



SVC
SUPERCHEM
LIMITED



ANNUAL REPORT
1999-2001



SVC SUPERCHEM LIMITED

BOARD OF DIRECTORS

Mr. Suresh V. Chaturvedi, Promoter Director
 Mr. E. C. P. Prabhakar, I. A. S. (Retd.), Chairman
 Mr. Alwyn Antony W. M. Pinto, Technology Consultant
 Mr. G. S. Dahotre, Ex. CMD, Bank of India
 Mr. I. G. Mehrotra, Ex. Chief (Investment), LIC
 Mr. Jaffar Imam
 Mr. Ashok Kumar, Nominee of IFCI Ltd.
 Mr. A. P. Pradhan, Nominee of GIC
 Mr. N. L. Ajwalia, Nominee of BOI
 Mr. K. K. Narula, Nominee of SBI
 Cmde. Vijay Chaturvedi (Retd.), Wholetime Director

ASST. COMPANY SECRETARY

Mr. Deepak Banga

AUDITORS

M/s. B. M. Chaturvedi & Co., Chartered Accountants, Mumbai.

BANKERS

Bank of India
 State Bank of India
 Central Bank of India
 The Jammu & Kashmir Bank Ltd.
 IndusInd Bank Limited
 Dena Bank
 State Bank of Travancore
 State Bank of Bikaner & Jaipur
 Canara Bank

REGISTERED OFFICE

Shubham Centre I, 3rd Floor, Near Holy Family Church,
 491, Cardinal Gracias Road, Andheri (East), Mumbai - 400 099.

DELHI OFFICE

C-91, East of Kailash, Near Delhi - 110 065.

PLANT

Chhata - Barsana Road, Chhata, Dist. Mathura (U. P.)



NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of the Members of SVC Superchem Limited will be held on Monday, 18th June, 2001 at 11.00 a.m. at Indian Merchants' Chamber, Walchand Hirachand Hall, 4th Floor, LNM IMC Bldg., Churchgate, Mumbai - 400 020 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Statement of Accounts for the 18 months period ended 31st March, 2001 and the Balance Sheet as at that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Suresh V. Chaturvedi, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Alwyn Antony W.M. Pinto, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint M/s B.M. Chaturvedi & Co., Chartered Accountants as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the limits prescribed in Schedule XIII to the said Act, the Company hereby approves the reappointment of and remuneration payable to Cmde. Vijay Chaturvedi (Retd.) as a Wholetime Director of the Company for a period of three years with effect from 20th August, 2000, on the terms and conditions including remuneration, as are set out in the agreement entered into between the Company and Cmde. Vijay Chaturvedi (Retd.), a copy of which is kept for inspection at the Registered Office of the Company and are hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force or any amendments and/or modification(s) that may hereafter be made thereto by the Central Government), as may be agreed to between the Board and Cmde. Vijay Chaturvedi (Retd.).

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the term of office of Cmde. Vijay Chaturvedi (Retd.) as a Wholetime Director, the afore- said salary and all other remuneration, benefits and amenities as set out in the aforesaid agreement be paid to Cmde. Vijay Chaturvedi (Retd.), as minimum remuneration notwithstanding that the same may be in excess of percentage limitations laid down in Section 309 (3) and Section 198 (1) of the Companies Act, 1956.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including salary, commission, perquisites and other allowances within such prescribed limit or ceiling and the aforesaid agreement between the Company and Cmde. Vijay Chaturvedi (Retd.) be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in general meeting.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take such steps as may be necessary, proper or expedient to give effect to this resolution".

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

"RESOLVED THAT subject to the approval of the Reserve Bank of India and/or Central Government under the Foreign Exchange Management Act, 1999 and such other Statutory Acts, if applicable, and subject to such other approvals, permissions and sanctions as may be considered necessary and subject to the applicable provisions, if any, of the Companies Act, 1956 and subject to such conditions as may be prescribed by any of the authorities while granting such approvals/sanctions, which the Board of Directors of the Company or the Committee of Directors (hereinafter referred to as "the Board"/Committee respectively) be authorised to accept, the consent, authority and approval of the Company be and is hereby accorded to the Board to allow Non-Resident Indians (NRIs), Overseas Corporate Bodies predominantly owned by NRIs (OCBs) and Foreign Institutional Investors (FIIs) to acquire Shares of the Company through Stock Exchanges in India under Portfolio Investment Scheme, subject to the total purchases by NRIs/OCBs/FIIs individually or taken together on repatriation and non repatriation basis be within the overall ceiling limit of 49% of the paid up Equity Capital of the Company.

