





## FORM B

## (Clause 31(a) of Listing Agreement)

## Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	Sen Pet (India) Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Qualified
4.	Frequency of observation	A) Repetitive in respect of observation A) as stated in item 5 below from the financial year ended 31 <sup>st</sup> March, 2000. B) Repetitive in respect of observation B) as stated in item 5 below from the financial year ended 31 <sup>st</sup> March, 2000.
5.	Draw attention to relevant notes in the annual financial statement and management response to the qualification in the directors report	<b>Observation :-</b> A) Regarding unascertainable interest on Term Loans/Working Capital Loans advanced by various Banks & Financial Institutions. (Refer note 2(d) of Independent Auditors' Report – Page no.13 of Annual Report) B) Regarding accounts of the Company prepared on going concern basis. (Refer note 2(d) of Independent Auditors' Report – Page no.13 of Annual Report) <b>Management Response:-</b> Refer Page 6 & 7 of Director's Report of the Annual Report.
6.	Additional comments from the Board/Audit Committee Chairman	A) As per disclosures made in the Annual Report. B) As per disclosures made in the Annual Report.
7.	To be signed by :-	
	➤ CEO/Managing Director	 (Abhijit Sen)
	➤ CFO	The Company does not have CFO.
	➤ Audit Committee Chairman	 (Umasankar Chattopadhyay)
	➤ Auditor of the Company	For Basu Das & Basu Chartered Accountants (Firm Registration No.311038E)  Amal Kumar Das Partner Membership No.050109 



**Board of Directors**

Mr. Umasankar Chattopadhyay	Director
Mr. Supratik Sen Barat	Director
Mr. Jyotirmoy Kar Roy	Whole Time Director

**Company Secretary**

Mr. Shakeel Ansari

**Auditors**

M/s Basu Das & Basu  
Chartered Accountants  
Windsor House, 2nd Floor, Room No. 16  
29, R. N. Mukherjee Road  
Kolkata - 700 001

**Registrars and Share Transfer Agents**

S. K. Infosolutions Pvt. Ltd.  
34/1 A, Sudhir Chatterjee Street  
Kolkata - 700 006

**Plant**

Plot No. 51-56, Sector - II, Falta  
Mouza - Simulberia, P.O. - Bisira  
24 Parganas (S), West Bengal

**Registered Office**

85, S. N. Banerjee Road  
Kolkata-700 014  
Phone : 2249-3871, 4012-3232  
Fax : 2265-0747  
email: systems@senglobal.com  
Web: www.senglobal.com

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**SEN PET (INDIA) LIMITED**

(FORMERLY ELQUE POLYESTERS LTD.)

**CIN : L25201WB1990PLC049690**

Registered Office : 85, S. N. BANERJEE ROAD, KOLKATA-700 014

PHONE : 2249-3871, 4012-3232, FAX : 2265-0747

Email: systems@senglobal.com, Web: www.senglobal.com

**NOTICE OF 24TH ANNUAL GENERAL MEETING**

Notice is hereby given that the Twenty-fourth Annual General Meeting of the Members of Sen Pet (India) Limited will be held at the registered office of the Company at 85, S. N. Banerjee Road, Kolkata- 700 014, on Thursday, the 25th Day of September, 2014 at 11.30. AM to transact the following business: -

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Statement of Profit & Loss for the year ended March 31, 2014, 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. Jyotirmoy Kar Roy(DIN: 00050721), liable to retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To re-appoint the Auditors and to fix their remuneration as recommended by the Audit committee.

**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 pursuant to the provisions of sections 149,150,152 and any other applicable provision of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 Mr. Umasankar Chattopadhyay (holding DIN: 00049317), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of three years from the conclusion of this Annual General Meeting till the Annual General Meeting for the financial year March 31, 2017.  
"RESOLVED FURTHER that pursuant to the provision of section 149,197 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Umasankar Chattopadhyay be paid such fees as the Board may approve from time to time and subject to such limit, prescribed or as may be prescribed from time to time."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED that pursuant to the provisions of sections 149,150,152 and any other applicable provision of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 Mr. Supratik Sen Barat (holding DIN: 00233794), Director of the Company who retires by rotation at Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of three years from the conclusion of this Annual General Meeting till the Annual General Meeting for the financial year March 31, 2017.  
"RESOLVED FURTHER that pursuant to the provision of section 149,197 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Supratik Sen Barat, be paid such fee as the Board may approve from time to time and subject to such limit, prescribed or as may be prescribed from time to time."

By Order of the Board  
For **Sen Pet (India) Limited**

Place : Kolkata  
Date: May 28, 2014

**Shakeel Ansari**  
Company Secretary

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxy form duly completed and signed, should be lodged with the Company, at its registered office at least 48 hours before the time of the meeting.
2. The relative Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013, in respect of the special business under item No. 4 and 5 are annexed hereto.
3. Pursuant to the provision of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2014 to September 25, 2014 (both days inclusive) for annual closing.
4. All documents referred to in the notice and the explanatory statement requiring the approval of the Member at the Meeting and other statutory registers shall be available for inspection by Members at the registered office of the Company during office hours on all working days between 11.00 am and 1.00 pm on all days except Saturdays, Sundays and public holidays, from date hereof up to the date of the annual general meeting.
5. Members holding shares in physical form are requested to promptly notify in writing any changes in their address to the Secretarial Department of the Company at "SEN PET (INDIA) LTD, 85, S.N. Banerjee Road, Kolkata-700014. Members holding shares in electronic form are requested to notify the changes in the above particular, if any, directly to their Depository Participant (DP).
6. Copies of Annual Reports will not be circulated at the Meeting. Members are requested to bring their copies of Annual Report to the Meeting.
7. The Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless

compliance through electronic mode. As per the Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 issued by the Ministry of Corporate affairs, companies can now send various notices/documents (including notice calling Annual General meeting, Audited financial Statements, Directors Report, Auditors' Report etc) to their shareholders through electronic mode, to the registered email address of the shareholders. All members are therefore requested to intimate their e-mail address to the Company's Registrar and Transfer Agents at "S.K. Infosolution Private Limited, 34/1A, Sudhir Chatterjee Street, Kolkata-700 006".

8. Voting Through electronic means

I. In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is please to provide members facility to exercise their right to vote at the 24th Annual General meeting by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited.

**The instructions for members for voting electronically are as under:-**

- (i) The voting period begins on 19/09/2014 and ends on 20/09/2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 30/08/2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant SEN PET (INDIA) LTD on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
  - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to helpdesk.evoting@cdslindia.com.

INFORMATION AS REQUIRED UNDER CLAUSE 49 (IV) (G) (i) OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS BEING RE-APPOINTED/APPOINTED:

Re-appointment of Mr. Jyotirmoy Kar Roy (Item: 2)

Mr. Jyotirmoy Kar Roy, Whole Time Director (Independent) of SEN PET (INDIA) LTD is a Cost Accountant from the Institute of Cost and Work Accountant of India. He is on the Board of SEN PET (INDIA) Ltd since 2004 and he is also a member of the Audit Committee of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail service Mr. J.K. Roy as Whole Time Director (Independent).

#### ANNEXURE TO THE NOTICE

#### Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013.

##### Item No. 4

Mr. Umasankar Chattopadhyay is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October 24, 1998. Mr. Chattopadhyay is a Fellow Member of the Institute of Chartered Accountant of India. And has more than 32 years experience in various finance and business.

Mr. Umasankar Chattopadhyay retires by rotation at the ensuring Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provision of the Companies Act, 2013, Mr. Chattopadhyay being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a period of three years from the conclusion of this Annual General Meeting till the Annual General Meeting for the financial year March 31, 2017. A notice has been received from a member proposing Mr. Chattopadhyay as a candidate for the office of Director of the Company. In the opinion of the Board, Mr. Chattopadhyay fulfils the conditions specified in the Companies act, 2013 and rule made thereunder for his appointment as Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Chattopadhyay. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Chattopadhyay as an Independent Director, for the approval by the shareholders of the Company. Under the Companies Act, 2013, Independent director can only receive fees under the provision of section 197(5) and profit related commission as may be approved by the members. Accordingly, approval of the members is also being sought for the purposes of payment of fees and profit related commission, which amounts may be decided by the Board/Nomination and Remuneration Committee from time to time, subject to the limits prescribed under the Companies Act, 2013 and as may be prescribed under the rules that are passed or may be passed from time to time.

Except Mr. Chattopadhyay, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. This explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

##### Item No. 5

Mr. Supratik Sen Barat is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October 24, 1998. Mr. Barat is an Advocate and has more than 36 years experience in corporate and allied laws.

