Act for all transactions with the related parties and the details have been disclosed in the Financial Statements as required by the applicable accounting standards;

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- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**FOR CHOKSHI & CHOKSHI LLP**

Chartered Accountants

FRN - 101872W/W100045

Vineet Saxena

Partner

M.No.100770

Place: Navi Mumbai

Date: 30.05.2016

**ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 6.2(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**1. Report on the Internal Financial Controls under Section 143(3)(i) of the Companies Act, 2013:**

We have audited the internal financial controls over financial reporting of UNITED VAN DER HORST LIMITED ("the Company") as at 31.03.2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**2. Management's Responsibility for Internal Financial Controls:**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the size of Company and essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

**3. Auditors' Responsibility:**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing referred under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **4. Meaning of Internal Financial Controls over Financial Reporting:**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **5. Inherent Limitations of Internal Financial Controls over Financial Reporting:**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**6. Opinion:**

*Subject to the matters described in the Basis for Qualified Opinion paragraph in our report on the financial statements of the Company, in our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31.03.2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.*

**FOR CHOKSHI & CHOKSHI LLP**

Chartered Accountants

FRN - 101872W/W100045

Vineet Saxena

Partner

M.No.100770

Place: Navi Mumbai

Date: 30.05.2016

UNITED VAN DER HORST LTD.  
BALANCE SHEET AS AT 31ST MARCH 2016

( ` in '000)

| Particulars   | Note No. | As at 31.03.2016 | As at 31.03.2015 |
|---|----------|------------------|------------------|
| <b>I. EQUITY AND LIABILITIES</b>                                      |          |                  |                  |
| <b>1 Shareholders' Funds</b>  |          |                  |                  |
| (a) Share Capital   | 1        | 39,948.50        | 39,948.50        |
| (b) Reserves and Surplus  | 2        | (38,504.01)      | (37,007.16)      |
| (c) Money received against share warrants                             |          | -                | -                |
|   |          | 1,444.49         | 2,941.34         |
| <b>2 Share application money pending allotment</b>                    |          | -                | -                |
| <b>3 Non Current Liabilities</b>                                      |          |                  |                  |
| (a) Long-term Borrowings  | 3        | 5,964.52         | 7,687.38         |
| (b) Deferred Tax Liabilities (Net)                                    | 4        | 1,612.09         | 1,675.89         |
| (c) Other Long term Liabilities                                       |          | -                | -                |
| (d) Long-term Provisions  | 5        | 1,039.70         | 1,723.87         |
|   |          | 8,616.31         | 11,087.14        |
| <b>4 Current Liabilities</b>  |          |                  |                  |
| (a) Short-term Borrowings   | 6        | 32,944.49        | 27,629.92        |
| (b) Trade Payables  | 7        |                  |                  |
| (a) Total Outstanding Dues of Micro Enterprises and Small Enterprises |          | -                | -                |
| (b) Total Outstanding Dues of Creditors Other Than Micro Enterprises  |          | 10,883.12        | 16,768.11        |
| (c) Other Current Liabilities   | 8        | 7,877.53         | 2,105.81         |
| (d) Short-term Provisions   | 9        | 3,309.49         | 5,061.08         |
|   |          | 55,014.63        | 51,564.92        |
| <b>TOTAL</b>  |          | <b>65,075.43</b> | <b>65,593.40</b> |
| <b>II. ASSETS</b>   |          |                  |                  |
| <b>Non Current Assets</b>   |          |                  |                  |
| <b>1 (a) Fixed Assets</b>   | 10       |                  |                  |
| (i) Tangible assets   |          | 18,816.50        | 21,790.77        |
| (ii) Intangible assets  |          | 0.72             | 5.08             |
| (iii) Capital work-in-progress  |          | -                | -                |
| (iv) Intangible assets under development                              |          | -                | -                |
| (b) Non-current Investments   |          | -                | -                |
| (c) Deferred Tax Assets (net)   |          | -                | -                |
| (d) Long-term Loans and Advances                                      | 11       | 1,221.45         | 1,285.80         |
| (e) Other Non-current Assets  | 12       | 5,094.78         | 4,650.42         |
|   |          | 25,133.45        | 27,732.07        |
| <b>2 Current Assets</b>   |          |                  |                  |
| (a) Current Investments   |          | -                | -                |
| (b) Inventories   | 13       | 30,062.96        | 30,316.43        |
| (c) Trade Receivables   | 14       | 7,399.91         | 4,737.84         |
| (d) Cash and Bank Balances  | 15       | 528.63           | 1,435.81         |
| (e) Short-term Loans and Advances                                     | 16       | 374.42           | 425.80           |
| (f) Other Current Assets  | 17       | 1,576.06         | 945.45           |
|   |          | 39,941.98        | 37,861.33        |
| <b>TOTAL</b>  |          | <b>65,075.43</b> | <b>65,593.40</b> |

Notes to Financial Statements

1 to 26

As per our report of even date  
**For Chokshi & Chokshi LLP**  
**Chartered Accountants**  
**FRN - 101872W / W100045**

For and on behalf of the Board

**Inderpal Singh Sabharwal**  
**Chairman & Managing Director**

**Vineet Saxena**  
**Partner**  
**M.No.100770**  
Place: Navi Mumbai  
Date: 30.05.2016

**Rubina Sabharwal**  
**Whole Time Director & Chief Financial Officer**

**UNITED VAN DER HORST LTD.**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016**

(' in '000)

| Particulars   | Note No. | For the year ended<br>31.03.2016 | For the year ended<br>31.03.2015 |
|---|----------|----------------------------------|----------------------------------|
| I. Revenue from Operations  | 18       | 35,030.57                        | 52,566.00                        |
| II. Other Income  | 19       | 259.70                           | -                                |
| <b>III. Total Revenue (I + II)</b>  |          | <b>35,290.27</b>                 | <b>52,566.00</b>                 |
| IV. Expenses:   |          |                                  |                                  |
| Cost of materials consumed  | 20       | 3,683.86                         | 11,611.79                        |
| Changes in inventories of work-in-progress                                    | 21       | 436.00                           | 2,119.44                         |
| Employee benefits expense   | 22       | 10,639.45                        | 13,299.07                        |
| Finance costs   | 23       | 5,131.37                         | 5,096.63                         |
| Depreciation and amortization expense   | 10       | 2,994.33                         | 3,901.01                         |
| Other expenses  | 24       | 22,546.90                        | 25,867.21                        |
| <b>Total expenses</b>   |          | <b>45,431.91</b>                 | <b>61,895.15</b>                 |
| <b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>  |          | <b>-10,141.64</b>                | <b>-9,329.15</b>                 |
| VI. Exceptional items   | 25       | -8,581.00                        | 878.99                           |
| <b>VII. Profit before extraordinary items and tax (V - VI)</b>                |          | <b>-1,560.64</b>                 | <b>-10,208.13</b>                |
| VIII. Extraordinary Items   |          | -                                | -                                |
| <b>IX. Profit before tax (VII- VIII)</b>                                      |          | <b>-1,560.64</b>                 | <b>-10,208.13</b>                |
| X Tax expense:  |          |                                  |                                  |
| (1) Current tax   |          | -                                | -                                |
| (2) Deferred tax  |          | -63.79                           | (932.66)                         |
| <b>XI Profit (Loss) for the period from continuing operations (IX-X)</b>      |          | <b>-1,496.85</b>                 | <b>-9,275.48</b>                 |
| XII Profit/(loss) from discontinuing operations                               |          | -                                | -                                |
| XIII Tax expense of discontinuing operations                                  |          | -                                | -                                |
| <b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b> |          | <b>-</b>                         | <b>-</b>                         |
| <b>XV Profit (Loss) for the period (XI + XIV)</b>                             |          | <b>-1,496.85</b>                 | <b>-9,275.48</b>                 |
| XVI Earnings per equity share:  |          |                                  |                                  |
| (1) Basic   |          | -0.37                            | -2.32                            |
| (2) Diluted   |          | -0.37                            | -2.32                            |

