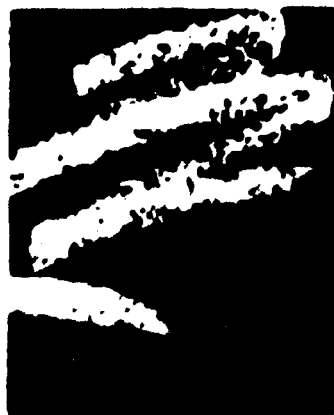


SHANTANU SHEOREY  
**Aquakult**  
L I M I T E D



**12<sup>th</sup>**  
**Annual Report**  
**2004-2005**

SHANTANU SHEOREY  
**Aquakult**  
L I M I T E D

**BOARD OF DIRECTORS :** SHRI SHANTANU SHEOREY, *Chairman & Managing Director*  
SMT. NAYANTARA KATKAR SHEOREY, *Director*  
SHRI BHARAT D. BELOSE *Director*

**Bankers :** The United Western Bank Ltd.  
Bank of India  
State Bank of India  
Oriental Bank of Commerce

**Auditors :** K. R. THANAWALLA  
*Chartered Accountant*

**Registered Office :** Pandey House, 3rd Floor,  
94/B, August Kranti Marg,  
Mumbai - 400 036.

## NOTICE

NOTICE is hereby given that the **TWELTH ANNUAL GENERAL MEETING OF SHANTANU SHEOREY AQUAKULT LTD.** will be held at Maher Hall, Opp. Portuguese Church, Dadar (W), Mumbai 400 028 on Thursday 29<sup>th</sup> September, 2005 at 10.00 a.m. to transact the following business:

1. To receive and adopt the Director's Report and Audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2005 and Balance Sheet as at that date.
2. To appoint a Director in place of Mr. Bharat D. Belose, who retires by rotation and is eligible for re-appointment.
3. To appoint Mr. K. R. Thanawalla as Auditor of the Company from the conclusion of this meeting upto the conclusion of next meeting and to fix their remuneration.

### Notes:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY NEED NOT BE A MEMBER.
- (b) The Register of members of the Company will remain closed from 23<sup>rd</sup> September 2005, to 29<sup>th</sup> September 2005 (both days inclusive). The Transfer Books of the Company will also remain closed for the aforesaid period.
- (c) Members desiring any information on Accounts are requested to write to the Company at least one week before the Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Meeting.
- (d) Members/Proxies should bring the attendance slip sent herewith, duly filled in, for attending the Meeting.
- (e) Shareholders are requested to kindly bring their copies of Annual Report to the Meeting.
- (f) As required in terms of paragraph VI (A) of Clause 49 of the Listing Agreement, the details of the directors retiring by rotation and eligible for reappointment is furnished below:

**Mr. Bharat D. Belose**

Mr. Bharat D. Belose, 39 is Diploma holder in Civil Engineering and has been involved in construction and aquaculture activities for over 7 years.

**Outside Directorship : None**

**Committee Membership :** Audit Committee, Share Transfer Committee and Investors' Grievance Committee of Shantanu Sheorey Aquakult Ltd.

By Order of the Board of Directors  
**SHANTANU SHEOREY AQUAKULT LIMITED.**

Mumbai, 10<sup>th</sup> August, 2005

**CERTIFIED TRUE COPY**

**SHANTANU SHEOREY**  
Chairman & Managing Director

For Shantanu Sheorey Aquakult Ltd

  
Authorised Signatory

**DIRECTORS REPORT TO THE MEMBERS**

Your Directors present their **TWELTH ANNUAL REPORT** together with the Audited Statement of the Accounts for the year ended 31<sup>st</sup> March '2005.

**1) FINANCIAL RESULTS :**

	<b>2004-05</b> <b>(Rs. in Lakhs)</b>	<b>2003-04</b> <b>(Rs. in Lakhs)</b>
The Profit before Depreciation and Taxes for the year ended 31 <sup>st</sup> March, 2005 was	<b>(11.28)</b>	<b>(6.55)</b>
Deducting therefrom Depreciation of	<b>42.35</b>	<b>42.98</b>
Profit/(Loss) Before Tax Was	<b>(53.63)</b>	<b>(49.53)</b>
Deducting therefrom Taxes of	<b>--</b>	<b>--</b>
Profit/(Loss) After Tax Was	<b>(53.63)</b>	<b>(49.53)</b>
After deducting prior year's adjustments of	<b>--</b>	<b>--</b>
Balance in Profit and Loss Account	<b>(765.29)</b>	<b>(715.76)</b>
Balance Carried forward	<b>(818.92)</b>	<b>(765.29)</b>

**2) DIVIDEND:**

In view of carried forward loss for the year under report, your Directors do not recommend any Dividend.