Mr. Barat retires by rotation at the ensuring Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provision of the Companies Act, 2013, Mr. Barat being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a period of three years from the conclusion of this Annual General Meeting till the Annual General Meeting for the financial year March 31, 2017. A notice has been received from a member proposing Mr. Barat as a candidate for the office of Director of the Company. In the opinion of the Board, Mr. Barat fulfils the conditions specified in the Companies act, 2013 and rule made there under for his appointment as Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Barat. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Barat as an Independent Director, for the approval by the shareholders of the Company. Under the Companies Act, 2013, Independent director can only receive fees under the provision of section 197(5) and profit related commission as may be approved by the members. Accordingly, approval of the members is also being sought for the purposes of payment of fees and profit related commission, which amounts may be decided by the Board/Nomination and Remuneration Committee from time to time, subject to the limits prescribed under the Companies Act, 2013 and as may be prescribed under the rules that are passed or may be passed from time to time.

Except Mr. Barat, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. This explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

By Order of the Board  
For Sen Pet (India) Limited

Place : Kolkata  
Date: May 28, 2014

Shakeel Ansari  
Company Secretary

## DIRECTORS' REPORT

Dear Members

Your directors have pleasure in presenting the Twenty-Forth Annual Report together with the Audited Accounts for the period ended on March 31, 2014.

### Financial Performance Summary :

Following table gives the financial highlights of your Company on a standalone basis according to the Indian Generally Accepted Accounting Principles (GAAP).

	` 000'	
Year Ended March 31, 2014	2014	2013
Turnover	6,361	20,915
Other Income	9	168
Excess Liability written back	0	0
Variation in Stock	0	0
Total Expenditure	20,970	31,875
Profit/(Loss) before Interest, Depreciation , Impairment of Fixed Assets, Misc. expenses and prior period items	-14,600	-10,792
Interest	0	0
Depreciation	33,939	33,772
Provision for doubtful debts & prior period expenses	0	0
<b>Net Profit/(Loss) Before Tax</b>	<b>-48,539</b>	<b>-44,564</b>
Fringe Benefit Tax	0	0
<b>Net Profit /(Loss) after Tax</b>	<b>-48,539</b>	<b>-44,564</b>
Add: Balance brought forward from previous year	-1,975,320	-1,930,756
Balance Carried forward to Balance Sheet	-2,023,859	-1,975,320

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### Industry structure and developments:

The Company is engaged in the manufacturing of bottle grade PET Resin. The product is basically used for downstream manufacturing of PET bottles which are normally used in the bottled drinks, beverage, liquor and pharmaceutical sector.

#### Opportunities and Threats:

Due to its strength, transparency and lightweight PET bottle industry is growing day by day which provides ample opportunity and scope for our Company. The main threats to our industry are the volatility of prices of raw materials such as PTA and MEG mainly due to unstable PX-ACP in Asian commodity trading. This problem is further complicated with the increase in production capacity of PET resin within the country and abroad.

#### Prospects and Future outlook

As the demand for PET Resin is increasing worldwide, the management of the company is putting all its effort to reopen its plant during the current financial year. However, with an increase in manufacturing capacities in various countries, profit margin of PET is likely to remain under pressure. The power requirement of your Company was being met through HFO based Generator. However, due to increase in prices of furnace oil, your Company is planning to run the unit on grid power for which discussions with the West Bengal State Electricity Distribution Company Limited is going on, we hope to get the grid power connection very soon, which will have direct impact on the bottom-line of your Company through cost reduction. Further areas of cost reduction are being identified and techno economic viability is under consideration for a Coal based captive power plant. This will enable the Company to reduce the Power and Fuel cost even further.

#### Internal Control System

The Company has adequate system of internal controls and checks and balances to ensure that its assets are safeguarded and protected against loss from unauthorised use. The strength of these systems is continuously being monitored by the internal audit systems.

#### Segment Wise Reporting

Your Company operates only in one business segment i.e. PET Resin.

#### BIFR Status

The Company continues to remain under the purview of BIFR, therefore, no provision of interest and consequential charges has been made in the book of accounts in respect of the outstanding loans from banks & financial institutions based on various legal opinions obtained by the company.

#### Depository System

Your Company's shares have been dematerialized from with CDSL since October 19, 2001. In view of the numerous advantages offered by the Depository System, members are requested to avail of the facility of dematerialization of the Company's shares.

#### Corporate Governance

As per clause 49 of the Listing Agreement, a separate report on Corporate Governance is furnished as a part of the Annual Report along with the Auditors Certificate regarding the compliance of the Conditions of Corporate Governance.

#### Corporate Social responsibility

Your Company recognized that its operations has a wide effect on the society and therefore give appropriate attention to the fulfillment of its corporate responsibilities.

## Directors

In accordance with the Articles of Association of the Company and the provisions of the Companies Act, 1956, Mr. Supratik Sen Barat retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors recommend his reappointment.

## Director's 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 financial year ended March 31, 2014, the applicable accounting standards except AS15 read with requirements set out under schedule VI to Companies Act, 1956 have been followed along with proper explanation. The Company had shut down the plant since August, 2009.
- (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 financial year and of the loss of the Company for the year under review.
- (iii) that the Directors had taken proper and sufficient care to the extent possible 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 the financial year ended March 31, 2014 on a 'going concern' basis, subject to the fact that there has been adverse market condition during the relevant accounting year and the Company had to shut down the plant since August, 2009.

## Compliance of Sec. 274 (1) (g) of the Companies Act, 1956, as amended

The Companies (Amendment) Act, 2000 had introduced clause (f) to sub section (3) of Section 227 in terms of which the auditors are required to state in their Report whether any Director is disqualified from being appointed as Director in terms of clause (g) to sub section (1) of Section 274 of the Act.

The Board has the pleasure to inform that none of the Directors of your Company is disqualified under section 274 (1) (g) of the Companies Act, 1956 and necessary declaration regarding this has been obtained from all the Directors.

## Conservation of Energy, Technology, Absorption, etc.

Information as required under section 271 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors), Rules, 1988, regarding Conservation of Energy, Technology, Absorption and Foreign Exchange Earning and Outgo is given in Annexure-A forming Part of this report.

## Human Resources:

The Company firmly believes that human resources and knowledge capital are vital for business success and creating value for stakeholders. The Industrial Relations during the year under review was cordial.

## Employee Particulars

None of the employees of the company have received remuneration in excess of the limit prescribed under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rule 1975.

## Auditors

The auditors of the company M/s. Basu Das & Basu, Chartered Accountants, retire at the ensuing Annual General Meeting, and being eligible offer themselves for re-ppointment. The Company has received letters from all of them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Board recommends their re-appointment.

## Auditors' Observation

The observations made by the Auditors have been fully explained in the Notes on Accounts.

## Acknowledgment

Your directors wish to place on record their sincere appreciation to all employees for their individual and collective contribution towards the growth and development of the company. The directors also thank the Shareholders, Bankers, Statutory Authorities and Business Associates for the confidence reposed by them in the Company.

On Behalf of the Board of Directors

Place: Kolkata

Date : May 28, 2014

**Umasankar Chattopadhyay**

Director



**ANNEXURE-A**

INFORMATION UNDER SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF THE BOARD OF THE DIRECTORS) RULES, 1988

**A) Energy Conservation :**

**A. Various Conservation Measures Taken:**

- (i) Use of low power lamps for lighting
- (ii) Adequate and quality insulation of hot and cold lines.
- (iii) Use of variable speed A/c Drivers and PLC inverter

**B. Additional investments and proposals, if any, being implemented for reduction of consumption of energy:**

- (i) Conducting energy audit.
- (ii) Conducting illumination surveys to identify the existing lux levels in the plant.

**C. Impact of measures of (A) and (B) above for reduction of energy consumption and consequent impact on cost of production of goods:**

Consumption of energy per unit of production has come down marginally due to aforesaid measures undertaken.

- D. Total energy consumption and energy consumption per unit of production: (As plant was shut down on a nd from August 2009, till 31st March, 2014 therefore expenditure towards Power and fuel, relating to production was nil.)

**B. Technology Absorption:**

The Company's local technical development remained closely synchronized with the development works undertaken by our Collaborators.

**C. Foreign Exchange Earnings and Outgo:**

The details of Foreign Exchange used and earned by the company during the year are as under.

	₹ In Lakh
Earnings in Foreign Exchange	Nil
Expenditure in Foreign Exchange	16.44

## CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as incorporated in Clause 49 of the Listing Agreement is set out below:-

### 1. Company's Philosophy on Code of Governance:-

Your company firmly believes good corporate governance contemplates that corporate action balances the interest of all the stake holders of the Company and society at large. Such practices are founded upon the core values of transparency, empowerment, accountability and fair play. The Company makes its best endeavors to uphold and nurture these core values in all aspects of its operations.