Notes to Financial Statements

1 to 26

As per our report of even date  
**For Chokshi & Chokshi LLP**  
**Chartered Accountants**  
**FRN - 101872W / W100045**

For and on behalf of the Board

**Inderpal Singh Sabharwal**  
**Chairman & Managing Director**

**Vineet Saxena**  
**Partner**  
**M.No.100770**  
Place: Navi Mumbai  
Date: 30.05.2016

**Rubina Sabharwal**  
**Whole Time Director & Chief Financial Officer**



**UNITED VAN DER HORST LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

( ` in '000)

| Particulars   | For the year ended<br>31.03.2016 | For the year ended<br>31.03.2015 |
|---|----------------------------------|----------------------------------|
| <b>Cash Flow from Operating Activities</b>                |                                  |                                  |
| <b>Net Profit After Tax and Prior Period Adjustment</b>   | <b>-1,496.85</b>                 | <b>-9,275.48</b>                 |
| <b>Adjustment for:</b>                                    |                                  |                                  |
| Depreciation  | 2,994.33                         | 3,901.01                         |
| Prior Period Expenses                                     | 256.50                           | 305.95                           |
| Interest charges  | 867.94                           | 1,041.97                         |
| Interest Expense  | 4,263.43                         | 4,054.66                         |
| Exceptional Item  | -8,581.00                        | -                                |
| Loss on sale of assets                                    | 0.00                             | 803.33                           |
| Loss on exchange rate difference                          | 49.31                            | 1.74                             |
| Other income  | -254.73                          | -                                |
| <b>Operating profit before working capital changes</b>    | <b>-1,901.07</b>                 | <b>833.18</b>                    |
| <b>Adjustment for:</b>                                    |                                  |                                  |
| Inventories   | 253.47                           | 2,712.14                         |
| Sundry Debtors  | -2,662.07                        | 10,599.78                        |
| Other Current Assets                                      | -1,074.96                        | 4,337.75                         |
| Loans & Advances  | 115.74                           | 211.63                           |
| Prior period and other Expenses                           | -51.08                           | -307.69                          |
| Deferred Tax Liability                                    | -63.79                           | -932.66                          |
| Provisions  | -2,435.77                        | 699.92                           |
| Current Liabilities                                       | 5,832.83                         | -9,630.97                        |
| <b>Cash generated from operations</b>                     | <b>-1,986.70</b>                 | <b>8,523.08</b>                  |
| <b>Cash Flow from Investing Activities</b>                |                                  |                                  |
| Purchase of Fixed Assets                                  | -15.71                           | -3,185.77                        |
| Sale of Fixed Assets                                      | 0.00                             | 177.77                           |
| <b>Net cash used in investing activities</b>              | <b>-15.71</b>                    | <b>-3,008.00</b>                 |
| <b>Cash flow from Financing Activities</b>                |                                  |                                  |
| Loans Payment   | 3,776.62                         | -520.58                          |
| Loan Taken written off                                    | 2,450.00                         | -                                |
| Interest paid   | -5,131.37                        | -5,096.64                        |
| <b>Net cash generated from Financing activities</b>       | <b>1,095.25</b>                  | <b>-5,617.22</b>                 |
| <b>Net change in cash and cash equivalent</b>             | <b>-907.18</b>                   | <b>-102.11</b>                   |
| <b>Opening cash and cash equivalents as on 01.04.2015</b> | <b>1,435.81</b>                  | <b>1,537.92</b>                  |
| <b>Closing cash and cash equivalents as on 31.03.2016</b> | <b>528.63</b>                    | <b>1,435.81</b>                  |
|   | <b>-907.18</b>                   | <b>-102.11</b>                   |

As per our report of even date  
**For Chokshi & Chokshi LLP**  
Chartered Accountants  
FRN - 101872W / W100045

For and on behalf of the Board

**Inderpal Singh Sabharwal**  
Chairman & Managing Director

**Vineet Saxena**  
Partner  
M.No.100770  
Place: Navi Mumbai  
Date: 30.05.2016

**Rubina Sabharwal**  
Whole Time Director & Chief Financial Officer

Note 1 : Share Capital

Share Capital authorised, issued, subscribed and paid up:

(₹ in '000)

| Particulars                                   | As at 31.03.2016 |                  | As at 31.03.2015 |                  |
|---|------------------|------------------|------------------|------------------|
|   | Number           | ₹ in '000        | Number           | ₹ in '000        |
| <b>Authorised</b>                             |                  |                  |                  |                  |
| Equity Shares of ` 10 each                    | 5,000,000        | 50,000.00        | 5,000,000        | 50,000.00        |
| <b>Issued</b>                                 |                  |                  |                  |                  |
| Equity Shares of ` 10 each                    | 3,995,500        | 39,955.00        | 3,995,500        | 39,955.00        |
| <b>Subscribed &amp; Paid up</b>               |                  |                  |                  |                  |
| Equity Shares of ` 10 each fully paid         | 3,994,850        | 39,948.50        | 3,994,850        | 39,948.50        |
| <b>Subscribed but not fully Paid up</b>       |                  |                  |                  |                  |
| Equity Shares of ` 10 each, not fully paid up | 650              | 6.50             | 650              | 6.50             |
| <b>Total</b>                                  | <b>3,994,850</b> | <b>39,948.50</b> | <b>3,994,850</b> | <b>39,948.50</b> |

**Note.1(a): Reconciliation of no. of shares outstanding and amount at the beginning and at the end of the reporting period**

| Equity Shares                                   | As at 31.03.2016 |                  | As at 31.03.2015 |                  |
|---|------------------|------------------|------------------|------------------|
|   | No. of Shares    | ₹ in '000        | No. of Shares    | ₹ in '000        |
| Shares outstanding at the beginning of the year | 3,994,850        | 39,948.50        | 3,994,850        | 39,948.50        |
| Add: Issued during the year                     | -                | -                | -                | -                |
| Less: Bought back during the year               | -                | -                | -                | -                |
| Shares outstanding at the end of the year       | <b>3,994,850</b> | <b>39,948.50</b> | <b>3,994,850</b> | <b>39,948.50</b> |

**1(b) Rights attached to equity shares :**

The Company has only one class of equity shares having a par value of ` 10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion to their shareholdings.

