

**MODERN CONVERTERS LIMITED**

**2012-2013**

**REPORT & ACCOUNTS**

## MODERN CONVERTERS LIMITED

Board of directors

R. N. Chirimar  
Rajeev Chirimar  
Sangita Chirimar

Auditor

Ghosh & Ghosh  
Chartered Accountants  
25, Rajendra Nath Mukherjee Road  
Kolkata - 700 001

Regd. Office

14A, Stephen House  
56E, Hemanta Basu Sarani  
4, B. B. D. Bagh (East)  
Kolkata - 700 001

## MODERN CONVERTERS LIMITED

### NOTICE

Notice is hereby given that the Sixty Seventh Annual General Meeting of the Company will be held at the registered office of the Company at 56E, Hemanta Basu Sarani, 4 BBD Bagh East, Kolkata 700 001 Saturday 28<sup>th</sup> September 2013 at 10.00 AM for the following purposes.

1. To consider and adopt the audited accounts for the year ended 31<sup>st</sup> March 2013 and the reports of the Board of Directors and of the Auditors.
2. To elect Director in place of the retiring Director, Sri R.N. Chirimar
3. To elect Director in place of the retiring Director, Smt. Sangita Chirimar
4. To appoint auditors and fix their remuneration.

4 BBD Bagh East,  
Kolkata 700 001  
Dated 23<sup>rd</sup> August 2013

By Order of the Board  
Modern Converters Ltd

RN Chirimar  
Director.

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#### NOTES:

1. The Register of members and Share Transfer Books of the Company will remain closed from 21<sup>st</sup> to 28<sup>th</sup> September 2013.
2. A member eligible to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received at the Registered Office no less than 48 hours before the meeting.
3. Members are requested to send their queries if any, about the account etc, in writing at least 7 days in advance so as to enable the Management to keep the information ready.
4. Unclaimed and unpaid Dividend upto financial year 2005-2006 has been transferred to the General Revenue Account of the Central Government. Members who have not encashed their Dividend Warrants are advised to claim the amount from the Registrar of Companies, West Bengal, M.S.O. Building, Nizam Place, 234/4 A.J.C. Bose Road, Kolkata 700020.

## MODERN CONVERTERS LIMITED

### DIRECTORS REPORT

It is pleasure in presenting the Audited Balance Sheet as at 31st March 2013 along with the Statement of Profit and Loss for the year ended 31st March 2013.

Loss for the year before taxation	4,71,048.30	
Add: Deferred Tax	14,448.49	4,85,496.79

Add Loss B/F from Previous year	8,22,837.99	
Balance of loss carried over to Balance Sheet	13,08,334.78	

The Share market had continued its downturn resulting in loss for the year under review. However, in view of the loss still outstanding and the outlook of the share market being bleak, your Directors do not recommend any dividend for the year.

Apart from the above the working of the company for the year were satisfactory.

Directors Responsibility statement:

- that in the preparation of the annual accounts the applicable accounting standard have been followed and the no, material departures have been made from the same;
- that they selected such accounting policies and applied them consistently and made judgments and estimated that are reasonable and prudent so as to give a true and fair view of the state of affairs of for the Company as at the end of the financial year 31st March 2013, and of the loss of the Company for the period ;
- that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the asset of the Company and for preventing and detecting fraud and other irregularities;
- that they have prepared the annual accounts on going concern basis;

Since the Company is no longer a manufacturing Company and does only dealing in shares and the accounts are fully computerized and entry is made whenever any transaction takes place, the Directors feel internal audit by an outside agency is not necessary, since the price of the shares varies from time to time on any given day.

Deposits: The Company has not invited any deposits from the Public till date.

Particulars of Employees: No employee is in receipt of remuneration aggregating to Rs. 35,00,000/- per annum or more for employment throughout the year or Rs. 3,00,000/- per month or more for part of the year.

Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo information pursuant to section 217(1) (e) of the Companies Act 1956 read with the Companies Disclosure of particulars in the Board of Directors Rules 1996 the Company is not covered under the list of specified industries and also the Company has not engaged in manufacturing activities. Particulars relating to conservation of energy, technology absorption foreign exchange earnings and outgo are not furnished as they are not applicable to this Company.

