

# **CHEMCROWN INDIA LIMITED**

**(Now known as Standard Shoe Sole and Mould (India) Limited)**

**ANNUAL REPORT**  
**2009 - 2010**

# **CHEMCROWN INDIA LIMITED**

**(Now known as Standard Shoe Sole and Mould (India) Limited)**

<b>BOARD OF DIRECTORS :</b>	MR. TAPAN KUMAR ROY	WHOLE-TIME DIRECTOR
	MR. BISWAJIT SINHA	DIRECTOR
	MR. BHUPINDER KUMAR MEHTA	DIRECTOR
	MR. KAUSIK MUKHERJEE	DIRECTOR
	MR. ANANYA DEY	DIRECTOR

<b>AUDITORS :</b>	M/S. MUKHERJEE SANYAL & CO. CHARTERED ACCOUNTANTS KOLKATA.
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<b>REGISTERED OFFICE :</b>	4/1B, RADHANATH CHOUDHARY ROAD, ENTALLY, KOLKATA - 700015.
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## **ANNUAL GENERAL MEETING - PROGRAMME**

<b>DATE</b>	<b>: 30<sup>TH</sup> SEPTEMBER, 2010</b>
<b>TIME</b>	<b>: 11-00 A.M.</b>
<b>VENUE</b>	<b>: 4/1B, RADHANATH CHOUDHARY ROAD, ENTALLY, KOLKATA, WEST BENGAL, INDIA – 700015.</b>

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**NOTICE FOR THIRTY FOURTH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of the Company will be held at 4/1B, Radhanath Choudhary Road, Entally, Kolkata, West Bengal, India – 700015 on Thursday 30<sup>th</sup> September, 2010 at 11.00 a.m. to transact the following business:-

**ORDINARY BUSINESS :**

1. To receive and adopt the audited balance sheet as 31<sup>st</sup> March, 2010 and profit & loss account of the company for the year ended on 31<sup>st</sup> March, 2010 and the Report of the Directors' and Auditors.
2. To appoint Director in place of Mr. Bhupinder Kumar Mehta who retires by rotation and being eligible offers himself for reappointment.
3. To appoint the Auditor & fix their remuneration.

**For & on behalf of the Board of Director**

**Place : Kolkata**

**Date : 17/08/2010**

**Director**

**Director**

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
2. Pursuant to section 154 of the Companies Act, 1956, Register of Members and Shares Transfer Books of the Company will remain closed from 23<sup>rd</sup> August, 2010 to 31<sup>st</sup> August, 2010 (both days inclusive).
3. The shareholders are requested to bring their copy of Annual Report at the time of Meeting.
4. As a matter of convenience the shareholders are requested to inform their queries if any, the company in advance so as to enable the company to properly reply the same at the time of meeting.

**For & on behalf of the Board of Director**

**Place : Kolkata**

**Date : 17/08/2010**

**Director**

**Director**

**DIRECTORS' REPORT**

To,  
The Members

The Directors' present the Thirty Fourth Annual report on the business and operations of your Company for the year 2009-2010.

**FINANCIAL RESULTS AND OPERATIONAL REVIEW :**

Particulars	Year Ended 31.03.2010 (Rs.)	Year Ended 31.03.2009 (Rs.)
Gross Sales/Income	1139067	—
Less Depreciation	Nil	Nil
Profit/(Loss) before Tax	156878	1072844
Taxes/Deferred Taxes	Nil	Nil
Profit/(Loss) After Taxes	982189	(1072844)

Your Directors feel pleasure to report that the company has achieved a positive bottom line in the year registering profit after tax of Rs. 9.82 Lacs.

**PARTICULARS OF EMPLOYEES :**

There is no employee receiving salary of Rs. 24 Lac per annum or Rs. 2 Lac per month during the 12 Months period ended 31<sup>st</sup> March, 2010, the details as required to be furnished under section 217(2A) of the companies Act 1956 read with the Companies (Particulars of employee) Rules, 1975 as amended.

**DIRECTORS :**

Mr. Bhupinder Kumar Mehta Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

**RESPONSIBILITY STATEMENT :**

As required u/s 217(2AA) of the Companies Act, 1956 your Director confirms that in the preparation of the annual accounts.

The applicable accounting standards have been followed along with proper explanation relating to material departures.

Such accounting policies have been selected and applied consistently and reasonable and prudent judgments and estimates made, so as to give a true and fair view of the state of affairs of the company at the end of the financial Year and the profit/loss of the company for that period.

Proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

The annual accounts have been prepared on a going concern basis.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE :**

As required under rule 3 of the companies (Disclosure of Particulars in the report of Board of Directors) Rules 1998, the particulars relating to the conservation of energy, Technology absorption, and the foreign exchange earnings and outgo are also Nil.

**APPOINTMENT OF AUDITORS :**

M/s. Mukherjee Sanyal & Co., Chartered Accountants, Kolkata, the retiring auditors being eligible offer themselves for re-appointment. Members are requested to appoint them as auditors of the company.

**PUBLIC DEPOSITS :**

The Company has not accepted any deposits from the public during the year under review. Your Company is listed with the Bombay Stock Exchange, Madras Stock Exchange, Kolkata Stock Exchange & Delhi Stock Exchange.

**MANAGEMENT DISCUSSION AND ANALYSIS :**

Management discussion and analysis Report, pursuant to Clause 49 of the Stock Exchange Listing agreement, forms part of this Report and the same is annexed hereto.

**REPORT ON CORPORATE GOVERNANCE :**

A separate Report on Corporate Governance along with Certificate from Auditors on its compliance as annexed hereto.

**SEGMENT :**

Your Company is engaged in a single segment only.

**ACKNOWLEDGEMENT :**

The management is grateful to the government authorities, Bankers, Vendors for their continued assistance and co-operation. The directors also wish to place on record the confidence of members in the company.

**For & on behalf of the Board of Director**

Place : Kolkata  
Date : 17/08/2010

Director

Director

## REPORT ON CORPORATE GOVERNANCE

### (Pursuant to Clause 49 of the Listing Agreement)

#### A. Mandatory Requirements

The Board of Directors of the Company gives due support to the principles behind the good Corporate Governance. Given below is a report on Corporate Governance:

#### 1. COMPANY'S PHILOSOPHY

The Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the law coupled with total adherence to highest norms of business ethics. These two main drivers, together with the company's ongoing contributions to the local communities it operates in through meaningful and relevant Corporate Social Responsibility initiatives add to enhance the stakeholders value.

The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities surrounding our plant and facilities, transparency in decision making process and fair & ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. These practices are being followed since the inception and have contributed to the company's sustained growth.

#### 2. BOARD OF DIRECTORS

##### 2.1 Composition of Board of Directors as on date of Report :

The Board of Directors of the Company comprised Four Directors of whom three were non-executive Directors. The non-executive Directors also comprised two independent directors. The Chairman is an executive director.

Name of Director	Category
Mr. Tapan Kumar Roy	Whole-time Executive Director
Mr. Biswajit Sinha	Non- Executive & Independent Director
Mr. Bhupinder Kumar Mehta	Non- Executive & Independent Director
Mr. Kausik Mukherjee	Non-Executive Director*
Mr. Ananya Dey	Non-Executive Director+

\*Appointed on 22/07/2010

+Appointed on 11/06/2010

##### 2.2 Responsibilities of the Board :

The responsibility such as policy formulation, performance review and analysis and control, direction and management of the affairs of the company is vested in the Board of Directors presided over by the Director. The Board has delegated some of its powers to the executives of the company. The Board reviews from time to time such delegated powers and their utilization for effective functioning of the Company.

##### 2.3 Board Meetings and Attendance Record of Directors:

The meetings of the Board of Directors are held at periodical intervals and are generally at the Board Room of the Company. The meeting dates are decided well in advance and the agenda and notes on agenda are circulated in advance to the directors. All material information is incorporated in the notes on agenda for facilitating meaningful and focused discussion at the meeting. Where it is not perusable to attach supporting or relevant documents to the agendas, the same is tabled before the meeting. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Senior Management persons are often invited to attend the Board Meetings and provide clarifications as and when required.

During the year under review, the Board met 7 times on the following dates:

22/04/2009	25/07/2009	12/08/2009	25/10/2009
28/12/2009	22/01/2010	23/03/2010	

**Extra Ordinary General Meeting :**

No Extra Ordinary General Meeting held during the year under review.

Attendance of Directors at Meetings of Board of Directors and last AGM:

Name of Director	Category of Directorship	No. of other Directorship	No. of Board Meeting attended
Mr. Tapan Kumar Roy	Whole-time Director	N.A	7
Mr. Biswajit Sinha	Director	N.A	7
Mr. Bhupinder Kumar Mehta	Director	N.A	7

**2.4 Details of Directors seeking re-appointment at the ensuing Annual General Meeting :**

As per the provisions of the Companies Act, 1956, two third of the directors of a company should be retiring directors, of which one third of such directors are required to retire every year and if eligible, they qualify for re-appointment.

