

39th
ANNUAL REPORT

Statement of Accounts
2009 - 2010



UNITED CREDIT LIMITED



CONTENTS

	Page
Board of Directors	3
Notice	4-8
Directors' Report	9-22
Auditors' Report and Annexure	23-25
Balance Sheet	26
Profit & Loss Account	27
Cash Flow Statement	28-29
Schedules to Accounts	30-46



BOARD OF DIRECTORS

Mr. Dipankar Chatterji, Chairman
Mr. A. K. Dabriwala, Managing Director
Mr. N. Himatsingka
Mr. N. Mishra
Mr. R. M. Choubey
Mr. Devashish Dabriwal

VICE PRESIDENT AND COMPANY SECRETARY

Mr. Arunabha Biswas

SOLICITORS AND ADVOCATES

Khaitan & Co.
Victor Moses & Co.

AUDITORS

M/s. Ray & Ray

BANKERS

United Bank of India
HDFC Bank Limited

REGISTRARS & SHARE TRANSFER AGENT

C B Management Services (P) Limited
P-22, Bondel Road,
Kolkata 700 019
Phone : (033) 2280-6692/93/94/
4011-6700/11
Fax : (033) 2287 0263
E-mail : rta@cbmsl.com
Website : www.cbmsl.com

AUDIT COMMITTEE

Mr. Dipankar Chatterji
Mr. R. M. Choubey
Mr. N. Mishra

REMUNERATION COMMITTEE

Mr. N. Himatsingka
Mr. R. M. Choubey
Mr. N. Mishra

INVESTORS GRIEVANCE COMMITTEE

Mr. R. M. Choubey
Mr. A. K. Dabriwala
Mr. Devashish Dabriwal

REGISTERED OFFICE
27B Camac Street (8th Floor), Kolkata 700 016
Phone:(033) 2287 9359/9360, Fax: (033) 2287 2047
E-mail : unitedcredit@vsnl.com
Website : www.unitedcreditltd.com



NOTICE TO SHAREHOLDERS

Notice is hereby given that the Thirty-ninth Annual General Meeting of the Members of UNITED CREDIT LIMITED will be held at the 'Shripati Singhanian Hall', Rotary Sadan, 94/2, Chowringhee Road, Kolkata – 700 020 on Monday, the 26th July, 2010 at 10.00 A.M.

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on 12.5% redeemable preference shares for the financial years ended 31st March, 2009 and 31st March, 2010.
3. To declare dividend on equity shares for the financial year ended 31st March, 2010
4. To elect a Director in place of Mr. Dipankar Chatterji, who retires by rotation, and being eligible, offers himself for reappointment.
5. To elect a Director in place of Mr. Devashish Dabriwal, who retires by rotation, and being eligible, offers himself for reappointment.
6. To appoint retiring Auditors, M/s. Ray & Ray, Chartered Accountants, Kolkata to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without any modification(s), the following resolution:

As a Special Resolution :

7. "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 310 and 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to any statutory approval, that may be required, the approval of the members be and is hereby accorded to the reappointment of Mr. A. K. Dabriwala as Managing Director of the Company for a period of 5 years with effect from 1st November, 2010 to discharge the duties and responsibilities under the control and directions of the Board of Directors of the Company on the terms and conditions as set out below with liberty to the Board of Directors to alter and vary the terms and conditions of this reappointment in such manner as may from time to time be prescribed by the Central Government and any modification in Schedule XIII, as may be agreed by the Board and Mr. A. K. Dabriwala.

I. REMUNERATION :

- A. Basic Salary : Rs.62,500/- (Rupees Sixty-two Thousand Five Hundred) per month in the salary range of Rs.62,500 – 2,500 – Rs.72,500.
- B. Perquisites : Perquisites, as detailed below, will be allowed in addition to salary and shall be restricted to an amount equal to the annual salary :



- a) House rent allowance subject to a ceiling of 60% of the basic salary
- b) Medical reimbursement for self and family subject to a ceiling of one month's basic salary in a year or three month's basic salary over a period of three years.
- c) Leave Travel Assistance for self and family in accordance with the rules of the Company.
- d) Fees of clubs subject to a maximum of two clubs, excluding admission and life membership fees.
- e) Personal Accident Insurance of an amount, the annual premium of which is not to exceed Rs.1,000/-.
- f) Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961. Gratuity payable should not exceed half a month's basic salary for each completed year of service.
- g) Use of car and telephone at residence on Company's business will not be considered as perquisites. Personal long distance calls on telephone and use of the car for private purposes shall be billed by the Company."

II. MINIMUM REMUNERATION :

The appointment and remuneration of Managing Director is made in accordance with the conditions specified in Parts I and II of Schedule XIII of the Companies Act, 1956.

The total amount of remuneration shall not exceed the ceiling laid down under the Companies Act, 1956 and applicable Schedule(s) appended thereto or any statutory modification(s) / amendment(s) made therein from time to time or any re-enactment thereof.

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters, and things that may be considered desirable or expedient to implement the resolution."

"RESOLVED FURTHER THAT in consonance with Article 102(b) of the Articles of Association of the Company Mr. A. K. Dabriwala shall not while he continues to hold the office of Managing Director be subject to retirement by rotation."

27B, Camac Street
Kolkata – 700 016
The 28th May, 2010

By Order of the Board of Directors
Arunabha Biswas
Vice President & Company Secretary



NOTES

- I) A member entitled to attend and vote at this Annual General Meeting may appoint proxy, who need not be a member of the Company, to attend and vote on a poll on his behalf. Proxies in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the Meeting.
- II) Members are requested to notify immediately any change in their address to the Company.
- III) An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the Meeting is annexed hereto.
- IV) Corporate Members, in case they intend to send their representative to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- V) The Register of Members and Transfer Books of the Company will remain closed from 17th July, 2010 to 26th July, 2010 (both days inclusive).

The dividend as recommended by the Board, if approved at the meeting by the members, will be paid on or after 3rd August, 2010 to those persons whose names stand registered in the Company's Register of Members or their mandates :

 - (a) as Beneficial Owners as at the end of business hour on 16th July, 2010 as per names and addresses to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form and
 - (b) as Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before 16th July, 2010.
- VI) Members are requested to bring the attendance slip with them duly filled in and hand over the same at the entrance of the Meeting hall.
- VII) In view of the increase in cost of printing, members are requested to bring their copy of the Annual Report with them at the Meeting.
- VIII) Should the members wish to have any information in respect of the accounts of the Company, queries in writing may be sent to the Company at the Registered Office so as to reach the Registered Office of the Company at least 7 days before the date of the Meeting so that the required information can be made available at the Meeting. It will be helpful, if Registered Folio Number/ DP ID – Client ID Number is quoted in all the correspondence with the Company.
- IX) Pursuant to the provisions of Sections 109A and 109B of the Companies Act, 1956 members are informed that every holder of shares at any time may nominate, in the prescribed manner, a person to whom his shares in the Company shall vest in the event of his death.
- X) Pursuant to Section 205A(5) of the Companies Act, 1956 any money transferred to the unpaid dividend account of the Company in pursuance of Section 205A(1), which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be



transferred by the Company to the Investor Education and Protection Fund established under Section 205C(1) of the Companies Act, 1956 and no claim shall lie against the Fund or the Company in respect of the individual amounts which remain unclaimed and unpaid for a period of seven years from the dates that they first become due for payment.

The members who have not received / encashed dividend warrants for the financial years 2003-04, 2004-05, 2005-06, 2006-07 and 2007-08 may write to the Company for arranging payment thereof.

Rs.45,38,055/- on account of matured debentures has been transferred to Investor Education and Protection Fund in the month of April, 2010.

- XI) Members are requested to inform their PAN allotted by the Income Tax authorities immediately. Pursuant to Circular No.MRD/DOP/Cir-05/2007 dated 20.05.2009 of SEBI it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company / RTAs (Registrars and Share Transfer Agent) for registration of transfer of shares.
- XII) Members are informed that the scrips of the Company have been activated both in CDSL and NSDL and may be dematerialised under the ISINs INE858C01027 for Equity Shares and INE858C04013 for Preference Shares.
- XIII) All documents referred to in the above NOTICE are open for inspection at the Registered Office of the Company during office hours.
- XIV) Shareholders are requested to notify the Registrars, C.B. Management Services (P) Ltd latest by 10th July, 2010 NECS instruction / their bank account number, name of the bank and branch with whom such account is held to enable the Registrars to print the said details in the Dividend Warrant after the name of the payee, if dividend is declared.

National Electronic Clearing Services (NECS) facility provided by Reserve Bank of India may be obtained by the shareholders. Under this option, Investors' Bank account is directly credited and an advice thereof is issued by the Company after the transaction, if effected.

For availing this facility, the following steps are to be initiated by the shareholders:

- i) Shareholders who are holding shares in physical form, should send their NECS Mandate Form duly filled in to C B Management Services (P) Ltd, the Registrars and Share Transfer Agent of the Company. NECS Mandate Form is enclosed.
 - ii) Shareholders who are holding shares in demat mode, NECS mandate has to be sent to their Depository Participant (DP) directly in the Format prescribed by the DP.
- XV) Members holding shares in electronic form may please note that their bank account details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the Depositories or may be paid through NECS where such facility is available and the Company will not entertain any direct request from such members for deletion of or change in such bank account details. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividends, directly to their Depository Participants.



- XVI) **The shareholders who have not yet surrendered their share certificates of erstwhile United Credit Financial Services Limited, are requested to contact the Registrars and Share Transfer Agent of the Company, C B Management Services (P) Limited for necessary action immediately.**
- XVII) Mr. Dipankar Chatterji and Mr. Devashish Dabriwal, Directors retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment. Brief resume of these Directors, nature of their expertise in specific functional areas, names of Companies in which they hold directorships / memberships / chairmanships of the Board and Committee of the Board, shareholding and relationships between director inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India are provided in the Report on Corporate Governance forming part of the Annual Report. The Board of Directors recommends reappointment of Mr. Dipankar Chatterji and Mr. Devashish Dabriwal.

ANNEXURE TO THE NOTICE

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

ITEM NO. 7

Mr. A. K. Dabriwala was reappointed Managing Director of the Company for a period of five years with effect from 1st November, 2005 on a remuneration fixed by the Board of Directors at its Meeting held on 29th April, 2005 and approved by the shareholders in the 34th Annual General Meeting of the Company held on 23rd, June, 2005. His tenure of office will expire on 31st October, 2010. The members of the Remuneration Committee considered and approved the payment of remuneration and other terms and conditions of his reappointment at their Meeting held on 28th May, 2010. The Board of Directors also considered his reappointment as Managing Director of the Company at the Board Meeting held on 28th May, 2010. The terms and conditions mentioned in the resolution are now placed before the members for their approval.

Accordingly, the special resolution as set out in the notice is proposed for approval by the shareholders. The explanatory statement together with the accompanying notice is and should be treated as an abstract of the terms of service of Mr. A. K. Dabriwala and memorandum of interest under Section 302 of the Companies Act, 1956.

Mr. Dabriwala has also confirmed that he is not disqualified to act as Director under Section 274(1)(g) of the Companies Act, 1956.

The Board recommended the resolution for members' approval.

Mr. A. K. Dabriwala is interested in the resolution to the extent of the remuneration receivable by him as Managing Director. Mr. Devashish Dabriwal, Director of the Company, is also interested in this resolution as his relative.

27B, Camac Street
Kolkata – 700 016
The 28th May, 2010

By Order of the Board of Directors
Arunabha Biswas
Vice President & Company Secretary

**DIRECTORS' REPORT****TO THE MEMBERS**

Your Directors are happy to present the 39th Annual Report with the Audited Statement of Accounts for the year ended March 31, 2010.