During the year Sri Bimal Kumar Poddar has resigned due to poor health. His advise to the Company from time to time is appreciated. Smt. Sangita Chirimar has been appointed as director in his place, She retires but being offer herself for re-appointment.

Directors: Director Sri R.N. Chirimar retires but being eligible offer himself for re-appointment.

Auditors: M/S Ghosh & Ghosh, Chartered Accountants and Auditors of the Company retire, but being eligible, offers themselves for re-appointment.

56E, Hemanta Basu Sarani,  
4 BBD Bagh East,  
Kolkata 700 001  
Kolkata 23<sup>rd</sup> August 2013

R.N. Chirimar  
Rajeev Chirimar  
Sangita Chirimar  
Directors..

# MODERN CONVERTERS LIMITED

## Independent Auditor's Report

To  
The Members of  
MODERN CONVERTERS LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of Modern Converters Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a 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 referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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.

Kolkata,

Dated the 23rd August, 2013

For GHOSH & GHOSH  
CHARTERED ACCOUNTANTS  
A. K. GHOSH  
**PARTNER**  
Firm Registration No : 306020E  
MEMBERSHIP NO. : 52945

## MODERN CONVERTERS LIMITED

### Independent Auditor's Report (Contd.)

#### 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, 2013;
- b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date; and
- 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 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the 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 purpose 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 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 the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Kolkata,

Dated the 23rd August, 2013

For GHOSH & GHOSH  
CHARTERED ACCOUNTANTS  
A. K. GHOSH  
PARTNER

Firm Registration No : 306020E  
MEMBERSHIP NO. : 52945

## MODERN CONVERTERS LIMITED

The Annexure referred to in paragraph 1 under the heading of "Report on the Other Legal and Regulatory requirements" of MODERN CONVERTERS LIMITED on the financial statements as of and for the year ended 31st March, 2013.

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year. In our opinion, the programme of verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, one Motor Car has been disposed off during the year which is not substantial and the going concern status of the company is not affected.
- (ii) (a) The inventory comprising of shares, debentures and other securities, has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. As explained to us, no material discrepancies have been noticed on verification between the physical stocks and the book records.
- (iii) The company has not taken / granted any loans secured or unsecured, from / to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of shares & securities. During the course of our audit, we have not observed any continuing failure to correct major weakness in the aforesaid internal controls system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public in terms of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- (vii) In our opinion and to the best of our information and explanations given to us, the internal audit is carried out by the internal staff of the Company which is not adequate and their coverage are also not adequate commensurate with the size and nature of its business.

## MODERN CONVERTERS LIMITED

- (viii) The company has been dealing mainly in shares and securities and maintenance of cost records has not been found necessary for the company.
- (ix) No undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty, and cess and service tax were in arrear as at 31st March, 2013 for a period of more than six months.
- (x) It appears from records that the company has accumulated loss of Rs. 8.23 lakhs carried forward from the earlier years. The company has incurred cash loss of Rs. 3.87 lakhs during the year under audit.
- (xi) In our opinion and according to the information and explanations given to us, the company has no dues to any Bank, Financial Institutions or Debenture holders.
- (xii) It appears from records the company has not granted any loans or advances on the basis security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) The company has been dealing / trading in shares, securities, debentures and other investments for which proper records are maintained of transactions and contracts and entries have been made therein timely and the shares and securities have been held by company in its own name.
- (xv) According to the information and explanations, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) It appears from records, the company has not taken any term loan from any bank or financial institutions during the year under audit.
- (xvii) As stated earlier the company has not raised any fund by way of loans and advances.
- (xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares during the year under audit to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) According to information and explanations given to us, the company has not issued any debentures during the period covered by our audit report.
- (xx) In our opinion and according to information and explanations given to us no money has been raised from public issue during the year and the question of end use thereon does not arise.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Kolkata,

Dated the 23rd August 2012

For GHOSH & GHOSH  
CHARTERED ACCOUNTANTS  
A. K. GHOSH  
PARTNER  
Firm Registration No : 306020E  
MEMBERSHIP NO. : 52945