### 2. Board of Directors:-

#### Composition and Category:

The present strength of the Board of Directors is three. All of them are independent Directors. The Composition of the Board of Directors and also the number of other directorship and Committees of which they are members/ Chairpersons are as under:-

Name of the Director	Category	No. of Other Directorships	No. of membership of Board/ Committees	No. of Board /Committees for which chairperson
Mr. Umasankar Chattopadhyay	Non Executive Independent Director	1	3	2
Mr. Supratik Sen Barat	Non Executive Independent Director	1	2	1
Mr. Jyotirmoy Kar Roy	Independent Director	Nil	2	Nil

Particulars of the Directors to be appointed/re-appointed at the ensuing Annual General Meeting pursuant to revised Clause 49 of the Listing Agreement:

Name of the Director	Shri Umasankar Chattopadhyay	Shri Jyotirmoy Kar Roy	Shri Supratik Sen Barat
Date of Birth	1st January, 1941	8th February, 1931	28th July, 1947
Date of Appointment	24/10/1998	15/10/2004	24/10/1998
Qualification	B.Com (Hons.) FCA	B.Com, M.A. FICWA	LLM
Expertise in specific functional area	Mr. Chattopadhyay is a Chartered accountant by qualification has more than 33 years experience in various areas of finance and business	Mr. Roy has long experience in various senior position in Finance & Accounts in various companies	Mr. Sen Barat is an advocate and has more than 36 years experience in Corporate and allied laws.
Directorship of other companies	1	Nil	1
Chairman/Membership in the Committees	Chairman of Audit and Stakeholders Committee	Nil	Chairman of Remuneration Committee
Shareholding in Equity Shares of the Company and % of holding	Nil	Nil	Nil

#### Meetings:

During the period ended on 31st March, 2014, Four Board Meetings were held on May 28, 2013, August 14, 2013, November 07, 2013 and February 12, 2014. The attendance of each Director at the Board

Meetings and the last Annual General Meeting (AGM) is as under:-

Name of the Director	No. of Board meetings attended	Attendance at Last AGM held on 27.09.2013
Mr. Umasankar Chattopadhyay	4	Yes
Mr. Supratik Sen Barat	4	Yes
Mr. Jyotirmoy Kar Roy	4	Yes

### 3. Code of Conduct

The Company has already adopted a Code of Conduct applicable to all its Directors and Senior Management Personnel of the Company. All Board Members and senior management personnel have affirmed compliance with the Company's code of conduct during the year. A declaration to this effect, duly signed by the Whole Time Director of the Company, is annexed and forms a part of this Report.

### 4. Audit Committee

The Audit Committee of the Company comprises of three Directors at present all of them are Independent Directors. All these Directors possess knowledge of corporate finance, accounts and Company law. The Chairman of the Committee is Mr. Umasankar Chattopadhyay. The Company Secretary acts as the Secretary to the Committee. The Auditors of the Company are invited to attend the meetings of the Committee. The terms of reference of the Audit Committee cover the following matters as specified under Clause 49 of the Listing Agreements as well as in Section 292A of the Companies Act, 1956.

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing the adequacy of internal control and internal audit system and Company's financial and risk management policies.
- Reviewing the annual financial statements before submission to the Board.
- Discussion with external auditors before the audit commences, nature and scope of audit as well as have post audit discussion to ascertain any area of concern.

#### Composition and Category of Audit Committee:

Name of the Director	Category
Mr. Umasankar Chattopadhyay	Non Executive Independent Director
Mr. Supratik Sen Barat	Non Executive Independent Director
Mr. Jyotirmoy Kar Roy	Independent Director
<b>Meetings:</b>	

During the period ended March 31, 2014, Four Audit Committee Meetings were held on May 28, 2013, August 14, 2013, November 07, 2013 and February 12, 2014.

### 5. Nomination and Remuneration Committee:-

The Company has a Nomination and Remuneration Committee Mr. Sen Barat is the Chairman of the Committee and Mr. Umasankar Chattopadhyay is a member. The non-executive, independent directors of your Company has no pecuniary relationship or transactions with the Company except sitting fees

paid for attending the Board Meeting and Audit Committee Meeting @ Rs. 1000/- per meeting. The Company does not currently have a stock option plan or performance linked incentive for its Directors.

Details of Remuneration to the Directors for the year ended 31st March, 2014:-

Name of the Director	Salary ( <sup>₹</sup> )	Benefits ( <sup>₹</sup> )	Sitting Fees ( <sup>₹</sup> )	Total ( <sup>₹</sup> )
Mr. Umasankar Chattopadhyay	Nil	Nil	8,000	8,000
Mr. Supratik Sen Barat	Nil	Nil	8,000	8,000
Mr. Jyotirmoy Kar Roy	Nil	Nil	8,000	8,000

#### 6. Stake Holders' Grievance Committee:-

The Company has a Shareholders' Grievance Committee of the Board which was constituted on May 30, 1997 and at present comprises of all the three directors. The various issue addressed in connection with Shareholders and Investors service and complaints are:

##### a) Share Transfers:

- Approve and register transfer and transmission.
- Sub division/consolidation/ replacement of Share Certificates.
- Issue of duplicate Share Certificates in lieu of lost share Certificates.
- Affix Common Seal on Share Certificates and maintain safe custody of Common seal.

##### b) Shareholders/ Investors Complaints pertaining to

- Non- receipt of Shares after transfer
- Non receipt of Annual Report
- Other matters related to or arising out of shareholders/ investors services.

The minutes of the Committee are placed before the Board. The Committee meets at regular intervals to effect Share Transfer. The Company Secretary of the Company is the Secretary of the Committee. During the period no Investor complaints was received. No Shareholder complaints were pending as on March 31, 2014.

#### 7. Whistle Blower Policy/Vigil Mechanism

To strengthen its policy of Corporate Transparency, the company has established an innovative and empowering mechanism for directors and employees, so that they can report to the management their concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethic policy.

#### 8. General Body Meeting:-

Location and time where last three Annual General Meetings were held is given below:

Financial Year	Date	Location of Meeting	Time
2010-2011	29.09.2011	85, S.N. Banerjee Road Kolkata-14	11.30 a.m.
2011-2012	27.09.2012	85, S.N. Banerjee Road Kolkata-14	11.30 a.m.
2012-2013	27.08.2013	85, S.N. Banerjee Road Kolkata-14	11.30 a.m.

No Special resolution was put through postal ballot at the last year.

#### 9. Disclosures:-

- Related party transactions entered into by the Company during the year do not have potential conflict with the interests of the Company at large.
- The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/ strictures have been imposed against it during the last three years.

#### 10. Means of Communication:-

The quarterly and half yearly results are submitted to the Stock Exchanges in accordance with the Listing Agreements and are normally published in Business Standard and in one Bengali Newspaper. During the year no presentations have been made to any institutional investors and analysts by the Company.

#### 11. General Shareholders information:-

##### (i) Annual General Meeting:

Date and Time 25/09/2014 at 11:30 A.M.  
Venue 85, S.N. Banerjee Road,  
Kolkata-700 014.

##### (ii) Financial Calendar

2014 -2015 (tentative) Results for the quarter ended 30th June, 2014  
Last week of July, 2014  
Results for the quarter ending 30th September, 2014  
Last week of October, 2014  
Results for the quarter ending 31st December, 2014  
Last week of January, 2015  
Results for the last quarter ending 31st March, 2015  
Last week of April, 2015

##### (iii) Book Closure Date

22.09.2014 to 25.09.2014 on account of AGM

##### (iv) Listing of Equity shares on Stock Exchange at

1) The Stock Exchange, Mumbai  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001  
2) Calcutta Stock Exchange  
Association Ltd.  
7 Lyons Range, Kolkata-700 001.  
3) The Stock Exchange,  
Ahmedabad  
Kamdhenu Complex, Opp  
Sahajanand College,  
Panjarapole, Ahmedabad-  
380 015

##### (v) Depositories

Central Depository Service  
(India) Ltd.  
Phiroze Jeejeebhoy Towers  
17th Floor, Dalal Street  
Mumbai - 400 001

##### (vi) Share Transfer System

Share transfers are normally effected within a maximum period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