FINANCIAL RESULTS

	(Rupees in Lacs)	
	2009-2010	2008-2009
Gross Income	343.39	137.52
PBDIT	215.40	(17.53)
Interest	(0.93)	(3.10)
Depreciation	(8.42)	(13.30)
PBT	206.05	(33.93)
Provision for Taxation (Net)	(17.34)	1.33
Provision for F.B.T (Net)	–	(1.50)
Deferred Tax	(26.21)	4.84
PAT	162.50	(29.26)
Appropriations		
Surplus b/f from previous year	174.55	203.81
Profit available for appropriation	337.05	174.55
Proposed Dividend	74.02	–
Tax on Dividend	12.29	–
General Reserve	40.00	–
Transfer to Reserve Fund as per RBI norms	32.50	–
Surplus carried to Balance Sheet	178.24	174.55

DIVIDEND

The Board is pleased to recommend payment of dividend to the preference shareholders @ 12.5% on preference shares of Rs. 10/- each for the financial years 2008-2009 and 2009-2010. The preference shares were allotted on 04.09.2008. As such payment of dividend for financial year 2008-2009 will be on pro-rata basis whereas dividend for financial year 2009-2010 will be for the full year. The Board also recommends payment of dividend @ 10% on equity shares of Rs.10/- each i.e. Re. 1/- per equity share.

RESERVES & SURPLUS

The Balance in Reserves & Surplus stands at Rs.17,33,44,864/- (as on 31.3.2009 at Rs.16,57,25,893/-) after the appropriations mentioned above.

PERFORMANCE

Total income generated by the Company during the financial year was Rs. 343.39 Lacs, as compared to Rs. 137.52 Lacs in the previous year. There is considerable increase in income and the Company has been able to earn profit after tax of Rs. 162.50 Lacs for the year as against loss of Rs. 29.26 Lacs sustained by the Company during the previous year.

FUTURE OUTLOOK

The traditional business of non-banking financial activities is no longer lucrative and the management is exploring other options which will ensure steady profitability in the coming years.



LISTING WITH THE STOCK EXCHANGES

The Company's Equity Shares are listed with The Calcutta Stock Exchange Ltd. and Bombay Stock Exchange Limited. Upon conversion of a portion of Equity Shares into Preference Shares, the Equity ISIN of the Company has been changed from INE858C01019 to INE858C01027 and new Preference ISIN is INE858C04013.

DEPOSITS

The Company does not have any matured unclaimed deposit as on 31.03.2010.

DIRECTORS

Mr. Dipankar Chatterji and Mr. Devashish Dabriwal retire by rotation in the forthcoming Annual General Meeting and being eligible, offer themselves for re-election.

Mr. Ravi Poddar resigned from the Board with effect from 07.08.2009 on personal reasons.

During his long association the Company has been immensely benefited by his able guidance and active participation in the decision making process.

AUDITORS & AUDITORS' REPORT

M/s. Ray & Ray, Chartered Accountants, Kolkata, hold office upto the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received letter from M/s. Ray & Ray to the effect that their reappointment, if made, would be within the limit prescribed under Section 224(1B) of the Companies Act, 1956.

The Notes on Accounts referred to in the Auditors' Report are self explanatory. However, it may be noted that as no interest accrued on the principal amount of debentures after maturity and the interest on unmatured debentures were lying unclaimed and barred by law of limitation, the Board of Directors decided to write back the same to the Profit & Loss Account of the Company during the current year on the basis of the expert opinion obtained by the Company.

PAYMENT OF COMMISSION

In accordance with the Special Resolution passed in the 34th Annual General Meeting and approval received from the Central Government, 1% of the net profit is to be divided amongst the Directors not in whole-time employment of the Company in equal proportion.

No such commission was paid during the financial year 2009-10 as per decision taken by the Board of Directors.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The Company being engaged in hire purchase, leasing and other business of varied nature, the question of conservation of energy and technology absorption does not arise.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There has been no foreign exchange earnings or outgo in any manner during the year under review.

TRANSFER OF UNPAID DIVIDEND AMOUNTS TO IEPF

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the declared dividends which remain unpaid or unclaimed for a period of 7 years will be duly transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the said Act. An amount of Rs.45,38,055/- being matured debentures, which remain unclaimed for a period of seven years from the date they became due for payment have been credited to the IEPF in the month of April, 2010.



CORPORATE GOVERNANCE

In terms of Clause 49 of the Listing Agreement, the Company has implemented the Code of Corporate Governance and a separate section has been included in this report. The report on Corporate Governance and the declaration by the Managing Director in respect of Code of Conduct for all Board Members and Senior Management personnel and the certificate issued by M/s. Ray & Ray, Statutory Auditors of the Company in confirmation of the compliance as per requirement of Clause 49 of the Listing Agreement with the stock exchanges have been set out separately in Annexure – I.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report has been appended to this report in terms of the Listing Agreement and marked Annexure – II.

SUBSIDIARY COMPANIES

During the year under review United Credit & Development Company Limited and United Nanotechnologies Private Limited have ceased to be the subsidiary companies of United Credit Limited in view of sale of total number of shares held by the Company.

PARTICULARS OF EMPLOYEES

The Company has no employee in respect of whom information under Section 217(2A) of the Companies Act, 1956 is required to be annexed.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956

The Directors hereby confirm that –

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from the same;
- ii) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2010 and of the profit or loss of the Company for that period;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the annual accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their deep appreciation for the whole-hearted and sincere co-operation the Company has received from the Statutory Authorities, Stakeholders, Customers and Bankers.

Your Directors also wish to thank all the employees for their dedicated and committed service to the Company.

Kolkata 700 016
The 28th May, 2010

For and on behalf of the Board
Dipankar Chatterji
Chairman



COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company maintains transparency in every sphere of its activities and in accordance with good corporate practices the Company is constantly striving to increase shareholders' value and adopt the best corporate practices. The Company satisfies the Corporate Governance criteria as required by Clause 49 of the Listing Agreement.

I. BOARD OF DIRECTORS

(A) Composition of Board

The Company has a broad-based Board and meets the 'Composition' criteria. As on 31st March, 2010, the Board comprised of six Directors, out of which five are non-executive Directors, four of whom are independent Directors. The non-executive Directors are eminent professionals drawn from amongst persons with experience in business, finance, law and public enterprises. The composition of the Board during the year ended 31st March, 2010 is as under :-

Sl. No.	Name of the Directors	Category of Director	No. of Board Meetings held	No. of Board Meetings attended	Last AGM Attended
(1)	(2)	(3)	(4)	(5)	(6)
1.	Mr. Dipankar Chatterji Chairman	Non-executive Independent Director	6	6	Yes
2.	Mr. Ravi Poddar*	Non-executive Promoter Director	6	3	Yes
3.	Mr. A. K. Dabriwala Managing Director	Director in Executive capacity & Promoter	6	6	Yes
4.	Mr. N. Himatsingka	Non-executive Independent Director	6	5	Yes
5.	Mr. R. M. Choubey	Non-executive Independent Director	6	6	Yes
6.	Mr. N. Mishra	Non-executive Independent Director	6	3	Yes
7.	Mr. Devashish Dabriwal	Non-executive Promoter Director	6	6	Yes

6 Board Meetings were held during the year and the dates were 28.04.09, 28.05.09, 24.07.09, 24.08.09, 21.10.09 and 25.01.10.

Mr. Ravi Poddar was relative of Mr. A. K. Dabriwala.

Mr. Devashish Dabriwal and Mr. A. K. Dabriwala are related to each other.

* Mr. Ravi Poddar a Director of the Company and erstwhile Chairman of the Board resigned from the Board of Directors w.e.f. 07.08.2009.

(B) Non-executive Directors' Compensation and Disclosures

The Non-executive Directors are entitled to a commission of 1% of the net profit of the Company to be divided between them in such manner, as the board may determine from time to time in addition to fees for attending Meeting of the Board of Directors and Committees thereof. As per decision taken by the Board of Directors in the current financial year, no such commission has been paid.



CORPORATE GOVERNANCE REPORT (contd.)

(C) Other Provisions as to Board and Committees**DETAILS OF OTHER DIRECTORSHIPS ETC.**

The details of Directorships in other companies (excluding Private Limited Companies and Companies under Sec.25 of the Companies Act, 1956), Chairmanship and the Committee Membership held by the Directors are given below:

Sl. No.	Name of the Directors	No. of other Directorship excluding UCL	No. of Chairmanship of the Board excluding UCL	No. of Board Committee of which he is a member including UCL	No. of Board Committee of which he is a Chairman including UCL
1.	Mr. Dipankar Chatterji Chairman	7	1	9	4
2.	Mr. Ravi Poddar*	–	–	–	–
3.	Mr. A. K. Dabriwala Managing Director	3	1	1	Nil
4.	Mr. N.Himatsingka	Nil	Nil	1	1
5.	Mr. R. M. Choubey	3	Nil	3	1
6.	Mr. N. Mishra	4	Nil	7	Nil
7.	Mr. Devashish Dabriwal	2	Nil	2	Nil

* In view of resignation submitted by Mr. Ravi Poddar, he has ceased to be a member of the Board of Directors with effect from 7th August, 2009.

BOARD MEETINGS AND ATTENDANCE

The Corporate Governance policy requires the Board to meet at least 4 times a year with a maximum gap of 4 months between any two meetings. The details of Board Meetings held during the year are as under :

Sl. No.	Date of Board Meeting	Board's Strength	No. of Directors present
1.	28.04.09	7	6
2.	28.05.09	7	6
3.	24.07.09	7	7
4.	24.08.09	6	4
5.	21.10.09	6	6
6.	25.01.10	6	6

BOARD'S PROCESSES

It has always been the Company's policy and practice that apart from matters requiring the Board's approval by statute, all major decisions of the Company as a whole are regularly placed before the Board. This is in addition to information with regard to actual operations, major litigation and minutes of Committee Meetings.

(D) Code of Conduct

- (i) The Board has already prepared a code of conduct for all Board Members and Senior Management of the Company.
- (ii) The Code of Conduct has been posted on the website of the Company.
- (iii) All Board members and Senior Management personnel have affirmed compliance with the code.

**II. COMMITTEES OF THE BOARD**

The Board of Directors has constituted three Committees, namely the Audit Committee, Investors Grievance Committee and the Remuneration Committee apart from Transfer Committee.

(A) AUDIT COMMITTEE**(i) Qualified and Independent Audit Committee**

The Company has an Audit Committee of the Board comprising of three Non-Executive Independent Directors, namely Mr. Dipankar Chatterji, Mr. N. Mishra, and Mr. R. M. Choubey. Mr. Chatterji has been acting as the Chairman of the Audit Committee.

The Committee has powers similar to those stated in the listing agreements and exercises all the functions as per the terms of reference in line with the requirements of the Code of Corporate Governance.

The Committee has specifically focused on the requirement under Clause 49 of the Listing Agreement and also section 292A of the Companies Act, 1956.

(ii) Meeting of Audit Committee

The details of Audit Committee Meeting held during the year 2009-10 are as under:

Audit Committee Meetings

Directors	No. of Meetings held	No. of Meetings attended	Date of Meeting
Mr. Dipankar Chatterji	4	4	28.05.09
Mr. N. Mishra	4	3	24.07.09
Mr. R. M. Choubey	4	4	21.10.09
			25.01.10

(iii) Powers and Role of Audit Committee

The Audit Committee enjoys the powers as mentioned in Clause 49 of the Listing Agreement and plays the role as mentioned therein.

(B) REMUNERATION COMMITTEE

The Company has a Remuneration Committee of the Board comprising of three non-executive Independent Directors under the Chairmanship of Mr. N. Himatsingka with Mr. N. Mishra and Mr. R.M. Choubey as Members of the Committee During the year one Meeting was held on 25.01.10, which was attended by all three members.

Terms of reference : The Remuneration Committee has been constituted to recommend / review remuneration of the Managing Director.