**1(c) Shareholding more than 5 % in the Company:**

| Name of Shareholder                                 | As at 31.03.2016   |              | As at 31.03.2015   |              |
|---|--------------------|--------------|--------------------|--------------|
|   | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| 1. Ushpal Singh Sabharwal and Rajpal Kaur Sabharwal | 22,78,016          | 57.02        | 22,78,016          | 57.02        |
| 2. Inderpal Singh Sabharwal                         | 417,198            | 10.44        | 417,198            | 10.44        |

**1(d) Share Capital (Unpaid Calls)**

(₹ in '000)

| Unpaid Calls | ₹ in '000 |
|--------------|-----------|
| By Directors | -         |
| By Others    | 6.50      |

**Note 2 : Reserves & Surplus**

( ` in '000)

| Particulars                                    | As at 31.03.2016   | As at 31.03.2015   |
|--|--------------------|--------------------|
| <b>a. Capital Reserves</b>                     |                    |                    |
| Opening Balance                                | 2,210.19           | 2,210.19           |
| (+) Current Year Transfer                      | -                  | -                  |
| (-) Written Back in Current Year               | -                  | -                  |
| Closing Balance                                | <b>2,210.19</b>    | <b>2,210.19</b>    |
| <b>b. Surplus</b>                              |                    |                    |
| Opening balance                                | (39,217.35)        | (29,220.27)        |
| (+) Net Profit/(Net Loss) for the current year | -1,496.85          | (9,275.48)         |
| <b>Less: Appropriation</b>                     |                    |                    |
| (+) Transfer from Reserves                     | -                  | -                  |
| (-) Proposed Dividends                         | -                  | -                  |
| (-) Interim Dividends                          | -                  | -                  |
| (-) Transfer to Reserves                       | -                  | -                  |
| (-) Adjusted for Depreciation                  | -                  | (721.60)           |
| Closing Balance                                | <b>(40,714.20)</b> | <b>(39,217.35)</b> |
| <b>Total</b>                                   | <b>(38,504.01)</b> | <b>(37,007.16)</b> |

**Note 3 : Long Term Borrowings**

(' in '000)

| Particulars   | As at 31.03.2016 | As at 31.03.2015 |
|---|------------------|------------------|
| <b>Secured</b>  |                  |                  |
| <b>(a) Term loans</b>   |                  |                  |
| HDFC Bank Ltd.<br>(Secured By Vehicles)   | 46.79            | 216.91           |
| Kotak Mahindra Bank Ltd.<br>(Secured By Vehicles)<br>(Refer note 8 for current maturity)                            | 1,447.28         | 1,851.03         |
|   | 1,494.07         | 2,067.94         |
| <b>Unsecured</b>  |                  |                  |
| <b>(a) Other loans and advances</b>   |                  |                  |
| Loan from Related Party<br>(Terms of Repayment of two loans 90 to 95 months)<br>(Refer note 8 for current maturity) | 4,470.45         | 5,619.44         |
|   | 4,470.45         | 5,619.44         |
| <b>Total</b>  | <b>5,964.52</b>  | <b>7,687.38</b>  |

**Terms of repayment and maturity are as follows :**

(' in '000)

| Loan from                | Rate of Interest | Year of maturity | Payment Terms | As at 31.03.2016 | As at 31.03.2015 |
|--------------------------|------------------|------------------|---------------|------------------|------------------|
| HDFC Bank Ltd            | Floating         | 2017             | Monthly       | 46.79            | 216.91           |
| Kotak Mahindra Bank Ltd. | Floating         | 2020             | Monthly       | 1,447.28         | 1,851.03         |

**Note 4 : Deferred Tax Liabilities (Net)**

The Components of Deferred Tax Liabilities and Assets are as under:

(' in '000)

| Particulars                      | As at 31.03.2016 | As at 31.03.2015 |
|----------------------------------|------------------|------------------|
| <b>Deferred Tax Liabilities:</b> |                  |                  |
| Depreciation/ Amortization       | 1,612.09         | 1,675.89         |
| <b>Deferred Tax Assets:</b>      |                  |                  |
|                                  | -                | -                |
| <b>Total</b>                     | <b>1,612.09</b>  | <b>1,675.89</b>  |

**Note 5 : Long Term Provisions**

(' in '000)

| Particulars                            | As at 31.03.2016 | As at 31.03.2015 |
|--|------------------|------------------|
| <b>Provision for employee benefits</b> |                  |                  |
| Gratuity                               | 1,037.76         | 1,283.50         |
| Compensated Absence [sick leave]       | 1.94             | 1.94             |
| Provision for Contingencies            | -                | 438.43           |
| <b>Total</b>                           | <b>1,039.70</b>  | <b>1,723.87</b>  |

**Note 6 : Short Term Borrowings**

(' in '000)

| Particulars   | As at 31.03.2016 | As at 31.03.2015 |
|---|------------------|------------------|
| <b>Secured</b>  |                  |                  |
| <b>(a) Other loans and advances</b>   |                  |                  |
| i) State Bank of India (Cash Credit)<br><br>(Secured By first charge by way of hypothecation of all stocks, book debts, and all other current assets of the company and collateral security by way of second charge of the fixed assets.) | 25,344.49        | 25,179.92        |
|   | 25,344.49        | 25,179.92        |
| <b>Unsecured</b>  |                  |                  |
| (a) Interest accrued on Inter corporate Deposit   | -                | -                |
| (b) Loans from Related Party<br>(Repayable on Demand)   | 7,600.00         | 2,450.00         |
|   | 7,600.00         | 2,450.00         |
| <b>Total</b>  | <b>32,944.49</b> | <b>27,629.92</b> |

**Note 7 : Trade Payables**

(` in '000)

| Particulars                           | As at 31.03.2016 | As at 31.03.2015 |
|---------------------------------------|------------------|------------------|
| (a) M.S.M.E.D.[Refer Note 26 (B) (8)] | -                | -                |
| (b) Others                            | 10,883.12        | 16,768.11        |
| <b>Total</b>                          | <b>10,883.12</b> | <b>16,768.11</b> |

**Note 8 : Other Current Liabilities**

(` in '000)

| Particulars                                       | As at 31.03.2016 | As at 31.03.2015 |
|---|------------------|------------------|
| <b>(a) Current Maturities of Long Term Loans</b>  |                  |                  |
| <u>Secured</u>                                    |                  |                  |
| HDFC Bank Ltd.<br>(Secured By Vehicles)           | 170.12           | 164.15           |
| Kotak Mahindra Bank Ltd.<br>(Secured By Vehicles) | 403.75           | 357.85           |
| <u>Unsecured (from Related Party)</u>             | 1,159.36         | 1,026.32         |
| <b>(b) Statutory Dues</b>                         |                  |                  |
| ESIC Employee Contribution                        | 19.72            | 2.34             |
| Provident Fund Employee                           | 590.52           | 46.62            |
| Duties and taxes                                  | 4,503.75         | 506.67           |
|   | <b>6,847.22</b>  | <b>2,103.95</b>  |
| <b>(c) Others</b>                                 |                  |                  |
| Advance Received from Customer                    | 1,029.81         | -                |
| Group Insurance of Workers (LIC)                  | 0.50             | 1.86             |
|   | <b>1,030.31</b>  | <b>1.86</b>      |
| <b>Total</b>                                      | <b>7,877.53</b>  | <b>2,105.81</b>  |

**Note 9 : Short Term Provisions**

(` in '000)

| Particulars                                | As at 31.03.2016 | As at 31.03.2015 |
|--|------------------|------------------|
| <b>(a) Provision for Employee Benefits</b> |                  |                  |
| Salary & Reimbursements                    | 749.00           | 397.01           |
| Contribution to PF                         | 637.13           | 46.62            |
| Employees' state Insurance corporation     | 53.53            | 6.35             |
| Gratuity                                   | 538.86           | 1,063.08         |
| Compensated Absence [sick leave]           | 25.46            | 25.46            |
| Leave Encashment                           | 215.62           | 197.59           |
| Bonus                                      | 183.00           | 224.48           |
|  | <b>2,402.60</b>  | <b>1,960.59</b>  |
| <b>(b) Others</b>                          |                  |                  |
| Directors Remuneration                     | 155.75           | 1,657.75         |
| Provision for expenses                     | 751.14           | 1,318.40         |
| Provision for bad and doubtful debts       | -                | 124.34           |
|  | <b>906.89</b>    | <b>3,100.49</b>  |
| <b>Total</b>                               | <b>3,309.49</b>  | <b>5,061.08</b>  |