**3) PERFORMANCE & OPERATIONS :**

As explained in our previous report, Company preferred an appeal under Section 25 of the Sick Companies (Special Provisions) Act, 1985 and which was registered with Appellate Authority for Industrial and Financial Reconstruction (AAIFR) is now admitted.

In spite of meeting bank representatives especially from Bank of India (one of the consortium bank), from time to time in the year under consideration and explaining the further development on reviving the project, management is at pain to inform that they have gone ahead and issued the Notices U/S 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

Management feels that said notice is defective in various respects like outstanding amount shown, properties descriptions etc, which is pointed out in a reply to said notice through company's advocate. In our said replies company has stated that we are contemplating to salvage the project, which we can do with best of efforts and given due opportunity to work in that direction would benefit all including financial institutions and we would be in a position to work out a formula in the interest of all.

We hope good sense prevails upon them and nothing desperate action is taken, which will jeopardise our efforts like what they had done earlier to us by abruptly stopping our ongoing project by recalling advances without any fault of ours and thus putting us in extremely difficult situation, where we are in today.

Management is committed to revive the operations in whatever manner possible through its personal sources in providing funds towards company's pressing needs like maintenance, statutory payments, labour payments etc. The Management is confident and is working out options by which the financial health of the company can be nurtured back to health as early as possible.

**4) AUDITORS' REPORT :**

Regarding the Auditor's comments in their report, Note No. 4 & 6 of Notes to Accounts deal these with. In respect of other remarks, Auditor's report is self explanatory and do not require any further explanations.

**5) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION etc:**

The Company is involved in the aquaculture activities and at present does not have any manufacturing activity. No particulars, therefore, are given in terms of provisions of section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of the Board of directors) Rules, 1988 relating to energy conservation, technology absorption etc. There is neither foreign exchange outgoing nor foreign exchange earning.

**6) PARTICULARS OF EMPLOYEES:**

Information in accordance with Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended March 31, 2004 is enclosed.

**7) DIRECTORS:**

Mr. Bharat Belose is retiring by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

**8) AUDITORS:**

Mr. Kirit R. Thanawalla, Chartered Accountant, Bombay, retire at the conclusion of the ensuing Annual General meeting and is eligible for reappointment as Auditors.

**9) CORPORATE GOVERNANCE :**

Your Company has been practising the principles of good corporate governance over the years. This was achieved by not only ensuring compliance with regulatory requirements but also being responsive to customer needs. Your Company always strives for excellence with the twin objectives of enhancing customer satisfaction and shareholder value.

The Board of Directors supports the broad principles of corporate governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity. Due to paucity of funds, the listing fees to Bombay Stock Exchange are not paid. Statement of Corporate Governance is not annexed. However, any Shareholder desiring a copy of this statement may write to the company.

## **SHANTANU SHEOREY AQUAKULT LIMITED**

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### **10) Directors' Responsibility Statement:**

As required under the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors report that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The directors had 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 profit of the Company for the period under review;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a going concern basis.

### **11) ACKNOWLEDGEMENTS :**

The Board wishes to place on record its appreciation for the hard and dedicated work put in by all the workers/employees' inspite of such a bad position in which Company is pushed into by the banks/institution.

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

**Place : MUMBAI**

**Date : 10<sup>th</sup> August, 2005**

**SHANTANU SHEOREY**

**(CHAIRMAN & MANAGING DIRECTOR).**

## **SHANTANU SHEOREY AQUAKULT LTD.**

**ANNEXURE TO DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH, 2005**  
**Statement of particulars of employees pursuant to the provisions of Section 217 (2A)**  
**of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and**  
**forming part of the Directors' Report.**

<b>Name</b>	<b>Age in Years</b>	<b>Designation</b>	<b>Qualification</b>	<b>Remuneration received (Rs. in Lakhs)</b>	<b>Experience (No. of years)</b>	<b>Date of Commencement of employment</b>	<b>Previous Employment held</b>
				<b>NIL</b>			

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

**SHANTANU SHEOREY**  
**Chairman & Managing Director**

**Place : Mumbai**  
**Date : 10th August, 2005**

## **SHANTANU SHEOREY AQUAKULT LIMITED**

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### **AUDITORS' REPORT**

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#### **TO THE MEMBERS OF**

#### **SHANTANU SHEOREY AQUAKULT LIMITED**

I have audited the attached Balance Sheet of **SHANTANU SHEOREY AQUAKULT LIMITED** as at 31<sup>st</sup> March, 2005 and the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit

I report as follows :

I conducted my audit in accordance with Auditing Standards generally accepted in India. Those Standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