Remuneration Policy : Remuneration Policy of the Company is performance based.

(C) INVESTORS' GRIEVANCE COMMITTEE

The Board has constituted Investors Grievance Committee under the Chairmanship of Mr. R.M. Choubey with Mr. A. K. Dabriwala and Mr. Devashish Dabriwal as members of the Committee. During the year one meeting was held on 25.01.2010, which was attended by all three members. The details of grievance received during the year and settled are given hereunder :

Number of grievances received during the year : 2

Number of grievances not resolved : Nil

As on 31st March, 2010 there is no complaint pending.



CORPORATE GOVERNANCE REPORT (contd.)

(D) SHARE TRANSFER COMMITTEE

The Company has a Committee entitled as "Share Transfer Committee" to look into various matters pertaining to Share Transfers, Transmission, Transposition and related matters. The Committee presently comprises of Mr. A. K. Dabriwala, Mr. R. M. Choubey and Mr. Devashish Dabriwal.

During the year 2009-2010 16 meetings of the Share Transfer Committee were held.

Company Secretary is the Compliance Officer of the Company and acts as the Secretary to all the Committees unless otherwise determined by the Board in exceptional situation.

III. SUBSIDIARY COMPANIES

As on 31st March, 2010 the Company has no subsidiary

IV. DISCLOSURES**(A) Related party transactions**

Disclosures of Directors' interests are made to the Board as per law. The details of the related party transactions are given in Note 12 of Schedule 17 of the Accounts.

There is no pecuniary relationship or transaction with the non-executive independent Directors.

Details of non-compliance by the Company, penalties, strictures imposed on the Company by the statutory authorities

There has been no non-compliance, penalties/strictures imposed on the Company by the Stock Exchange(s) or SEBI or any other statutory authority, on any matter relating to capital markets, during the last three years.

(B) Disclosure of Accounting Treatment

In the preparation of financial statement, the Company has followed the text of the Accounting Standards as notified by the Ministry of Corporate Affairs, Government of India.

(C) Risk Management

The Company has laid down the procedure for risk assessment and minimization thereof. The Board reviews the procedure every six months.

(D) Proceeds from public issues, rights issues etc.

The Company has not raised money through public issue, right issue etc. during the year under review.

(E) Remuneration of Directors**DETAILS OF REMUNERATION PAID TO THE DIRECTORS DURING THE FINANCIAL YEAR ENDED 31ST MARCH, 2010**

Sl. No.	Name of the Directors	Salary (Rs.)	Perquisites and other benefits (Rs.)	Performance Bonus/ Commission (Rs.)	Sitting Fee (Rs.)	T o t a l (Rs.)
1.	Mr. Dipankar Chatterji	-	-	NIL	21,000.00	21,000.00
2	Mr. Ravi Poddar*	-	-	NIL	7,500.00	7,500.00
3.	Mr. A. K. Dabriwala	7,02,500.00	2,32,027.00	NIL	NIL	9,34,527.00
4.	Mr. N. Himatsingka	-	-	NIL	14,000.00	14,000.00
5.	Mr. R. M. Choubey	-	-	NIL	48,000.00	48,000.00
6.	Mr. N. Mishra	-	-	NIL	13,500.00	13,500.00
7.	Mr. Devashish Dabriwal	-	-	NIL	40,500.00	40,500.00



CORPORATE GOVERNANCE REPORT (contd.)

Service Contract : Mr. A. K. Dabriwala, Managing Director has been re-appointed for five years with effect from 1st November, 2005 in the A.G.M held on 23rd June, 2005. The Directors recommend his reappointment for five years with effect from 1st November, 2010 for members' approval in the forthcoming Annual General Meeting.

* Mr. Ravi Poddar has resigned from the Board of Directors with effect from 7th August, 2009.

(F) MANAGEMENT

Report on management discussion and analysis is given in Annexure II to the Directors' Report

(G) SHAREHOLDERS

(i) Appointment of Directors : Details of the Directors being reappointed at the ensuing Annual General Meeting are given hereunder

Brief resume of Directors who are being re-appointed at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and names of companies in which they hold directorship and membership / chairmanship of the Board committee other than UCL are provided below:

Mr. Dipankar Chatterji

Mr. Dipankar Chatterji aged about 62 years, is a Chartered Accountant. He served in a multi-national company during the period 1969-1972. From 1972 onwards he was in public practice. He joined L. B. Jha & Co., Chartered Accountants in 1975 and at present he is the senior partner of the said firm. He is also in the Board of the following Companies, besides United Credit Limited.

Mr. Chatterji is also the Chairman of the Audit Committee of the Company.

Name of the Company	Director/ Chairman	Chairman of the Board Committee	Member of the Committee
Hindusthan National Glass & Industries Ltd.	Director	–	Audit Committee & Remuneration Committee
West Bengal Industrial Development Corporation Ltd.	Director	Audit Committee	–
The Calcutta Stock Exchange Ltd.	Chairman	Finance & Audit Committee	–
Nicco Ventures Ltd.	Director	–	Remuneration Committee
Wireless – TT Info Services Limited	Director	Audit Committee	–
TRF Limited	Director	–	Audit Committee
Tata Refractories Ltd.	Director	–	Audit Committee

Mr. Chatterji is not holding any shares in the Company.

Mr. Devashish Dabriwal

Mr. Devashish Dabriwal aged about 33 years, possesses a Master Degree in Accounting & Financial Management of Lancashire University, UK and has experience in business development and capital market operation.

The Companies in which Mr. Dabriwal is a Director, Chairman of the Board / Committee and member thereof excluding United Credit Limited are given hereunder :

Name of the Company	Director/Chairman	Chairman of the Board Committee	Member of the Committee
United Nanotech Products Limited	Managing Director	–	Audit Committee
Dabriwala Banijya Udyog Ltd.	Director	–	–

Mr. Dabriwal is also a member of the Investor Grievance Committee of the Company and he is not holding any shares in the Company.



CORPORATE GOVERNANCE REPORT (contd.)

- (ii) Means of Communication
- a) Quarterly Report : The Quarterly Results are being sent to the Stock Exchanges and also published in the newspapers. The Quarterly results are also given in the Company's website.
- b) Quarterly results are normally published in : The Financial Express in English and Kalantar and / or Dainik Lipi in Bengali.
- c) Any website where results or official news are displayed : Quarterly Financial Results are being put on company's website : www.unitedcreditltd.com
- d) The presentation made to Institutional Investors or to Analysts : None has been made during the year ended 31st March, 2010.
- e) Whether Management Discussion and Analysis Report forms part of the Annual Report : Yes
- (iii) Investors Grievance Committee : Investors Grievance Committee has been formed, details of which are given in item no.II(C) of this report.
- (iv) Share Transfer : Power of share transfer has been delegated to the Share Transfer Committee.

(H) CEO AND CFO CERTIFICATION

The Managing Director and the Chief Financial Officer of the Company give certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement.

DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS :

Financial Year	Location	Date	Time	Special Resolution passed	Special Resolution put through postal ballot
2008-09	'Shripati Singhania Hall' Rotary Sadan, 94/2, Chowringhee Road Kolkata – 700 020	24.07.2009	9.30 A.M.	Yes	No
2007-08	'Shripati Singhania Hall' Rotary Sadan, 94/2, Chowringhee Road Kolkata – 700 020	27.08.2008	10.30 A.M.	No	No
2006-07	'Kalakunj Hall' Sangitkala Mandir Trust, 48, Shakespeare Sarani Kolkata – 700 017	30.06.2007	11.00 A.M.	Yes	No

(I) SHAREHOLDER INFORMATION**a) Annual General Meeting**

- Date : 26th July, 2010
Time : 10.00 A.M
Venue : 'Shripati singhania Hall'
Rotary Sadan
94/2, Chowringhee Road
Kolkata – 700 020
- Book Closure Date : 17th July, 2010 to 26th July, 2010
Dividend payment date : on or after 3rd August, 2010, if declared at the AGM
Financial Year : 1st April to 31st March



CORPORATE GOVERNANCE REPORT (contd.)

b) Financial Calendar 2010-11 (Tentative)

Adoption of Quarterly Results

30th June, 2010

30th September, 2010

31st December, 2010

31st March, 2011 (Audited Annual Accounts)

Tentative dates

Fourth week of July, 2010

Fourth week of October, 2010

Fourth week of January, 2011

Fourth week of May, 2011

c) Registrars and Share Transfer Agent

C B Management Services (P) Limited

P-22, Bondel Road, Kolkata – 700019

Tel. No. (033) 2280-6692/93/94/4011-6700/11

Fax No. (033) 2287 0263

E-mail : rta@cbmsl.com

Website : www.cbmsl.com

d) Investors' Correspondence

All queries of investors regarding the Company's shares in Physical / Demat form may be sent to the Company or its Registrars and Share Transfer Agent.

e) Listing on Stock Exchanges

Name of the Stock Exchanges in which the equity shares of the Company are currently listed for trading with stock codes :

Stock Exchange	Code of Equity Shares
Bombay Stock Exchange Limited	531091
The Calcutta Stock Exchange Limited	031023 (Physical) 10031023 (Demat)
ISIN No.	INE858C01027

f) Shareholding Pattern of the Company as on 31st March, 2010

Category	Equity Shares		Preference Shares	
	No. of Shares held	% age of shareholding	No. of Shares held	% age of shareholding
A. PROMOTERS' HOLDING				
i. NRI Promoters (including OCBs)	—	—	—	—
ii. Indian Promoters, relatives and associates	3826188	71.81	—	—
Sub Total	3826188	71.81	—	—
B. NON-PROMOTERS' HOLDING				
Institutional Investors –				
a. Mutual Funds and UTI	54960	1.03	40	0.00
b. Banks, Financial Institutions, Insurance Companies, Central/State Govt. Institutions/Non-government Institutions (including Foreign Financial Institutions)	29037	0.55	585	0.06
c. FIIs	—	—	—	—
Sub Total	83997	1.58	625	0.06
C. OTHERS				
a. Corporate bodies	347861	6.53	6259	0.59
b. Indian Public	988084	18.55	993209	94.14
c. NRIs/OCBs	50937	0.96	15627	1.48
d. Any other - Directors & relatives other than Promoters	970	0.02	—	—
- Foreign nationals	7590	0.14	39366	3.73
- Clearing Member	22196	0.42	—	—
Sub Total	1417638	26.62	1054461	99.94
GRAND TOTAL	5327823	100.00	1055086	100.00



CORPORATE GOVERNANCE REPORT (contd.)

g) Distribution of Shareholding as on 31st March, 2010

Range	Equity Shares				Preference Shares			
	Shareholders		S h a r e s		Shareholders		S h a r e s	
No. of Shares	Number	% of total holders	Numbers	% of total shares	Number	% of total holders	Numbers	% of total shares
Upto 500	1988	82.39	398288	7.47	25696	100.00	1055086	100.00
501 1,000	247	10.24	192837	3.62	–	–	–	–
1,001 2,000	91	3.77	133115	2.50	–	–	–	–
2,001 3,000	31	1.28	78705	1.48	–	–	–	–
3,001 4,000	11	0.46	40443	0.76	–	–	–	–
4,001 5,000	9	0.37	42126	0.79	–	–	–	–
5,001 10,000	12	0.50	88993	1.67	–	–	–	–
10,001 and above	24	0.99	4353316	81.71	–	–	–	–
T o t a l	2413	100.00	5327823	100.00	25696	100.00	1055086	100.00

h) Share Transfer System

Share transfer in physical form are registered by the Registrars and placed before the Transfer Committee for approval and certificates are returned to the respective transferees within a period ranging from fifteen days to one month, provided the documents lodged with the Registrars / Company are clear in all respects.

i) Dematerialisation of Shares

In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the Company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Share Dematerialisation records : The following data indicates the extent of Dematerialisation of Company's shares as on 31st March, 2010.

