
Kamar Chemicals & Industries Ltd.



Kamar Chemicals & Industries Limited

TCP Sapthagiri Bhavan, II Floor, 4 (Old No.10) , Karpagambal Nagar,
Mylapore, Chennai – 600 004

BOARD OF DIRECTORS

Shri. **SYED MEERAN**
Shri. **M.S. SETHURAMAN**
Shri. **M.J. SAIFUDEEN**

BANKERS

INDIAN BANK
48, Luz Church Road
East Abhiramapuram
Chennai – 600 004.

AUDITORS

M/s. NATRAJ ASSOCIATES
Chartered Accountants
288, T T K Road, Alwarpet,
Chennai – 600 018.

REGISTERED OFFICE

T C P Sapthagiri Bhavan,
IInd Floor,
4 (Old No.10), Karpagambal Nagar,
Mylapore,
Chennai – 600 004.

Listed at Madras, Mumbai &
Ahmedabad Stock Exchanges

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NOTICE FOR THE TWENTY NINETH ANNUAL GENERAL MEETING OF THE MEMBERS OF KAMAR CHEMICALS & INDUSTRIES LIMITED

NOTICE is hereby given that the Twenty Nineth Annual General Meeting of the members of the Company will be held on Wednesday the 28th September, 2011 at Narada Gana Sabha Trust (Sathguru Gnanananda Mini Hall), 314 (Old No.254) T T K Road, Chennai – 600 018 at 2.45 PM to transact the following business:-

ORDINARY BUSINESS

1. To receive and consider and adopt the audited Balance Sheet of the Company as at 31st March, 2011 the Profit & Loss Account for the year ended 31st March, 2011 together with the Report of the Directors and Auditors thereon.
2. To elect a Director in place of Shri Syed Meeran who retires by rotation and being eligible, offers himself for reelection as a Director.
3. To appoint the Auditors and fix their remuneration.

By Order of the Board,

Place : Chennai - 600 004
Date : 29th July, 2011

SYED MEERAN
Director

NOTES

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The proxy form duly stamped and executed should be deposited at the Registered Office of the Company atleast 48 hours before the time for the commencement of the meeting.
- 2) Members are requested to notify any change in their address to the Registered Office of the Company quoting their Folio Nos.
- 3) Register of members and Share Transfer books of the Company will remain closed from 21st day of September, 2011 to 28th day of September, 2011 (Both days inclusive).
- 4) Members are requested to bring the Annual Report to the meeting.

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DIRECTOR'S REPORT

Your directors present their Twenty Ninth Annual Report with the audited statements of accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS

The financial results for the year ended 31st March, 2011 as compared with the previous years are as follows:-

(Rs. in Lakhs)		
	Year ended 31.03.2011	Year ended 31.03.2010
Profit/(loss) after Depreciation but before tax	(14.95)	17.83
Provision for taxation (Fringe Benefit Tax)	—	—
Provision for Income Tax (Earlier Years)	—	—
Profit/(Loss) after tax	(14.95)	17.83
Profit/(Loss) brought forward from last year	(2367.81)	(2385.64)
Amount transferred from Reserve	—	—
Balance Carried to Balance Sheet	(2382.76)	(2367.81)

OPERATIONS

Your Company did not carry out any operation during the year.

DIVIDEND

Since the Company has accumulated losses the directors do not recommend dividend for the year.

TAKEOVER OF ASSETS BY SIPCOT

Your Company had committed default in repayment of dues to SIPCOT for an amount of Rs.10.56 Crores. Consequent to the default, SIPCOT took symbolic possession of the Land and Building and Plant and Machinery of the Company under section 29 of the State Financial Corporation Act, on 15.12.2003, and pursuant to the Order passed by the High Court of Madras, brought it for Auction Sale for realisation of its dues on "as-is-where-is" basis and on going concern concept. SIPCOT invited Tenders for the sale of the assets, by Advertisements. SIPCOT had allotted the auctioned assets to a Company "Nagoorar Enterprises Private Ltd., Chennai" who were the successful bidder. SIPCOT, vide its letter dated 07.05.2007, has intimated the said Nagoorar Enterprises Private Ltd of its approval to transfer of the land measuring 8.85 acres at SIPCOT Industrial Complex, Ranipet, originally allotted to Kamar Chemicals & Industries Ltd and the sale of building and Plant and machinery for a total sale consideration of Rs.285 lakhs. Further, 6th November 2007, the fixed assets, including Land, of the Chemical Plant has been handed over in running /as-is-where-is condition and on going concern concept to SIPCOT, which, in turn, was handed over to Nagoorar Enterprises Private Ltd., who were the successful bidder. The liabilities of the company were not transferred.