**Note 10 Fixed Assets**

(` in '000)

|   | Particulars              | Gross Block              |                         |                          |                          | Depreciation / Amortization |   |  |                  |                          | Net Block                |                          |
|---|--------------------------|--------------------------|-------------------------|--------------------------|--------------------------|-----------------------------|---|--|------------------|--------------------------|--------------------------|--------------------------|
|   |                          | Balance as at 01.04.2015 | Additions / Adjustments | Deductions / Adjustments | Balance as at 31.03.2016 | Balance as at 01.04.2015    | Depreciation / Amortization charge for the year | Depreciation adjusted to Retained Earnings | On disposals     | Balance as at 31.03.2016 | Balance as at 31.03.2016 | Balance as at 31.03.2015 |
| a | <b>Tangible Assets</b>   |                          |                         |                          |                          |                             |   |  |                  |                          |                          |                          |
|   | Leasehold Land           | 2,257.91                 | -                       | -                        | 2,257.91                 | 956.80                      | 36.80   | -  | -                | 993.60                   | 1,264.30                 | 1,301.12                 |
|   | Buildings                | 24,409.65                | -                       | -                        | 24,409.65                | 20,029.34                   | 577.34  | -  | -                | 20,606.68                | 3,802.98                 | 4,380.31                 |
|   | Plant and Equipment      | 73,295.23                | -                       | 53,737.67                | 19,557.56                | 62,095.37                   | 1,496.39  | -  | 53,737.67        | 9,854.09                 | 9,703.48                 | 11,199.87                |
|   | Furniture and Fixtures   | 3,337.53                 | 8.00                    | 1,533.98                 | 1,811.55                 | 2,816.48                    | 158.39  | -  | 1,533.98         | 1,440.89                 | 370.66                   | 521.05                   |
|   | Vehicles                 | 8,474.46                 | -                       | -                        | 8,474.46                 | 4,233.49                    | 654.57  | -  | -                | 4,888.06                 | 3,586.40                 | 4,240.97                 |
|   | <b>Others</b>            |                          |                         |                          |                          |                             |   |  |                  |                          |                          |                          |
|   | Computers                | 1,776.98                 | 7.71                    | 1,170.90                 | 613.80                   | 1,629.54                    | 66.48   | -  | 1,170.90         | 525.11                   | 88.68                    | 147.45                   |
|   | <b>Total</b>             | <b>1,13,551.77</b>       | <b>15.71</b>            | <b>56,442.55</b>         | <b>57,124.93</b>         | <b>91,761.01</b>            | <b>2,989.97</b>                                 | <b>-</b>                                   | <b>56,442.55</b> | <b>38,308.43</b>         | <b>18,816.50</b>         | <b>21,790.77</b>         |
|   | Previous Year            | <b>1,15,145.26</b>       | <b>3,185.77</b>         | 4,327.18                 | 1,14,003.85              | <b>90,940.93</b>            | <b>3,896.65</b>                                 | 721.60                                     | 3,346.08         | <b>92,213.10</b>         | <b>21,790.77</b>         | <b>24,204.34</b>         |
| b | <b>Intangible Assets</b> | 14.42                    | -                       | -                        | 14.42                    | 9.34                        | 4.36  | -  | -                | 13.70                    | 0.72                     | 5.08                     |
|   | <b>Total</b>             | <b>14.42</b>             | <b>-</b>                | <b>-</b>                 | <b>14.42</b>             | <b>9.34</b>                 | <b>4.36</b>                                     | <b>-</b>                                   | <b>-</b>         | <b>13.70</b>             | <b>0.72</b>              | <b>5.08</b>              |
|   | Previous Year            | 14.42                    | 14.42                   | -                        | 14.42                    | 4.98                        | 4.36  | -  | -                | 9.34                     | 5.08                     | 9.44                     |

**Note 11 : Long Term Loans and Advances**

(₹ in '000)

| Particulars                         | As at 31.03.2016 | As at 31.03.2015 |
|-------------------------------------|------------------|------------------|
| <i>(Unsecured, considered good)</i> |                  |                  |
| <b>Security Deposits</b>            |                  |                  |
| - Others                            | 1,221.45         | 1,285.80         |
| <b>Total</b>                        | <b>1,221.45</b>  | <b>1,285.80</b>  |

**Note 12 : Other Non Current Assets**

(₹ in '000)

| Particulars                    | As at 31.03.2016 | As at 31.03.2015 |
|--------------------------------|------------------|------------------|
| Advance Tax (net of provision) | 4,229.93         | 3,756.31         |
| Prepaid Expenses               | 236.37           | 282.41           |
| Earnest Money Deposit          | 628.48           | 611.70           |
| <b>Total</b>                   | <b>5,094.78</b>  | <b>4,650.42</b>  |

**Note 13 : Inventories**

(₹ in '000)

| Particulars                     | As at 31.03.2016 | As at 31.03.2015 |
|---------------------------------|------------------|------------------|
| a. Raw Materials and components | 6,960.00         | 6,777.47         |
| b. Work-in-progress             | 23,102.96        | 23,538.96        |
| <b>Total</b>                    | <b>30,062.96</b> | <b>30,316.43</b> |

**Note 14 : Trade Receivables**

(₹ in '000)

| Particulars  | As at 31.03.2016 | As at 31.03.2015 |
|--|------------------|------------------|
| <i>(Unsecured, considered good)</i>                                |                  |                  |
| a. Outstanding for a period exceeding six months from the due date | 4,137.84         | 1,409.03         |
| b. Others  | 3,262.07         | 3,328.81         |
| <b>Total</b>   | <b>7,399.91</b>  | <b>4,737.84</b>  |

**Note 15 : Cash and Bank Balances**

(₹ in '000)

| Particulars                            | As at 31.03.2016 | As at 31.03.2015 |
|--|------------------|------------------|
| <b>a. Cash and Cash equivalent</b>     |                  |                  |
| - Cash on hand                         | 54.81            | 80.33            |
| - Current Accounts                     | 170.97           | 416.54           |
|  | <b>225.78</b>    | <b>496.87</b>    |
| <b>b. Others bank balances</b>         |                  |                  |
| In Term Deposits (Refer note 26 (B)16) | 302.85           | 938.94           |
|  | <b>302.85</b>    | <b>938.94</b>    |
| <b>Total</b>                           | <b>528.63</b>    | <b>1,435.81</b>  |

**Note 16 : Short Term loans and advances**

(₹ in '000)

| Particulars                           | As at 31.03.2016 | As at 31.03.2015 |
|---------------------------------------|------------------|------------------|
| <i>(Unsecured, considered good)</i>   |                  |                  |
| Loans and advances to related parties | 324.20           | 324.20           |
| Advance to Staff                      | 50.22            | 101.60           |
| <b>Total</b>                          | <b>374.42</b>    | <b>425.80</b>    |

**Note 17 Other Current Assets**

(₹ in '000)

| Particulars                        | As at 31.03.2016 | As at 31.03.2015 |
|------------------------------------|------------------|------------------|
| Excise duty and service tax credit | 485.07           | 119.19           |
| Work Contract Tax                  | 481.22           | 346.22           |
| Vat Receivable                     | 373.74           | 46.93            |
| Prepaid Expenses                   | 236.03           | 433.11           |
| <b>Total</b>                       | <b>1,576.06</b>  | <b>945.45</b>    |

**Note 18 : Revenue from Operations**

( ` in '000)

| Particulars              | For the year ended<br>31.03.2016 | For the year ended 31.03.2015 |
|--------------------------|----------------------------------|-------------------------------|
| Sale of products         | 13,763.80                        | 13,666.30                     |
| Sale of services         | 22,661.60                        | 39,998.56                     |
| Other operating revenues | 64.10                            | 205.74                        |
| Less:                    |                                  |                               |
| Excise duty              | 1,458.93                         | 1,304.60                      |
| <b>Total</b>             | <b>35,030.57</b>                 | <b>52,566.00</b>              |