	In NSDL		In CDSL		Total	
	Equity	Preference	Equity	Preference	Equity	Preference
No. of Shares Dematerialised	779119	78663	261669	21655	1040788	100318
Percentage of Shares	14.62	7.46	4.91	2.05	19.53	9.51
No. of Shareholders	1191	1110	819	319	2010	1429

j) Market Price Data (Rs.)

Month		Bombay Stock Exchange Ltd.	
		High	Low
April	2009	11.80	10.11
May	2009	15.62	11.02
June	2009	18.90	16.25
July	2009	17.45	12.35
August	2009	17.60	13.00
September	2009	23.02	14.33
October	2009	23.60	15.50
November	2009	24.75	18.10
December	2009	21.00	17.20
January	2010	24.00	19.00
February	2010	23.30	18.00
March	2010	29.80	18.30



CORPORATE GOVERNANCE REPORT (contd.)

k) UNCLAIMED DIVIDENDS

No dividend was declared for the years 2002-2003 and 2008-2009. Unclaimed dividends, if any, will be transferred by the Company to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956, for the years 2003-04, 2004-05, 2005-06, 2006-07 and 2007-08, as per applicable provision of the Act.

Shareholders, who have so far not encashed their dividend warrant (s) or have not received the same, are requested to seek issuance of duplicate warrant (s) by writing to the Company confirming non-encashment/non-receipt of dividend warrant(s).

l) BANK DETAILS

Shareholders holding shares in physical form are requested to notify / send the following to the Company to facilitate better service :-

- i) any change in their address/bank details, and
- ii) particulars of their bank account, in case the same have not been sent earlier.

m) DEPOSITORY SERVICES

For guidance on depository services, Shareholders may write to the Company or to the respective Depositories :-

National Securities Depository Ltd
4th Floor, A Wing, Trade World,
Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Telephone : (022) 2499 4200
Fax : (022) 24976351
E-mail : info@nsdl.co.in
Website : www.nsdl.co.in

Central Depository Services (India) Ltd.
Phiroze Jeejeebhoy Towers
16th Floor, Dalal Street
Mumbai 400001
Telephone : (022) 2272 3333
Fax : (022) 2272 3199
Website : www.cdslindia.com

Kolkata – 700 016
The 28th May, 2010

For and on behalf of the Board

Dipankar Chatterji
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ANNEXURE - II

(a) INDUSTRIAL STRUCTURE AND DEVELOPMENT

During the year under review the economy has started recovering and there is an upswing in every sphere of the economy. There was steady inflow of foreign direct investment during the year. Reserve Bank of India is considering issuing banking licence to private companies including NBFCs on fulfillment of the prescribed criteria.

(b) OPPORTUNITIES AND THREATS

In view of globalization of business, opportunities have increased, at the same time there are threats from outside competitors as the economy has opened up.

(c) PERFORMANCE

Total income generated by the Company during the financial year was Rs.343.39 Lacs, as compared to Rs.137.53 Lacs in the previous year. There is considerable increase in income and the Company has been able to earn profit after tax of Rs.162.50 Lacs.

(d) OUTLOOK

The Company continues to explore business opportunities to maximize its profits and best deliver shareholders value.

(e) RISK AND CONCERN

The Company faces various risks and concern. The risk may be owing to change in technology, change in nature of business, change in consumers' choice, it may again be internal and external. The Company is mainly engaged in loans and investments and during recession and slow down in the economy, the equity price hit rock bottom. However, since the economy has rebound, the Company has been able to earn considerable profit.

(f) INTERNAL CONTROL AND SYSTEM ADEQUACY

The Company has adequate internal control system. The Internal Auditors of the Company examines the records of the Company and place its findings before the Board and its Committee every quarter.

(g) CAUTIONARY STATEMENT

Statement in this report of Management Discussion and Analysis describing the Company's estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include change in Government regulations, tax regimes, economic developments within the country and other factors.

Kolkata – 700 016
The 28th May, 2010

For and on behalf of the Board
Dipankar Chatterji
Chairman

DECLARATION BY THE CEO PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT CONTAINING CORPORATE GOVERNANCE

This is to confirm that the code of conduct for all Board members and senior management personnel of the Company has been circulated to the concerned persons of the Company and the Company has received affirmation of compliance with the code of conduct from the members of the Board of Directors and the senior management personnel of the Company.

Kolkata – 700 016
The 28th May, 2010

For and on behalf of the Board
A. K. Dabriwala
Managing Director



AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF LISTING AGREEMENTS

To
The Members of United Credit Limited

We have examined the compliance of conditions of Corporate Governance by **UNITED CREDIT LIMITED** ("Company") for the year ended on 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement / (s) of the said Company with Stock Exchanges in the Republic of India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance [as stipulated in Clause 49 of the Listing Agreement / (s)] issued by The Institute of Chartered Accountants of India and limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / (s).

We state that in respect of investor grievances received during the year ended 31st March, 2010, no investor grievances were pending for a period exceeding one month against the Company, as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Date : 28th May, 2010

For RAY & RAY
Chartered Accountants
K. K. GHOSH
Partner
Membership No.59781



**AUDITORS' REPORT
TO THE MEMBERS OF
UNITED CREDIT LIMITED**

1. We have audited the attached Balance Sheet of **UNITED CREDIT LIMITED ("Company")** as at 31st March 2010, the related Profit & Loss Account and the Cash Flow Statement for the year ended on that date (hereinafter referred to as "financial statements"), which we have signed under the reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit so as to obtain reasonable assurance as to whether these financial statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, ("Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of The Companies Act 1956 of India (the "Act"), and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. We report that:
 - (i) As stated in note 6(b) of Schedule 17 a sum of Rs.1,363,719/- representing unclaimed interest on unmatured debenture pertaining to 2000-01 to 2002-03 has been written back & credited to Profit & Loss Account. Had the above adjustment not been made, the Profit After Tax for the year would have been Rs.14,886,471/- as against the reported amount of Rs.16,250,190/- and the Reserve & Surplus would have been Rs.171,981,145/- as against the reported amount of Rs.173,344,864/- and the Current Liabilities would have been Rs.11,046,794/- against the reported amount of Rs.9,683,075/-.
 - (ii) Note 16(b) of Schedule 17 regarding non-furnishing of information as required to be disclosed in terms of Accounting Standard 15 on "Employees Benefits" and its effect, if any, due to non-availability of related details from the insurer.
5. Further to our aforementioned comments, we also report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) These financial statements dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, these financial statements dealt with by this report comply with the accounting standards referred to in Section 211 (3C) of the Act;
 - (v) On the basis of written representations received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010;
 - (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.
6. As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008, we also state that we have submitted a report addressed to the Board of Directors of the Company containing a statement on the matters of supervisory concerns to the Reserve Bank of India, as specified in the said Directions.

For RAY & RAY
Chartered Accountants
K. K. GHOSH
Partner

Membership No.59781
Firm's Registration No. 301072E

Place : Kolkata
Date : 28th May, 2010

**ANNEXURE TO THE AUDITORS' REPORT**

[Referred to in paragraph 3 of the Auditors' Report of even date addressed to the members of UNITED CREDIT LIMITED on the financial statements for the year ended 31st March 2010]

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) The fixed assets, other than those given on lease, were physically verified by the management during the year, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed.
(c) In our opinion, a substantial part of fixed assets has not been disposed off by the Company during the year.
2. There being no stock in trade (comprising of investments in shares and merchandise / trading items), reporting requirements in terms of clause (ii) of the aforesaid Order are not applicable to the Company for the current year.
3. (a) The Company had granted unsecured loan to Subsidiary Companies which have ceased to be Subsidiaries and are covered in the Register maintained under Section 301 of the Companies Act, 1956. The year-end balances of such loan granted to those Companies aggregated to Rs.NIL (Previously Rs.16,475,000/-). The maximum amount outstanding on such loan at any time during the year aggregated to Rs. 46,085,000/-.
(b) In our opinion, the rate of interest and other terms and conditions on which such loan had been granted to Subsidiary Companies listed in the Register maintained under Section 301 of the Act, are not, prima-facie, prejudicial to the interest of the Company.
(c) The Loans granted to the Subsidiary Companies were repaid/settled in full along with Interest dues.
(d) In view of our aforementioned comments, clause (iii) (d) of the aforesaid Order is not applicable to the Company.
(e) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Consequently, clauses (iii) (f) to (iii) (g) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is in general an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories (shares) / fixed assets and with regard to the sale of shares. Further during the course of our audit, we have neither come across nor have we been informed of any continuing failure in the aforesaid control systems, to correct major weakness in the internal control system.
5. (a) According to the information and explanations given to us, the particulars of contracts and arrangements that need to be entered into the register maintained under Section 301 of the Act, have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 of the Act, during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits during the year from the public under section 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company's internal audit system carried out by a firm of accountants is commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of cost records under section 209 (1)(d) of the Companies Act, 1956 for the Company



9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, read with Note 3 of Schedule 17 regarding certain demands on Income Tax matters pertaining to Assessment Year 1996-97, there are no dues of Income Tax, Wealth Tax and Customs Duty which have not been deposited on account of any dispute as at the Balance Sheet date.
- (c) Based on the information and explanations given to us and the records of the Company examined by us, read with Note 19 of Schedule 17, out of an amount of Rs.195,880/- in respect of Service Tax outstanding as on 31st March 2010, Rs.107,495/- represents amount due for more than six months which have been paid in the current financial year due to an amendment made in the Finance Budget 2010.
10. The Company has no accumulated losses and has earned profit during the financial year covered by our report but had incurred cash loss in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
12. The Company has not granted any term loans except a vehicle loan. The Company has taken term loan for the purchase of a vehicle which has been used for the purpose for which the loan was taken.
13. The provisions of any special statute applicable to chit fund/nidhi/ mutual fund/ societies are not applicable to the Company.
14. Based on our examination of the records, we are of the opinion that proper records have generally been maintained of shares, securities and debentures for transactions and contracts and timely entries have been made therein. The Company has held the shares, securities, debentures and other investments in its own name.
15. The Company has not given any guarantee for the loan taken by others from bank or financial institutions during the year.
16. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
17. The Company has not raised any money by issue of shares during the year.
18. The Company has not issued any debentures during the year.
19. The Company has not raised any money by public issue during the year.
20. The Company has not made any preferential allotment of shares to parties or to any Companies covered in the register maintained under Section 301 of the Act during the year.
21. During the course of our examination of books of account carried out in accordance with generally accepted auditing practices, we have neither come across any instance of fraud on or by the Company, nor have we been informed of any such case by the management.