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OBSERVATIONS IN AUDIT REPORT - COMMENTS

Since the SIPCOT has taken over the Assets of the Company and sold them by Open Tender for recovery of its dues, The Company is not in a position to recommence its production and carry on business activity in order to earn profit. The Management is exploring the possibilities of carrying on some business in accordance with its object clause.

FIXED DEPOSIT

Your Company has not accepted Fixed Deposits, during the period under review.

AUDITORS

M/s. Natraj Associates, Chartered Accountants, Chennai – 600 018 retire at this Annual General Meeting and are eligible for reappointment.

CONSERVATION OF ENERGY

Particulars Under Section 217(1) (e) of the Companies Act, 1956 is annexed.

PERSONNEL

Industrial relations remained congenial during the current year. The Directors thank the employees for their co-operation on the operational performances.

Details required under Section 217(2A) of the Companies Act, 1956 (read with Companies particulars of Employees Rules 1975) regarding particulars of Employees has not been given as no employee was in receipt of remuneration in excess of Rs.5,00,000 per month or Rs.60,00,000/- per annum.

DIRECTORS RESPONSIBILITY STATEMENT

As required under section 217 (2AA) of the Companies Act, 1956 the directors hereby confirm that:

1. In the preparation of the accounts for the year-ended 31st March, 2011 the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. The directors had 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 at the end of the financial year ended 31st March, 2011 and of the Loss of the Company for that period.
3. The directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding of assets of the Company and for preventing and detecting fraud and other irregularities.
4. The directors had prepared the annual accounts on a going concern basis.

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CORPORATE GOVERNANCE

Your Company is committed to include appropriate standards for Corporate Governance as per the guidelines recommended by Securities and Exchange Board of India (SEBI) Adequate steps have been taken to ensure that all mandatory provisions of Clause 49 of the Listing Agreement are duly complied.

The Report on Corporate Governance is presented separately after the appendix to the Directors Report relating to conservation of energy and others and forms part of the Annual Report.

ACKNOWLEDGEMENT

Your Directors are thankful to the employees, suppliers, customers and Nagoorar Enterprises Private Ltd for their support. Your Directors are also thankful to Indian Bank and other Institutions for all assistance rendered to the Company.

Your Directors thank the Shareholders for their continued support.

By order of the Board,

Place : Chennai - 600 004

Date : 29th July, 2011

SYED MEERAN

Director

M S SETHURAMAN

Director

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REPORT ON CORPORATE GOVERNANCE (Pursuant to Clause 49 of the Listing Agreement)

BOARD OF DIRECTORS

The present strength of the Board is three. Shri Syed Meeran is in charge of affairs of the Company and Shri M S Sethuraman and Shri M J Saifudeen are other Directors.

The Directors do not have any pecuniary relationships or transactions with the Company.

Board Meetings were held during the year 2010-2011. The dates on which the meetings were held are 30.04.2010, 30.07.2010, 31.07.2010, 29.10.2010 & 31.01.2011.

The information as required under Annexure 1 to Clause 49 of the Listing Agreement is made available to the Board. The agenda and the papers for consideration at the Board Meeting are circulated sufficiently in advance of the meeting to enable the Directors to have proper study and enable them to deliberate on the matters referred.

Attendance of each Directors at the Board Meeting and last Annual General Meeting (AGM)

Name	Category	No. of Board Meetings Attended	Last AGM attended
Shri Syed Meeran	Director	5	No
Shri M S Sethuraman	Director	5	Yes
Shri M J Saifudeen	Director	5	Yes

CODE OF CONDUCT

Pursuant to requirement SEBI (Prohibition of Insider Trading) Regulations 1992 as amended, the Company has adopted a code of conduct duly approved by the Board.

REMUNERATION TO DIRECTORS

As the Company has accumulated loss no remuneration is paid to Directors.

