



# SOM DATT FINANCE '09 - '10 CORPORATION LIMITED

## NOTICE

**NOTICE** is hereby given that the 17<sup>th</sup> Annual General Meeting of the Members of **Som Datt Finance Corporation Ltd.** will be held at Gajraj Chambers, 2B, 2<sup>nd</sup> Floor, 86B/2, Topsia Road(South), Kolkata-700046 on Thursday, the 30<sup>th</sup> September, 2010 at 10.00 a.m., to transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt the Profit and Loss Account for the year ended March 31, 2010, Balance sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Usha Datt, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s A.S. Gupta & Co., Chartered Accountants, Kolkata, (Firm Registration No. 302077E, the retiring Auditors, as Statutory Auditors of the Company and to fix their remuneration.

### SPECIAL BUSINESS

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

RESOLVED THAT subject to the provisions of section 198, 269, 309 and applicable provisions of the Companies Act, 1956 and subject to the approval of the Central Government, if requires, Mrs. Latika Datt Abbott be and is hereby re-appointed as Managing Director of the company in terms of provisions contained in Schedule XIII annexed to the Companies Act, 1956 on the following terms and conditions:

1. Period of re-appointment: 5 years from 15.06.2010
2. Salary:  
Within the scale of Rs. 50000/- to Rs. 100,000/- p.m. The Board of Directors will determine the amount of increments payable every year depending upon the performance of the managerial personnel, the size of operation, profitability and other relevant factors.
3. Perquisites:  
Within the overall ceiling of 75% of the annual salary, she would be entitled to the following perquisites in such form and manner as the Board of Directors of the company may decide:-
  - a) Furnished accommodation with expenditure on gas, electricity, water and maintenance and repair thereof  
OR  
House rent allowance and house maintenance allowance with expenditure on gas, electricity and water.
  - b) Medical Expenses and medical insurance for self and family.
  - c) Leave travel concession for self and family.
  - d) Chauffeur driven car facility.
  - e) Club membership.
  - f) Provident fund, superannuation or annuity fund.



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- g) Gratuity and such other perquisites and allowances as may be agreed by the Board of Directors. The perquisites shall be evaluated as per the Income Tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

Company's contribution to provident fund and superannuation or annuity fund to the extent these either singly or together are not taxable under the Income Tax Act, gratuity and encashment of leave at the end of the tenure shall not be included in the computation of limit for remuneration or perquisites as aforesaid.

Note: Family for this purpose shall mean the spouse, dependent children and the dependent parents.

4. Commission:

Such remuneration by way of commission, in addition to salary and perquisites, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board of Directors of the company at the end of each financial year, subject to the overall ceilings stipulated in Section 198 and 309 of the Companies Act, 1956.

5. Minimum Remuneration:

Notwithstanding anything contained hereinabove, the company in case of no profits or inadequate profits in any financial year during the tenure of the Managing Director, be entitled to pay the remuneration and perquisites within the limits specified in the schedule XIII of the Act.

6. Determination of the Contract:

The term of contract between the Managing Director and the company can be terminated by either party by giving three months' notice in writing.

**By Order of the Board**

Place: New Delhi

Date: 30.08.2010

Latika Datt Abbott  
**Managing Director**

**NOTES:**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy and proxy need not be a member of the Company. The instrument appointing proxy must reach the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
2. The dividend for the financial year ending 31.03.1995 has been transferred to the General Revenue Account of the Central Government. The members who have not claimed the dividend may claim the same from the Registrar of Companies, West Bengal. The unclaimed dividend for the financial year ending 31.03.1996 was transferred to the Investor Protection and Education Fund on 24.01.2004.
3. The unpaid dividend for the financial year ending 31.03.2005, 31.03.2006, 31.3.2007 are lying in separate accounts. Those members who have failed to encash the dividend warrant the same may send a request for re-validation of dividend warrant.