## MODERN CONVERTERS LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2013

	Note No.	31.03.2013	31.03.2012
<b><u>EQUITY AND LIABILITY :</u></b>			
<b>1. Shareholder's Fund</b>			
a) Share Capital	A	900000.00	900000
b) Reserve & Surplus	B	6810665.22	7296162
<b>2. Non-Current Liabilities</b>			
Long-term provisions	C	209516.00	209516
<b>3. Current Liabilities</b>			
Other current liabilities	D	121355.40	163587
		<b>8041536.62</b>	<b>8569265</b>
 <b><u>ASSETS</u></b>			
<b>1 Non-current assets</b>			
<b>a) Fixed assets</b>			
(i) Tangible assets	E	28515.45	503680
b) Non-current investments	F	6206967.25	6060854
c) Long-term loans and advances	G	728813.34	728813
d) Other Non Current Assets (Deferred Tax Assets)	H	26729.68	41178
<b>2 Current assets</b>			
<b>a) Inventories</b>			
(Valued at lower of cost & NRV)	FA	839518.15	865293
b) Trade receivables	I	33498.65	105557
c) Cash and Bank Balance	J	177494.10	263890
		<b>8041536.62</b>	<b>8569265</b>

Notes on Accounts - As per Note - 'O' attached  
Signed in terms of our separate report of even date.

For and on behalf of  
Ghosh & Ghosh  
Chartered Accountants

Mission Court  
25, Rajendra Nath Mukherjee Road  
Kolkata, the 23rd August, 2013

A. K. Ghosh  
Partner

R. N. Chirimar  
Rajeev Chirimar  
Sangita Chirimar  
Directors.

## MODERN CONVERTERS LIMITED

### PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013

	Note No.	31.03.2013	31.03.2012
<b>REVENUE</b>			
I		<b>Revenue from Operations</b>	
		Sale of Shares & Debentures	289177.79
		Other Operating Revenue (Option)	130625.00
		419802.79	679848.45
		11520.00	11520.00
II		<b>Other Income</b>	
		STCL	45265.96
		LTCL on Sale of Investment	-357689.61
		Discount	20104.00
		Dividend	47360.72
		Commodity Difference	-
		Refund of Income Tax	-
		Round Off	-
		-244958.93	2
III		<b>Total Revenue (I+II)</b>	
		174843.86	691368
IV		<b>EXPENSE</b>	
		Change in Stock	K 25775.15
		Purchases	580543.14
		Other expenses	L 20651.05
		Trading Expenses	M 7183.86
		Finance Cost : Intt. on Car Loan	-
		Employees Benefit Expenses	36574.00
		Depreciation and amortisation expense	84130.30
		754853.30	-313584
V		<b>Profit before exceptional &amp; Extra ordinary Items &amp; Tax (III-IV)</b>	
		-580014.44	1237538
VI		<b>Exceptional Items</b>	
		Loss on Sale of Fixed Assets	103966.14
VII		<b>Profit /Loss before Tax (V - VI)</b>	
		108966.14	-92988
VIII		<b>Tax Expense:</b>	
		Current Tax	-471048.30
		Deferred Tax	-14448.49
IX		<b>Loss/Profit for the year (VII - VIII)</b>	
		-485496.79	54279
X		<b>Earnings per Share</b>	
		Basic	-5.39
		Diluted	-5.39
		-488835	-488835

NOTES ON ACCOUNTS - As per Note 'O' attached.  
Signed in terms of our separate report of even date.

Mission Court  
25, Rajendra Nath Mukherjee Road  
Kolkata, the 23rd August, 2013

For and on behalf of  
Ghosh & Ghosh  
Chartered Accountants  
(A. K. Ghosh) Partner

R. N. Chirimar  
Rajeev Chirimar  
Sangita Chirimar  
Directors.

# MODERN CONVERTERS LIMITED

## NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	31.03.2013		31.03.2012	
	No. of Sh.	Rs. P.	No. of Sh.	Rs. P.
<b>NOTE - A : : SHARE CAPITAL</b>				
<b>a) AUTHORISED</b>				
Equity Shares of nominal value of Rs. 10/- each	470000	4700000.00	470000	4700000.00
Preference Shares of nominal value of Rs.10/-each	30000	300000.00	30000	300000.00
	500000	5000000.00	500000	5000000.00

<b>b) Issued, Subscribed &amp; Paid up</b>				
Equity Shares of nominal value of Rs. 10/- each	90000	900000.00	90000	900000

- c) The Company has only one class of Equity Shares value of Rs. 10/- per Share.
- d) In the event of winding up, the equity shares holders will be entitled to receive the remaining assets of the Company after settlement of preferential claims, in proportion of Shareholding.