Place : Kolkata
Date : 28th May, 2010

For RAY & RAY
Chartered Accountants
K. K. GHOSH
Partner
Membership No.59781
Firm's Registration No. 301072E

UNITED CREDIT LIMITED



BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	Current Year		Previous Year
		Rupees	Rupees	Rupees
SOURCES OF FUNDS :				
1. Shareholders' Fund				
a) Capital	1	65,481,090		65,481,090
b) Reserves and Surplus	2	173,344,864		165,725,893
			238,825,954	231,206,983
2. Loan Funds				
Secured Loans	3		435,962	1,439,243
Total			239,261,916	232,646,226
APPLICATION OF FUNDS :				
1. Fixed Assets	4			
Gross Block		10,445,104		15,784,410
Less : Depreciation		7,943,146		11,030,290
		2,501,958		4,754,120
(Less)/Add : Lease Adjustment Account		(1,149)		(1,915)
		2,500,809		4,752,205
Less : Provision under RBI Norms		391,000		455,301
Net Block			2,109,809	4,296,904
2. Investments	5		80,378,206	176,750,470
3. Deferred Tax Assets	6		1,955,761	4,576,741
4. Current Assets, Loans and Advances				
Sundry Debtors	7	98,521		289,480
Cash and Bank Balances	8	9,778,561		8,096,983
Loans and Advances	9	166,403,352		54,073,572
		176,280,434		62,460,035
Less : Current Liabilities & Provisions				
a) Liabilities	10	9,683,075		10,815,924
b) Provisions	11	11,779,219		4,622,000
		21,462,294		15,437,924
Net Current Assets			154,818,140	47,022,111
Total			239,261,916	232,646,226
SIGNIFICANT ACCOUNTING POLICIES	16			
NOTES ON ACCOUNTS	17			

Schedules 1 to 11, 16 & 17 referred to above form an integral part of Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For RAY & RAY
Chartered Accountants
K K GHOSH
Partner
Membership Number : 59781
Firm's Registration No. 301072E

On behalf of the Board of Directors
Dipankar Chatterji
A.K. Dabriwala
Chairman
Mg. Director

Arunabha Biswas
Vice President and
Company Secretary

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

	Schedule	Current Year Rupees	Previous Year Rupees
INCOME :			
Interest on Loans, Deposits (Gross) (Tax Deducted at source Rs.494,296/-; Previous Year Rs.1,181,168/-)		7,172,875	8,269,731
Lease Rent		49,900	78,700
Add/(Less) : Lease Adjustment Account		766	1,276
		50,666	79,976
Dividend from Long Term Investments -Other Than Trade (Gross)		343,730	2,173,681
Income from H.P. Business		143,531	703,610
Bad Debts Recovered		3,220	92,000
Profit on Sale of Fixed Assets (Net)		-	109,344
Profit on Sale of Long Term Investments (Non-Trade) - Shares/Units (Net)		16,034,671	-
Provision for Diminution in the Value of Investment written back		4,999,999	-
Profit on Capital Market Operations	12	-	640,624
Other Income (Note 8 of Schedule 17)		3,136,585	1,683,619
Provision under RBI Norms written back		2,453,483	-
		34,338,760	13,752,585
EXPENDITURE :			
Employees' Remuneration & Welfare Expenses	13	4,091,689	4,403,821
Rent		611,807	808,653
Interest	14	92,757	310,396
Insurance		245,920	160,310
Law Charges		129,515	385,608
Other Expenses	15	4,641,685	8,145,738
Depreciation		841,821	1,330,047
Provision under RBI Norms		-	1,423,594
Debts/Loans & Advances written off (under RBI Norms) (Note 5 of Schedule 17)		3,078,202	177,056
		13,733,396	17,145,223
Profit/(Loss) before Tax		20,605,364	(3,392,638)
Provision for M. A. T.		(2,700,000)	-
Provision for Deferred Tax		(2,620,980)	483,609
Provision for Fringe Benefit Tax		-	(198,000)
Provision for Wealth Tax		-	(22,000)
Adjustment for Fringe Benefit Tax		-	48,040
Income Tax Adjustment (06-07)		(77,791)	154,850
Excess FBT Provision written back (06-07)		360	-
Excess I.Tax Provision Written back (07-08)		1,020,078	-
Excess FBT Provision written back (07-08)		159	-
Excess Wealth Tax Provision W/B (07-08)		23,000	-
Profit/(Loss) after Tax		16,250,190	(2,926,139)
Profit brought forward from previous year		17,454,845	20,380,984
		33,705,035	17,454,845
APPROPRIATION :			
Proposed Dividend:			
Preference Shares		2,074,039	-
Tax on Dividend		344,472	-
Equity Shares		5,327,823	-
Tax on Dividend		884,885	-
Transfer to General Reserve		4,000,000	-
Transfer to Reserve Fund as per RBI Norms		3,250,038	-
Balance Carried to Balance Sheet		17,823,778	17,454,845
		33,705,035	17,454,845
Basic and Diluted Earning per Share (in Rupees) Face Value of Rs.10/- (Note 10 of Schedule 17)		3.05	(0.51)
SIGNIFICANT ACCOUNTING POLICIES			
NOTES TO ACCOUNTS	16		
	17		

Schedules 12 to 17 referred to above form an integral part of Profit & Loss Account.
This is the Profit and Loss Account referred to in our report of even date.

For RAY & RAY
Chartered Accountants
K K GHOSH
Partner
Kolkata - 700 001
Date: 28th May 2010

Membership Number : 59781
Firm's Registration No. 301072E

Arunabha Biswas
Vice President and
Company Secretary

On behalf of the Board of Directors
Dipankar Chatterji
A.K. Dabriwala

Chairman
Mg. Director


CASH FLOW STATEMENT

	Year ended 31st March	
	2010	2009
	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extraordinary Items	20,605,364	(3,392,638)
Adjustment for		
Depreciation	841,821	1,330,047
Loss / (Profit) on Sale of Fixed Assets (Net)	15,443	(109,344)
Loss / (Profit) on Sale of Investments (Net)	(16,034,671)	1,531,553
Discard of Fixed Assets	23,213	-
Lease Equalisation	(766)	(1,276)
Provision under RBI Norms Fixed Assets	(64,301)	(75,438)
Provision for Diminution in the value of Investment	(4,999,999)	-
Unclaimed Debenture Interest Written Back	(1,363,719)	-
Interest Received	(7,172,875)	(8,269,731)
Dividend Received	(343,730)	(2,173,681)
Interest Paid	92,757	310,396
Operating profit before Working Capital Changes	(8,401,463)	(10,850,112)
Adjustment for		
Trade & Other Receivables (Net of Provisions)	(114,738,387)	5,843,525
Inventories	-	-
Trade Payables	217,292	(1,871,889)
Cash generated from Operations	(122,922,558)	(6,878,476)
Interest Paid	(93,621)	(310,566)
Direct Taxes (Paid)/Refund [Net]	(78,332)	(894,744)
Interest Received	6,678,579	7,088,563
Cash Flow from Operating Activities	(116,415,932)	(995,223)
Extraordinary Items	-	-
Net Cash from Operating Activities	(116,415,932)	(995,223)
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Investments	(17,432,426)	(44,341,432)
Purchase of Fixed Assets	(97,386)	(825,561)
Dividend Received	343,730	2,173,681
Sale of Fixed Assets	1,469,071	572,738
Sale of Investments	134,839,360	32,173,342
Net Cash used for Investing Activities	119,122,349	(10,247,232)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings		
Term Loans / Bank Short Term Loan	-	620,000
Repayment of Borrowings		
Term Loans / Bank Short Term Loan	(1,003,281)	(1,017,853)
Matured Debentures	(10,780)	(560)
Dividend Tax Paid	-	(976,298)
Dividend Payment	(10,778)	(5,547,655)
Add: National (Gain)/Loss on revaluation of Foreign Currency Loan	-	-
Net Cash used in Financing Activities	(1,024,839)	(6,922,366)



CASH FLOW STATEMENT (CONTD)

	Year ended 31st March	
	2010 Rupees	2009 Rupees
Net Increase in Cash & Cash Equivalents (A+B+C)	1,681,578	(18,164,821)
Opening Balance of Cash & Cash Equivalents	8,096,983	26,261,804
Closing Balance of Cash & Cash Equivalents	9,778,561	8,096,983

NOTES:

1. The above Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31st March 2010 and the related Profit and Loss Account for the year ended on that date.
2. The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting Standard (AS) on "Cash Flow Statement", AS-3, issued by The Institute of Chartered Accountants of India and reallocations required for this purpose are as made by the Company.
3. Figures in parenthesis represent outflow.
4. Previous year's figures have been regrouped, wherever necessary, to conform current year's presentation.

This is the Cash Flow Statement referred to in our report of even date

For RAY & RAY
Chartered Accountants
K K GHOSH
Partner
Membership Number : 59781
Firm's Registration No. 301072E

Arunabha Biswas
Vice President and
Company Secretary

On behalf of the Board of Directors
Dipankar Chatterji
A.K. Dabriwala

Chairman
Mg. Director



SCHEDULES TO ACCOUNTS

	Rupees	Current Year Rupees	Previous Year Rupees
SCHEDULE - 1			
SHARE CAPITAL			
Authorised –			
15,000,000	Equity Shares of Rs.10/- each	150,000,000	150,000,000
5,000,000	Preference Shares of Rs.10/- each	50,000,000	50,000,000
		200,000,000	200,000,000
Issued –			
8,334,604	Equity Shares of Rs.10/- each [Refer NOTE below on conversion of 1,055,086 Preference Shares]	83,346,040	83,346,040
1,055,086	12.5% Redeemable Cumulative Preference Shares of Rs.10/-each	10,550,860	10,550,860
Subscribed and Paid up –			
5,327,823	(Previous year 5,327,823) Equity Shares of Rs.10/- each fully paid up. (1,108,857 & 1,700,280 Equity Shares of Rs.10/- each were issued and allotted to Shareholders of erstwhile United Bank of India Limited and United Credit Financial Services Limited respectively pursuant to Scheme of Amalgamation with the Company)	53,278,230	63,829,090
	Less: Conversion into Preference Shares	–	10,550,860
		53,278,230	53,278,230
	Add : Shares Forfeited	1,652,000	1,652,000
1,055,086	(Previous Year 1,055,086) 12.5% Redeemable Cumulative Preference Share of Rs.10/- each fully paid up.	10,550,860	10,550,860
		65,481,090	65,481,090
NOTE :			
Pursuant to Order of the Hon'ble High Court at Calcutta passed on 2nd July 2008, 1,055,086 12.5% Redeemable Preference Shares of Rs.10/- each were issued and allotted on 4th September 2008 by way of conversion of equal number of Equity Shares of Rs.10/- each. These Preference Shares are redeemable at a premium of 50% at the end of five years from the date of issue or earlier at the option of the Company.			
SCHEDULE - 2			
RESERVES & SURPLUS			
Capital Reserve –			
	As per last Account	311,487	311,487
Capital Redemption Reserve –			
	As per last Account	14,887,890	14,887,890
Share Premium Account -			
	As per last Account	44,627,322	44,627,322
Reserve Fund as per RBI Norms -			
	As per last Account	10,325,390	10,325,390
	Add: Transfer during the year	3,250,038	–
		13,575,428	10,325,390
General Reserve - (Note 2 of Schedule 17)			
	As per last Account	78,118,959	78,118,959
	Add: Trans.from Profit & Loss A/c	4,000,000	–
		82,118,959	78,118,959
Profit & Loss Account -			
	As per annexed Account	17,823,778	17,454,845
		173,344,864	165,725,893
SCHEDULE - 3			
SECURED LOANS			
	Auto (Cars) Loans from Banks (secured against hypothecation of cars)	435,962	1,439,243
		435,962	1,439,243

SCHEDULES TO ACCOUNTS (CONTD)

SCHEDULE - 4

FIXED ASSETS

Particulars	Gross Block (At Cost)				Depreciation				Net Block		
	Cost upto 31st March, 2009	Additions during the year	Sold/Discarded during the year	Total Cost upto 31st March, 2010	Upto 31st March, 2009	Provided for the year	On Assets sold/ discarded	Total upto 31st March, 2010	Lease adjustment Account as at 31.03.2010	as at 31st March, 2010	as at 31st March, 2009
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Own Assets											
Furniture & Fixture	3,632,129	34,960	913,673	2,753,416	2,607,211	161,298	665,345	2,103,164	-	650,252	1,024,918
Office Equipment	1,097,510	20,020	698,094	419,436	707,131	56,293	508,803	254,621	-	164,815	390,379
Computer & Accessories	1,758,545	42,406	1,062,076	738,875	1,624,109	58,155	1,021,821	660,443	-	78,432	134,436
Motor Car	5,486,717	-	2,762,849	2,723,868	2,739,546	501,008	1,732,996	1,507,558	-	1,216,310	2,747,171
Sub Total (A)	11,974,901	97,386	5,436,692	6,635,595	7,677,997	776,754	3,928,965	4,525,786	-	2,109,809	4,296,904
Assets relating to Lease Business											
Equipment	2,376,144	-	-	2,376,144	1,924,551	62,817	-	1,987,368	-	388,776	451,593
Heavy Vehicles	1,433,365	-	-	1,433,365	1,427,742	2,250	-	1,429,992	1,149	2,224	3,708
Sub Total (B)	3,809,509	-	-	3,809,509	3,352,293	65,067	-	3,417,360	1,149	391,000	455,301
Grand Total (A+B)	15,784,410	97,386	5,436,692	10,445,104	11,030,290	841,821	3,928,965	7,943,146	1,149	2,500,809	4,752,205
Figures for the previous Year	16,146,019	825,561	1,187,170	15,784,410	10,424,019	1,330,047	723,776	11,030,290	1,915	4,752,205	