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4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 15<sup>th</sup> September, 2010 to Thursday, 30<sup>th</sup> September, 2010 (both days inclusive)
5. The members are requested to send the dividend mandate to the Company's Share Transfer Agent, RCMC Limited.
6. The Company provides Electronic Clearing Service (ECS) to its members **free** for directly crediting their account with the dividend proceeds. Member holding shares in physical form may avail this service by forwarding the ECS mandate as per the format enclosed in the Annual Report to the Company's Transfer Agent, RCMC Limited and Members holding shares in demat mode are requested to send their request to their respective Depository Participants (DP).
7. The members are requested to intimate the change of address immediately to the Company's Share Transfer Agent, RCMC Ltd.
8. Member/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
9. Members are requested to forward their queries on Annual Accounts at least one week before the date of the Annual General Meeting.

**By Order of the Board**

Place: New Delhi  
Date: 30.08.2010

**Latika Datt Abbott**  
**Managing Director**

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956**

Mrs. Latika Datt Abbott, Managing Director of the Company, has been associated with the Company since its inception. She is 44 years old and a graduate from Delhi University. Under her stewardship the Company has successfully faced the market competition in the Non Banking Finance Sector and emerged as a strong entity. She was authorized to manage the affairs of the Company subject to supeintendence and control of the Board of Directors. The abstract of the terms of appointment of the Managing Director and the memorandum of Interest pursuant to section 302 of the Companies Act is hereby circulated to the members.

None of the Directors except Dr. Som Datt, Mrs Usha Datt and Mrs Latika Datt Abbott is interested in the resolution.

**By Order of the Board**

Place: New Delhi  
Date: 30.08.2010

**Latika Datt Abbott**  
**Managing Director**



# SOM DATT FINANCE '09 - '10 CORPORATION LIMITED

## DIRECTORS' REPORT

### TO THE MEMBERS,

Your Directors have pleasure in submitting the 17<sup>th</sup> Annual Report together with the Audited statement Accounts for the year ended 31<sup>st</sup> March 2010:

Financial Results	(Rs. in Lacs)	
	Year Ended 31.03.2010	Year Ended 31.03.2009
Gross Total Income	161.65	201.48
Profit / Loss before Depreciation & Taxation	71.22	90.84
Less: Depreciation	4.22	5.07
Add: Provision written Back	2.48	-
Profit Before tax	69.48	85.77
Less: Provision for Income Tax	18.00	29.50
Less: Provision for F.B.T	-	.72
Less: Provision for F.B.T for Earlier Year	.07	-
Add: Provision for Deferred Tax	1.96	.16
Less: Tax Adjustment for Earlier Years	3.75	-
Net Profit /(Loss) after Tax	49.62	55.71
Profit/(Loss) brought forward	45.35	.78
Profit carried to P&L Appropriation A/c	94.97	56.49
Less: Special Reserve (As per RBI Guidliness)	9.92	11.14
Surplus/ (Deficit ) carried to Balance Sheet	85.05	45.35

### OPERATION

During the year under review, the gross income of the Company stood at Rs. 161.65 Lacs as compared to income of corresponding previous year amounting to Rs. 201.48 Lacs.

During the year under review, the Company has registered a net profit after tax at Rs. 49.62 Lacs.

### DIVIDEND

The Board is of the opinion that it would be in the overall interest of the company and its shareholders that the profits of the Company are retained and used in its business. Therefore, the Board of Directors do not recommend any dividend for the year.

### SUBSIDIARY COMPANY

The Company has not been able to conduct commodity market business. Thus for the reason that risk free arbitrage opportunities as visualized are not available. Considering high risk of speculation, the company is in process of reviewing the business model.

### CONSOLIDATED FINANCIALS

The consolidated financial results of the Company alongwith its subsidiary M/s Som Datt Infosoft Private Limited are forming part of this report and are given as per Annexure.

### DIRECTOR

Mrs. Usha Datt, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for



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reappointment.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i) That in the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2010 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 year and of the profit or loss of the Company for the year under review;
- 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 had prepared the accounts for year ended 31<sup>st</sup> March 2010 on a 'going concern' basis.

## **AUDITORS**

M/s A.S. Gupta & Co. Chartered Accountants Kolkata, Auditors of the company hold the office until conclusion of the ensuing Annual General Meeting and are recommended for re-appointment.