The Registrar and Share Transfer agent including Demat Registrar of the Company is M/s. S.K.Infosolutions Pvt.Ltd., 34/1A, Sudhir Chatterjee Street, Kolkata-700 006, Phone no. 2219-4815, 2219-6797

vii) Distribution of Shareholding as on 31st March, 2014

Category	No. of Shares	% of Holding
<b>1. Shareholding of Promoter and Promoters Group</b>		
a) Indian	27,609,400	64.52
b) Foreign	3,136,000	7.33
<b>2. Public Shareholding</b>		
<b>A: Institutions</b>		
1. Financial Institution and Banks	10,943,500	25.57
2. Insurance	200,000	0.47
3. Central Govt./State Govt.	–	–
4. Foreign Institutional Investors	–	–
<b>B: Non Institutions</b>		
1. Bodies Corporate	51,700	0.12
2. Individuals	852,900	1.99
<b>3. Shares held by Custodians and against which Depository Receipts have been issued.</b>	–	–
<b>Total</b>	<b>42,793,500</b>	<b>100</b>

viii) Dematerialization of shares Till the year ended on 31.03.2014, 2,30,98,600 number of equity shares have been dematerialised with the CDSL account.

ix) Outstanding GDR/ADR or any convertible instruments etc. Nil

x) Plant Location Plot NO. 51-56, Sector-II, Mouza Simbuleria, P.O- Bisira 24 Parganas (s), West Bengal, Pin-743 504

xi) Investors correspondence for transfer / dematerialisation of shares and any other query relating to the shares of the Company  
Mr. Shakeel Ansari  
Company Secretary  
Sen Pet (India) Ltd.  
(Formerly Elque Polyesters Ltd.)  
85, S.N. Banerjee Road  
Kolkata-700 014  
Phone-2249-3871

xii) CIN L25201WB1990PLC049690

On Behalf of the Board of Directors

Place: Kolkata  
Date : May 28, 2014

**Umasankar Chattopadhyay**  
Director

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE  
TO THE MEMBERS OF SEN PET (INDIA) LTD.  
(Formerly known as Elque Polyesters Ltd.)**

We have examined the compliance of conditions of Corporate Governance by Sen Pet (India) Limited for merly known as Elque Polyesters Ltd. for the year ended March 31, 2014, as stipulated in clause 49 of the listing agreement of the said compa ny with the stock exchanges. The compliance of conditions on Corporate Governance is the responsibility of the Management. Our examination was c arried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliances of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement s of the Company.

In our opinion and to the best of our information and according to the explanations given to us we c larify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the comp any nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Basu Das & Basu**  
Chartered Accountants  
FRN: 311038E  
**Amal Kumar Das**  
Partner  
Membership No. 050109

Place: Kolkata  
Date: May 28, 2014

### CERTIFICATION BY DIRECTORS

We in our official capacity do hereby confirm and certify that:

- (a) We have reviewed financial statements and the Cash Flow Statement for the year ended March 31, 2014 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable law and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2013-14 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and state that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit committee deficiencies in the design or operation of internal controls, if any of which we are aware and steps have been taken or proposed to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee.
- (i) significant changes in internal control during the year ended March 31, 2014.
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For **SEN PET (INDIA) LIMITED**

**JYOTIRMOY KAR ROY**

DIRECTOR

Place: Kolkata

**UMASANKAR CHATTOPADHYAY**

Date: May 28, 2014

DIRECTOR

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### CERTIFICATE IN RESPECT OF COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY

I, undersigned, in my capacity as the Whole time Director of the Company do hereby certify that during the financial year 2013-14 all directors and senior executives of the Company have complied with and adhered to the Code of Conduct of the Company as approved and prescribed by the Board of Directors of the Company.

For **SEN PET (INDIA) LIMITED**

**JYOTIRMOY KAR ROY**

WHOLE TIME DIRECTOR

## INDEPENDENT AUDITORS' REPORT

To the Members of

### SEN PET (INDIA) LIMITED

(Formerly known as Elque Polyesters Limited)

#### Report on the Financial Statements

We have audited the accompanying financial statements of SEN PET (INDIA) LIMITED (" the Company ") which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Company Act, 1956 (the Act) read with the general circular 15/2013 dated 13th September, 2013 of the Ministry of the Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss Account, of the loss for the year ended on that date; and

Place : Kolkata  
Date : May 28, 2014

- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with accounting standard notified under the Act read with the general circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Company Act, 2013.
    - (i) Non revaluation of Foreign Currency Liability as per Accounting Standard 11, Accounting for the effect in changes of Foreign Currency Rates,
    - (ii) Determination of Employee Benefits on accrual basis as per Accounting Standard 15, Employee Benefits and consequential disclosure thereof in the Notes of Accounts
  - e) On the basis of written representations received from the Directors as on March 31, 2014 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub - section (1) of Section 274 of the Companies Act, 1956;

#### Further to our comments in para. d supra we draw reference to

- (a) Point No. 5 of Note no. 22, regarding interest, further interest on interest and liquidated damages on Term Loans/ Working Capital Loans advanced by various Banks and Financial Institutions for the current year, the quantum of which is unascertainable.
- (b) Subject to point no.3, 4, 6, 14, 16 and 17 of Note no.22, we reserve our comments on the going concern assumption adopted by the company.

For Basu Das & Basu  
(Firm Registration No.311038E)  
Chartered Accountants

Amal Kumar Das  
Partner

Membership No.050109

**ANNEXURE - 1**

**Annexure to Independent Auditors' Report referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date**

On the basis of the information and explanations furnished to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, in our opinion we further report that:

1. In respect of its Fixed Assets:
  - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) The fixed assets of the Company have been physically verified at reasonable intervals during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) The company has not disposed of a substantial part of the fixed assets during the year so as to affect its going concern status.
2. In respect of its Inventories:
  - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable.
  - b) In our opinion, the procedure of physical verification of inventories as followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company has maintained proper records of inventories.
3. In respect of the loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
  - a) The Company has not granted any loan during the year to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of clause (iii)b, (iii)c and (iii)d of paragraph 4 of the Order are not applicable.
  - b) The Company has not taken any loan during the years from the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Consequently, the requirements of clause (iii)f and (iii)g of paragraph 4 of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods are in vogue. Further, on the basis of our examination and according to the information and explanations made available to us, we have neither come across nor have been informed of the continuing failure to correct major weaknesses in the aforesaid internal control system.
5. In respect of the contracts or arrangements referred to in section 301 of the Companies Act, 1956:
  - a) In our opinion, particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register, required to be maintained under that section.
  - b) In our opinion, the transactions made in pursuance to such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public pursuant to the provisions envisaged under the Companies (Acceptance of Deposits) Rules, 1975, consequently, compliance under the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Companies Act, 1956 does not arise. Therefore, the provision of clause (vi) of paragraph 4 of the order are not applicable to the Company
7. In our opinion, the Company has an internal audit system commensurate with the size of the company and the nature of its business.
8. The Central Government has not prescribed maintenance of cost records by the Company under section 209(1)(d) of the Companies Act, 1956 for any of its services.
9. The company is generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Central Sales Tax, West Bengal Value Added Tax, Wealth Tax, Customs Duty and other material statutory dues with the appropriate authorities during the period under review, except ` 9.64 lacs is outstanding against Excise Duty, Custom Duty including its Education Cess and ` 10.21 lacs against Sales Tax. Apart from that no undisputed amount payable in respect of the aforesaid statutory liability were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable. The matter relating to exemption on payment of E.S.I. is pending with the Hon'ble High Court at Kolkata. (Vide point no. 6 of Note no. 22). Estimated liability as decided by the management is amounting to ` 38.02 lacs (approximately).
10. According to the information and explanations given to us, details of disputed statutory dues have not been deposited as on 31st March, 2014 on account of disputed matters pending before appropriate authorities are as under:

Name of the Statute	Nature of Due	Amount (₹ in Lacs)	Period for Which the matter relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty	2734.79	1996 to 2005	With Commissioner of Customs and CESTAT

Name of the Statute	Nature of Due	Amount (₹ in Lacs)	Period for Which the matter relates	Forum where the dispute is pending
The West Bengal Sales Tax Act, 1994 and Central Sales Tax Act, 1956	Sales Tax	839.01	2001-2003	Application to be filed, High Court, Calcutta
The West Bengal Sales Tax Act, 1994 and Central Sales Tax Act, 1956	Sales Tax	620.00	2002-2003	Asst. Commissioner, Commercial Taxes, South Circle Kolkata.
The West Bengal Sales Tax Act, 1994 and Central Sales Tax Act, 1956	Sales Tax	939.61	2003-04	Asst. Commissioner, Commercial Taxes, South Circle Kolkata.
The West Bengal Sales Tax Act, 1994 and Central Sales Tax Act, 1956	Sales Tax	18.63	2004-05	West Bengal Commercial Taxes Appellate & Revisional Board.
VAT Act, 2003 & CST Act, 1956	Sales Tax	58.80	2005-06	West Bengal Commercial Taxes Appellate & Revisional Board.
VAT Act, 2003 & CST Act, 1956	Sales Tax	65.76	2009-10	Asst. Commissioner, Commercial Taxes, South Circle Kolkata.
VAT Act, 2003 & CST Act, 1956	Sales Tax	7.47	2010-2011	Joint Commissioner, Commercial Taxes, South Circle Kolkata.