UNITED CREDIT LIMITED



SCHEDULES TO ACCOUNTS (CONTD)

SCHEDULE -5

INVESTMENTS (*)

A. [OTHER THAN TRADE - LONG TERM (At Cost)]	Face Value	Current Year		Previous Year	
		No. of Shares	Value Rupees	No. of Shares	Value Rupees
(1) a. FULLY PAID-UP EQUITY SHARES (QUOTED)					
Daikaffil Chemicals India Ltd	10	–	–	70,000	1,118,890
Kermex Micro Systems (I) Ltd	10	–	–	10,433	3,380,547
Tayo Rolls Ltd	10	–	–	3,500	965,983
Jai Prakash Associates Ltd	2	–	–	3,000	692,608
GTN Industries Ltd	10	–	–	3,500	1,948,828
Gujarat Mineral Development Corpn.Ltd	2	–	–	11,400	2,879,277
U. B. Engineering Ltd	10	–	–	14,460	2,179,941
Zicom Electronics Security Systems Ltd	10	–	–	5,000	1,109,429
Unity Infra Projects Ltd	10	–	–	2,000	2,146,456
Era Infra Engineering Ltd	2	–	–	17,500	2,877,134
Jai Corporation Ltd	1	–	–	4,000	4,880,264
Bharati Shipyards Ltd	10	–	–	2,500	2,095,918
Engineers India Ltd	10	–	–	1,000	1,224,926
Hotel Leela Venture Ltd	2	–	–	30,000	2,039,209
IOL Netcom Ltd	10	–	–	25,000	2,006,819
Electro Steel Castings Ltd	1	40,000	1,950,343	–	–
Nectar LifeSciences Ltd	1	25,000	1,046,145	–	–
Usher Agro Ltd	10	10,000	478,688	–	–
			<u>3,475,176</u>		<u>31,546,229</u>
b. PORTFOLIO MANAGEMENT WITH RCAM					
(i) Quoted					
SKF India Ltd	10	–	–	3,181	962,577
CCL Products Ltd	10	–	–	1,266	213,646
Fulford India Ltd	10	–	–	328	145,058
Hitachi Home Life Solutions Ltd	10	–	–	2,356	302,877
Rallis India Ltd	10	–	–	1,089	449,981
Sankhya Infotech Ltd	10	–	–	4,183	338,498
Hindustan Petroleum Corpn. Ltd	10	–	–	1,075	278,052
Ipca Laboratories Ltd	10	–	–	874	313,469
ITC Ltd	10	–	–	1,152	197,038
HDFC Bank Ltd	10	–	–	196	170,859
Bharti Tele-Vent Ltd	10	–	–	205	114,658
Housing Development Finance Corpn. Ltd	10	–	–	83	115,980
MPhasis BFL Ltd	10	–	–	232	39,079
					<u>3,641,772</u>
(ii) UNQUOTED					
Sai Rayalaseema Paper Mills	10	–	–	52,335	635,870
SSIPL Retail Pvt Ltd	10	–	–	3,106	509,799
					<u>1,145,669</u>
				b(i + ii)	<u>4,787,441</u>
(2) FULLY PAID-UP EQUITY SHARES (UNQUOTED)					
United Credit Securities Ltd	10	–	–	333,403	3,335,530
Calcutta Metropolitan Group Ltd	10	3	30	330,003	3,308,280
Sky B (Bangla) Pvt Ltd	10	10,000	100,000	10,000	100,000
Garry Supply Pvt Ltd	10	100,000	1,000,000	100,000	1,000,000
Business India Publications Ltd	10	50,000	2,750,000	50,000	2,750,000
United Nanotech Products Ltd	10	750,100	7,501,000	750,100	7,501,000
The Calcutta Stock Exchange	1	6,726	13,452,000	16,726	33,452,000
			<u>24,803,030</u>		<u>51,446,810</u>



SCHEDULES TO ACCOUNTS (CONTD)

SCHEDULE -5 (contd.)

INVESTMENTS (*)

[OTHER THAN TRADE - LONG TERM (At Cost)]

	Face Value	Current Year		Previous Year	
		No. of Shares	Value Rupees	No. of Shares	Value Rupees
B. SUBSIDIARY COMPANIES FULLY PAID-UP					
EQUITY SHARES (UNQUOTED)					
United Nanotechnologies Pvt Ltd	10	-	-	500,000	5,000,000
Less: Provision for Diminution in the value of Investment			-		4,999,999
United Credit & Development Co. Ltd	5	-	-	4,000,000	20,000,000
			-		20,000,001
C. OTHER INVESTMENTS					
1) MUTUAL FUND					
Reliance Liquid Fund	10	-	-	122,116.996	1,869,989
2) FULLY PAID-UP CUMULATIVE REDEEMABLE PREFERENCE SHARES (UNQUOTED)					
7% United Credit Securities Ltd	100	-	-	150,000	15,000,000
8% United Nanotech Products Ltd	10	5,210,000	52,100,000	5,210,000	52,100,000
			52,100,000		67,100,000
			80,378,206		176,750,470

	Current year		Previous year	
	Book Value Rupees	Market Value Rupees	Book Value Rupees	Market Value Rupees
QUOTED :	3,475,176	3,539,250	35,188,001	9,215,782
UNQUOTED :	76,903,030	-	139,692,480	-
MUTUAL FUND:	-	-	1,869,989	1,868,744
Grand Total	80,378,206		176,750,470	

(*) Refer Note 5 of Schedule 16 and Note 15 of Schedule 17

(**) 250,000 Shares of United Nanotech Products Ltd have been pledged on Collateral Security with Technology Development Board, New Delhi.

The following shares were purchased and sold during the year:-

Name	Purchased (Qty)	Cost Value Rs.	Sale Value Rs.
Balrampur Chinni Mills Ltd	4000	417,384	490,505
Dalmiya Cements Ltd	10000	1,806,832	1,948,122
Electrosteel Castings Ltd	10000	400,482	432,300
Essel Propack Ltd	10000	544,175	403,852
Genus Power Ltd	10000	2,204,353	1,677,935
Hindustan Unilever Ltd	1042	240,017	271,285
HPCL	113	30,418	41,460
Indian Oil Ltd	438	186,340	258,836
IndusInd Bank	10000	1,435,702	1,589,015
ITC Ltd	449	86,840	102,776
Lakshmi Vilas Bank	10000	940,763	731,297
Madhucon Projects Ltd	7178	1,308,484	1,614,751
McLeods Russels India Ltd	5000	569,556	910,373
OCL India Ltd	10000	1,275,009	1,140,655
Sakthi Sugar Ltd	25000	2,210,247	1,532,149
		13,656,602	13,145,311

UNITED CREDIT LIMITED



SCHEDULES TO ACCOUNTS (CONTD)

SCHEDULE - 6	Current Year	Previous Year
DEFERRED TAX	Rupees	Rupees
<u>Deferred Tax Liabilities</u>		
Lease Adjustment	-	-
	<u>-</u>	<u>-</u>
<u>Deferred Tax Assets</u>		
Lease Adjustment	391	651
Leave Encashment	144,797	157,034
Provision for Doubtful Debts and Advances	293,800	1,105,883
Provision for Fixed Assets under RBI Norms	132,901	154,757
Depreciation	1,383,872	1,458,916
Provision for Diminution in the value of Investment	-	1,699,500
	<u>1,955,761</u>	<u>4,576,741</u>
Deferred Tax Assets	<u>1,955,761</u>	<u>4,576,741</u>

SCHEDULE - 7

SUNDRY DEBTORS (Unsecured)

i) Lease	200	200
ii) Hire Purchase	365,465	385,140
iii) Merchandise/Trading	30,521	93,132
	<u>396,186</u>	478,472
Less : Provision	<u>297,665</u>	188,992
	<u>98,521</u>	<u>289,480</u>
<u>PARTICULARS OF DEBTORS</u>		
Over Six Months - Considered Good	98,521	289,480
Considered Doubtful	297,665	188,992
	<u>396,186</u>	478,472
Less than Six Months - Considered Good	-	-
	<u>396,186</u>	478,472
Less - Provision	<u>297,665</u>	188,992
	<u>98,521</u>	<u>289,480</u>

SCHEDULE - 8

CASH & BANK BALANCES

Cash-in-hand - As Certified by Management	23,234	53,586
Cheque in Hand	454,516	-
Balances with Scheduled Banks on -		
- Current Accounts	5,346,280	4,078,088
- Dividend Accounts	3,954,531	3,965,309
	<u>9,778,561</u>	<u>8,096,983</u>

**UNITED CREDIT LIMITED**

SCHEDULES TO ACCOUNTS (CONTD)

	Rupees	Current Year Rupees	Previous Year Rupees
SCHEDULE - 9			
LOANS & ADVANCES			
i) Unsecured Loans to Subsidiary Companies: (Maximum amount outstanding during the year Rs. 4,60,85,000)			
Considered Good	-	-	-
Considered Doubtful	-	-	16,475,000
ii) Secured Loans including interest accrued (secured by hypothecation & mortgage of assets etc)			
Considered Good	85,847		656,150
Considered Doubtful	566,707		269,562
		652,554	925,712
iii) Unsecured Loans including interest accrued Considered Good		150,750,624	21,233,475
iv) Advances recoverable in cash or in kind or for value to be received - Unsecured Considered Good		718,960	652,647
v) Advance Tax including Tax deducted at source		10,620,900	13,168,466
vi) Fringe Benefit Tax - net of Provision of Rs.198,000/- (Previous Year Rs.198,000/-)		3,000	55,000
vii) Deposits (Unsecured considered good)		4,224,021	4,627,834
		<u>166,970,059</u>	<u>57,138,134</u>
Less : Provision		566,707	3,064,562
		<u>166,403,352</u>	<u>54,073,572</u>
SCHEDULE - 10			
CURRENT LIABILITIES			
Sundry Creditors			
i) Total outstanding dues to Micro Enterprises & Small Enterprises (as certified by the Management)		-	-
ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises.		471,206	497,627
Other Liabilities		236,181	53,092
Unclaimed Dividend		3,954,531	3,965,309
Unclaimed Debentures (Note 6(a) of Schedule 17)		4,538,055	4,548,835
Unclaimed Debentures Interest (Note 6(b) of Schedule 17)		-	1,364,583
Security Deposit		483,102	386,478
		<u>9,683,075</u>	<u>10,815,924</u>
SCHEDULE - 11			
PROVISIONS			
For Proposed Dividend			
Preference Shares		2,074,039	-
Equity Shares		5,327,823	-
For Tax on Dividend			
Preference Shares		344,472	-
Equity Shares		884,885	-
For Leave Encashment		426,000	462,000
For Taxation		2,700,000	4,115,000
For Wealth Tax		22,000	45,000
		<u>11,779,219</u>	<u>4,622,000</u>

UNITED CREDIT LIMITED



SCHEDULES TO ACCOUNTS (CONTD)