**Note 19 : Other Income**

( ` in '000)

| Particulars                | For the year ended<br>31.03.2016 | For the year ended 31.03.2015 |
|----------------------------|----------------------------------|-------------------------------|
| Other non-operating income | 259.70                           | -                             |
| <b>Total</b>               | <b>259.70</b>                    | <b>-</b>                      |

**Note 20 : Cost of materials consumed**

( ` in '000)

| Particulars                      | For the year ended<br>31.03.2016 | For the year ended 31.03.2015 |
|----------------------------------|----------------------------------|-------------------------------|
| Opening stock                    | 6,777.47                         | 7,370.17                      |
| Add: Purchases                   | 3,866.39                         | 11,019.09                     |
| Less: Closing stock              | 6,960.00                         | 6,777.47                      |
| <b>Cost of material consumed</b> | <b>3,683.86</b>                  | <b>11,611.79</b>              |



**Note 21 : Changes in inventories of finished goods, work-in-progress and stock-in-trade**

(₹ in '000)

| Particulars  | For the year ended<br>31.03.2016 | For the year ended 31.03.2015 |
|--|----------------------------------|-------------------------------|
| <b>Inventories at the end of the year:</b>                 |                                  |                               |
| Work-in-progress   | 12,244.57                        | 12,567.36                     |
| Work-in-progress of hydraulic and Pneumatic Cylinder Parts | 10,858.39                        | 10,971.60                     |
|  | 23,102.96                        | 23,538.96                     |
| <b>Inventories at the beginning of the year:</b>           |                                  |                               |
| Work-in-progress   | 12,567.36                        | 16,578.00                     |
| Work-in-progress of hydraulic and Pneumatic Cylinder Parts | 10,971.60                        | 9,080.40                      |
|  | 23,538.96                        | 25,658.40                     |
| <b>Net (increase) / decrease</b>                           | <b>436.00</b>                    | <b>2,119.44</b>               |

**Note 22 : Employee Benefit Expenses**

(₹ in '000)

| Particulars                        | For the year ended<br>31.03.2016 | For the year ended 31.03.2015 |
|------------------------------------|----------------------------------|-------------------------------|
| (a) Salaries and incentives        | 9,929.66                         | 11,307.04                     |
| (b) Contributions to -             |                                  |                               |
| (i) Provident fund                 | 689.76                           | 920.10                        |
| (ii) ESIC                          | 53.52                            | 88.04                         |
| (c) Reversal of Gratuity Provision | (763.97)                         | -                             |
| (d) Sick Leave Contribution        | -                                | -                             |
| (e) Bonus                          | 358.65                           | 224.48                        |
| (f) Leave Encashment               | 18.03                            | 66.14                         |
| (g) Staff welfare expenses         | 259.71                           | 605.43                        |
| (h) Apprentice                     | 94.09                            | 87.84                         |
| <b>Total</b>                       | <b>10,639.45</b>                 | <b>13,299.07</b>              |

**Note 23 : Finance Cost**

(₹ in '000)

| Particulars             | For the year ended<br>31.03.2016 | For the year ended 31.03.2015 |
|-------------------------|----------------------------------|-------------------------------|
| <b>Interest expense</b> |                                  |                               |
| Interest on Bank Loan   | 867.94                           | 1,041.97                      |
| Interest on Other Loan  | 4,263.43                         | 4,054.66                      |
| <b>Total</b>            | <b>5,131.37</b>                  | <b>5,096.63</b>               |

**Note 24 : Other Expenses**

(₹ in '000)

| Particulars                                   | For the year ended<br>31.03.2016 | For the year ended 31.03.2015 |
|---|----------------------------------|-------------------------------|
| Insurance                                     | 168.48                           | 77.45585                      |
| Conveyance and Travelling                     | 480.21                           | 183.77                        |
| Telephone, Postage and Telegram               | 357.56                           | 364.08                        |
| <b>Repairs and Maintenance:</b>               |                                  |                               |
| Machinery                                     | 20.14                            | 16.755                        |
| Building                                      | 317.36                           | 359.394                       |
| Others  | 486.34                           | 343.17                        |
| Rent Rates and Taxes                          | 1,673.46                         | 2,193.45                      |
| Water Charges                                 | 104.30                           | 189.60                        |
| Utilities                                     | 147.26                           | 524.26                        |
| Freight and Transport                         | 646.33                           | 551.90                        |
| Directors sitting fees                        | 15.00                            | 6.00                          |
| Security Services                             | 949.52                           | 1,348.83                      |
| Bank Charges                                  | 49.31                            | 144.89                        |
| Interest on Service Tax                       | 5.00                             | 644.42                        |
| Interest on TDS                               | 15.89                            | 7.27                          |
| Interest on VAT/CST                           | 22.95                            | 120.56                        |
| Late Fees for Statutory Payment               | 0.01                             | 41.75                         |
| Late Fees for other payments                  | 16.30                            | 25.78                         |
| Sales Promotion Expenses                      | 543.60                           | 329.13                        |
| Legal & Professional charges                  | 566.97                           | 294.59                        |
| Motor Car Expenses                            | 928.20                           | 759.48                        |
| Printing, Stationery & Subscriptions          | 197.63                           | 203.65                        |
| Share Transfer and Other Registration Charges | -                                | 1.12                          |
| Electricity Charges                           | 203.32                           | 164.73                        |
| Selling & Distribution Exps.                  | 115.75                           | 111.11                        |
| Donation                                      | 5.00                             | 10.00                         |
| Power and Fuel                                | 4,035.00                         | 3,766.16                      |
| Labour charges                                | 6,412.75                         | 8,117.51                      |
| Loss on exchange rate difference              | 49.31                            | 1.74                          |
| Professional Charges                          | 2,140.75                         | 2,952.44                      |
| Housekeeping Expenses                         | 303.23                           | 53.94                         |
| Guest House Expenses                          | 281.32                           | 20.94                         |
| Profession Tax                                | -                                | 2.50                          |
| Late Delivery Charges / Damage Charges        | 75.17                            | 298.04                        |
| Auditors' Remuneration [Refer Note 26(B)14]   | 256.50                           | 350.00                        |
| Prior Period Expense                          | 256.50                           | 305.95                        |
| Provision for Contingencies                   | -                                | 438.43                        |
| Provision for bad and doubtful debts          | -                                | 124.34                        |
| Miscellaneous Expenses                        | 700.50                           | 418.07                        |
| <b>Total</b>                                  | <b>22,546.90</b>                 | <b>25,867.21</b>              |

**Note 25 : Exceptional Items**

(₹ in '000)

| Particulars                                      | For the year ended<br>31.03.2016 | For the year ended 31.03.2015 |
|--|----------------------------------|-------------------------------|
| Loss on Sale of Asset                            | -                                | 803.33                        |
| Sundry balance written back [Refer Note 26(B)11] | 8,581.00                         | 75.66                         |
| <b>Total</b>                                     | <b>8,581.00</b>                  | <b>878.99</b>                 |

## **UNITED VAN DER HORST LIMITED**

### **Note 26: Significant Accounting Policies and Notes to Accounts**

#### **A) Significant Accounting Policies:**

##### **1. Basis of preparation of Financial Statements:**

The financial statements are prepared under the historical cost convention on accrual basis of accounting and in accordance with the generally accepted accounting principles in India. The financial statements comply in all material aspects with the accounting standards specified under section 133 of the Companies Act, 2013 (the "Act"), read with the Rule 7 of the Companies (Accounting Standard) Rules, 2014 and the relevant provisions of the Act (to the extent notified). Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company. All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

##### **2. Use of estimates :**

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported balances of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

##### **3. Revenue recognition:**

Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exist reasonable certainty of its recovery.