- 1) As required by the Manufacturing and Other Companies (Auditor's report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as I considered appropriate and according to the information and explanations given to me during the course of the audit, I am enclosing the Annexure a Statement on the matters specified in Paragraphs 4 and 5 of the said Order.
- 2) Further to my comments in the annexure referred to in paragraph (1) above:
  - a) Subject to what is stated in paragraph 2 (d) below, I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.
  - b) In my opinion, proper books of account as required by law have been kept by the company as far as appears from my examination of the books.
  - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
  - d) The accounts of certain parties in respect of unsecured loans taken, creditors, debtors and loans and advances, deposits given are subject to confirmations, reconciliations and consequent adjustments, if any. (Refer Note No. 3 in Schedule 'N')
  - e) Based on representations made by all the Directors of the Company and the information and explanations as made available, directors of the Company do not prima facie have any disqualification as referred to in clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f) In my opinion and to the best of my information and according to the explanation given to me, the said Balance Sheet and the Profit and Loss Account read together with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :



- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2005 and
- (ii) in the case of the Profit and Loss Account, of the loss for the year ended on that date.

**(K. R. THANAWALLA)**  
**CHARTERED ACCOUNTANT**

**Mumbai**

**Date: 10<sup>th</sup> August, 2005**

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**ANNEXURE TO THE AUDITORS' REPORT**

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**(Referred to paragraph (1) of my report of even date)**

- (i) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. A major portion of the assets has been physically verified by the Management in accordance with a phased programme of verification adopted by the Company. In my opinion, the frequency of verification is reasonable. Subject to discrepancies stated in point no. 6 of Notes to Accounts (Schedule N), to the best of my knowledge, no material discrepancies have been noticed on verification.**
- (ii) None of the Fixed Assets have been revalued during the year.**
- (iii) The stocks of stores, spare parts and raw materials, have been physically verified by the management during the year.**
- (iv) In my opinion, the procedures of physical verification of the stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.**
- (v) The discrepancies between physical stocks and the book stocks, which have been properly dealt with, were not material.**
- (vi) In my opinion, the valuation of the stocks of raw materials, has been fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.**
- vii) The Company has not taken any loan, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. I am informed that there are no companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.**
- viii) The Company has not given any loans to the parties listed in the Register maintained under Section 301 of the Companies Act, 1956. I am informed that there are no companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.**
- (ix) According to the information and explanations given to me and as per the approval taken in the meeting of the Board of Directors, the company has not paid/provided towards Managing Director's remuneration. (Refer Note No. 4 of Schedule 'N').**
- (x) As explained to me, the Company has a regular procedure for the determination of unserviceable or damaged stores, raw materials and finished goods.**
- (xi) The Company has not accepted any deposits from the public.**
- (xii) In my opinion, reasonable records have been maintained by the Company for the sale and disposal of realizable scrap. There are no by-products.**

- (xiii) The central Government has not prescribed maintenance of cost records u/s 209 (1) (d) of Companies Act, 1956.
- (xiv) Provident Fund and Employees State Insurance are not applicable to the Company. However Company had started Provident Fund for the employees drawing salary upto Rs. 5,000/- p.m. According to the records of the Company, there were no dues in arrears as at Balance Sheet date.
- (xv) On the last day of the financial year, there was no amount outstanding in respect of undisputed Income-Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty which were due for more than six months from the date they became payable, except for Rs. 20.09 lakhs in respect of Tax Deducted at Source.
- (xvi) According to the information and explanations given to me and the records of the company examined by me, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
- (xvii) The Company has become a sick industrial Company within the meaning of clause (o) of sub section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 and as explained, a reference is being made to the Board for Industrial and Financial Re construction under Section 15 of the said Act.

**(K.R. THANAWALLA)**  
**CHARTERED ACCOUNTANT.**

**Mumbai**  
**Date: 10th August 2005**

# SHANTANU SHEOREY AQUAKULT LIMITED

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2005

SCHEDULE			As at 31-3-2005 (Rs. in Lakhs)	As at 31-3-2004 (Rs. in Lakhs)
<b>I. SOURCES OF FUNDS</b>				
1. Shareholders Funds				
Share Capital.....	A		500.00	500.00
2. Loan Funds				
a) Secured Loans.....	B	1293.51		
b) Unsecured Loans.....	C	69.93		
			<u>1363.44</u>	<u>1363.44</u>
			<u>1863.44</u>	<u>1863.44</u>
<b>II. APPLICATION OF FUNDS</b>				
1. FIXED ASSETS.....	D			
a) Gross Block.....	....	1423.56		1436.60
b) Less Depreciation.....	....	330.58		292.46
c) Net Block .....			1092.98	1144.14
2. CURRENT ASSETS, LOANS & ADVANCES				
a) Inventories.....	E	3.74		3.74
b) Sundry Debtors.....	F	1.68		1.68
c) Cash & Bank Balances	G	0.06		0.06
d) Loans & Advances	H	9.30		9.30
		14.78		14.78
Less: CURRENT LIABILITIES & PROVISIONS				
Liabilities.....	I	71.07		71.22
Net Current Assets			(56.29)	(56.44)
3. MISCELLANEOUS EXPENDITURE				
a) Preliminary & Preop. Exp.	J	7.83		10.45
b) Profit & Loss A/c		818.92		765.29
			<u>826.75</u>	<u>775.74</u>
			<u>1863.44</u>	<u>1863.44</u>

As per my report attached.

