



SVC SUPERCHEM LIMITED

Report  junction.com

ANNUAL REPORT 2008-2009



SVC SUPERCHEM LIMITED

BOARD OF DIRECTORS

Mr. Suresh V. Chaturvedi - Director
Mr. I. G. Mehrotra - Director
Dr. P. P. Shastri - Nominee Director - UTI
Mr. Jaffar Imam - Director
Mr. A. R. Sekar - Nominee Director - GIC
Mr. G. S. Dahotre - Director
Mr. G. S. Tiwari - Wholetime Director

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

Phiroze Mansion, 2nd Floor, 4 Steven's Street, Apollo Bunder,
Colaba, Mumbai - 400 039.

PLANT

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

**NOTICE**

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Members of SVC Superchem Limited will be held on Saturday 26th September, 2009 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 financial year ended 31st March, 2009 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 Mr. G. S. Dahotre, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. I. G. Mehrotra, who retires by rotation and being eligible, offers himself for re-appointment.
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 authorize the Board of Directors to fix their remuneration.

By Order of the Board of Directors
For SVC SUPERCHEM LIMITED

G. S. TIWARI
Wholtime Director

Registered Office:

Phiroze Mansion, 2nd Floor,
4 Steven's Street, Apollo Bunder,
Colaba, Mumbai 400 039.

Place : Mumbai

Dated : 23rd July, 2009

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. 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.
3. The Register of Members and the Share Transfer Books of the Company shall remain closed from 16th September, 2009 to 26th September, 2009 (both days inclusive).
4. 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.
5. The Members/ Proxies are requested to bring their attendance slip duly filled along with the copy of Annual Report to the

Meeting.

6. 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.
7. Non-Resident members are requested to submit their mandate, if not already submitted.
8. Shareholders seeking any information with regard to Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
9. Members who hold the shares in dematerialized form are requested to write their client ID and DP ID and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
10. In case of joint holders, attendance the meeting, only such joint-holder who is higher in the order of names will be entitled to vote.
11. Corporate members intending to send their authorized representatives 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.

By Order of the Board of Directors
For SVC SUPERCHEM LIMITED

G. S. TIWARI
Wholtime Director

Registered Office:

Phiroze Mansion, 2nd Floor,
4 Steven's Street, Apollo Bunder,
Colaba, Mumbai 400 039.

Place : Mumbai

Dated : 23rd July, 2009

INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE 49 OF THE LISTING AGREEMENT:-

A Name	Mr. G. S. Dahotre
Age	74 Years
Qualifications	B.Com, CAIIB
Expertise	A Veteran Banker with a distinguished career in Banking spanning over three decades. He retired as the Chairman and Managing Director of Bank of India and was also the Chairman of Dena Bank.

Other Directorships:

Sr. No.	Name of the Company	Committee	Board
Nil		Nil	Nil

B Name	Mr. I. G. Mehrotra
Age	68 Years
Qualifications	Master of Commerce, Allahabad. He has more than 4 decades of experience in administrative, Managerial, Marketing, underwriting, investments and managing portfolio of LIC of India, etc.

Other Directorships:

Sr. No.	Name of the Company	Committee	Board
1.	West End Investments Private Limited	Nil	Director



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors present the Eighteenth Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2009.

ACCOUNTS

As the Company's plant is closed due to financial constraint, the Company had no manufacturing, trading or service activities for the financial year ended 31st March, 2009 and as such no Profit & Loss Account has been prepared for the above financial year and all the expenditure incurred has been shown as project / other expenses to be capitalised at a later date.

PROJECT

SVC Superchem Limited's Purified Terephthalic Acid (PTA) plant is located at Chhata near Mathura, Uttar Pradesh. The plant has a capacity of producing 120,000 MTPA of PTA. Most of the lenders have approached DRT for recovery. However, certain bankers and financial institutions have assigned their claim to certain Asset Reconstruction Company and to foreign bank. The Allahabad High Court has directed the Company to approach Debt Recovery Tribunal for challenging above assignment and claiming relief, if any. Thereafter the Company approached Hon'able Bombay High Court which has allowed ASREC to take appropriate action under securitization Act. Subsequently, the Company has received the notice from PICUP for taking over the assets of the company vide its letter dated 16th February, 2009 under section 29 of the State Financial Corporation Act, 1951 to take over the physical possession of PTA plant at Chhata, Dist. Mathura, Uttar Pradesh. In order to protect the interest of the shareholders, stake holders, employees and the national assets worth Crores of investment, the Company has approached the Hon'able Allahabad High Court. The Hon'able Allahabad High Court, has granted temporary stay by preventing PICUP from taking over the physical possession of assets of the Company, till the next date of hearing / final order.