- i) All revenues are generally recognized on accrual basis
- ii) Jobs completed, inspected by clients and invoiced are included in sales, pending delivery
- iii) Income is stated net of duties and taxes

Other operational revenue represents income earned from activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

#### **4. Fixed Assets :**

##### **Tangible**

Fixed Assets are stated at cost of acquisition or construction net of impairment loss, if any, less accumulated depreciation/amortisation. Cost includes related taxes, duties (net of CENVAT/ VAT credit), freight insurance, impairment etc. attributable to bringing the assets to working condition for intended use, pre-operational expenses and technical fees paid for transfer of technology, relating to assets. All amounts incurred for fixed assets pending completion/installation /ready for use are taken as Capital Work-in-Progress.

##### **Intangible**

Intangible assets are stated at cost of acquisition, including any cost attributable to bringing the same to its working condition, less amortization over estimated useful life.

#### **5. Depreciation / Amortisation:**

Depreciation in respect of assets is charged based on the useful life of the assets as prescribed in Schedule II of the Act, except in case of lease hold land which is amortized over the period of lease.

Depreciation on assets whose cost individually does not exceed upto ` 5,000/- is fully provided in the year of purchase.

#### **6. Investments :**

Investments are classified into long-term investments and current investments based on the management's intention at the time of purchase. Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investment are classified as long term investments. Long-term investments are carried at cost and provision is made to recognize any decline, other than temporary, in the value of such investments, determined separately for each investment. Current investments are carried at the lower of the cost and fair value and provision is made to recognize any decline in the carrying value. The comparison of cost and fair value is done separately in respect of each category of investments.

#### **7. Impairment of Assets :**

At each balance sheet date, the carrying amounts of fixed assets are reviewed by the management to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and risks specific to the asset.

## **8. Inventories :**

Raw Material, Packing Material, Stores & Spares and Finished Goods are valued at cost or net realizable value, whichever is lower. Cost of stock is determined on FIFO basis. Work in progress is valued at cost or net realizable value, whichever is lower based on estimate of the stage of each job [by technical personnel] as a percentage of net invoice as reduced by estimated profit margin.

## **9. Cash and cash equivalents :**

Cash and cash equivalents for the purpose of cash flow statement on balance sheet date comprise cash at bank and on hand and short term investments with an original maturity of three months or less.

## **10. Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use or sale or those assets that are not ready for their intended use or sale when acquired. All other borrowing costs are charged to revenue in the period in which they are incurred.

## **11. Employee Benefits :**

### **i) Provident Fund:**

Contributions to Provident Fund & ESIC, under a defined contribution scheme are charged to the Statement of Profit and Loss.

### **ii) Gratuity:**

The Company's liability towards gratuity is determined on the basis of year end actuarial valuation done by an independent actuary. The actuarial gains or losses determined by the actuary are recognised in the Statement of Profit and Loss as income or expense.

### **iii) Leave Encashment:**

As per the Accounting Standard 15 (Revised) issued by The Institute of Chartered Accountants of India, the liability in respect of earned Leave Encashment is provided on accrual basis.

## **12. Foreign Currency Transaction :**

- i) Foreign Currency Transactions are accounted at the rate of exchange prevailing on the date of the Transactions.
- ii) Monetary items, denominated in foreign currency are translated at the exchange rate prevailing on the last date of the accounting year.
- iii) Gains / or losses arising out of translation / conversion is taken credit for or charged to Statement of Profit & Loss.

## **13. Taxation :**

Income Tax expenses comprise current tax, deferred tax charge or credit. Provision for current tax is made with reference to taxable income computed for the accounting year, for which the financial statements are prepared by applying the tax rates as applicable. The deferred tax charge or credit is recognized on timing differences between incomes accounted in the financial statements and the taxable income for the year and quantified using prevailing enacted or substantively enacted tax rates. Deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets / liabilities are reviewed as at each Balance Sheet date based on development during the year and available case laws to reassess realization / liabilities.

## **14. Earning per share :**

Basic earning per share is computed by dividing net profit/loss after tax for the period by the weighted average number of equity shares outstanding during the period. Diluted earning per share is computed by dividing net profit/loss after tax for the period by the weighted average number of equity shares outstanding and dilutive potential equity shares.

## **15. Provisions, Contingent Liabilities & Contingent Assets:**

- a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if:
  - i) The Company has a present obligations as result of past event
  - ii) A probable outflow of resource is expected to settle the obligation and
  - iii) The amount of the obligation can be reliably estimated

Reimbursement expected in respect of expenditure required to settle a provisions is recognized only when it is virtually certain that the reimbursement will be received.

## B) Notes to Accounts:

### 1. Contingent Liabilities:

On completion of income tax assessment, the Company had received a demand of ` 621.59 thousand for A.Y. 2008-09 and ` 397.03 thousand for A.Y. 2009-10. The Company shall be filing the appeal for the same in due course.

### 2. Capital Commitment: Nil as on 31.03.2016 (Previous Year Nil)

3. The Company did not have any pending litigations having impact on its financial position reflected in the financial statements

### 4. Segment Reporting

The Company's operating business are organized and managed separately according to nature of products and services provided with each segment representing a strategic business unit that offers different product and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

Income & expenses which relate to the Company as a whole and not allocable to segments are included in "Un-allocable Income / Expense".

Information about business segments for the financial year 2015-16 is as under:

|          |                                   | (` in '000)          |                       |                    |                    |
|----------|-----------------------------------|----------------------|-----------------------|--------------------|--------------------|
| <b>A</b> | <b>Revenue</b>                    | <b>Manufacturing</b> | <b>Reconditioning</b> | <b>Unallocated</b> | <b>Total</b>       |
|          | Sales                             | 11,638.87            | 22,661.60             | 730.10             | 35,030.57          |
|          |                                   | <i>12,136.31</i>     | <i>39,998.56</i>      | <i>431.13</i>      | <i>52,566.00</i>   |
|          | Other Income                      |                      |                       | Nil                | Nil                |
|          |                                   |                      |                       | <i>Nil</i>         | <i>Nil</i>         |
|          | <b>Total Revenue</b>              | <b>11,638.87</b>     | <b>22,661.60</b>      | <b>730.10</b>      | <b>35,030.57</b>   |
|          |                                   | <i>12,136.31</i>     | <i>39,998.56</i>      | <i>431.13</i>      | <i>52,566.00</i>   |
| <b>B</b> | <b>Segment Results (PBIT)</b>     | <b>Nil</b>           | <b>Nil</b>            | <b>3,570.73</b>    | <b>3,570.73</b>    |
|          |                                   | <i>Nil</i>           | <i>Nil</i>            | <i>(5,111.51)</i>  | <i>(5,111.51)</i>  |
|          | Interest Expenses                 | Nil                  | Nil                   | 5,131.37           | 5,131.37           |
|          |                                   | <i>Nil</i>           | <i>Nil</i>            | <i>5,096.63</i>    | <i>5,096.63</i>    |
| <b>C</b> | <b>Segment Results before tax</b> | <b>Nil</b>           | <b>Nil</b>            | <b>(1,560.64)</b>  | <b>(1,560.64)</b>  |
|          |                                   | <i>Nil</i>           | <i>Nil</i>            | <i>(10,208.13)</i> | <i>(10,208.13)</i> |
| 1        | Provision for current tax         | Nil                  | Nil                   | Nil                | Nil                |
|          |                                   | <i>Nil</i>           | <i>Nil</i>            | <i>Nil</i>         | <i>Nil</i>         |
| 2        | Deferred tax                      | Nil                  | Nil                   | 63.79              | 63.79              |
|          |                                   | <i>Nil</i>           | <i>Nil</i>            | <i>932.66</i>      | <i>932.66</i>      |
| <b>D</b> | <b>Profit after tax</b>           | <b>Nil</b>           | <b>Nil</b>            | <b>(1,496.85)</b>  | <b>(1,496.85)</b>  |
|          |                                   | <i>Nil</i>           | <i>Nil</i>            | <i>(9,275.48)</i>  | <i>(9,275.48)</i>  |
| <b>E</b> | <b>Other Information</b>          |                      |                       |                    |                    |
| 1        | Segment Assets                    | Nil                  | Nil                   | 65,075.43          | 65,075.43          |
|          |                                   | <i>Nil</i>           | <i>Nil</i>            | <i>65,593.40</i>   | <i>65,593.40</i>   |
| 2        | Segment Liabilities               | Nil                  | Nil                   | 63,630.94          | 63,630.94          |
|          |                                   | <i>Nil</i>           | <i>Nil</i>            | <i>62,652.06</i>   | <i>62,652.06</i>   |