**K.R. Thanawalla**  
Chartered Accountants

Mumbai, 10<sup>th</sup> August, 2005

For Shantanu Sheorey Aquakult Ltd

Shantanu Sheorey, Chairman & Managing Director  
Nayantara Katkar Sheorey, Director  
Bharat Belose, Director  
Cyrus M. Bhot General Manager - Finance

Mumbai, 10<sup>th</sup> August, 2005

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2005**

	SCHEDULE	Year ended 31 <sup>st</sup> March 2005 (Rs. in Lakhs)	Year ended 31 <sup>st</sup> March 2004 (Rs. in Lakhs)
<b>I INCOME</b>			
1. Sales		—	—
2. Income		—	—
3. Finished Goods		—	—
		<u>—</u>	<u>—</u>
		<u>—</u>	<u>—</u>
<b>EXPENDITURE</b>			
Raw materials consumed	K	—	—
Employees Remuneration & Benefits	L	—	1.58
Operating & other expenses	M	8.67	2.36
Depreciation		42.35	42.98
Preliminary and Pre-operative Expenses written off		2.61	2.61
		<u>53.63</u>	<u>49.53</u>
Profit before Tax		(53.63)	(49.53)
Provision for Tax		—	—
Less : Prior Year Adjustments		—	—
TOTAL		(53.63)	(49.53)
Profit / Loss of Previous Year		(765.29)	(715.76)
Balances transferred to Balance Sheet		<u>(818.92)</u>	<u>(765.29)</u>
Notes to Accounts	N		

As per my report attached.

K.R. Thanawalla  
Chartered AccountantsMumbai, 10<sup>th</sup> August, 2005

For Shantanu Sheorey Aquakult Ltd

Shantanu Sheorey,	Chairman & Managing Director
Nayantara Katkar Sheorey,	Director
Bharat Belose,	Director
Cyrus M. Bhot	General Manager - Finance

Mumbai, 10<sup>th</sup> August, 2005

**SHANTANU SHEOREY AQUAKULT LIMITED****Schedules Forming Part of the Balance Sheet**

	<b>As at 31<sup>st</sup> March 2005 (Rs. in Lakhs)</b>	<b>As at 31<sup>st</sup> March 2004 (Rs. in Lakhs)</b>
<b>A. SHARE CAPITAL</b>		
Authorised :		
55,00,000 Equity Shares of Rs.10/-each (Previous Year 55,00,000 Equity Shares of Rs.10/- each)	<b>550.00</b>	<b>550.00</b>
<b>Issued, Subscribed &amp; Paid up Capital :</b>	<b>500.00</b>	<b>500.00</b>
50,00,000 Equity Shares of Rs.10/- each (includes 3,39,400 Equity Shares issued for consideration other than Cash : Rs.33,94,000/-) (Previous Year : Rs.33,94,000/-).		
<b>Total</b>	<b>500.00</b>	<b>500.00</b>
<b>B. SECURED LOANS</b>		
<b>1. RUPEE LOANS FROM BANK :</b>		
i) The United Western Bank Ltd		
Cash Credits	<b>7.86</b>	<b>7.86</b>
Packing Credit	<b>66.29</b>	<b>66.29</b>
Secured by hypothecation of stocks and book debts		
ii) Bank of India		
Demand Working Capital Loan	<b>111.51</b>	<b>111.51</b>
Secured by hypothecation of stocks and book debts		
ii) Term Loan		
- The United Western Bank Ltd.	<b>240.11</b>	<b>240.11</b>
- Bank of India	<b>216.85</b>	<b>216.85</b>
Secured by pari-passu first charge on all the immovable properties at Nandgaon and Murud and hypothecation of movable at that locations (save and except Inventories and book debts) both present and future including movable machinery, machinery spares, tools and accessories, present and future, subject to prior charges created and/or to be created in favour of the Company's bankers.		
<b>2. FOREIGN CURRENCY LOAN</b>		
- ICICI	<b>371.03</b>	<b>371.03</b>
- Bank of India	<b>279.86</b>	<b>276.86</b>
Secured by pari-passu first charge on all the immovable properties both present and future of hatchery and farm division at Nandgaon and Murud and by way of hypothecation of all movables at said locations subject to prior charges created in favour of Banks on inventories and book debts for Working Capital facilities.		
<b>Total</b>	<b>1293.51</b>	<b>1293.51</b>