The company has incurred cash losses in the current financial year amounting to ₹ 146 Lacs (cash loss of ₹ 107.92 lacs in the FY 2012-13). The company had been referred to BIFR in the year 2000 as its net worth had been eroded.

11. The company has made defaults in the repayment of dues to the financial institutions and banks during the year under review, the amount and period of default is not ascertainable at this stage.

12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities consequently the requirements of this provision are not applicable to the company.
13. The company is not a chit fund company and as such the requirements of clause (xiii) of paragraph 4 of the order are not applicable to the Company.
14. The company does not deal in the trading of shares, securities, debentures and other investments, consequently the requirements of clause (xiv) of paragraph 4 of the order are not applicable to the Company.
15. The company has not given any guarantees for loans taken by others from bank or financial institutions, consequently the requirements of clause (xv) of paragraph 4 of the order are not applicable to the Company.
16. The company has not availed of any term loans during the year under reference; consequently, utilization thereof for the purposes for which the loans were primarily obtained is not applicable to the company.
17. The company has not raised any long term or short term funds during the year under review consequently the requirement for utilization thereof for the purposes specified for such funds does not arise.
18. The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures during the year under review; consequently the clause (xix) of paragraph 4 of the order is not applicable to the Company.
20. The company has not made any public issues during the year under review, consequently the provisions of the clause (xx) of paragraph 4 of the order is not applicable to the company.
21. According to the information and explanations made available to us, based on the audit procedures performed and as certified by the management it appears that no material frauds on or by the company have been noticed or reported during the year under review.

For **Basu Das & Basu**

(Firm Registration No.311038E)

*Chartered Accountants*

**Amal Kumar Das**

Place : Kolkata

Partner

Date : May 28, 2014

Membership No.050109



**BALANCE SHEET AS AT 31ST MARCH, 2014**

(Figures in `)

Particulars	Note No.	31 March 2014	31 March 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	433,880,500	433,880,500
(b) Reserves and surplus	2	-1,781,635,356	-1,733,096,251
(c) Money received against share warrants			
<b>2 Share application money pending allotment</b>			
		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	3	1,476,046,817	1,475,403,037
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	4	240,960,216	236,365,064
(d) Long-term provisions	5	777,353	777,353
<b>4 Current liabilities</b>			
(a) Short-term borrowings	6	7,420,978	643,780
(b) Trade payables		1,015,988	333,335
(c) Other current liabilities	7	2,412,849	5,653,528
(d) Short-term provisions		60,000	60,000
<b>TOTAL</b>		<b>380,939,345</b>	<b>420,020,346</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	8		
(i) Tangible assets		75,660,663	104,904,214
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		1,600,103	1,175,103
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		222,789,856	222,789,856
(d) Long-term loans and advances	9	35,044,287	38,924,923
(e) Other non-current assets	10	358,556	358,556
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	11	40,735,011	45,079,672
(c) Trade receivables	12	106,935	1,345,990
(d) Cash and cash equivalents	13	405,566	257,348
(e) Short-term loans and advances	14	4,238,368	5,184,684
Significant Accounting Policies & Notes on Financial Statements		1 TO 22	
<b>TOTAL</b>		<b>380,939,345</b>	<b>420,020,346</b>

Signed in terms of our Report of even date.

For and on behalf of the Board of Directors

For **Basu Das & Basu**  
Chartered Accountants  
(Firm Registration No.311038E)

**Jyotirmoy Kar Roy**  
Director

**Amal Kumar Das**  
Partner  
(Membership No.050109)  
Place : Kolkata  
Date : May 28, 2014

**Shakeel Ansari**  
Company Secretary

**Umasankar Chattopadhyay**  
Director

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2014**

(Figures in `)

Particulars	Note No.	31 March 2014	31 March 2013
I. Revenue from operations	16	6,361,409	20,914,672
II. Other income	17	9,519	168,425
<b>III. Total Revenue (I + II)</b>		<b>6,370,928</b>	<b>21,083,097</b>
IV. Expenses:			
Cost of materials consumed		4,352,734	13,648,968
Purchases of Stock-in-Trade			
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Employee benefits expense	18	8,514,015	4,793,045
Finance costs	19	18,551	113,696
Depreciation and amortization expense		33,939,707	33,772,345
Other expenses	20	8,085,026	13,319,664
<b>Total expenses</b>		<b>54,910,033</b>	<b>65,647,718</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>(48,539,105)</b>	<b>(44,564,621)</b>
VI. Exceptional items			-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>(48,539,105)</b>	<b>(44,564,621)</b>
VIII. Extraordinary Items			-
<b>IX. Profit before tax (VII- VIII)</b>		<b>(48,539,105)</b>	<b>(44,564,621)</b>
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
<b>XI. Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>(48,539,105)</b>	<b>(44,564,621)</b>
XII. Profit/(loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
<b>XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>(48,539,105)</b>	<b>(44,564,621)</b>
<b>XV. Profit (Loss) for the period (XI + XIV)</b>		<b>(48,539,105)</b>	<b>(44,564,621)</b>
XVI. Earnings per equity share:			
Basic & Diluted		(1.13)	(1.04)
Significant Accounting Policies & Notes on Financial Statements	<b>1 TO 22</b>		

Signed in terms of our Report of even date.

For **Basu Das & Basu**  
Chartered Accountants  
(Firm Registration No.311038E)

**Amal Kumar Das**  
Partner  
(Membership No.050109)  
Place : Kolkata  
Date : May 28, 2014

**Shakeel Ansari**  
Company Secretary

For and on behalf of the Board of Directors

**Jyotirmoy Kar Roy**  
Director

**Umasankar Chattopadhyay**  
Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

	Amount 31st March, 14	Amount 31st March, 13
<b>A. Cash Flow from Operating Activities :</b>		
Profit before taxation and exceptional items	(48,539,105)	(44,564,621)
Adjustment for :		
Depreciation & Amortisation	33,939,707	33,772,345
Impairment of Assets	-	-
Other Income	(9,519)	(168,425)
Provision for Doubtful Debts		
<b>Operating Profit before Working Capital Changes</b>	<b>(14,608,917)</b>	<b>(10,960,701)</b>
Adjustment for :		
Decrease in Unsecured Loans	7,420,978	362,831
Trade and Other Receivables	6,066,007	(8,992,229)
Inventories	4,344,662	13,448,009
Trade Payables and Other Liabilities	2,037,127	517,260
Cash generated from operations	19,868,775	5,335,871
<b>Net Cash from Operating Activities - A</b>	<b>5,259,857</b>	<b>(5,624,830)</b>
<b>B. Cash Flow from Investing Activities :</b>		
Purchase/Sale of fixed assets	(5,121,155)	5,602,187
Other Income	9,519	168,425
Net Cash from/used in Investing Activities - B	(5,111,636)	5,770,612
<b>C. Cash Flow from Financing Activities :</b>		
Interest paid	-	-
Bank overdraft (net)	-	-
Proceeds from Borrowings	-	-
<b>Net Cash used in Financing Activities - C</b>	<b>-</b>	<b>-</b>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	148,221	145,782
Cash and Cash equivalents for the previous year	257,345	111,564
Cash and Cash equivalents for the Current Year	405,566	257,345

**Notes :**

- The cash flow statement has been prepared in accordance with the requirements of Accounting Standard -3. "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.
- Cash & Cash Equivalent include :

Cash and Cheques in hand & Balance with Scheduled Banks	405,566	257,347
Unrealised gain on foreign currency cash & cash equivalent	-	-
- Previous year's figures have been regrouped/re-arranged, wherever necessary.