AUDIT COMMITTEE

The Audit Committee was constituted by the Board on 1st April 2002 and comprises of the following:-

1. Shri M S Sethuraman - Chairman
2. Shri M J Saifudeen
3. Shri Syed Meeran

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The terms of reference of the committee covers broad spectrum of matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as under Section 292A of the Companies Act, 1956 and broadly stated as follows: -

1. Review the results, announcement and the report and accounts/review at the end of a quarter, half year and the full year before submission to the Board, focusing particularly on:
 - a) any changes in accounting policies and practices.
 - b) major judgemental areas.
 - c) significant adjustments resulting from the audit.
 - d) the going concern assumption.
 - e) compliance with accepted accounting standards.
 - f) compliance with Stock Exchanges and legal requirements.
2. Consider the appointment of the Statutory Auditors, Internal and Tax Auditors and fixation of the audit fees and any other matters of resignation or dismissal and approval for payment for any other services.
3. Discuss about the statutory auditors scope and vis-à-vis internal audit scope of work Meetings and attendance during the year.
4. Review statutory auditors audit reports and presentations and managements response thereto.
5. Investigate any specific matters referred by the Board.
6. Review internal audit programme and ensure co-ordination between the internal and statutory auditors and examine the adequacy of internal control commensurate with the size of the organization.
7. Any related party relationships (As per Clause 49)

There were Five meetings of Audit committees during the year and were attended by all members of the committee. The dates on which the meetings were held are 30.04.2010, 30.07.2010, 31.07.2010, 29.10.2010 & 31.01.2011. No remuneration was paid to the committee members.

REMUNERATION COMMITTEE

There is no remuneration committee.

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SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEES

As per the Clause 49 of the Listing Agreement the Company has Shareholders/Investors Grievance Committee with two Directors Viz.

Shri M J Saifudeen - Chairman

Shri M S Sethuraman

The committee functions under the chairmanship of Shri M J Saifudeen. There were two Share Transfer Committee meetings during the year held on 29.09.2010 & 12.12.2010.

Share Transfer System and Shareholders Complaints.

The Company has been carrying out the functions of the Share Transfer Committee and all the Share Transfer applications and complaints, if any, received are disposed off within 10 days. The Committee meets periodically for approving share transfers and other related activities and looks into shareholders and investors complaints and grievances. During the financial year 2010-2011, the Company has not received any Shareholders complaints either from SEBI or Stock Exchanges/Dept. of Company Affairs.

There are no pending share transfers as on date.

Transfer of Shares in Physical and Electronic Mode.

In view of the specific guidelines issued by Securities and Exchange Board of India (SEBI) vide his Circular No.D&CC/FITIC/CIR 15/2002 dated 27.12.2002 the work of share transfers and related functions have been entrusted to SEBI approved Registrar & Transfer Agent namely M/s.Cameo Corporate Services Ltd, Chennai.

As on 31.03.2011 a total of 1402100 Shares of the Company, which constitutes 34.79% of the share capital of the Company, stand dematerialized and shareholders are holding shares in the dematerialized form.

DISCLOSURES

There has been no non compliance to the Company; no penalties or strictures, were imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on matter relating to capital market during the last three years.

There are no materially significant related party transactions which is considered to have potential conflict with the interests of the Company at large.

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ANNUAL GENERAL MEETINGS

Details of the last three Annual General Meetings are as follows: -

AGM for the Year Ended	Date	Time	Venue of AGM
31.03.2010	29.09.2010	2.45 P.M.	Narada Gana Sabha Trust (Mini Hall) 314 T T K Road Chennai – 600 018
31.03.2009	29.09.2009	2.45 P.M.	- do -
31.03.2008	29.09.2008	3.30 P.M.	- do -

QUATERLY RESULTS

The quarterly results (Unaudited financial results) are published in News Today and Malai Chudhar. These results are not sent individually to the shareholders

GENERAL SHAREHOLDERS INFORMATION

AGM – Date, Time and Venue	: 28.09.2011 at 2.45 P.M. Narada Gana Sabha Trust (Mini Hall) 314 (Old No.254) T T K Road Chennai – 600 018
Financial year	: April to March
Date of Book Closure	: 21.09.2011 to 28.09.2011 (Both days inclusive)
Dividend	: Nil
Listing on Stock Exchanges	: Madras Stock Exchange Limited 'Exchange Building' Post Box No.183 No.30 Second Line Beach Chennai – 600 001 The Stock Exchange – Ahmedabad Kamadhenu Complex Opp Sahajanand College Panjara Pole, Ambawadi Ahmedabad – 380 015 The Stock Exchange – Mumbai Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001