

# NuCent Finance Limited

report  junction.com

Annual Report 2003 - 2004

**BOARD OF DIRECTORS**

Mr Navin Suchanti

• Mr Peter S Coelho

Mr Suresh Banka

**COMPANY SECRETARY**

Mr A S Mukhopadhyay

**AUDITORS**

G Sawadia & Co

Chartered Accountants

**REGISTERED OFFICE**

A3, Gillander House,

8, Netaji Subhas Road

Kolkata 700 001

## NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the company will be held at Aikatan, IA 290, Sector III, Salt Lake City, Kolkata 700 097 on Tuesday, the 28th September, 2004 at 11.30 a.m. to transact the following business:

### AS ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the year ended March 31, 2004 and the Balance Sheet as on that date and the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Mr Navin Suchanti who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors for the period commencing from the conclusion of this annual general meeting till the conclusion of the next annual general meeting and to authorise the Board to fix their remuneration.

### AS SPECIAL BUSINESS

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

"RESOLVED THAT the equity shares of the company be delisted from The Calcutta Stock Exchange Association Ltd in accordance with the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 read with relevant laws, rules, regulations and guidelines and subject to such approvals and in compliance with such condition(s) and modification(s) as may be necessary for the purpose."

"FURTHER RESOLVED THAT the Board be and is hereby authorised to seek voluntary delisting to take all necessary steps in this regard as it may in its absolute discretion deem necessary, and to execute all such deeds, documents, writings as may be necessary and expedient and for this purpose to delegate the authority to any Director or Company Secretary or any person whom the Board may consider suitable."

Regd. Office :

A-3, Gillander House,  
 8, Netaji Subhas Road,  
 Kolkata 700 001

Date : 19th June, 2004

By Order of the Board

A S Mukhopadhyay  
 Company Secretary

### Item No.4

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

The equity shares are presently listed at Calcutta, Mumbai and National Stock Exchanges. The volume of trading of shares at Calcutta Stock Exchange have reduced considerably which does not justify payment of listing fees and other expenses. The Board at their meeting held on 19th June, 2004 have decided to delist its shares from the Calcutta Stock Exchange.

The shareholders have already approved the delisting of shares from the Calcutta Stock Exchange and the Stock Exchange, Mumbai at their meeting held on 29th December, 2003, which stands inoperative due to reduction of capital. Therefore, the Board of Directors is seeking fresh approval of shareholders for the delisting from the Calcutta Stock Exchange.

As required under the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003, the company seeks your approval by way of Special Resolution for the same. Shareholders/Investors in this region will not suffer due to delisting since the shares will continue to be traded in The Stock Exchange, Mumbai and the National Stock Exchange having nationwide terminals.

All material documents including copy of the listing agreement are open for inspection by the members on all working days between 10 a.m. to 12 noon at the Registered Office and also at the meeting.

The Board recommend adoption of the Resolution. None of the directors are interested in the resolution, except as shareholders.

#### Notes :

1. A member entitled to attend and vote at the meeting may appoint a proxy to attend and on poll to vote in his stead. A proxy need not be a member of the company. Proxies to be effective, should be deposited at the Registered Office not later than 48 hours before the commencement of the meeting.
2. The Register of Members and the Share Transfer Register will remain closed from Monday, the 20th September, 2004, to Tuesday, 28th September, 2004 (both days inclusive).
3. Members holding their shares in physical form are requested to dematerialise their shares. The new ISIN No. of the company is INE 980A01023.
4. Members holding their shares in physical form are requested to inform of any change in their address to the Registrar and Transfer Agent immediately, mentioning their folio numbers.
5. Members desirous of obtaining any information/clarification (s) concerning the accounts and operations or intending to raise any query are requested to forward the same at least 10 days before the date of meeting at the registered office, so that the same may be attended to appropriately.

Please note that no refreshment or gift will be provided at the venue or thereafter.

## DIRECTORS' REPORT

Your Directors present their Twentieth Annual Report together with the audited accounts for the year ended 31st March, 2004.

### Financial Results

The financial results are summarised below :

	(Rs. in lacs)	
	Current Year	Previous Year
Income from operations and other income	78.54	118.56
Gross Profit/(Loss)	45.87	(242.45)
Depreciation	51.27	1201.86
Provision for earlier year written back	Nil	(223.13)
Net Loss	5.40	1221.18

### Dividend

In view of the losses, the Board of Directors are unable to recommend any dividend.

### Reduction of Capital

Pursuant to the Order dated 3rd November, 2003 of the Hon'ble Calcutta High Court, the face value and paid-up value of the equity shares has been reduced from Rs.10 per share to Rs.2 per share. The paid-up equity share capital has been reduced to Rs.2,81,28,039.

### Corporate Governance

Your company has complied with the Corporate Governance code in terms of mandatory recommendations of Securities and Exchange Board of India and in pursuance of Clause 49 of the Listing Agreement. A report on the Corporate Governance and the Auditors' Certificate thereon are annexed to this Report.

### Directors' Responsibility Statement

As stipulated in Section 217(2AA) of the Companies Act, 1956, your Directors subscribe to the Directors' Responsibility Statement and confirm as under :

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;

- ii) that the Directors 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 at the end of the financial year and of the loss for the period;
- iii) that the Directors have taken proper and sufficient care of maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis.