## **PARTICULAR OF EMPLOYEES**

None of the employee is covered under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended

## **PARTICULAR REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

The information, required under Rule 2 of the Companies (Disclosure of Particular in the Report of Board of Directors) Rules, 1998 relating to the conservation of energy and technology absorption, is not given as the Company is not engaged in manufacturing activity.

During the year, there is no earning and outgo of the foreign exchange.

## **LISTING**

The shares of the Company are listed on the Bombay Stock Exchange. The annual listing fee has been paid to the BSE.

## **CORPORATE GOVERNANCE**

The report on Corporate Governance together with the Auditor's certificate on compliance of mandatory requirements of Corporate Governance are given in annexure to this report.

## **ACKNOWLEDGEMENTS**

Your Directors take this opportunity to thank its bankers and shareholders for their continued support to the Company. The Directors would also like to place on record their deep sense of appreciation of the devoted services rendered by employees of the Company.

**For and on behalf of the Board of Directors**

Place : New Delhi  
Dated: 30.08.2010

Sd/-  
D.P.Rawal  
Director

Sd/-  
Latika Datt Abbott  
Managing Director



# SOM DATT FINANCE '09 - '10 CORPORATION LIMITED

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2009-10

(Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

### 1. COMPANY'S PHILOSOPHY:

Your Company believes that Corporate Governance should be observed not only as per the letter but more important in spirit so as to become a way of life. The Company's respect for law and strict compliance thereof, emphasis on product quality and a caring spirit. Its policies and practices are based on the highest standards of ethics and transparency in regard to its dealings and disclosures.

### 2. BOARD OF DIRECTORS:

#### 2.1 Composition

The Board of Directors comprises of six directors. The Chairman is the non-executive Chairman. More than one-third of the Board consists of independent directors. The composition is as under:

Name of the Director	Position
Dr. Som Datt	Chairman/Promoter
Mrs. Usha Datt	Director/Promoter
Mr. Kawaljit Singh	Director/Independent Non-Executive
Mr. D P Rawal	Director/Independent Non-Executive
Mr. Ved Prakash Marwah	Director/Independent Non-Executive
Mrs. Latika Datt Abbott	Managing Director/Promoter

#### 2.2 Meetings and attendance record of each Director

i) 6 Meetings of the Board of Directors were held during the year ended 31<sup>st</sup> March, 2010.

These were held on:

- 30.06.2009
- 31.07.2009
- 25.08.2009
- 31.10.2009
- 30.01.2010
- 31.03.2010

ii) The attendance record of the Directors at the Board Meetings held during the year ended on 31<sup>st</sup> March, 2010 and the last Annual General Meeting (AGM) and the details of other Directorships and Committee Chairmanships and Memberships held by the Directors of the Company are given below:

Name of the Director	Attendance Particulars		No of Directorships and Committee Member / Chairmanship		
	Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Dr. Som Datt	6	-	5	-	-
Mrs. Usha Datt	4	-	5	-	-
Mr. Kawaljit Singh	3	-	6	2	1
Mr. V P Marwah	3	-	-	-	-
Mr. D P Rawal	6	1	4	1	2
Mrs. Latika Datt Abbott	6	-	8	1	-



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## 2.3 Re-appointment of Directors

The brief particulars of Ms. Usha Datt the Director of the Company proposed to be re-appointed at the ensuing Annual General Meeting are as under:

### Particulars of Ms. Usha Datt – Director

#### a. Brief resume of the Director

Ms. Usha Datt is 76 years old and is a graduate. She is a member of the Board of Directors of the Company since 19<sup>th</sup> October, 1993.

#### b. Nature of Experience

Ms. Usha Datt, Director of the Company has ample experience in the field of Financing, Share Trading and Investment.

#### c. Directorship

She is a director in the following other companies namely:

- (i) Som Datt Securities Limited
- (ii) Som Datt Overseas Limited
- (iii) Som Datt Enterprises Limited
- (iv) Som Datt Capital Development Limited
- (v) Landmark Procon Pvt. Ltd.