Mr. Bhupinder Kumar Mehta retire by rotation at the ensuing Annual General Meeting and offer themselves for re-appointment.

**(a) Profile of Mr. Bhupinder Kumar Mehta Director being appointed u/s 269 of the Companies Act, 1956**

Name ..... Mr. Bhupinder Kumar Mehta

Date of Birth ..... 01/11/1954

Date of Appointment ..... 11/08/1997

No. of shares held in the company ..... Nil

No. of warrants held in the company ..... N.A

Directorship in other company ..... Nil

**2.5 Details of Directors who are as Chairman and Directors in other Public Companies :**

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49 (C) (ii) across all the Companies in which he is a director. The necessary disclosure regarding Directorship and Committee position have been made by the Directors who are on the Board of the Company as on 31<sup>st</sup> March, 2010 and the same is reproduced herein below :

Sr. No.	Name of Director	No. of Directorship in other Public Companies	No. of Committees positions held as Chairman on other public Companies	No. of Committees positions held as member in other public Company
1.	Mr. Tapan Kumar Roy	—	—	—
2.	Mr. Biswajit Sinha	—	—	—
3.	Mr. Bhupinder Kumar Mehta	—	—	—

**3. COMMITTEE OF BOARD**

The Company had Three Board Committees. These are

1. Audit Committee
2. Remuneration Committee
3. Share Transfer & Shareholders/Investor Grievance Committee

Moving with various committees formed and reported in the previous Annual Report and in line with the requirements of SEBI and Stock Exchanges, the Board has formally constituted the following committees of Directors.

**3.1 Audit Committee :**

The Audit committee constituted by the Board of directors as per the provisions of Clause 49 of the listing Agreements as well as in Section 292A of the Companies Act, 1956 as below.

**a. Composition :**

**As on 31.03.2010, the Audit Committee comprised of three Directors namely :**

- |                             |  |
|-----------------------------|--|
| - Mr. Tapan Kumar Roy       | Chairman - Whole-time Executive Director     |
| - Mr. Biswajit Sinha        | Member -Non Executive & Independent Director |
| - Mr. Bhupinder Kumar Mehta | Member -Non Executive & Independent Director |

The Audit Committee of the Board of Directors of the Company, Inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

The audit committee while reviewing the Annual Financial Accounts ensures compliance of the Accounting Standard (AS) issued by the Institute of Chartered Accountants of India.

**Brief description of terms of reference:**

- A. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- B. Recommending the appointment and removal of external auditor, fixation of audit fees and also approval for payment of any other Consultancy services provided by the statutory auditor.
- C. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
  - \* Review the financial reporting process and disclosure of its financial information
  - \* Review with the management, Annual financial statements before submission to the Board
  - \* Review with the management, statutory Auditors and Internal Auditors and adequacy of internal control systems
  - \* Review the company's accounting and risk management policies
  - \* Review the company's accounting and management reporting systems and updates the same from time to time recommend the appointment and removal of statutory and Internal Auditors and fixation of fees for the same.
  - \* Review quarterly financial statement.
  - \* Review internal investigations made statutory/ Internal Auditors.
  - \* Scope of Statutory/ Internal Audit
  - \* Review fixed deposits/repayment systems etc.
  - \* Any other applicable functions as described in Corporate Governance.
  - \* Review related party transactions.

Executive summary of the Audit Committee Meetings are placed before the immediate next Board Meetings held after the Audit Committee for deliberations and the full minutes of the same are placed before the following Board Meeting for recode. The Board of Directors, regularly apprised on the recommendations for the Audit Committee, further, at the beginning of the financial year, the Committee discuss the plan for the internal audit and statutory audit.

Dates of the Audit Committee Meetings are fixed in advance and agenda is circulated to the Directors at least seven days before the meeting.

As required under Clause 49(III)(E) of the Listing Agreement, the Audit Committee had reviewed the following information:

- Management Discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions submitted by management
- Management letters/letters of internal controls, weaknesses issued by the Statutory Auditors.
- Internal Auditors Reports relating to internal control weaknesses.
- Appointment, removal and terms of remuneration of the internal auditors.

During the year under review, the 4 Audit Committee were held during Financial Year 2009-10. The dates on which the said meetings were held as follows :

05/06/2009	26/09/2009	31/12/2009	22/03/2010
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**3.2 Remuneration Committee :**

The remuneration committee of the Company comprises of Mr. Tapan Kumar Roy, Mr. Biswajit Sinha & Mr. Bhupinder Kumar Mehta.