FURTHER RESOLVED THAT the Board of Directors of the Company or the Committee of Directors be and is hereby authorised to do all such acts, deeds, matters and things and to execute such documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto".

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

- I. The existing Article 21 be altered as follows :

After the words "Every member shall be entitled", and before the words "free of charge", the following words be added:

"Unless such member opts to hold shares with a Depository".

- II. The following new Article 50A be inserted after the existing Article 50.

a) "The Company shall keep a book to be called the Register of Transfers and therein shall be fairly and distinctly entered particulars of every transfer or transmission of shares and other marketable securities held in material form".

b) "In the case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply".

- III. The following new Article 47A with marginal note as indicated be inserted after the existing Article 47.

47A Dematerialisation of Securities :

1. Definitions :

Depositories Act : " Depositories Act" means the Depositories Act, 1996, and any statutory modification or re-enactment thereof for the time being in force;

Depository : "Depository" means a Company formed and registered under the Companies Act, 1956 (1 of 1956) ('the Act') and which has been granted a certificate of registration under Sub-Section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);

Bye-laws : "Bye - laws" means bye-laws made by a Depository under Section 26 of the Depositories Act, 1996;



SEBI : "SEBI" means the Securities and Exchange Board of India;

Regulations : " Regulations" means the regulations made by SEBI;

Record : "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;

Security : "Security" means and includes shares, debentures and such other security as may be specified by the SEBI from time to time;

Beneficial Owner : "Beneficial Owner" means the beneficial owner as defined in clause (a) of Sub-Section (1) of Section 2 of the Depositories Act, 1996;

Shareholder or Member : "Shareholder" or "Member" means the duly registered holder, from time to time of the shares of the Company and includes the subscribers to the Memorandum of Association of the Company and also every person holding Equity Shares and / or Preference Shares of the Company as also one whose name is entered as a beneficial owner of the shares in the records of a Depository;

2. Dematerialisation of Securities.

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares or securities or rematerialise its shares, and other securities (both existing and future) held by it with a Depository and to offer its shares, and other securities for subscription in a dematerialised form pursuant to the Depositories Act, 1996 and the Rules and / or Regulations framed thereunder, if any.

3. Option for Investors.

Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold the securities with the Depository.

Where a person opts to hold his security to the Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.

Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the prescribed time issue to the beneficial owner the required Certificates of Securities.

4. Securities in Depositories to be in fungible form.

All securities held by a Depository shall be dematerialised and shall be in a fungible form. Nothing contained in Sections 153, 153A, 153B, 187A, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

5. Rights of Depositories and Beneficial Owners.

i. Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

ii. Save as otherwise provided in (i) above, the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it.

iii. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the

liabilities in respect of his securities held by a Depository.

iv. The beneficial owner may, with the previous approval of the Depository create a pledge or hypothecation in respect of security owned by him through a Depository and shall give intimation of such pledge or hypothecation to the Depository and such Depository shall thereupon make entries in its records accordingly. Any entry in the records of a Depository shall be evidence of a pledge or hypothecation.

6. Depository to furnish information.

Notwithstanding anything to the contrary contained in the Act or these Articles where the securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies and discs.

7. Option to opt out in respect of any security.

Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities.

If a beneficial owner seeks to opt out of a Depository in respect of any security, the beneficial owner shall inform the Depository accordingly. The Depository shall, on receipt of the intimation as above, make appropriate entries in its record and shall inform the Company accordingly.

The Company shall within thirty (30) days of the receipt of information from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferees as the case may be.

8. Allotment of Securities dealt within a Depository.

Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

9. Distinctive numbers of Securities held in a Depository.

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository. No certificates shall be issued for the securities held by a Depository.