## 3. AUDIT COMMITTEE:

- i) The Audit Committee comprises of three members, namely:

Mr. D P Rawal, Mr. V P Marwah and Mr. Kawaljit Singh. All the members of the Audit Committee are independent Directors. They possess adequate knowledge of Accounts, Audit, Finance, etc. The meetings of the Audit Committee are usually chaired by Mr. D P Rawal.

- ii) The Audit Committee had 5 meetings during the year ended on 31<sup>st</sup> March, 2010. The attendance of each Committee member is as under:

S No.	Name of the Director	No. of Meetings Attended
1.	Mr. D P Rawal	4
2.	Mr. V P Marwah	2
3.	Mr. Kawaljit Singh	2

- iii) The role and powers of the Audit Committee are as laid down under the relevant clause of the Listing Agreement and Section 292(A) of the Companies Act, 1956.

## 4. INVESTMENT AND REMUNERATION COMMITTEE:

The Committee comprises of three members, namely;

1. Mr. D P Rawal
2. Mr. Kawaljit Singh
3. Mr. V P Marwah

All the members of the Investment & Remuneration Committee are independent and non-executive Directors. Four meetings of the Investment & Remuneration Committee were held, which were chaired by Mr. Kawaljit Singh and was attended by all the members.

S No.	Name of the Director	No of Meetings Attended
1.	Mr. D P Rawal	4
2.	Mr. V P Marwah	2
3.	Mr. Kawaljit Singh	2



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The terms of reference of the 'said committee' are as follows:

1. To determine on behalf of the Board and on behalf of the Shareholders the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.
2. To approve the payment of remuneration to managerial Personnel as per the Policy laid down by the Committee.
3. To approve loans and investment of long term nature.

## **Remuneration Policy:**

Subject to the approval of the Board and of the company in General Meeting and such other approvals as may be necessary, the Managing Director is paid remuneration as per the terms approved by the General Meeting. The present remuneration package to Managing Directors includes salary, perks etc.

## **Remuneration of Directors:**

This disclosure to be made on remuneration of Managing Director of the Company is given below:

<b>Name of the Director</b>	<b>Salary (Rs.)</b>	<b>Present Period of Agreement</b>	<b>Notice Period</b>
Mrs. Latika Datt Abbott	7,42,560	5 Years w.e.f., 15.06.2010	3 Months

## **Note:**

Salary includes basic salary, house rent allowance, bonus, leave encashment, holiday travel benefits, use of company's car, furniture and equipment and company's contribution to provident fund and perquisites, the monetary value of which has been calculated in accordance with the provisions of the Income Tax Act, 1961 and Rules made thereunder but does not include company's contribution to gratuity fund.

The Non-executive Directors do not draw any remuneration from the Company.

Sitting fees to Non-executive independent Directors is presently being paid at the rate of Rs.5000/- for each meeting of the Board attended by them.

## **Shareholding of Non-Executive Directors**

As on 31<sup>st</sup> March, 2010

<b>Name</b>	<b>No of Shares</b>
Mr. Som Datt	24,77,625
Mrs. Usha Datt	989,151
Mr. D P Rawal	Nil
Mr. Kawaljit Singh	10
Mr. Ved Prakash Marwah	Nil

## **5. SHARE TRANSFER AND INVESTORS GRIEVANCE COMMITTEE:**

The Share Transfer Committee had been constituted immediately after the Public Issue in 1994. The said Committee also looks into Investor's Grievance. The name was changed from Share Transfer Committee to Share Transfer and Investor Grievance Committee with effect from 31.07.2001. The terms of reference of the 'said committee' are as follows:

- 1) To approve the Share Transfer / Transmission / Transposition etc.,
- 2) To look into the status of investor complaints and grievances, if any.
- 3) To report the Board about serious or complicated cases, if any.

Twelve meetings of the Committee were held during the year ended on 31<sup>st</sup> March, 2010. The meetings are generally chaired by Mr. D P Rawal. The composition of the Committee and the number of meetings attended by each of the members is as under





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S No.	Name of the Director	No of Meetings Attended
1.	Mrs. Latika Datt Abbott	9
2.	Mr. Kawaljit Singh	7
3.	Mr. D P Rawal	12

Ms. Latika Datt Abbott is the Compliance Officer. During the year, the Company did not receive any complaint regarding Non-receipt of Dividend and / or Non-receipt of Share Certificate. Further, there are no share transfers pending for registration as on the said date.