## Schedules Forming Part of the Balance Sheet

	As at 31 <sup>st</sup> March 2005 (Rs. in Lakhs)	As at 31 <sup>st</sup> March 2004 (Rs. in Lakhs)
<b>C. UNSECURED LOANS</b>		
Short Term Loans		
i) From Bodies Corporate	50.00	50.00
ii) From others	19.93	19.93
<b>TOTAL</b>	<b>69.93</b>	<b>69.93</b>
<b>D. FIXED ASSESTS (Refer page No. 14)</b>		
<b>E. INVENTORIES</b>		
Raw materials (at cost)	2.51	2.51
Stores & Spares (at cost)	1.23	1.23
Finished Goods	-	-
<b>TOTAL</b>	<b>3.74</b>	<b>3.74</b>
<b>F. SUNDRY DEBTORS</b> (Unsecured and Considered good)		
i) Over six months	1.68	1.68
ii) Others	-	-
<b>TOTAL</b>	<b>1.68</b>	<b>1.68</b>
<b>G. CASH AND BANK BALANCES</b>		
i) Cash in hand	0.01	0.01
ii) Balance with scheduled banks:- - In Current Accounts	0.05	0.05
<b>TOTAL</b>	<b>0.06</b>	<b>0.06</b>

# SHANTANU SHEOREY AQUAKULT LTD.

## SCHEDULE D Fixed Assets

( Rupees in Lakhs )

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	As At 31.3.04  (Rs.)	Additions during the year  (Rs.)	Deductions /Adjustments during the year (Rs.)	As At 31.3.05  (Rs.)	As At 31.3.04  (Rs.)	Deductions /Adjustments during the year (Rs.)	For the year 2004-05  (Rs.)	As At 31.3.05  (Rs.)	As At 31.3.05  (Rs.)	As At 31.3.04  (Rs.)
Freehold land	220.00	---	---	220.00	---	---	---	---	220.00	220.00
Building & Structures	1022.97	---	---	1022.97	218.23	---	33.73	251.96	771.01	804.74
Plant & Machinery	130.89	---	---	130.89	47.68	---	6.22	53.90	76.99	83.21
Electrical Installations	37.84	---	---	37.84	13.67	---	1.80	15.47	22.37	24.17
Furniture, Fittings & Eqpt.	20.52	---	13.04	7.48	9.47	4.23	0.18	5.42	2.06	11.05
Motor Vehicles	4.38	---	---	4.38	3.41	---	0.42	3.83	0.55	0.97
Total	1436.60	---	13.04	1423.60	292.46	4.23	42.35	330.58	1092.98	1144.14
Previous Year	1436.60	---	---	1436.60	249.48	---	42.98	292.46	1144.14	---



## Schedules Forming Part of the Balance Sheet

	As at 31 <sup>st</sup> March 2005 (Rs. in Lakhs)	As at 31 <sup>st</sup> March 2004 (Rs. in Lakhs)
<b>H. LOANS AND ADVANCES</b>		
(Unsecured and considered good)		
i) Deposits with MSEB, BEST, BSE etc....	2.06	2.06
ii) Advance Payment of Taxes	—	—
iii) Advances recoverable in cash	7.24	7.24
or in kind or for value to be received[including -		
a) Rs. NIL (Previous Year Rs.NIL) due from officers of the Company - maximum amount due from officers during the year Rs.NIL (Previous Year Rs. NIL).		
b) Rs. NIL (Previous Year Rs. NIL) due from the Directors of the Company - maximum amount due from the Directors of the Company during the year Rs. NIL (Previous Year Rs. NIL).		
<b>TOTAL</b>	<b>9.30</b>	<b>9.30</b>
<b>I. CURRENT LIABILITIES AND PROVISIONS</b>		
<b>Current Liabilities:</b>		
Acceptances	—	—
<b>Sundry Creditors:</b>		
- for goods	11.98	11.98
- for expenses	16.17	16.35
Advances from customers	1.00	1.00
Interest accrued on loan	—	—
Others	41.92	41.89
<b>TOTAL</b>	<b>71.07</b>	<b>71.22</b>
<b>J. MISCELLANEOUS EXPENDITURE</b>		
(to the extent not written off or adjusted)		
i) Preliminary Expenses.....	1.62	2.16
ii) Public Issue Expenses.....	6.21	8.29
<b>TOTAL</b>	<b>7.83</b>	<b>10.45</b>

# SHANTANU SHEOREY AQUAKULT LIMITED

## Schedules Forming Part of the Profit & Loss Account

		As at 31-3-2005		As at 31-3-2004
	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)	Rs. in Lakhs)
<b>K. RAW MATERIALS CONSUMED</b>				
Opening Stock	2.51		2.51	
Add: Purchases	-		-	
	2.51		2.51	
Less: Closing Stock	2.51		2.51	
Packing Materials consumed		-		-
Adjustment for Stock :				
Opening Stock				
Finished Goods	-		-	
Less: Closing Stock				
Finished Goods	-		-	
<b>TOTAL</b>		-		-
<b>L. EMPLOYEES REMUNERATION AND BENEFITS</b>				
Salaries and Wages		-		1.57
Company's contribution to Provident Fund		-		-
Workers & Staff Welfare Expenses		-		-
<b>TOTAL</b>		-		1.57