**e) The details of Shareholders holding more than 5% of the Equity Shares in the Company :**

Name	31.03.2013		31.03.2012	
	No.	%	No.	%
Kemi Fiber Industries Pvt. Ltd	11000	11.22	11000	11.22
Manju Devi Chirimar	8701	9.67	8701	9.67
Manju Devi Chirimar	11500	12.78	11500	12.78
Rajeev Chirimar	12500	13.94	12500	13.94

- f) An Amount of Rs. 22,409/- has been transferred to Investors Education & Protection Fund on 12.10.2012, which relates to dividend of the Financial year 2004-05.

	31.03.2013		31.03.2012	
<b>NOTE - B : : RESERVES &amp; SURPLUS</b>				
<b>General Reserve</b>				
Opening Balance		7819000.00		7819000
<b>Capital Redemption Reserve Fund</b>		300000.00		300000
<b>Surplus : P/L A/c.</b>				
Opening Balance	-822837.99		-334002	
Addition during the year	-485496.79	-1308334.78	-488836	-822838
		6810665.22		7296162

R. N. Chirimar  
Rajeev Chirimar  
Sangita Chirimar  
Directors.

## MODERN CONVERTERS LIMITED

Notes annexed to and forming part of the Accounts

<b>NOTE - C :: LONG TERM PROVISION</b>	<b>31.03.2013</b>	<b>31.03.2012</b>	
Provision for Income Tax			
As per last A/c.	209516.00	209516	
Provided for the year	-	-	
	209516.00	209516	
<b>NOTE - D :: OTHER CURRENT LIABILITY</b>			
Liability for Expenses (Audit Fees)	3371.00	3090	
Finex Merchants Pvt. Ltd.	-	20104	
Unpaid Dividend	81314.40	103723	
Capital Redemption	36570.00	36670	
	121355.40	163587	
<b>NOTE - G :: LONG TERM LOANS &amp; ADVANCES</b>			
Security Deposit	5000.00	5000	
Income Tax Deposit	684400.34	684400	
Income Tax Refund Due	39413.00	39413	
	728813.34	728813	
<b>NOTE - H :: DEFERRED TAX ASSETS / LIABILITIES</b>			
	Op. Bal as on 01.04.12	Adj. during the year	Cl. Bal as on 31.03.13
<b>For Depreciation</b>			
Deferred Tax (Assets)	41178.17	14448.49	26730
<b>NOTE - I :: TRADE RECEIVABLES</b> (Unsecured, Considered Good) Trade Receivable Outstanding for a period exceeding 6 months			
<b>Others trade receivables</b>			
SMC Global Security Pvt. Ltd.	33498.65	-	-
Nirmal Bang Security Pvt. Ltd.	-	-	105557
	33498.65	-	105557
<b>NOTE - J :: CASH &amp; BANK BALANCES</b>			
Cash (As certified by Management)	9402.22	-	9812
<b>Bank</b>			
Union Bank of India	11085.00	-	11195
HDFC Bank Ltd.	65848.06	-	129259
HDFC Bank Unpaid Dividend	81158.22	-	103623
Union Bank of India Dividend	10000.00	168091.88	10000 254078
	177494.10	168091.88	263890

R. N. Chirimar  
Rajeev Chirimar  
Sangita Chirimar  
Directors.

## MODERN CONVERTERS LIMITED

NOTES (CONT'D.)