10. Register and Index of Beneficial Owners.

The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of members and Security holders for the purpose of the Act and these Articles.

11. Investment of the Company.

Notwithstanding anything in the Act or these Articles, the Company can hold its investments in the name of the Depository when such investments are in the form of a securities held by the Company as a beneficial owner.

IV. The following new Articles alongwith marginal notes as indicated be inserted as Article 58A and 58B after the existing Article 58.

58A Nomination :

a. A shareholder of the Company may at anytime, nominate, in the prescribed manner, a person to whom his shares in the Company shall vest in the event of his death.



- b. Where the shares of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares of the Company, shall vest in the event of death of all the joint holders.
- c. Notwithstanding anything contained in any other law for the time being in force or in any disposition whether testamentary or otherwise, in respect of such shares of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares of the Company, the nominee shall, on the death of the shareholder or, as the case be, on the death of the joint holders become entitled to all the rights in such shares to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
- d. Where the nominee is a minor, it shall be lawful for the holder of the shares to appoint, in the prescribed manner, any person to become entitled to shares of the Company, in the event of his death, during the minority of the nominee.

58B Transmission of Securities by Nominee :

A nominee upon production of such evidence as may be required by the Board and subject as hereinafter provided elect, either.

- a. To register himself as holder of the share ; or
- b. To make such transfer of the share as the deceased shareholder could have made. If the nominee elects to be registered as holder of the share himself, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied by the death certificate of the deceased shareholder.

All the limitations, restrictions and provisions of the Companies Act, 1956 relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer were a transfer signed by that shareholder.

- c. A nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the share except that he shall not, before being registered as a member in respect of his share, be entitled in respect of it to exercise any rights conferred by membership in relation to meetings of the Company.
- d. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share until the requirements of the notice have been complied with.

V. Insert the following line after the end of the existing Article 173 with the new marginal note as follows :-

Mode of Payment of Dividend :

The Company may pay dividend payable to the members by electronic transfer of funds to the Bank Account of the members entitled to the dividend, according to the instructions of such members.

- 8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**.

"RESOLVED THAT subject to such consents, permissions or sanctions as may be required from any authority, statutory or otherwise, particularly from the Securities and Exchange Board

of India (SEBI) and passing of Special Resolution by the Members and pursuant to Section 61 and all other applicable provisions of the Companies Act, 1956 and guidelines, rules framed by SEBI in this regard, the Board of Directors of the Company be and is hereby authorised to seek Voluntary Delisting of its Equity Shares listed at the Delhi and Ahmedabad Stock Exchanges and for that matter to approach the Stock Exchanges and / or any other concerned authority(ies) seeking its (their) approval for Voluntary Delisting of the Equity Shares from the said Stock Exchanges.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to settle all questions, difficulties or doubts as may arise in regard to the aforesaid Voluntary Delisting of Shares as it may in its absolute discretion deem fit without being required to seek any further approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all necessary steps in this regard in order to comply with all the legal and procedural formalities and further to authorise any of its Committee or any of its Directors or any of the officers of the Company to do all such acts, deeds or things to give effect to the above said resolutions".

By Order of the Board of Directors

DEEPAK BANGA
Asst. Company Secretary

Registered Office :

Shubham Centre I, 3rd Floor, Near Holy Family Church, 491,
Cardinal Gracias Road, Andheri (East), Mumbai- 400 099.

Place : Mumbai

Dated : 30th April, 2001

NOTES :

1. The Explanatory statement pursuant to Section 173 of the Companies Act, 1956, setting out the material facts in respect of the business under Item Nos. 5 to 8 are annexed hereto.
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, 5th June, 2001 to Monday, 18th June 2001 (both days inclusive).
3. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
4. Proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
5. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays and Sundays between 11.00 a.m. and 3.00 p.m. upto the date of the Annual General Meeting.
6. Members / Proxies should bring the Attendance Slip duly filled in for attending the meeting.
7. **Members are requested to notify to the Company any change in their addresses specifying full address in block letters with pin code of the post office and their Folio No.**
8. Non-Resident members are requested to submit their mandate, if not already submitted.