## Schedules Forming Part of the Profit &amp; Loss Account

		As at 31-3-2005 (Rs. in Lakhs)	(Rs. in Lakhs)	As at 31-3-2004 (Rs. in Lakhs)
<b>M. OPERATING AND OTHER EXPENSES</b>				
Stores and Spares consumed		-		-
Power and Fuel		-		-
Labour Charges		-		-
Repairs and Maintenance				
Plant and Machinery	-		-	
Buildings	-		-	
Others	-		-	
		-		-
Rent		-		-
Rates and Taxes		0.04		0.13
Insurance		-		-
Travelling and Conveyance		-		0.10
Auditors Remuneration and Expenses				
Audit Fees	0.30		0.30	
Other services rendered	-		-	
Out-of-pocket expenses	-		-	
		0.30		0.30
Loss on disposal of assets		7.96		-
Freight and Transport charges		-		-
Miscellaneous Expenses		0.37		1.83
<b>Total</b>		<b>8.67</b>		<b>2.36</b>

## **SHANTANU SHEOREY AQUAKULT LIMITED**

### **Schedules Forming Part of the Balance Sheet and Profit & Loss Account**

#### **N. NOTES TO ACCOUNTS**

##### **1) Significant Accounting Policies:-**

###### **i) System of Accounting:-**

The financial statements are prepared under the historical cost convention on accrual basis.

###### **ii) Sales :**

Sales are accounted on accrual basis when the sale of goods are completed and includes self consumption of goods produced at fixed transfer price.

###### **iii) Retirement Benefits :**

- a) Leave encashment where applicable is accounted on payment basis.
- b) Company's contribution paid/payable if any during the year to Provident Fund is charged to the Profit and Loss Account.

###### **iv) Fixed Assets and Depreciation:**

- a) Fixed assets are stated at cost less depreciation. The cost of fixed assets includes interest on specific borrowings obtained for the purposes of acquiring fixed assets upto the date of commencement of commercial production and other incidental and pre-operation expenses incurred upto that date.
- b) Depreciation is provided on Straight Line Method at the rates and in the manner specified in Sch.XIV to the Companies Act, 1956.

###### **v) Current Assets :**

- a) Current assets are accounted at cost or realisable value whichever is lower.
- b) Inventories are valued at cost or market value whichever is lower, where cost is worked out on weighted average basis.

**SCHEDULE-N. NOTES TO ACCOUNTS****vi) Preliminary and Pre - Operative Expenses :**

All expenses incurred on the formation of the Company and other expenses upto the date of commercial production is grouped under Preliminary and Pre-Operative Expenses. Preliminary and Public issue expenses is being written off over a period of 10 years.

**2) Contingent Liabilities not provided for in respect of :**

	<b>As at 31-03-2005</b>	<b>As at 31-03-2004</b>
i) Order for rectification was passed against appeal for Income Tax claim for A.Y. 1997-98 against which Company has preferred and appeal and is pending	<b>11,75,797.00</b>	3,01,383.00
ii) Disputed demands from MSEB towards Electricity Charges	<b>5,27,122.11</b>	5,27,122.11
iii) Damages u/s 14B of EPF on delayed payment of provident fund dues.	<b>1,28,528.00</b>	1,28,528.00
iv) Amount of interest liability / penalty, if any on delayed / non-payments of ceratin creditors / loans / statutory dues and penal interest / liquidated damages on secured / unsecured borrowings.		Amount Presently Unascertainable
3) Unsecured loans, Sundry Debtors, Creditors balances, Loans and advances and deposits are subject to confirmation from the parties.		
4) Similar on the line of approval taken in the meeting of the Board of Directors in previous year, the resolution was adopted in the current year's meeting of the Board of Directors that the payment of remuneration payable to Managing Director is deferred by one more year due to paucity of funds and hence provision for the said payment not made during the year.		
5) Interest on term loan and other loan facilities from banks/institution is provided upto the date of recalling of advances by them. Due to paucity of funds and operations being suspended, there is a delay in payment of interest on other advances/short term loans and hence interest actually paid is accounted.		
6) Fixed Assets includes Pump Motors costing Rs. 2.38 lakhs confiscated by Group Gram Panchayet- Nandgaon against non-payment of Property Tax. Electrical installations at farm site like Cables, Star Delta Starter, Flood lights with fittings, Iron light poles, Generator Control panel Board and other electrical accessories have been taken away by pressure tactics by Star Rewinders and Electricals, one of the creditors of the company. The Company has informed and lodged complaint with Murud Janjira Police Station.		
7) No provision for Income-Tax has been made for the financial year 2004-2005 in view of set off available in respect of unabsorbed loss/depreciation under the Income Tax Act.		