(Annexed to and forming part of the Balance Sheet as at 31st March, 2013)  
NOTE - E :: FIXED ASSETS AS AT 31ST MARCH, 2013

Particulars :	GROSS BLOCK				DEPRECIATION				NET BLOCK							
	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.				
	Book value and/ or original cost as on 01.04.12				Addition during the year				Cost of Assets sold/discarded during the year				Book Value and/ or original cost as on 31.03.2013			
	Upto 31.03.2012				for the year				On Assets sold/dic- carded				Total as on 31.03.2013			
	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.
Computer	161,940.00	-	-	-	161,940.00	-	-	-	148,088.99	5,540.40	-	153,629.39	8,310.61	-	13,851	-
Printer	7,072.00	-	-	-	4,849.72	688.91	-	5,738.63	4,849.72	688.91	-	5,738.63	1,393.37	-	2,222	-
Voltage Stabilizer	2,443.75	-	-	-	2,389.91	7.49	-	2,397.40	2,389.91	7.49	-	2,397.40	46.35	-	54	-
Motor Car	547,650.00	-	547,650.00	-	81,984.30	74,651.84	156,616.14	-	81,984.30	74,651.84	156,616.14	-	-	-	485,686	-
Fax	40,124.00	-	-	-	35,028.84	708.76	-	35,737.40	35,028.84	708.76	-	35,737.40	4,388.60	-	5,095	-
Air Conditioner	26,775.00	-	-	-	10,003.58	2,332.90	-	12,336.48	10,003.58	2,332.90	-	12,336.48	14,438.52	-	18,771	-
<b>Total :</b>	<b>786,004.75</b>	<b>-</b>	<b>647,650.00</b>	<b>-</b>	<b>282,328.14</b>	<b>84,130.30</b>	<b>-156,616.14</b>	<b>209,839.30</b>	<b>282,328.14</b>	<b>84,130.30</b>	<b>-156,616.14</b>	<b>209,839.30</b>	<b>26,516.45</b>	<b>-</b>	<b>603,630</b>	<b>-</b>
Previous year :	987666/-	-	547650/-	-	250757/-	167891/-	-136323/-	282328/-	250757/-	167891/-	-136323/-	282328/-	603630/-	-	-	-

## MODERN CONVERTERS LIMITED

### SCHEDULES (CONTD.)

(Annexed to and forming part of the Balance Sheet as at 31st March, 2013)

#### NOTES - F :: INVESTMENTS IN SHARES & DEBERNTURES

##### A. Quoted - Fully paid up

Name of Share	Closing Qty	Cost Value	Market Value
Alok Industries Ltd	16,000	393,833.64	131,200.00
Bharti Shipyard Ltd	500	130,130.00	17,675.00
Cairn India Ltd	1,000	339,739.41	272,450.00
Dish TV India Ltd	9,000	684,416.30	603,900.00
Essar Oil Ltd	750	109,609.50	58,537.50
FCS Software Ltd	15,000	44,400.00	3,000.00
Garware Polyester Ltd	250	62,123.50	18,237.50
Guj. NRE Mineral Resources Ltd	3,000	50,000.00	496,500.00
HPCL Ltd	200	90,110.80	57,040.00
IFCI Ltd	3,000	153,579.97	78,300.00
IRB Infra & Deveiopment Ltd	2,000	436,536.12	226,900.00
Indiabulls Infrastructure & Power Ltd	14,012	0.00	63,054.00
Indiabull Realestate Ltd	1,500	150,258.99	81,825.00
Indiabulls Wholesale Services Ltd	624	0.00	6,146.40
Jalprakesh Associates Ltd	7,500	913,418.03	490,875.00
Jaypee Infrastructure Ltd	500	41,854.32	19,850.00
JSW Steel Ltd	400	327,176.86	268,940.00
Nitco Corp. Ltd	250	15,930.68	2,987.50
Noida Toll Bridge Ltd	2,000	66,216.20	39,900.00
Rajshree Sugar Ltd	5,000	360,584.24	225,000.00
Rana Sugar Ltd	5,000	57,557.50	14,000.00
Ranbaxy Laboratories Ltd	500	271,924.89	219,375.00
Reliance Communication Ltd	2,500	282,857.58	138,250.00
Reliance Industries Ltd	200	248,548.30	154,580.00
Reliance Power Ltd	375	66,910.61	23,062.50
Renuka Sugar Ltd	17,000	530,196.52	377,400.00
Sakhti Sugars Ltd	2,500	154,304.20	49,625.00
Texmaco Rail Ltd	500	45,409.09	24,275.00
<b>Total Quoted</b>	<b>111,061</b>	<b>6,027,627.25</b>	<b>4,162,885.40</b>