## 6. GENERAL BODY MEETINGS:

The details of Annual General Meeting held in last 3 years are as under:

AGM	Day, Date and Time	Venue
2008-09	Wednesday, 30.09.2009 & 10.00 a.m.	The Saturday Club, 7 Wood Street, Kolkata 700 016
2007-08	Tuesday, 30.09.2008 & 10.30 a.m.	The Saturday Club, 7 Wood Street, Kolkata 700 016
2006-07	Saturday, 29.09.2007 & 11.30 a.m	The Saturday Club, 7, Wood Street, Kolkata – 700 016

No Special Resolution has been passed in the Annual General Meeting held during the last three years.

No Special Resolutions have been put through by postal ballot so far by the Company.

## 7. DISCLOSURES:

- There are no materially significant related party, transactions i.e., transaction of the Company of material nature with its Promoters, Directors or the Management, their Subsidiaries or relatives etc., that would have potential conflict with the interests of the Company at large.
- No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter during the period under review.
- The Whistle Blower Policy has been adopted by the Company and it is affirmed that no personnel has been denied access to such policy.
- The Company has complied with all the mandatory requirement laid down on Corporate Governance. However, the Company has taken steps to implement non-mandatory requirements and their compliances as under:
  - Board – A Non-Executive Chairman is entitled to maintain the Chairman's Office at the Company's expense but the tenure of Independent Director has not been restricted to a period of 9 years on the Board of the Company.
  - Remuneration Committee, Shareholders Rights, Audit Qualifications, Training of Board Members and Mechanism for evaluating Non-Executive Board Members – The Company is taking necessary steps to implement these non-mandatory requirements.
  - Whistle Blower Policy – The Company has implemented this non-mandatory requirement

## 8. MEANS OF COMMUNICATION:

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are also published in the prescribed format within 48 hours of the conclusion of the meeting of the Board in which they are considered, generally in "Pioneer" English Daily and "Ganashakti" Bengali Daily, since the Registered Office of the Company is located in Kolkata.



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## 9. GENERAL SHAREHOLDERS INFORMATION:

### Annual General Meeting:

Date: 30<sup>th</sup> September 2010

Time: 10.00 a.m.

Venue: Gajraj Chamber, 2B, 2<sup>nd</sup> Floor, 86B/2, Topsia Road(South), Kolkata-700046

Financial Year: 1<sup>st</sup> April 2009 to 31<sup>st</sup> March 2010

### Book Closure:

15<sup>th</sup> September 2010 to 30<sup>th</sup> September 2010 (both days inclusive)

### Listing of Securities:

The equity shares of your Company are listed on the following Stock Exchanges:

Bombay Stock Exchange,

The Calcutta Stock Exchange Association Ltd. (An application for voluntary delisting is pending with the Exchange)

### Stock Code:

CSE (29145), BSE (11571)

### ISIN No. for Dematerialisation of shares:

INE754C01010

### Market Price Data:

The details of High & Low market price of the shares at the Stock Exchange Bombay are as under:

Month (2009-10)	Qtn.at Bombay Stock Exchange	
	High (Rs.)	Low (Rs.)
April	9.43	7.00
May	11.76	8.40
June	13.25	10.36
July	13.56	10.50
Aug	12.18	10.28
Sep	11.53	9.80
Oct	12.15	9.84
Nov	10.48	9.10
Dec	11.47	9.64
Jan	11.92	9.73
Feb	12.09	9.60
Mar	11.30	9.25

### Registered Office:

SOM DATT FINANCE CORPORATION LTD  
Flat # 24-25, 10, Old Post Office Street,  
KOLKATA - 700001

### Address for Correspondence:

SOM DATT FINANCE CORPORATION LTD  
56-58, Community Centre, East of Kailash  
NEW DELHI - 110065