**Note:** Previous Year figures are in *italics*.

**5. Related Parties Disclosure:**

| <b>Sr. No.</b> | <b>Name</b>  | <b>Nature of Relationship</b> |
|----------------|--|-------------------------------|
| 1              | Univan Services Company Ltd.   | Associate                     |
| 2              | Spare-Age Seals Ltd.   | Associate                     |
| 3              | Mr. Ushpal Singh Sabharwal<br>Chairman & Managing Director till 06.07.2015   | Key Management Personnel      |
| 4              | Mr. Inderpal Singh Sabharwal<br>Chairman & Managing Director from 07.07.2015                                       | Key Management Personnel      |
| 5              | Mrs. Rubina Inderpal Sabharwal<br>Whole Time Director from 01.09.2015 &<br>Chief Financial Officer from 09.11.2015 | Key Management Personnel      |
| 6              | Mrs. Baljeet Kaur Mehra<br>Chief Financial Officer till 08.11.2015   | Key Management Personnel      |

Transactions with Related Parties:

| <b>Particulars</b>                     | ( in '000)     |                |
|--|----------------|----------------|
|  | <b>2015-16</b> | <b>2014-15</b> |
| <b>Univan Services Company Ltd.</b>    |                |                |
| Balance as at 31.03.2016 (Debit)       | 324.20         | 324.20         |
| <b>Spare-Age Seals Ltd</b>             |                |                |
| Manufacturing Sales                    | Nil            | Nil            |
| Job Work Sales                         | 88.35          | Nil            |
| Purchase of Goods and Service          | 366.76         | 1,324.84       |
| Trade Payables written back            | 3,800.00       | Nil            |
| Balance as at 31.03.2016 (Credit)      | 123.16         | 3,644.79       |
| <b>Mr. Ushpal Singh Sabharwal</b>      |                |                |
| Remuneration Perquisites               | Nil            | 2,510.00       |
| Rent paid                              | Nil            | 1,045.00       |
| Loan Taken                             | Nil            | 200.00         |
| Loan Repaid                            | Nil            | 500.00         |
| Loan payable written back              | 2,450.00       | Nil            |
| Professional Fees payable written back | 1,503.00       | Nil            |
| Rent payable written back              | 427.50         | Nil            |
| Balance as at 31.03.2016 (Credit)      | Nil            | 4,380.50       |
| <b>Mr. Inderpal Singh Sabharwal</b>    |                |                |
| Remuneration Perquisites               | 3,760.95       | 3,000.00       |
| Rent paid                              | 1,490.00       | 475.00         |
| Loan Taken                             | 2,795.00       |                |
| Loan Repaid                            | 1,015.95       | Nil            |
| Interest paid on Loan                  | 819.57         | 2,280.44       |
|  |                | 996.10         |
| Balance as at 31.03.2016 (Credit)      | 8,644.77       | 7,244.26       |
| <b>Mrs. Rubina Inderpal Sabharwal</b>  |                |                |
| Remuneration Perquisites               | 1,450.00       | Nil            |
| Loan taken                             | 4,825.00       | Nil            |



|                                   |          |       |
|-----------------------------------|----------|-------|
| Loan Repaid                       | 20.00    | Nil   |
| Professional Charges              | 445.00   | Nil   |
| Balance as at 31.03.2016 (Credit) | 4,959.75 | Nil   |
| <b>Mrs. Baljeet Kaur Mehra</b>    |          |       |
| Salary                            | 167.60   | 17.60 |

#### 6. Earnings Per Share :

| Particulars   | (` in '000) |            |
|---|-------------|------------|
|   | 31.03.2016  | 31.03.2015 |
| Net profit considered for EPS calculation (`)                       | (1,496.85)  | (9275.48)  |
| Weighted average number of equity shares considered for basic EPS   | 3995.50     | 3995.50    |
| Add : Dilutive impact   | Nil         | Nil        |
| Weighted average number of equity shares considered for diluted EPS | 3995.50     | 3995.50    |
| Earning per share (Basic) (`)                                       | (0.37)      | (2.32)     |
| Earnings per share (Diluted) (`)                                    | (0.37)      | (2.32)     |
| Face value per Equity share (`)                                     | 10          | 10         |

7. As per the provisions of section 203 of the Act, read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the requirement of appointment of a whole time company secretary is applicable to the Company. Though the Company has been making efforts, a suitable person could not be appointed.
8. On the basis of the information to the extent received from 'enterprises' regarding their status under the 'Micro, Small & Medium Enterprises Development Act, 2006' there is no Micro, Small & Medium enterprise to which the Company owes dues, which are outstanding for more than 45 days during the year ended 31.03.2016 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.
9. There are no significant operations post 31.12.2015. The Company has positive net worth as on 31.03.2016 after adjustment of all accumulated losses. In view of this and based on the internal assessment and future projections, the management has prepared accounts on a going concern basis.
10. The company has advised the parties to send year end balance confirmation. The amounts aggregating Rs.10,752.23 thousand towards Trade Payable and Rs.6,370.10 thousand towards Trade Receivables are subject to confirmation from the parties. In the opinion of the management, since the amount due to/ from these parties are fully payable/recoverable, no material difference is expected to arise at the time of settlement, requiring accounting effect in the current financial year.
11. Pending confirmation, the Company has written back amounts aggregating Rs.8,581 thousand payable to related parties towards Trade Payable/ Unsecured Loans / Expenses during the year ended 31.03.2016 based on internal approval. The Company shall be seeking written confirmation from these parties.