##### B. Unquoted - Fully paid up

Kedia Distilleries Ltd	400	10,000.00	3,300.00
Meenakshi Projects Ltd	8,600	59,340.00	59,340.00
Radio Supply Stores P Ltd	3,000	110,000.00	110,000.00
	<b>12,000</b>	<b>179,340.00</b>	<b>172,640.00</b>

<b>Total Quoted &amp; Unquoted (A+B)</b>	<b>123,061</b>	<b>6,206,967.25</b>	<b>4,335,525.40</b>
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## MODERN CONVERTERS LIMITED

(Annexed to and forming part of the Balance Sheet as at 31st March, 2013)

### NOTES - FA : : STOCK OF SHARES AND DEBENTURES

#### A. Quoted - Fully paid up

Name of Share	Closing Qty	Balance Value	Market Value	Cost Value
Arvind Ltd	1,000	77,350.00	77,350.00	104,604.51
GTL Infra Ltd	5,000	13,250.00	13,250.00	77,817.49
Guj NRE Coke Ltd	2,000	33,500.00	33,500.00	69,916.44
Hindusthan Construction Ltd	2,000	27,300.00	27,300.00	105,751.98
Hindusthan Engineering & Industries Ltd	15	438.80	450.00	438.80
Kesoram Textiles Ltd	136	34.00	34.00	272.00
Megasoft Ltd	3,000	18,600.00	18,600.00	234,990.00
MRPL Ltd	1,500	74,325.00	74,325.00	107,040.65
Orchid Chemicals Ltd	600	37,590.00	37,590.00	181,676.16
Paramount Communications Ltd	18,500	26,825.00	26,825.00	535,869.31
Perfectpac Ltd	500	5,000.00	25,500.00	5,000.00
Punj Lloyd Ltd	2,500	132,215.35	139,375.00	132,215.35
Suzlon Energy Ltd	7,250	98,600.00	98,600.00	228,416.37
Ugar Sugar Ltd	2,000	20,400.00	20,400.00	39,073.57
Unitech Ltd	1,000	23,550.00	23,550.00	37,437.40
<b>Total Shares</b>	<b>47,001</b>	<b>588,978.15</b>	<b>616,649.00</b>	<b>1,860,520.03</b>

#### B. Unquoted - Fully paid up

Brijdham Tradelinks P Ltd	10,000	100,000.00	100,000.00	100,000.00
Cherry Polypacks Ltd	2,300	9,200.00	9,200.00	23,000.00
GRML Exports Ltd	1,500	15,000.00	15,000.00	45,000.00
JK Cotton Industries Ltd	1,400	22,400.00	22,400.00	26,740.00
Kemi Fibre Industries P Ltd	2,000	100,000.00	100,000.00	100,000.00
Kopran Drugs Ltd (Preference)	100	190.00	190.00	10,000.00
Rathi India Ltd	375	3,750.00	11,250.00	3,750.00
	<b>17,675</b>	<b>250,540.00</b>	<b>258,040.00</b>	<b>308,490.00</b>

**Total Quoted & Unquoted (A+B)** **64,676** **839518.15** **874689.00** **2169010.03**

## MODERN CONVERTERS LIMITED

### Notes to the Financial Statements (Contd.)

<u>NOTE - K :: CHANGE IN STOCK</u>	<u>31.03.2013</u>	<u>31.03.2013</u>
Opening Stock	865293.30	551709.00
Closing Stock	839518.15	865293.00
Accretion / (Decretion) in stock	<u>25775.15</u>	<u>-313584.00</u>
<u>NOTE - L :: OTHER EXPENSES</u>		
Other Charges	603.20	-
Rent	3000.00	12000.00
Rates & Taxes	5750.00	17150.00
Miscellaneous Expenses	7927.45	19339.43
Audit Fees	3371.00	3090.00
Director's Meeting Fees	-	2700.00
	<u>20651.65</u>	<u>54279.00</u>
<u>NOTE - M :: TRADE EXPENSES</u>		
Stamp Duty	-	196.00
Transaction Charges	310.12	156.50
Sebi Tax	-	4.51
Security transaction tax	6002.20	1074.00
Service Tax & Cess	871.54	211.36
	<u>7183.86</u>	<u>1642.19</u>
<u>NOTE - N :: EMPLOYEES BENEFIT COST</u>		
Salary & Bonus	24704.00	23134.00
Directors Remuneration	-	180000.00
Traveiling & Conveyance	11870.00	-
	<u>36574.00</u>	<u>203134.00</u>