	Rupees	Current Year Rupees	Previous Year Rupees
SCHEDULE - 12			
PROFIT / (LOSS) ON CAPITAL MARKET OPERATIONS - SHARES			
Opening Stock		-	-
Add : Purchase		-	6,700,191
		-	6,700,191
Less : Sales		-	7,858,977
		-	(1,158,786)
Closing Stock		-	-
Profit / (Loss)		-	1,158,786
Call Option Premium		-	98,396
Profit / (Loss) on Sale of Derivatives		-	(616,558)
		-	640,624
SCHEDULE - 13			
EMPLOYEES' REMUNERATION & WELFARE EXPENSES			
Salaries, Wages & Bonus		3,143,555	3,377,816
Company's Contribution to Provident Fund		315,746	336,396
Staff Welfare Expense		457,361	521,742
Company's Contribution to Gratuity Fund & Superannuation Fund		175,027	167,867
		4,091,689	4,403,821
SCHEDULE - 14			
INTEREST			
On Auto (Cars) Loan		92,588	170,156
On Loan Taken		-	140,240
On F.B.T. (F.Y. 2007-08)		169	-
		92,757	310,396
SCHEDULE - 15			
OTHER EXPENSES			
Printing & Stationery		184,904	348,518
Postage, Telephone & Telegram		431,150	1,056,377
Electric Charges		280,526	370,913
Travelling & Conveyance		676,223	897,257
Advertisement		110,251	97,145
Auditors' Remuneration			
Statutory Audit	100,000		100,000
Tax Audit	5,000		5,000
Limited Review	50,000		30,000
Certification Work	13,000		21,000
Consolidation Fees	-		20,000
Expenses - Service Tax	17,304		18,975
		185,304	
Car Expenses		744,679	933,223
Rates & Taxes		24,922	23,672
Maintenance & Repairs - Others		194,663	153,397
Sales Promotion		177,420	168,756
Portfolio Management Fees		23,232	159,820
Computer Expenses		70,191	146,096
Directors' Fees		144,500	168,500
Professional Fees		427,080	621,807
Bank Charges		9,687	14,435
Donation		-	600
Service Charges		434,903	300,772
Loss on Sale of Long Term Investments (Non-Trade) - Shares/Units (Net)		-	1,531,553
Loss on Sale of Fixed Assets		15,443	-
Miscellaneous Expenses		506,607	957,922
		4,641,685	8,145,738



SCHEDULES TO ACCOUNTS (CONTD)

**SCHEDULE - 16
SIGNIFICANT ACCOUNTING POLICIES****1. Basis of Preparation of Financial Statements:**

The Financial Statements have been prepared on accrual basis of accounting, under the historical cost convention and in accordance with the accounting principles generally accepted in India and comply in all material aspects in respect with the Notified Accounting Standards by Companies Accounting Standard Rules, 2006 and the relevant provisions of the Companies Act, 1956.

2. Use of Estimates:

The preparation of financial statements in conformity with generally accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at date of financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised in the period in which the results are known/materialized.

3. Fixed Assets:

Fixed Assets including assets given on finance lease are stated at cost less depreciation. Cost includes taxes, freight and other incidental expenses related to acquisition and installation of the said assets.

4. Depreciation:

Depreciation on fixed, assets including assets given on finance lease is provided on Written Down Value Method at the specified rates prescribed in Schedule XIV of the Companies Act, 1956.

5. Investments:

Investments held by the Company are long term in nature and are stated at cost. Diminution, if any, of permanent nature are provided for.

6. Stock-in-Shares/Merchandise:

- i) Stock-in-shares held for trading purposes are valued at cost or market value/breakup value whichever is lower on individual basis.
- ii) Stock of merchandise are valued at lower of cost or market price.

7. Stock on Hire:

- i) Stock on Hire under hire purchase agreement are valued at agreement value less instalments received/receivable.
- ii) Repossessed Stock are valued at cost less capital repayment upto the date of repossession.

8. Foreign Exchange Transactions:

Payments made in foreign currency are converted at the applicable exchange rate prevailing on the date of remittance. Liability on account of foreign currency is converted at the exchange rate prevailing as at the end of the year except in case of subsequent payments where liability is provided at actuals. Gain/Loss arising out of fluctuation in exchange rate is adjusted in the revenue account.

9. Employee Benefits:

- i) Defined Contribution Plan
Company's contributions paid/payable during the year to Provident Fund, ESIC and Labour Welfare Fund are recognised in the Profit and Loss Account. Contributions to Provident Fund to the Government authorities are accounted for on accrual basis. There are no other obligations other than the contribution payable to the respective authorities.
- ii) Defined Benefit Plan
In respect of Defined Benefit Plan, the Company is liable to Gratuity and Leave Encashment. In respect of Gratuity, the Company contributes to the qualifying Group Gratuity cum Life Insurance Policy of Life Insurance Corporation of India (LICI) based on the premium notices as per the actuarial valuation carried out by themselves, which are charged to revenue.



SCHEDULES TO ACCOUNTS (CONTD)

Company's liabilities towards leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits become vested. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

- iii) Actuarial gains/losses are immediately taken to Profit and Loss Account and are not deferred.

10. Taxes on Income:

Income Tax expense comprises of current tax and deferred charge or credit. Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred tax expense or benefit is recognised on timing differences being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient taxable income will be available in future to realize such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

11 Recognition of Income:

- a) Income from Leases: For assets given on lease upto 31.3.2001 lease rentals are charged as and when they become accrued and are accounted for accordingly.
- b) Income from Hire Purchase: Income by way of finance charges is arrived at by amortising the instalments containing the financial charges based on Capital Recovery Method.
- c) Interest on Loan is accounted for on accrual basis, whereas dividend is recognised when the right to receive is established.

12. Prudential Norms:

The Company has followed the prudential norms for income recognition and provisioning against non-performing assets as prescribed by the Reserve Bank of India for Non-Banking Financial Companies.

13. Prior period adjustments, extra-ordinary items and changes in Accounting Policy:

Prior period adjustments, extra-ordinary items and changes in accounting policies having material impact on the financial affairs of the Company are disclosed.

14. Provision, Contingent Liabilities and Assets:

Provisions are recognised when the Company has legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation. Contingent assets are neither recognised nor disclosed in the financial statements.

SCHEDULE – 17**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010**

- Accounting of Assets given on finance lease upto 31st March 2001 has been made as per earlier Guidance Note on Accounting for leases issued by The Institute of Chartered Accountants of India.
- General Reserve includes Revenue Reserve of Rs.17,871,849/- being difference between assets and liabilities taken over after adjustment of consideration money in terms of Scheme of Amalgamation of United Credit Financial Services Limited.



SCHEDULES TO ACCOUNTS (CONTD)

SCHEDULE 17 (CONTD)

3. Contingent liabilities not provided for in respect of:
Income tax demand for the Assessment Year 1996-97 amounting to Rs.6,900,919/- (Previous year Rs.6,900,919/-) including Interest of Rs.1,031,539/- calculated upto July 2008 against which the Company has filed an application under Section 260A of the Income Tax Act before the Hon'ble High Court at Kolkata. However a sum of Rs.6,900,919/- (Previous year Rs.6,900,919/-) has been paid under protest which has been shown under Loans and Advances.
4. In respect of certain parties where suits have been filed and settlements made, interest has been calculated upto the date of filing suits/settlements. Amount received taken into accounts on Cash Basis.
5. The Company has followed the prudential norms prescribed by the Reserve Bank of India in respect of income recognition and provision for non performing assets and accordingly during the year provision of Rs.NIL (Previous year Rs.1,423,594/-) has been made and a sum of Rs.3,078,202/- (Previous year Rs.177,056/-) has been written off.
6. a) The debentures issued by the Company had been redeemed on 1st April 2003 and accordingly the unclaimed debentures have been transferred to current liabilities.
b) Pursuant to legal opinion obtained by the Company, that Section 205C (2) (e) of the Companies Act, 1956 dealing with transfer to Investor Education and Protection Fund, of interest accrued on the amounts referred to in clauses (a) to (d) of Section 205C (2), is not applicable in respect of debentures not matured, as Section 205C (2) (d) refers to "Matured Debentures with Companies", the Board of Directors decided at the meeting held on 25th January, 2010 to write back to the credit of Other Income, the unclaimed interest amounting to Rs.1,363,719/- on unmatured debentures for the years commencing from 2000-2001 to 2002-2003, which remained unclaimed for more than seven years as at 31st March 2010.
7. As at Balance Sheet date, there were no amounts due on account of unpaid dividends, which are required to be transferred to Investor Education and Protection Fund (IEPF), as required under Section 205C of the Companies Act, 1956 of India.
8. The break-up of other income is as follows:

	Current Year	Previous year
	Rupees	Rupees
Rent	1,014,016	653,460
Interest on Income/Other Tax Refund	225,317	202,435
Debenture Interest written back	1,363,719	–
Others	533,533	827,724
	<u>3,136,585</u>	<u>1,683,619</u>

9. Directors' Remuneration:

	Current Year	Previous year
	Rupees	Rupees
Salary & Allowances	843,000	807,000
Monetary Value of other benefits	7,227	7,300
Contribution to Provident Fund	84,300	80,700
Sitting fees paid to other Directors	144,500	168,500
	<u>1,079,027</u>	<u>1,063,500</u>

Computation of Net Profit under Section 198 of the Companies Act, 1956 for the purpose of commission @1% payable to Directors has not been done as no commission is payable to Directors for the year ended 31st March 2010.

10. Earnings per share:



SCHEDULES TO ACCOUNTS (CONTD)

SCHEDULE 17 (CONTD)

	March 31, 2010 Rupees	March 31, 2009 Rupees
Profit computation for both Basic and Diluted earnings per share of Rs.10/- each		
Net Profit/(Loss) as per Profit & Loss Account	16,250,190	(2,926,139)
Weighted average number of Equity shares outstanding	5,327,823	5,778,764
Basic and diluted earnings per share in rupees of face value Rs.10/-	3.05	(0.51)

11. The Company is predominantly engaged in Non-banking Financial Activities and trading/dealing in shares and therefore Segment Reporting as envisaged in Accounting Standard (AS-17) on Segment Reporting is not applicable.

12. Related Party Transactions:

a) List of Related Parties:

Sl. No.	Name	Relation
	Key Management Person	
1	Sri A K Dabriwala	Managing Director
2	Mrs. Neeru Poddar	Relative
3	United Nanotechnologies Pvt. Ltd.	Subsidiary till 22.03.10
4	United Credit & Development Co. Ltd.	Subsidiary till 15.03.10
5	United Nanotech Products Ltd.	Common Director

b) During the financial year, the Company has entered into following transactions with the following related parties:

1	The name of the transacting related party	Smt.Neeru Poddar	United Nanotech Products Limited	United Nanotechnologies Pvt. Ltd.	United Credit & Development Co. Ltd.
2	Relationship between the parties	Relative	One Common Director	Subsidiary till 22.03.10	Subsidiary till 15.03.10
3	Nature of transaction	Sale of Shares	Loan given	Loan given	Loan given/Sale of Fixed Assets & Shares
4	Volume of the transactions.	Sale of Shares Rs.2,00,00,000/-	Loan given Rs.55,50,000/- Interest on Loan Rs. 2,40,342/-	Loan Cleared Rs. 1,39,75,000/-	Loan given Rs.2,98,25,000/- Interest on Loan Rs.77,911/- Sale of Fixed Assets Rs.5,97,608/- Sale of Shares Rs.47,46,224/-
5	i) The amounts of outstanding at the balance sheet date.	Outstanding Rs Nil	Outstanding Loan Rs.Nil Intt. Outstanding Rs.1,60,920/-	Outstanding Loan Rs. Nil	Outstanding Rs. Nil Intt. Outstanding Rs. Nil
	ii) Provisions for doubtful debts due from such parties at that date.	NIL	NIL	NIL	NIL
6	Amounts written off or written back in the period in respect of debts due.	NIL	NIL	NIL	NIL



SCHEDULES TO ACCOUNTS (CONTD)

SCHEDULE 17 (CONTD)

13. Expenditure incurred in Foreign Currency on account of:

	Current Year Rupees	Previous year Rupees
i) Value of Imports calculated on C.I.F. basis	—	—
ii) Travelling	NIL	115,414

14. As required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, the schedule to the Balance Sheet is appended.

15. Based on the legal opinion, all the acquisition of shares and transactions thereof have been reckoned as long-term investments for the purpose of these accounts.

