



**SVC
SUPERCHEM
LIMITED**

**ANNUAL REPORT
2012-2013**

SVC SUPERCHEM LIMITED

BOARD OF DIRECTORS

Mr. Suresh V. Chaturvedi - Promoter Director

Mr. I. G. Mehrotra - Director

Dr. P. P. Shastri - Director

Mr. Jaffar Imam - Director

Mr. A. R. Sekar - Nominee Director - NIA

Mr. G. S. Dahotre - Director

AUDITORS

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

REGISTERED OFFICE

301, 3rd Floor, Shubham Centre-1, 491, Cardinal Gracious Road,
Andheri (East), Mumbai - 400 099.

PLANT

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

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of **SVC Superchem Limited** will be held on Monday, 23rd September, 2013 at 11.00 a.m. at Indian Merchants' Chamber, Walchand Hirachand Hall, 4th Floor, LNM IMC Building, 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, 2013 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. Suresh V. Chaturvedi, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Jaffar Imam, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. B.M. Chaturvedi & Co., Chartered Accountants, as Statutory 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**

JAFFAR IMAM
DIRECTOR

Registered Office:

301, Shubham Centre-1, 3rd Floor,
491, Cardinal Gracias Road,
Andheri (East), Mumbai – 400 099.

Place: Mumbai

Dated: 24th May, 2013.

Annexure to the Notice

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (pursuant to clause 49 of the listing agreement)

Name of the Director	Mr. Suresh V. Chaturvedi	Mr. Jaffar Imam
Qualification	B. Com	Master in Social Science
Date of Appointment	29/08/1989	05/01/1996
Profile and expertise	Mr. Suresh V. Chaturvedi, aged about 57 years is a non-executive director. Mr. Suresh V. Chaturvedi has over 35 years of experience in set up of projects in sectors of Power generation, PTA, TPE, Sugar, Pharmaceutical, Dairy.	Mr. Jaffar Imam, aged about 61 years is a non-executive director. Mr. Jaffar Imam is a Social Scientist, specializing in Human Relations and Industrial Communications. An Industrial consultant by profession, he has a passion for Urdu and English literature, besides a keen interest in art and poetry.
Directorship held in other Companies	Chaturvedi Engineering and Trading Pvt. Ltd. Krishna Advisors Pvt. Ltd. SVC Growth Funds Private Ltd.	Contract Corporate Communication Pvt. Ltd. -----
Committee position held in other companies	Nil	Nil
Shareholding (No. of equity shares)	41,92,000	Nil

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 Wednesday, the 18th September, 2013 to Monday, the 23rd September, 2013 (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.
12. As part of the Green Initiative circulars issued by the Ministry of Corporate Affairs, the Notice and Annual Report of the Company are being sent to the shareholders on their respective e-mail addresses. However, shareholders requiring a physical copy of the Annual Report may write to the Company at its registered office at 301, 3rd Floor, Shubham Centre-1, 491, Cardinal Gracias Road, Andheri (East), Mumbai - 400099. The Annual Report alongwith the Notice of the Annual General Meeting is also available on the website of the Company, www.svcsuperchemltd.com.

By Order of the Board of Directors
For **SVC SUPERCHEM LIMITED**

JAFFAR IMAM
DIRECTOR

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors present the 22nd Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2013.

FINANCIAL RESULTS

As the plant of the Company is closed for more than 13 years the Company had no manufacturing, trading or service activities during the financial year ended 31st March, 2013 also and as such no Profit & Loss Account has been prepared for the above financial year and all the expenditure incurred has been added to Capital-work-in progress.

PROJECT

Company's plant has been closed since September, 2000 and with the passage of time, inspite of time to time maintenance by the Company and in the absence of any operation since, then, the corrosion is taking place in the plant due to climatic and cyclonic conditions in the area. Company has not issued any shares or debentures to public after its initial public issue in 1994. These funds were fully utilized by March, 1996. Subsequently, due to non-availability of loan funds from banks, plant could not commence commercial production. In order to protect the interest of the shareholders, stake holders, employees and the national assets worth hundreds of Crores of investment, the Company has made necessary security arrangements.

FIXED DEPOSITS

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

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

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Shri Suresh V. Chaturvedi and Mr. Jaffar Imam, Directors of the company retires by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Details about these Directors are given in the Notice of the ensuring Annual General Meeting sent to the shareholders along with the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- I. in the preparation of the annual accounts for the year ended 31st March 2013, the applicable accounting standards and requirement of Schedule VI to the Companies Act had been followed and there is no material departure from the same;
- II. they have selected such accounting policies and applied them consistently except for the non-provision of interest on all secured loans as mentioned in Note No. 5 (g) forming part of the Balance Sheet and made judgments 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 31st March 2013;
- III. 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; and
- IV. the Directors have prepared the annual accounts for the financial year ended 31st March, 2013 on a going concern basis.

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.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As directed by the Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital is being carried out at the specified periodicity by the practicing

Company Secretary. The findings of the Reconciliation of Share Capital Audit are regularly taken at the Board Meeting, besides submitting it to the BSE Limited.

CODE OF CONDUCT

The Board has adopted, the Code of Ethics and Business for the Non-Executive Directors as also for the employees and other Members of Senior Management. The said code has been communicated to all the Directors and Members of the Senior Management. Board Members and Senior Management personnel have affirmed compliance with the Code for the financial year 2012-13. A separate declaration to this effect is annexed to the Corporate Governance Report.

CEO / CFO CERTIFICATION

As per Sub- clause VIII of Clause 49 of the Listing Agreement, the Company has obtained the CFO Certification taken on record at the Board meeting held on 24th May, 2013 for the financial year ended 31st March, 2013.

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 Limited, 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.

AUDIT REPORT

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

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, 2013.

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 31st March, 2013 approx.74.74% 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

G. S. Dahotre
Director

Jaffar Imam
Director

Place : Mumbai.

Date : 24th May, 2013.

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

OPPORTUNITY AND THREAT

Company's plant under construction is closed since September, 2000 and with the passage of time, inspite of time to time maintenance by the Company and in the absence of any operation since, then, the corrosion is taking place in the plant due to climatic and cyclonic conditions in the area. It is difficult to express the opinion about the health of the plant on going concern basis or about the losses due to impairment if the assets of the project, since the project and its plant and machinery are one of the highly technologically oriented project whose valuation or its capabilities and conditions are technical subject, and in the absence of independent technical evaluation and health check up of the plant at present, one can determine losses if any, for making any provision for impairment of the assets of the project or about its status as ongoing project. 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 assets of the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established an appropriate system of internal control to ensure that there exist a proper control over all the transactions

and that all its assets are properly safeguarded and not exposed to risk arising out of unauthorized use or disposal.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Relation with the employees remained cordial in general throughout the year. As on 31st March, 2013 employee strength has been reduced to bare minimum requirement in view of non-operation of the plant.

For and on behalf of the board

G. S. Dahotre
Director

Jaffar Imam
Director

Place : Mumbai.

Date : 24th May, 2013.