**SHANTANU SHEOREY AQUAKULT LIMITED****SCHEDULE - N. NOTES TO ACCOUNTS****8) Managerial Remuneration :- (Refer Note no. 4)**

	<b>2004-05</b>	<b>2003-04</b>
	<b>(Rs. in Lakhs)</b>	<b>(Rs. in Lakhs)</b>
Managing / Whole time Directors		
Salaries	---	---
Perquisites	---	---
<b>TOTAL</b>	<b>---</b>	<b>---</b>

**9) Auditors Remuneration and Other Expenses :-**

	<b>2004-05</b>	<b>2003-04</b>
	<b>(Rs. in Lakhs)</b>	<b>(Rs. in Lakhs)</b>
Audit Fees	0.30	0.30
Other Services	0.00	0.00
<b>TOTAL</b>	<b>0.30</b>	<b>0.30</b>

**10) Information pursuant to Para 4D of Part II of Schedule VI to the Companies Act, 1956.**

	<b>2004-05</b>	<b>2003-04</b>
	<b>(Rs. in Lakhs)</b>	<b>(Rs. in Lakhs)</b>
Foreign Exchange Used	NIL	NIL
Foreign Exchange Received	NIL	NIL

**11) The office of the Company Secretary has been vacant since May'1997, in the circumstances, authentication by Company Secretary does not appear in the Accounts.**

**12) As per the information available, there are no outstanding dues to Small Scale Industrial Undertaking.**

**SCHEDULE- N. NOTES TO ACCOUNTS****13) Details of Raw Materials consumed :**

	Units	Qty.	2004-05 (Rs. in Lakhs)	Qty.	2003-04 (Rs. in Lakhs)
Brooders	No.	---	---	---	---
Nauplii / Seeds	Million	---	---	---	---
<b>Feeds :</b>					
Formulated Shrimp Feeds	Kgs.	---	---	---	---
Artemia Gold / Silver / Eagle Larva Feed	Kgs.	---	---	---	---
681 Prestarter	Kgs.	---	---	---	---
682 Starter-1	Kgs.	---	---	---	---
683 Starter-2	Kgs.	---	---	---	---
684 S-Starter-3	Kgs.	---	---	---	---
684 Grower-1	Kgs.	---	---	---	---
685 Grower-2	Kgs.	---	---	---	---
686 Finisher	Kgs.	---	---	---	---
Other Feeds			---		---
Sub -Total			---		---
Total			---		---
			=====		=====
			Percentage		Percentage
of which					
Imported		---	---	---	---
Indigenous		---	---	---	---
Total		---	---	---	---
		=====	=====	=====	=====

# SHANTANU SHEOREY AQUAKULT LIMITED

## SCHEDULE- N. NOTES TO ACCOUNTS

### 14) Quantitative Details :

	Qty. (In Million)	2004-05 (Rs. in Lakhs)	Qty. (in Million)	2003-04 (Rs. in Lakhs)
a) Shrimp Seeds				
Licensed Capacity		N.A.		N.A.
Installed Capacity	80.00	---	80.00	---
Production	---	---	---	---
Opening Stock	---	---	---	---
Sales	---	---	---	---
Closing Stock	---	---	---	---
b) Black Tiger Prawns	Qty. (In Tons)	2004-05 (Rs. in Lakhs)	Qty. (in Tons)	2003-04 (Rs. in Lakhs)
Licensed Capacity	---	N.A.	---	N.A.
Installed capacity	49	---	49	---
Production	---	---	---	---
Opening Stock	---	---	---	---
Sales	---	---	---	---
Closing Stock	---	---	---	---

Note : Capacities are as certified by the management and accepted by the Auditors as this is a technical matter.

15) As there are no operational activities carried by the Company, Accounting Standard 17 - "Segment Reporting" issued by the Institute of Chartered Accountants of India, does not apply.

### 16) Related Party Disclosures :-

#### (a) List of related Parties and Relationships

Party	Relationship
Mr. Shantanu Sheorey	Chairman & Managing Director of the Company

(b) Transactions with related party	Rs. in Lakhs
Receivable / (Payable) as at 31st March 2005	(13.75)
Receivable / (Payable) as at 31st March 2004	(13.72)

### 17) Earnings per Share :

	31-03-05	31-03-04
Profit / (Loss) after Tax (Rs. in Lakhs)	(53.63)	(49.53)
No. of Equity Shares	50,00,000	50,00,000
Earning per Share (Rs.)	(1.07)	(0.99)

18) There is unabsorbed business loss of Rs. 750.25 lakhs and unabsorbed depreciation of Rs. 360.95 lakhs as per Income - Tax assessment. However, in view of suspension of operations, no deferred tax asset has been recognised in the books of account as prescribed under Accounting Standard 22, Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India.