Signed in terms of our Report of even date

For and on behalf of the Board of Directors

For **Basu Das & Basu**  
Chartered Accountants  
(Firm Registration No.311038E)

**Jyotirmoy Kar Roy**  
Director

**Amal Kumar Das**  
Partner  
(Membership No.050109)  
Place : Kolkata  
Date : May 28, 2014

**Shakeel Ansari**  
Company Secretary

**Umasankar Chattopadhyay**  
Director

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH , 2014

NOTE - 1

SHARE CAPITAL	As at 31 March 2014	As at 31 March 2013
<b>Authorised</b>		
4,70,00,000 Equity Shares of ` 10/- each	470,000,000	470,000,000
<b>Issued</b>		
4,27,93,500 Equity Shares of ` 10/- each	427,935,000	427,935,000
<b>Subscribed &amp; Paid up</b>		
4,27,93,500 Equity Shares of ` 10/- each fully paid	427,935,000	427,935,000
<b>Forfeited Shares (Amount originally paid-up)</b>		
Equity Shares of ` 10/- each, not fully paid up	5,945,500	5,945,500
<b>Total</b>	<b>433,880,500</b>	<b>433,880,500</b>

NOTE - 1 A

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	43,388,050	433,880,500
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	<b>43,388,050</b>	<b>433,880,500</b>

NOTE - 1 B

The details of Shareholders holding more than 5% shares :

Sr No.	Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
		No. of Share held	% of Holding	No. of Share held	% of Holding
1	Mr.Abhijit Sen	1,436,290	34%	1,436,290	34%
2	Mr.Anil Sen	6,028,657	14%	6,028,657	14%
3	Industrial Development Bank of India	4,880,500	11%	4,880,500	11%
4	Sunkyoung Food Private Limited	<b>3,136,000</b>	<b>7%</b>	<b>3,136,000</b>	<b>7%</b>
		<b>15,481,447</b>	<b>66%</b>	<b>15,481,447</b>	<b>66%</b>

NOTE - 1 C

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ` 10/- per share. Each share is entitled to one vote. Equity shareholders will be entitled to dividend as when declared by the company. In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution to preference shares, secured and unsecured creditors (if any).

NOTE - 2

Reserves & Surplus	As at 31 March 2014	As at 31 March 2013
<b>a. Capital Reserves</b>		
Opening Balance	10,328,326	10,328,326
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	<b>10,328,326</b>	<b>10,328,326</b>

Reserves & Surplus

	As at 31 March 2014	As at 31 March 2013
<b>b. Surplus</b>		
Opening balance of Profit & Loss Account	(1,743,424,577)	(1,698,859,956)
(+) Net Profit/(Net Loss) For the current year	(48,539,105)	(44,564,621)
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	<b>(1,791,963,682)</b>	<b>(1,743,424,577)</b>
<b>Total</b>	<b>(1,781,635,356)</b>	<b>(1,733,096,251)</b>

NOTE - 3

Long Term Borrowing	As at 31 March 2014	As at 31 March 2013
<b>Secured</b>		
<b>(a) Term loans</b>		
<b>IDBI Foreign Currency Loan</b>	609,434,757	609,434,757
<b>State Bank of India</b>	581,103,775	581,103,775

(Secured By Equitable Mortgage of Immovable properties, both present & future and by hypothecation of all the movable properties, both present & future (save & except book debts) subject to prior charge on movable assets in favour of the companies' Bankers for working capital loan.)

<b>Term Loan from SBI Home</b>	11,043,588	11,043,588
--------------------------------	------------	------------

(Secured By Equitable Mortgage of Housing Colony at Falta Growth Centre, Falta) (of the above, all the loans are further secured by Corporate Guarantee of a Public Limited Company and Personal Guarantee of the Ex. Managing Director of the Company.)

**(b) Working Capital Loan**

(Secured by hypothecation to Stocks and Book Debts)	2,798,474	2,798,470
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(of the above, liability is further secured by Corporate Guarantee of a Public Limited Company and Personal Guarantee of the Ex. Managing Director of the Company.)

	<b>1,204,380,594</b>	<b>1,204,380,590</b>
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In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a & b).

**1. Period of default :** The Company was declared Sick on 13th January 2000 under section 3(1)(o) of the Sick Industrial Company's (Special Provision) Act, 1985. The Industrial Development Bank of India (IDBI) was appointed as the Operating Agency (OA). As per the directions of BIFR the company is in the process of submitting its rehabilitation scheme to the OA pending finalization of negotiations with Banks and Financial Institutions for one time settlement of their dues.

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH , 2014**

	As at 31 March 2014	As at 31 March 2013		As at 31 March 2014	As at 31 March 2013
<b>2. Amount :</b> As regards borrowings from related parties and group companies, no terms was stipulated as to repayment of such borrowings and interest thereof between the lender and loanee and as such the questions of providing the period and amount of continuous default in the opinion of the management do not arise. Further, there is no dispute between the parties concerned. However, steps being taken to review the position of each loan and/or advances.			<b>NOTE - 4</b>		
<b>Unsecured</b>			<b>Other Long Term Liabilities</b>		
(a) <b>Term loans</b>					
from banks	268,034,810	268,034,810	(a) Trade Payables	159,334,963	159,447,529
from other parties	3,631,413	2,987,633	(b) Others	81,625,253	76,977,535
	<u>271,666,223</u>	<u>271,022,443</u>	<b>Total</b>	<u>240,960,216</u>	<u>236,425,064</u>
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a).</b>			<b>NOTE - 5</b>		
<b>1. Period of default :</b> The Company was declared Sick on 13th January 2000 under section 3(1)(o) of the Sick Industrial Company's (Special Provision) Act, 1985. The Industrial Development Bank of India (IDBI) was appointed as the Operating Agency (OA). As per the directions of BIFR the company is in the process of submitting its rehabilitation scheme to the OA pending finalization of negotiations with Banks and Financial Institutions for one time settlement of their dues.			<b>Long Term Provisions</b>		
<b>2. Amount :</b> As regards borrowings from related parties and group companies, no terms was stipulated as to repayment of such borrowings and interest thereof between the lender and loanee and as such the questions of providing the period and amount of continuous default in the opinion of the management do not arise. Further, there is no dispute between the parties concerned. However, steps being taken to review the position of each loan and/or advances.			(a) <b>Provision for employee benefits</b>		
			Gratuity (unfunded)	777,353	777,353
			<b>Total</b>	<u>777,353</u>	<u>777,353</u>
<b>Total</b>	<u>1,476,046,817</u>	<u>1,475,403,037</u>	<b>NOTE - 6</b>		
			<b>Short Term Borrowings</b>		
			<b>Unsecured</b>		
			(a) <b>Loans repayable on demand</b>		
			from banks	-	-
			from other parties	7,420,978	643,780
			<b>Total</b>	<u>7,420,978</u>	<u>643,780</u>
			<b>NOTE - 7</b>		
			<b>Other Current Liabilities</b>		
			(a) Current maturities of long-term debt		
			(b) Current maturities of finance lease obligations	-	-
			(c) Income received in advance	439,882	3,730,977
			(d) Other payables (includes statutory dues, security deposits etc.)	1,972,967	1,922,551
			<b>Total</b>	<u>2,412,849</u>	<u>5,653,528</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH , 2014

NOTE - 8

FIXED ASSETS

DESCRIPTION	GROSS BLOCK				ACCUMULATED DEPRECIATION					NET BLOCK	
	As at 31.3. 2013	Addition	Disposal	As at 31.3. 2014	As at 31.3. 2013	Depreciation charge for the year	Adjustment due to revaluations	On disposals	As at 31.3. 2014	As at 31.3. 2014	As at 31.3. 2013
<b>a Tangible Assets</b>											
Land											
Assets under lease	920,000.00	-	-	920,000.00	-	-	-	-	-	920,000.00	920,000.00
Buildings	141,720,139.66	863,700.00	-	142,583,839.66	107,980,076.77	1,006,426.00	-	-	108,986,502.77	33,597,336.89	33,740,062.89
Assets under lease	-	-	-	-	-	-	-	-	-	-	-
Plant and Equipment	1,298,305,262.39	3,814,927.00	-	1,302,120,189.39	1,236,549,183.73	32,756,434.00	-	-	1,269,305,617.73	32,814,571.66	61,756,078.66
Assets under lease	-	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	4,141,607.00	17,528.00	-	4,159,135.00	3,982,651.04	739.00	-	-	3,983,390.04	175,744.96	158,955.96
Assets under lease	-	-	-	-	-	-	-	-	-	-	-
Vehicles	3,371,014.00	-	-	3,371,014.00	3,202,463.30	-	-	-	3,202,463.30	168,550.70	168,550.70
Assets under lease	-	-	-	-	-	-	-	-	-	-	-
Office equipment	2,491,312.47	-	-	2,491,312.47	2,335,080.91	157,666.07	-	-	2,492,746.98	-1,434.51	156,231.56
Assets under lease	-	-	-	-	-	-	-	-	-	-	-
Others (Air Conditioners)	122,411.44	-	-	122,411.44	66,138.04	16,980.72	-	-	83,118.76	39,292.68	56,273.40
Others (Computers)	2,325,443.00	-	-	2,325,443.00	2,290,797.98	1,460.76	-	-	2,292,258.74	33,184.26	34,645.02
Others (Capital Spares)	26,377,416.10	-	-	26,377,416.10	18,464,000.00	-	-	-	18,464,000.00	7,913,416.10	7,913,416.10
<b>Total</b>	<b>1,479,774,606.06</b>	<b>4,696,155.00</b>	<b>-</b>	<b>1,484,470,761.06</b>	<b>1,374,870,391.76</b>	<b>33,939,706.55</b>	<b>-</b>	<b>-</b>	<b>1,408,810,098.32</b>	<b>75,660,662.74</b>	<b>104,904,214.30</b>
<b>b Intangible Assets</b>											
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>c Capital Work In Progress</b>											
Others (CWIPElectric Installation)	1,175,103.00	-	-	1,175,103.00	-	-	-	-	-	1,175,103.00	1,175,103.00
<b>Total</b>	<b>74,036,603.00</b>	<b>425,000.00</b>	<b>-</b>	<b>74,461,603.00</b>	<b>72,861,500.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72,861,500.00</b>	<b>1,600,103.00</b>	<b>1,175,103.00</b>
<b>d Intangible assets under Development</b>											
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (a+b+c+d)</b>	<b>1,553,811,209.06</b>	<b>5,121,155.00</b>	<b>-</b>	<b>1,558,932,364.06</b>	<b>1,447,731,891.76</b>	<b>33,939,706.55</b>	<b>-</b>	<b>-</b>	<b>1,481,671,598.32</b>	<b>77,260,765.74</b>	<b>106,079,317.29</b>
Previous Year		1,560,836,218.06	774,991.00	7,800,000.00	1,553,811,209.06	1,415,382,368.36	33,772,345.41	-	1,422,822.00	1,447,731,891.77	106,079,317.29