### Future Prospects

The company's restructuring exercise envisaging full retirement of its debts is complete. All the secured loans of the company have been fully repaid and your company is debt free now. The company is now considering a number of business opportunities to diversify. It is expected that the company will post profits in the current year.

### Fixed Deposits

The company has not accepted or renewed any deposits during the year. There are unclaimed deposits of Rs. 80,772 lying with a Bank. Reminders have been sent to the depositors to surrender their fixed deposit receipts for repayment. The said amount has been deposited in a fixed deposit escrow account as per Reserve Bank circular dated 12.04.99.

### Directors

Mr Navin Suchanti retires by rotation and being eligible offers himself for re-appointment. The details of the retiring Director are given in the Annual Report elsewhere.

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

Since the company is not engaged in any manufacturing activities, the information under

section 217(1)(c) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is not annexed hereto.

The company has not earned or spent any amount in foreign exchange during the year under review.

### **Listing Requisites**

The shares of the company are listed at Calcutta, Mumbai and National Stock Exchange. Listing fees for the year 2004-2005 has been paid to National Stock Exchange. Request for correction of listing fees bill has been made to The Stock Exchange, Mumbai and Calcutta Stock Exchange.

### **Delisting of Shares**

The approval of shareholders for delisting of equity shares from the Stock Exchange Mumbai and The Calcutta Stock Exchange have been lapsed due to reduction of capital. A fresh resolution seeking approval of shareholders is placed before the meeting. The shareholders will not suffer out of the delisting of equity shares as the same will be traded under nationwide terminal of National Stock Exchange and the Stock Exchange, Mumbai.

### **Auditors**

M/s G Sawadia & Co., Auditors, who retire, offer themselves for re-appointment.

### **Share Certificates**

The shareholders holding shares in physical form are requested to surrender old share certificates after which the new share certificates will be mailed

to them. Those who have surrendered their share certificate have already received new share certificates. For the benefit of shareholders, arrangements have been made with National Securities Depository Ltd and Central Depository Services (India) Ltd for direct dematerialisation and new shares have been credited to the shareholder's account.

### **Dematerialisation**

Consequent to the reduction of capital, National Securities Depository Limited have allotted a new Securities Identification Number (ISIN) INE980A01023. Shareholders are requested to dematerialize their shares mentioning new ISIN.

### **Particulars of Employees**

There are no employees of the category mentioned in Section 217(2A) of the Companies Act, 1956, read with the Companies (Particular of Employees) Rules, 1975 as amended.

### **Acknowledgement**

Your Directors acknowledge the support received from the financial institutions and bankers towards settlement of the debts for restructuring the operations of the company. The Directors thank the shareholders for their continued support.

Registered. Office :

A-3, Gillander House,  
8, Netaji Subhas Road,  
Kolkata 700 001

Date : 19th June, 2004

On behalf of the Board

Navin Suchanti : Director

Peter S Coelho : Director

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We submit herewith the management discussion and analysis report on the business of the company.

### Industry structure, development and future outlook

The company has fully exited from all types of fund based/non-fund based financial services business. The company's board is presently examining future areas of business to revive the company.

### Performance

There has been partial recoveries from delinquent parties against whom various civil and criminal proceedings have been initiated. The company is continuing to actively pursue such recoveries.

### Financial review and analysis

(Rs.in lacs)

Total Income	78.54
Total Expenses	83.94
Loss during the year	5.40

### Restructuring of Liabilities

The restructuring exercise undertaken by the company is now complete and the company is debt free.

### Internal control system and adequacy

The internal control system is considered adequate and care has been taken to comply with all applicable rules and regulations.

## REPORT OF CORPORATE GOVERNANCE

### 1. Philosophy

Your company is committed to follow the corporate governance standards as prescribed from time to time.

### 2. Board of Directors

The Board of Directors comprises of 3 directors, all of them are non-executive and majority of them are independent.

#### A. Composition and Size :

Director's Name	Executive/ Non-Executive/ Independent	No. of Outside Directorship held in India (as on 31.03.2004)	Attendance Record		
			Board Meeting Held	Attended	Annual General Meeting
Mr Navin Suchanti	Non-Executive	12	6	5	Yes
Mr Peter S Coelho	Independent	-	6	6	Yes
Mr Suresh S Banka	Independent	-	6	6	No

#### B. Details of Board Meeting :

During the year under review, six Board meetings were held on 30th April, 2003, 30th July, 2003, 29th August, 2003, 30th October, 2003, 2nd December, 2003 and 30th January, 2004.

### 3. Audit Committee

Pursuant to the provisions of Clause 49 of the Listing Agreement, the company has appointed an Audit Committee to monitor and provide effective supervision of the management's financial reporting process.

#### a. Terms of Reference

The terms of reference of this Committee cover the matters specified for Audit Committee and the powers,

duties, functions and responsibilities of the Committee and its members are in accordance with the clause 49 of the Listing Agreements.

#### b. Composition

The Audit Committee consists of the following Directors -

Mr Peter Coelho	-	Chairman
Mr Navin Suchanti	-	Member
Mr Suresh Banka	-	Member

The majority of the Committee members including Chairman of the Committee are independent Directors. The Company Secretary is the Secretary of this Committee. The Statutory Auditor is an invitee to the meeting.