**12. Purchase of Raw Materials and Stores:**

( ` in '000)

| Particulars  | 31.03.2016      |             | 31.03.2015       |             |
|--------------|-----------------|-------------|------------------|-------------|
|              | Indigenous      | 3,546.41    | 91.72%           | 8,214.73    |
| Imported     | 319.98          | 8.28%       | 2,804.36         | 25.45%      |
| <b>Total</b> | <b>3,866.39</b> | <b>100%</b> | <b>11,019.09</b> | <b>100%</b> |

**13 a) Expenditure in Foreign Currency:**

( ` in '000)

| Particulars            | Currency | 31.03.2016 | 31.03.2015    |
|------------------------|----------|------------|---------------|
| License and Audit Fees | -        | Nil        | 544.91        |
| Registration Charges   | -        | Nil        | -             |
| <b>Total</b>           |          | <b>Nil</b> | <b>544.91</b> |

**b) Income in Foreign Currency : Nil****14. Payment to Statutory Auditors :**

( ` in '000)

| Particulars                        | 31.03.2016    | 31.03.2015    |
|------------------------------------|---------------|---------------|
| Statutory Audit and Tax Audit fees | 256.50        | 350.00        |
| Reimbursement of Expenses          | 11.09         | 19.19         |
| <b>Total</b>                       | <b>267.59</b> | <b>369.19</b> |

**15. Prior Period Income / (Expenses ):**

( ` in '000)

| Particulars                           | 31.03.2016 | 31.03.2015 |
|---------------------------------------|------------|------------|
| Interest on TDS Payable               | -          | (2.00)     |
| TDS Payable on sales commission       | -          | (1.55)     |
| Telephone Expenses                    | -          | -          |
| Inspection Charges                    | -          | -          |
| Sitting Fee                           | -          | -          |
| Accrued interest on M.S.E.D.C Deposit | -          | (20.38)    |
| C.S.T against form 'C'                | -          | (363)      |
| Service Tax                           | -          | (1,216.52) |
| Education Cess on Excise              | -          | (498.26)   |
| WCT                                   | -          | (489.93)   |
| Labour Welfare fund payable           | -          | (4.23)     |
| Additional Duty                       | -          | 175.03     |
| Packing and forwarding expenses       | -          | 140.00     |
| Prepaid Expense                       | -          | 9.60       |
| Provision for expenses written back   | -          | 1,958.25   |
| Accrued interest on M.S.E.D.C Deposit | -          | 7.04       |
| Margin Money                          | 182.00     | -          |
| Professional Fees                     | (256.50)   | -          |

16. Fixed Deposits of `302.85 thousand (Previous Year `938.94 thousand) are pledged with the bank as security for credit limit / loan availed from banks

**17. Employees benefits:**

The following table sets out the status of the defined benefit Pension plan and Gratuity plan as required under AS-15 (Revised 2005) issued by the ICAI.

| <b>Assumption</b> | <b>31.03.2016</b> | <b>31.03.2015</b> |
|-------------------|-------------------|-------------------|
| Discount Rate     | 7.46%             | 7.77%             |
| Salary escalation | 5.00%             | 5.00%             |

(` in '000)

| <b>Particulars</b>   | <b>31.03.2016</b> | <b>31.03.2015</b> |
|--|-------------------|-------------------|
| <b>Change in present value of obligation</b>                 |                   |                   |
| Present value of obligations as at the beginning of the year | 1,859.70          | 2,343.86          |
| Interest Cost  | 144.00            | 213.00            |
| Current Service Cost   | 175.51            | 257.63            |
| Past Service Cost-(non vested benefits)                      | Nil               | Nil               |
| Past Service Cost-(vested benefits)                          | Nil               | Nil               |
| Benefits paid  | (12.98)           | (52.185)          |
| Actuarial (gain)/loss on obligations                         | (592.61)          | (902.61)          |
| Present value of obligation at the end of the year           | 1,573.61          | 1,859.70          |
| <b>Changes in fair value of plan Assets</b>                  |                   |                   |
| Fair Value of plan assets at the beginning of the year       | Nil               | Nil               |
| Expected return on plan assets                               | Nil               | Nil               |
| Contributions  | 12.98             | 52.19             |
| Benefits paid  | (12.98)           | (52.19)           |
| Actuarial (gain)/loss on plan assets                         | Nil               | Nil               |
| Fair Value of plan assets at the end of the year             | Nil               | Nil               |
| <b>Fair Value of plan assets</b>                             |                   |                   |
| Fair Value of plan assets at the beginning of the year       | Nil               | Nil               |
| Actual return on plan assets                                 | Nil               | Nil               |
| Contributions  | 12.98             | 52.19             |
| Benefits paid  | (12.98)           | (52.19)           |
| Fair value of plan assets at the end of the year             | Nil               | Nil               |
| Funded status (including unrecognised past service cost)     | (1,573.61)        | (1,859.70)        |
| Excess of actual over estimated return on plan assets        | Nil               | Nil               |
| <b>Experience History</b>                                    |                   |                   |
| (Gain)/Loss on obligation due to change in Assumption        | 13.09             | 72.71             |
| Experience (Gain)/Loss on obligation                         | (605.70)          | (975.31)          |
| Actuarial Gain/(Loss) on plan assets                         | Nil               | Nil               |
| <b>Actuarial Gain/(Loss) Recognized</b>                      |                   |                   |
| Actuarial Gain/(Loss) for the period (Obligation)            | 592.61            | 902.61            |
| Actuarial Gain/(Loss) for the period (Plan Assets)           | Nil               | Nil               |
| Total Gain/(Loss) for the period                             | 592.61            | 902.61            |
| Actuarial Gain/(Loss) recognized for the year                | 592.61            | 902.61            |
| Unrecognized Actuarial Gain/(Loss) at end of the year        | Nil               | Nil               |
| <b>Past Service Cost Recognised</b>                          |                   |                   |
| Past Service Cost-(non vested benefits)                      | Nil               | Nil               |

| <b>Particulars</b>  | <b>31.03.2016</b> | <b>31.03.2015</b> |
|---|-------------------|-------------------|
| Past Service Cost-(vested benefits)   | Nil               | Nil               |
| Average remaining future service till vesting of the benefit                          | Nil               | Nil               |
| Recognised Past service Cost- non vested benefits                                     | Nil               | Nil               |
| Recognised Past service Cost- vested benefits   | Nil               | Nil               |
| Unrecognised Past service Cost- non vested benefits                                   | Nil               | Nil               |
| <b>Amounts to be recognized in the balance sheet and statement of profit and loss</b> |                   |                   |
| Present value of obligations as at the end of the year                                | 1,573.61          | 1859.70           |
| Fair value of plan assets as at the end of the year                                   | Nil               | Nil               |
| Funded Status   | (1,573.61)        | (1,859.70)        |
| Unrecognised Actuarial (Gain)/Loss  | Nil               | Nil               |
| Unrecognised Past service Cost – non vested benefits                                  | Nil               | Nil               |
| Net Assets/(Liability) recognized in balance sheet                                    | (1,573.61)        | (1,859.70)        |
| <b>Expenses recognized in statement of profit &amp; loss</b>                          |                   |                   |
| Current Service Cost  | 175.51            | 257.63            |
| Interest Cost   | 144.00            | 213.00            |
| Past Service Cost-(non vested benefits)   | Nil               | Nil               |
| Past Service Cost-(vested benefits)   | Nil               | Nil               |
| Unrecognised Past service Cost – non vested benefits                                  | Nil               | Nil               |
| Expected return on plan assets  | Nil               | Nil               |
| Net Actuarial (gain)/loss recognized in the year                                      | (592.61)          | (902.61)          |
| Expenses recognized in statement of Profit & loss                                     | (273.11)          | (431.98)          |
| <b>Movements in the Liability recognized in Balance Sheet</b>                         |                   |                   |
| Opening Net Liability   | 1,859.70          | 2,343.86          |
| Expenses as above   | (273.11)          | (431.98)          |
| Contribution paid   | (12.98)           | (52.18)           |
| Closing Net Liability   | 1,573.61          | 1,859.70          |
| <b>Schedule III of The Companies Act, 2013</b>  |                   |                   |
| Current Liability   | 538.86            | -                 |
| Non-Current Liability   | 1,034.76          | -                 |

18. The additional Information pursuant to Schedule III to the Companies Act, 2013 are either Nil or Not Applicable.

19. The previous year figures have also been reclassified / regrouped / restated to conform to current year's classification.

**For United Van Der Horst Limited**

**Inderpal Singh Sabharwal**  
Chairman & Managing Director

**Rubina Sabharwal**  
Whole Time Director & Chief Financial Officer

**Place: Navi Mumbai**  
**Date: 30.05.2016**