NOTE - 9

Long Term Loans and Advances

	As at 31 March 2014	As at 31 March 2013		As at 31 March 2014	As at 31 March 2013
<b>a. Capital Advances</b>			<b>d. Other loans and advances (specify nature)</b>		
Secured, considered good			Secured, considered good	13,689,686	11,520,444
Unsecured, considered good	3,480,000	3,480,000	Unsecured, considered good	-	-
Doubtful			Doubtful		
	<u>3,480,000</u>	<u>3,480,000</u>		<u>13,689,686</u>	<u>11,520,444</u>
			<b>Total</b>	<b>35,044,287</b>	<b>38,924,923</b>
<b>b. Security Deposits</b>					
Secured, considered good					
Unsecured, considered good	16,422,059	16,412,597			
Doubtful					
	<u>16,422,059</u>	<u>16,412,597</u>			
<b>c. Loans and advances to related parties</b>					
Secured, considered good	1,452,542	7,502,420			
Unsecured, considered good	-	-			
Doubtful	-	-			
	<u>1,452,542</u>	<u>7,502,420</u>			
			<b>NOTE - 10</b>		
			<b>Other Non Current Asset</b>		
				As at	As at
				31 March 2014	31 March 2013
			<b>a. Long term trade receivables (including trade receivables on deferred credit terms)</b>		
			Secured, considered good	1,086,036	1,086,036
			Unsecured, considered good		
			Doubtful		
			Less: Provision for doubtful debts	927,480	927,480
				<u>158,556</u>	<u>158,556</u>
			<b>b. Others (State Capital Subsidy Receivable)</b>		
			Secured, considered good		
			Unsecured, considered good	200,000	200,000
			Doubtful		
				<u>200,000</u>	<u>200,000</u>
			<b>Total</b>	<b>358,556</b>	<b>358,556</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH , 2014

Inventories	As at 31 March 2014		As at 31 March 2013	
<b>NOTE - 11</b>				
a. Raw Materials and components (Valued at Cost)	36,048,251		40,392,912	
<b>Sub total</b>		<b>36,048,251</b>		<b>40,392,912</b>
b. Semi -Finished Goods (Valued at Cost)	1,831,439		1,831,439	
<b>Sub total</b>		<b>1,831,439</b>		<b>1,831,439</b>
c. Stores and spares (Valued at Cost)	2,821,883		2,821,883	
<b>Sub total</b>		<b>2,821,883</b>		<b>2,821,883</b>
d. Others (H.S.D & FURNACE OIL)	33,438		33,438	
<b>Sub total</b>		<b>33,438</b>		<b>33,438</b>
<b>Grand Total</b>		<b>40,735,011</b>		<b>45,079,672</b>

**NOTE - 12**

**Trade Receivables**

	As at 31 March 2014	As at 31 March 2013
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good		
Unsecured, considered good	106,935	1,345,990
Unsecured, considered doubtful		
<b>Total</b>	<b>106,935</b>	<b>1,345,990</b>

**NOTE - 13**

**Cash and cash equivalents**

	As at 31 March 2014	As at 31 March 2013
a. Balances with banks	74,569	99,013
b. Cash in hand	330,997	158,335
<b>Total</b>	<b>405,566</b>	<b>257,348</b>

**NOTE - 14**

**Short-term loans and advances**

	As at 31 March 2014	As at 31 March 2013
<b>a. Loans &amp; Advances</b>		
Secured, considered good		
Unsecured, considered good	4,238,368	5,184,684
Doubtful		
<b>Total</b>	<b>4,238,368</b>	<b>5,184,684</b>

**NOTE - 15**

**Contingent liabilities and commitments (to the extent not provided for)**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

**NOTE - 16**

**Particulars**

	As at 31 March 2014	As at 31 March 2013
Sale of products	7,427,633	24,437,345
Sale of services	-	-
Other operating revenues	-	-
Less: Excise duty	1,066,224	3,522,673
<b>Total</b>	<b>6,361,409</b>	<b>20,914,672</b>

**NOTE - 17**

**Other Income**

	As at 31 March 2014	As at 31 March 2013
Interest Income (in case of a company other than a finance company)	-	-
Dividend Income	-	-
Net gain/loss on sale of investments	-	-
Other non-operating income (net of expenses directly attributable to such income)	9,519	168,425
Provision written Back	-	-
<b>Total</b>	<b>9,519</b>	<b>168,425</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH , 2014

NOTE - 18

Employee Benefits Expense	As at 31 March 2014	As at 31 March 2013
(a) Salaries and incentives	8,061,218	4,548,178
(b) Contributions to -		
(i) Provident fund	293,929	156,128
(ii) Superannuation scheme	-	-
(ii) Gratuity fund contributions	-	-
(c) Staff welfare expenses	158,868	88,739
<b>Total</b>	<b>8,514,015</b>	<b>4,793,045</b>

NOTE - 19

Finance costs	As at 31 March 2014	As at 31 March 2013
Interest expense	6,306	94,590
Bank Charges	12,245	19,106
Applicable net gain/loss on foreign currency transactions and translation	-	-
<b>Total</b>	<b>18,551</b>	<b>113,696</b>

NOTE - 20

Sr. No.	Other expenses	As at 31 March 2014	As at 31 March 2013
1	Consumption of Stores & Spares	-	-
2	Power & Fuel	1,251,574	1,004,302
3	Repairs to building	75,045	22,437
4	Repairs to machinery	558,670	175,798
5	Insurance	-	31,072
6	Rates & taxes	109,644	114,085
7	Legal & Professional Fees	-	-
8	Office Maintenance	28,795	30,019
9	Telephone & Internet Charges	356,339	370,106
10	Travelling & Conveyance Expense	1,723,209	7,594,155
11	Business Promotion	204,735	37,511
12	Rent	240,000	240,000
13	Freight, Forwarding & Others	-	136,560
14	Miscellaneous Expense	3,537,015	3,563,619
	<b>Total</b>	<b>8,085,026</b>	<b>13,319,664</b>

Disclosure pursuant to Note no. 5(i) clause j of Part II of Schedule VI to the Companies Act, 1956

Sr. No.	Audit fees	As at 31 March 2014	As at 31 March 2013
1	Payments to the auditor as		
a.	auditor,	50,000	50,000
b.	for taxation matters,	10,000	10,000
c.	for company law matters,		
d.	for management services,		
e.	for other services,		1,500
f.	for reimbursement of expenses;		
	<b>Total</b>	<b>60,000</b>	<b>61,500</b>



**NOTE - 21**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of Preparation of Financial Statements**

The financial statements of the Company are prepared under the historical cost convention in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India and on an accrual basis, except in case of Interest on Term Loans and Working Capital Loans due to Banks and financial institutions.

**2. Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

**3. Fixed Assets and Depreciation**

- a) Fixed Assets are stated at cost less accumulated depreciation.
- b) All costs, including financing cost till the date of commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations relating to borrowings attributable to fixed assets are capitalized.
- c) Fixed assets, whose actual costs cannot be accurately ascertained, are initially capitalized on the basis of estimated costs and final adjustments for costs and depreciation, if any, are made retrospectively on ascertainment of actual costs.
- d) Grants - in - aid received from Government against purchase of fixed assets are apportioned to the respective assets on the basis of landed cost.
- e) Machinery spares including insurance spares the use of which is expected to be irregular is charged off to the Profit & Loss Account as and when consumed.
- f) Depreciation is provided on straight-line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956, except for vehicles for which written down value method has been adopted. For the purpose of determining the appropriate depreciation rates plant & machinery falling in the category of continuous process plant are identified on the basis of technical opinion obtained by the company.