19) Previous year's figures are regrouped wherever necessary.



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**Balance Sheet Abstract and Company's General Business Profile (Submitted in terms of Part IV of Schedule VI to the Companies Act, 1956)**


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**I. Registration Details :**Registration No. : State Code : Balance Sheet Date :   
Date Month Year**II Capital Raised during the year (Amount in Rs.Thousands)**

Public Issue

Rights Issue

Bonus Issue

Private Placement

**III. Position of mobilisation and Deployment of Funds (Amount in Rs.Thousands)**

Total Liabilities

Total Assets

**SOURCES OF FUNDS**

Paid-Up Capital

Reserves &amp; Surplus

Secured Loans

Unsecured Loans

**APPLICATION OF FUNDS**

Net Fixed Assets

Investments

Net Current Assets

Misc.Expenditure

Profit &amp; Loss Account

## SHANTANU SHEOREY AQUAKULT LIMITED

### Balance Sheet Abstract and Company's General Business Profile (Submitted in terms of Part IV of Schedule VI to the Companies Act, 1956)

#### IV. Performance of Company (Amount in Rs.Thousands)

Turnover (Gross Revenue)

□ □ □ □ □ □ □ - -

Total Expenditure

□ □ □ □ □ 5 3 6 3

+ -

Profit/Loss Before Tax

□ ☒

□ □ □ □ □ 5 3 6 3

+ -

Profit/Loss After Tax

□ ☒

□ □ □ □ □ 5 3 6 3

(Please tick Appropriate box + for Profit - for Loss)

Earning Per Share in Rs.

□ □ □ □ □ N I L

Dividend rate %

□ □ □ □ □ N I L

#### V. Generic Names of Three Principal Products/Services of Company(as per monitory terms)

Item Code No.  
(ITC Code)

□ □ □ □ □ N A

Product Description

S H R I M P S E E D S

□ □ □ □ □ N A

B L A C K T I G E R P R A W N S

#### For Shantanu Sheorey Aquakult Ltd

Shantanu Sheorey,	Chairman & Managing Director
Nayantara Katkar Sheorey,	Director
Bharat Belose,	Director
Cyrus M. Bhot	General Manager - Finance

Mumbai, 10<sup>th</sup> August, 2005

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2005**

	2004-05 (Rs. in Lakhs)	2003-04 (Rs. in Lakhs)
<b>A) Cash Flow from Operating Activities</b>		
Net Profit before tax and Extraordinary items	(53.63)	(49.53)
Adjustments for :		
Depreciation	42.35	42.98
Interest	—	—
Operating Profit before Working Capital charges	(11.28)	(6.55)
Adjustments for:		
(Increase)/Decrease in trade and other receivables	—	—
(Increase)/Decrease in Inventories	—	—
(Increase)/Decrease in Misc.Exp.not written off	2.61	2.61
(Increase)/Decrease in trade payables	(0.15)	3.94
Cash generated from operation	(8.82)	—
Interest paid	—	—
Net Cash from Operating Activities	(8.82)	—
<b>B) Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets (including Capitalisation of Pre-operative Expenses Rs.345.28 Lakhs)	8.82	—
Loans and Advances	—	—
Interest received	—	—
Purchase of Investments	—	—
Net Cash from Investing Activities	8.82	—
<b>C) Cash Flow from Financing Activities</b>		
Proceeds from Public/Private Issue	—	—
Proceeds from Borrowings net	—	—
Net Cash from Financing Activities	—	—
Net Increase in Cash and Cash Equivalents (A + B +C)	—	—
Cash & Cash Equivalents at beginning of the Year	0.06	0.06
Cash and Cash Equivalents at the end of the Year	0.06	0.06
<b>Notes:</b> 1. All figures in brackets are outflow.		
2. Previous years have been regrouped wherever necessary.		

**AUDITORS' REPORT**

I have examined the above cash flow statement of Shantanu Sheorey Aquakult Ltd., for the year ended March 31, 2005. The statement has been prepared by the company in accordance with the listing requirements of the listing agreement with Stock Exchanges and is based on and derived from the audited accounts of the Company for the year ended March 31, 2005

As per my report attached.

**K.R. Thanawalla**  
Chartered Accountants

Mumbai, 10<sup>th</sup> August, 2005

**For Shantanu Sheorey Aquakult Ltd**

Shantanu Sheorey,	Chairman & Managing Director
Nayantara Katkar Sheorey,	Director
Bharat Belose,	Director
Cyrus M. Bhot	General Manager - Finance

Mumbai, 10<sup>th</sup> August, 2005

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To,

*If undelivered please return to*

**SHANTANU SHEOREY AQUAKULT LIMITED**

Pandey House, 3rd Floor,

94-B, August Kranti Marg,

Mumbai - 400 036.