16. Employee Benefits:

(a) Defined benefits plans as per actuarial valuation on 31st March 2010.

	Leave Encashment Rs.in Lakhs
I Expenses recognised in the Statement of Profit & Loss for the year ended 31st March 2010	
1 Current Service Cost	0.42
2 Interest Cost	0.33
3 Employee Contributions	—
4 Expected return on plan assets	—
5 Net Actuarial (Gains) / Losses	0.08
6 Past Service Cost	—
7 Settlement Cost	—
8 Total Expenses	0.83
II Net Assets/(Liability) recognised in the Balance Sheet as at 1st April 2009	
1 Present value of Defined Benefit Obligation	4.62
2 Fair Value of Plan Assets	—
3 Funded status of assets	(4.62)
4 Net asset/(liability)	(4.62)
III Change in Obligation during the year ended 31st March 2010	
1 Present value of Defined Benefit Obligation at beginning of the year	4.62
2 Current Service Cost	0.42
3 Interest Cost	0.33
4 Settlement Cost	—
5 Past Service Cost	—
6 Employee Contributions	—
7 Actuarial (Gains)/Losses	0.08
8 Benefits Payments	(1.19)
9 Present value of Defined Benefit Obligation at the end of the year	4.26
IV Change in Assets during the Year ended 31st March 2010	
1 Plan assets at the beginning of the year	—
2 Assets acquired on amalgamation in previous year	—
3 Settlements	—
4 Expected return on plan assets	—
5 Contributions by Employer	1.19
6 Actual benefits paid	(1.19)
7 Actuarial Gains / (Losses)	—
8 Plan assets at the end of the year	—
9 Actual return on plan assets	—



SCHEDULES TO ACCOUNTS (CONTD)

SCHEDULE 17 (CONTD)

V	Actuarial Assumptions:	As at 31/03/2010
1	Discount Rate	7.5% p.a. compounded
2	Mortality pre-retirement/post-retirement	Standard Table LIC (1994-96) Ultimate
3	Rate of increase in salaries	5%
4	Expected Average remaining working lives of employees (years)	8.07
5	Apart from the above the estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion & other relevant factors such as supply & demand in the employment market.	

- (b) The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance cash accumulation policy offered by Life Insurance Corporation (LIC) of India. The investment return earned on the policies comprises Bonus declared by LIC having regard to LIC's Investment earnings. The information of allocation of funds to major assets, classes and expected return on each major class are not available and hence necessary disclosure requirements as required to be made on implementing AS-15 on Employee Benefits (Revised 2005) were not disclosed in the accounts. In the absence of details from LIC, shortfall if any, towards provision of Gratuity, has not been provided for.
17. Debts (considered good) aggregating to Rs.98,521/- include other than 'Standard' accounts amounting to Rs.68,000/- as defined under Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007 as amended, against which appropriate provisions have been made in these financial statements pursuant to the said Directions.
18. There are no reported micro, small and medium enterprises as defined in "The Micro Small and Medium Enterprise Development Act, 2006" to which the Company owes dues and as such the disclosure requirements under Section 22 of the said Act have not been made.
19. The Service tax amounts of Rs.36,788/-, Rs.70,707/- & Rs.88,385/- relating to October 2008 to March 2009, April 2009 to September 2009 and October 2009 to March 2010 remaining unpaid as on 31st March 2010 respectively, have been paid on 22/04/2010 after adjusting input tax credit of Rs.58,658/- and an amount of Rs.8,784/- paid towards interest. The amount related to rent on Immovable Property situated at 225C, A.J.C. Bose Road, Kolkata – 700 020 which was in arrear because of stay order granted by various High Courts and subsequent judgements pronounced in favour of tenants. However, after the amendment in the Finance Bill, 2010 this year, the same has been paid with interest as mentioned above and all necessary disclosures have been made retrospectively to the concerned Authorities.
20. Provision for Minimum Alternative Tax has been made in view of absence of normal tax this year.
21. The Previous year's figures have been regrouped, recast and rearranged wherever necessary to make it comparable with the current year figures.



SCHEDULES TO ACCOUNTS (CONTD)

SCHEDULE 17 (CONTD)

22. INFORMATION PURSUANT TO THE PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

Balance Sheet abstract and Company's general business profile.

i) Registration Details	
Registration No.	L65993 WB 1970 PLC 027781
State Code	21
Balance Sheet Date	31st March 2010
ii) Capital Raised during the year (Amount in Rs.Thousand)	
Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
iii) Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousand)	
Total Liabilities	260,724
Total Assets	260,724
Sources of Funds:	
Paid-up Capital	65,481
Reserves & Surplus	173,345
Secured Loans	436
Unsecured Loans	—
Application of Funds:	
Net Fixed Assets	2,110
Investments	80,378
Net Current Assets	154,818
Misc. Expenditure	—
Deferred Tax	1,956
iv) Performance of Company (Amount in Rs.Thousand)	
Turnover including other income	34,339
Total Expenditure	13,734
Profit (+)/Loss(-) before Tax	20,605
Profit (+)/Loss(-) after Tax	16,250
(considering Deferred Tax Assets)	
Basic & Diluted Earning Per Equity Share	
(considering Deferred Tax Assets) in Rs.	3.05
Dividend Rate (%)	10%
v) Generic Name of the Three Principal Products/Service of the Company. (As per Monetary Terms)	
Product Description	ITC Code No.
Lease Financing	Not Applicable
H. P. Financing	Not Applicable
Loan	Not Applicable



SCHEDULES TO ACCOUNTS (CONTD)

SCHEDULE 17 (CONTD)

23. Particulars in respect of certain details as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

Rs. in Lakhs

Particulars		As on 31.03.2010	
Liabilities side			
(1)	Loans and advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	NIL	NIL
	: Unsecured (other than falling within the meaning of public deposit*)	NIL	NIL
	(b) Deferred credits	NIL	NIL
	(c) Term Loans	NIL	NIL
	(d) Inter-corporate loans and borrowing	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Other Loans (specify nature) Car Loans	4.36	NIL
	(*) Please see Note 1 below		
Assets side:		<i>Amount Outstanding</i>	
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured		0.86
	(b) Unsecured		1556.94
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities:		
	(i) Lease assets including lease rentals under Sundry Debtors:		
	(a) Financial Lease		NIL
	(b) Operating Lease		NIL
	(ii) Stock on hire including hire charges under Sundry Debtors :		
	(a) Assets on hire		0.68
	(b) Repossessed Assets		NIL
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed		NIL
	(b) Loans other than (a) above		NIL



SCHEDULES TO ACCOUNTS (CONTD)

SCHEDULE 17 (CONTD)

Rs. in Lakhs

	Particulars	As on 31.03.2010		
(4)	Break-up-of Investments Current Investments :			
	1. Quoted :			
	(i) Shares : (a) Equity			NIL
	: (b) Preference			NIL
	(ii) Debenture and Bonds			NIL
	(iii) Units of Mutual funds			NIL
	(iv) Government Securities			NIL
	(v) Others (please specify)			NIL
	2. Unquoted :			
	(i) Shares : (a) Equity			NIL
	: (b) Preference			NIL
	(ii) Debenture and Bonds			NIL
	(iii) Units of Mutual funds			NIL
	(iv) Government Securities			NIL
	(v) Others (please specify)			NIL
	Long-term Investments :			
	1. Quoted :			
	(i) Shares : (a) Equity			34.75
	: (b) Preference			NIL
	(ii) Debenture and Bonds			NIL
	(iii) Units of Mutual funds			NIL
	(iv) Government Securities			NIL
	(v) Others (please specify)			NIL
	2. Unquoted :			
	(i) Shares : (a) Equity			248.03
	: (b) Preference			521.00
	(ii) Debenture and Bonds			NIL
	(iii) Units of Mutual funds			NIL
	(iv) Government Securities			NIL
	(v) Others (please specify)			NIL
(5)	Borrower group-wise clarification of Assets financed as in (2) and (3) above: Please see Note 2 below			
	<i>Category</i>	<i>Amount net of provisions</i>		
		Secured	Unsecured	Total
	1. Related Parties **			
	(a) Subsidiaries	NIL	NIL	NIL
	(b) Companies in the same group	NIL	1.61	1.61
	(c) Other related parties	NIL	NIL	NIL
	2. Other than related parties	1.54	1555.33	1556.87
	Total	1.54	1556.94	1558.48



SCHEDULES TO ACCOUNTS (CONTD)

SCHEDULE 17 (CONTD)

Rs. in Lakhs

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below			
	Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1.	Related Parties **		
	(a) Subsidiaries	NIL	NIL
	(b) Companies in the same group	596.01	596.01
	(c) Other related parties	NIL	NIL
2.	Other than related parties	301.47	207.77
	Total	897.48	803.78

** As per Accounting Standard of ICAI (please see Note 3)

(7) Other Information		
	Particulars	Amount
(i)	Gross Non-performing Assets	
	(a) Related Parties	NIL
	(b) Other than related parties	13.86
(ii)	Net Non-performing Assets	
	(a) Related Parties	NIL
	(b) Other than related parties	1.31
(iii)	Assets acquired in satisfaction of debt	NIL

Notes:-

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Banks) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long-term or current in (4) above.

Signatures to Schedules 1 to 17

6, Church Lane
Kolkata - 700 001
Date: 28th May 2010

For RAY & RAY
Chartered Accountants
K K GHOSH
Partner
Membership Number : 59781

Arunabha Biswas
Vice President and
Company Secretary

On behalf of the Board of Directors
Dipankar Chatterji
A.K. Dabriwala

*Chairman
Mg. Director*

UNITED CREDIT LIMITED

Registered Office : 27B, Camac Street (8th floor)
Kolkata - 700 016

PROXY FORM

I/We of.....
.....being member/s of United Credit Limited hereby
appointof
or failing him of
.....as my/our proxy to vote for me/us
and on my/our behalf at the 39th Annual General Meeting of the Company to be held
on Monday, the 26th July, 2010 and at any adjournment thereof.

As witness my/our hand(s) this day of2010

Signed by the said

Account No.

DP / Client ID.

No. of Shares held

Affix Re. 1/-
Revenue
Stamp

NOTE : The proxy must be returned so as to reach the Registered Office of the Company
not less than 48 hours before the time for holding the aforesaid Meeting.

UNITED CREDIT LIMITED

ATTENDANCE SLIP

Please complete this attendance slip and
hand it over at the entrance of the hall

I hereby record my presence at the 39th Annual General Meeting of the Company held on
Monday, the 26th July, 2010.

Full name of the shareholder in Block Letters

Account / Folio No.

DP / Client ID.

No. of Shares held *(Signature of the Shareholder/Proxy)*

MEMBERS ARE REQUESTED TO BRING THEIR COPY OF THE ANNUAL REPORT ALONG WITH THEM TO THE GENERAL
MEETING, AS EXTRA COPIES OF THE REPORT FOR DISTRIBUTION AT THE MEETING HAVE NOT BEEN PRINTED DUE
TO HIGH COST OF PRINTING.



BOOK - POST / COURIER

If undelivered, please return to :

United Credit Limited

27B, Camac Street, 8th Floor
Kolkata - 700 016