FIXED DEPOSITS

Your Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and rules made thereunder.

STATUTORY DUES

The statutory dues as mentioned by the Auditors' in their Report could not be paid on due date due to paucity of

funds, but as on date of signing of the Balance Sheet, the Company has deposited all its statutory dues except as pointed out by the Auditors in Point IX of the Auditors' Report.

PERSONNEL

There is no employee covered pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, hence, no particulars are given.

DIRECTORS' RESPONSIBILITY STATEMENT

As required u/s 217 (2AA) of the Companies Act, 1956, the Directors confirm;

- I. That in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departure.
- II. That the Directors had selected such accounting policies and applied them consistently except for the non-provision of interest on all secured loans as mentioned in Note No. B-19 of Schedule H forming part of the Balance Sheet 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.
- III. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 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.

DIRECTORS

Dr. P. P. Shastri was nominated on Board in place of Shri R. K. Biswal w.e.f. 23rd April, 2008. The Board wishes to place on record its deep gratitude for the valued services rendered by Shri R. K. Biswal to the company during his tenure as Nominee Director.

Shri G. S. Dahotre and Shri I.G. Mehrotra, Directors of the company retires by rotation at the ensuing Annual General Meeting and being eligible offers themselves for the re-appointment.



CORPORATE GOVERNANCE

The Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance, in terms of Clause 49 to the Listing Agreements with Stock Exchange, are complied with. A separate report on Corporate Governance is being incorporated as a part of the Annual Report along with a certificate from the Auditors of the Company regarding Compliance of the conditions of Corporate Governance which is annexed to the Directors' Report.

SECRETARIAL AUDIT

As directed by the Securities and Exchange Board of India (SEBI), Secretarial Audit is being carried out at the specified periodicity by the practicing Company Secretary. The findings of the Secretarial Audit are regularly taken at the Board Meeting, besides submitting it to the Stock Exchange.

CODE OF CONDUCT

The Board has adopted the Code of Ethics and Business for the Non-Executive Directors as also for the employees including Whole-time Director and other Members of Senior Management. The said code has been communicated to all the Directors and Members of the Senior Management.

CEO / CFO CERTIFICATION

As per Sub-clause VIII of Clause 49 of the Listing Agreement, the Company has obtained the CEO / CFO Certification taken on record at the Board meeting held on 23rd July, 2009 for the financial year ended 31st March, 2009.

INSIDER TRADING

As directed by the Securities and Exchange Board of India (SEBI), your Company has adopted the Code of Insider Trading. The disclosures obtained under the code are submitted to the Bombay Stock Exchange, Mumbai from time to time. The Company regularly follows the system of Share Trading Window mechanism as per the Insider Regulation.

AUDITORS

M/s B. M. Chaturvedi & Co., Chartered Accountants, the Company's Auditors, retire at the conclusion of the ensuing Annual General Meeting. They have given their consent to act as Auditors of the Company if re-appointed and have confirmed that their appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956.

The comment by the Auditors in their report are self-explanatory and, in the opinion of the Board, do not require any further clarification.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Your Company has taken sufficient care in the technical design of your PTA plant to optimize the energy consumption to the maximum. After achieving commercial production, based on our actual experience, improvements to the process and technology will be made through our Technical Services and R & D Departments towards further optimization.

FOREIGN EXCHANGE EARNINGS & OUTGO

The Company has not utilized any foreign exchange and has not earned any foreign exchange during the financial year ended 31st March, 2009.

DEMATERIALISATION OF SHARES

As part of its efforts to provide better investor services, your Company has admitted its equity in the Depository System of the National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) since 7.3.2000 and 23.3.2000 respectively and has offered investors the facility to hold the shares in electronic form and enter into script less trades. Your Company has always paid utmost attention to improve investor's relationship. As on 30th June, 2009, approx. 74.37 % of the total shares of the Company has already been dematerialised.

ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere thanks for the co-operation and support received from various agencies of the Central and State Governments, all Shareholders and Creditors.

Your Directors also take this opportunity to place on record their appreciation of the dedication and sense of commitment shown by the officers and employees at all levels.

For and on behalf of the Board
the Board

For and on behalf of

Suresh V. Chaturvedi
Promoter Director

G.S. Tiwari
Wholetime Director

Place : Mumbai.

Date : 23rd July, 2009.