**4. Foreign Currency Transaction**

- a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- b) All monetary items denominated in foreign currency are restated at the exchange rates prevailing as on the date of Balance Sheet and exchange differences arising thereon are adjusted to Profit & Loss Account, except those relating to acquisition of fixed assets - which are adjusted to the cost of the asset.

**5. Revenue Recognition**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

**6. Inventories**

- a) Raw materials, Packing materials, Stores and spare parts are valued at cost, generally determined on FIFO basis. Work - in - process is valued at cost and finished goods are valued at lower of cost and net realizable value.
- b) The closing stock of finished goods includes Excise Duty to the extent of sales effected in India till the date of finalization of accounts.

**7. Deferred Revenue Expenditure**

- a) Deferred revenue expenditure is being written off over a period of five years.
- b) Catalytic materials having longer useful life are treated as deferred revenue expenditure and are written off in five years from the date of charging.
- c) Advertisement expenditure incurred at the time of commencement of the commercial production is written off in five years.

**8. Pre - Operative Expenditure**

Expenses in respect of formation of the Company and Public Issue expenses are written off in ten years from the financial year 1997-98 onwards.

**9. Sales**

Gross Sales are inclusive of Excise Duty, Freight and transportation charges, wherever applicable.

Goods sold in domestic market are treated as sales on delivery to the carriers. Export sales are treated as sales on endorsement of shipping bills by Customs Authorities.

**10. Purchase**

Purchases of imported materials are accounted for on the basis of landed costs and other expenses incurred for bringing the inventories to their present location and condition. Purchases affected within India are net of Central Sales Tax since the same is recoverable.

**11. Taxation**

- a) Provision for income- tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income Tax Act, 1961
- b) Deferred Tax Assets/Liabilities resulting from timing difference is accounted for in pursuance to the provision of the Accounting Standard 22 (AS - 22) " Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India at the rates prevailing at the year end and to the extent the timing difference are expected to crystallize.

**12. Retirement Benefits**

- a) Year-end accrued liabilities on account of gratuity payable to employees are recognized on the basis of actuarial valuation.
- b) Leave encashment benefit are recognized on the basis of actuarial valuation.

**13. Contingent Liabilities**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**NOTE - 22**

**Notes on Accounts**

1. Figures of the previous year have been regrouped, rearranged and/or reclassified wherever considered necessary. All figures appearing in the Notes on Accounts are expressed in Rupees ( ` ) unless otherwise stated.
2. In the opinion of the Board and to the best of their knowledge and belief the value on realization of the current assets, loans and advances, if realized, in the ordinary course of the business would not be less than the amount at which they are stated in the Balance Sheet. The provisions for all known liabilities are adequate and not in excess of amounts considered reasonably necessary.
3. The Company was declared Sick on 13th January 2000 under section 3(1)(o) of the Sick Industrial Company's (Special Provision) Act, 1985. The Industrial Development Bank of India (IDBI) was appointed as the Operating Agency (OA). As per the directions of BIFR the company is in the process of submitting its rehabilitation scheme to the OA pending finalization of negotiations with Banks and Financial Institutions for one time settlement of their dues.
4. The Company had restarted commercial production in its Plant on and from the month of May, 2009. However, with the adverse market scenario in the Petrochemicals market in the last year, the management had no other option but to stop commercial production on August, 2009. Pursuant to the revival package under consideration by BIFR and other banks and financial institutions, management has prepared the accounts on the 'Going Concern' concept despite its net worth having been fully eroded.
5. As per the consistent practice followed by the Company, no provision for interest and consequential charges has been made in the books of accounts in respect of the outstanding loans from banks & financial institutions based on various legal opinions obtained by the Company. However, interest paid to certain creditors has been disclosed under Interest Account in the Profit & Loss Account.
6. The matter relating to exemption on payment of E.S.I is pending with the Hon'ble High Court at Kolkata.
7. Earnings Per Share (EPS) - The numerators and denominators used to calculate

Basic and Diluted Earnings Per Share:

	31.03.2014	31.03.2013
- Profit/ (Loss) attributable to equity Shareholders (Rs. In Lacs) - (A)	(485.39)	(445.64)
- Basic/weighted average number of equity shares outstanding during the year - (B)	4,27,93,500	4,27,93,500
- Nominal value of equity shares	10.00	10.00
- Basic/diluted earnings per share (Rs.) - (A)/(B)	(1.13)	(1.04)

**8. Value of Imports calculated on C.I.F Basis by the company during the financial year [Clause (a) of Note 5 (viii)]**

Particulars	31.03.2014	31.03.2013
Raw Materials	NIL	NIL
Components & Spare parts	NIL	NIL
Capital Goods	NIL	NIL

**9. Expenditure in Foreign Currency [Clause (b) of Note 5 (viii)]**

As the expenditure involved foreign currency but the original payment made by the company itself is in Rupees, therefore, no disclosure is depicted.

**10. Value of Imported and Indigenous Materials Consumed [Clause (c) of Note 5 (viii)]**

Particulars	Amount		Proportion (%)	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
<b>Raw Materials</b>				
Imported	NIL	NIL	NIL	NIL
Indigenous	NIL	NIL	NIL	NIL
<b>Total</b>	NIL	NIL	NIL	NIL
<b>Stores &amp; Spares</b>				
Imported	NIL	NIL	NIL	NIL
Indigenous	NIL	NIL	NIL	NIL
<b>Total</b>	NIL	NIL	NIL	NIL

**11. Remittance during the year in foreign currencies on account of dividends [Clause (d) of Note 5 (viii)]**

No remittance made during the year in foreign currencies on account of dividends.

**12. Earnings in Foreign Exchange [Clause (e) of Note 5 (viii)]**

Particulars	31.03.2014	31.03.2013
Export Earnings	NIL	NIL

**13. The company operates only in one business segment viz. 'Pet Resin'**

Particulars	31.03.2014	31.03.2013
Domestic Sales (Includes Raw Materials)	63.61	209.14
Export Sales	NIL	NIL

14. The value of Deferred Tax Assets amounting to ` 2227.89 lacs (previous year ` 2227.89 lacs) was ascertained on the basis of future projection of profit, which in the opinion of the management shall not be subjected to be taxed due to huge amount of carry forward loss and unabsorbed depreciation calculated as per Income Tax Act. The company considers it necessary to review and re ascertained the said amount as per AS 22 after obtaining the up to date income tax assessment order.

15. Related party disclosure in accordance with the Accounting Standards 18 issued by the Institute of Chartered Accountants of India ("ICAI") and effective from April 1, 2001

**SEN PET (INDIA) LTD.**  
(Formerly Elque Polyesters Ltd.)

a. Related parties and nature of relationship

Sl. No.	Name of Related Parties	Relationship
1	PLASTOSEN LIMITED	Company under the same management.
2	RESURGENT PACKAGING (P) LTD.	Subsidiary of Plastosen Limited
3	MR. ABHIJIT SEN	Key Managerial Personnel
4	WONDER PACKAGING PVT. LTD.	Enterprise over which Key Managerial Personnel or its relative are able to exercise significant influence.
5	SEN SHIPPING SERVICES (P) LTD.	
6	DIGITAL METERING TECHNOLOGIES (P) LTD.	
7	SEN HOLDINGS PVT. LTD.	
8	SEN EXIM PVT. LTD.	
9	CARAMELLE (Le Patissier's Cakewalk)	

b. Transactions that have taken place during the period with related parties of the Company

Nature of Transactions	Relative of KMP	KMP	Total
Loan Given	12.72	-	12.72
	33.35		33.35
Payment to KMP	-	7.20	7.20
		(7.20)	(7.20)

\*Figures in bracket relates to previous year.

16. Based on the Accounting Standard 28, Impairment of Assets, issued by the Institute of Chartered Accountants of India, the Company has reviewed the potential generation of economic benefits from its sole cash generating unit and has concluded that the recoverable value of the assets after impairment in the earlier years is more or less in consonance with the replacement value of such plant and machinery consequently no fresh provision is required for the current year.
17. The company has not received any information from suppliers regarding status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure required under the act could not be compiled and disclosed.

Signed in terms of our Report of even date

For **Basu Das & Basu**  
Chartered Accountants  
(Firm Registration No.311038E)

**Amal Kumar Das**  
Partner  
(Membership No.050109)  
Place : Kolkata  
Date : May 28, 2014

For and on behalf of the Board of Directors

**Jyotirmoy Kar Roy**  
Director

**Shakeel Ansari**  
Company Secretary

**Umasankar Chattopadhyay**  
Director