Kolkata,

Dated the 23rd August, 2013

For GHOSH & GHOSH  
CHARTERED ACCOUNTANTS  
A. K. GHOSH  
PARTNER  
Firm Registration No : 306020E  
MEMBERSHIP NO. : 52945



## MODERN CONVERTERS LIMITED

### NOTES (CONTD.)

(Annexed to and forming part of the Accounts for the year ended 31<sup>st</sup> March, 2013)

#### NOTE - 'O' :: NOTES ON ACCOUNTS

1. Accounting Policy

- a. The Company has followed the mercantile system of accounting and statement of accounts have been prepared on the historical cost basis and conform to the prevailing statutory provisions and practices.
  - b. The fundamental accounting assumption of going concern has been followed in preparing the accounts of the Company.
  - c. Depreciation on Fixed Assets has been provided on written down value method as per provisions contained in Schedule XIV of the Companies Act, 1956.
  - d. As per usual practices consistently followed by the Company, Bonus to Employees is accounted for on payment basis.
  - e. Stock of Traded Shares, Debentures etc. are valued at lower of the cost or market value and the investments are valued at cost.
2. Liability on Capital Redemption A/c. of Rs. 36,670/- (Prev. year Rs. 36,670/-) represents balance of Redeemable Preference Shares, which remained unpaid till 31<sup>st</sup> March, 2013.
3. Additional information pursuant to part II of Schedule VI of the Companies Act, 1956 :
- a) The Company has not carried on any manufacturing/processing jobs during the year.
  - b) Details of Purchases, Sales and Opening & Closing Stocks of Shares and Securities dealt with are given below :-

	<u>Current Year</u>		<u>Previous year</u>	
	<u>Qty</u>	<u>Value (Rs. P.)</u>	<u>Qty</u>	<u>Value (Rs.)</u>
<u>Opening Stock</u>				
Shares & Debentures	57,217	8,65,293	44,367	5,51,709
<u>Purchases</u>				
Shares & Debentures (Including Bonus & Conversions)	17,015	5,60,543	18,550	12,37,538
Sales/Transfer	9,556	2,89,178	5,700	6,79,748
<u>Closing Stock</u>				
Shares & Debentures	64,676	8,39,518	57,217	8,65,293

Notes :-

- (i) The above particulars are exclusive of investment in Shares and Debentures shown under the head 'INVESTMENTS'.
- (ii) Nos. of Shares/Debentures etc. are inclusive of Debentures converted into Shares.

## MODERN CONVERTERS LIMITED

### 4. RELATED PARTY DISCLOSURES

#### I Related parties

##### A Key Managerial Personnel

R.N. Chirimar	Director
Rajeev Chirimar	Director
Sangita Chirimar	Director

##### B Relatives of Key Managerial Personnel

Binod Kumar Chirimar  
 Chandra Kala Chirimar  
 Keshav Chirimar  
 Manju Devi Chirimar  
 Raghav Chirimar  
 Sangita chirimar  
 Bimal Kumar Poddar

##### C Other Related Parties over which any of (A) or (B) can exercise control or significant influence

Rajeev Chirimar HUF

#### I Transactions with Related Parties

	With Key Managerial personnel	with Relatives of key Managerial Personnel	With Others
<u>Rent Paid</u>	Rajeev Chirimar 3000	-	-
<u>Contribution to equity</u>	Sangita chirimar 3000 Rajeev Chirimar 20100 R.N. Chirimar 5000	Binod Kumar Chirimar 1000 Chandra Kala Chirimar 1000 Keshav Chirimar 28000 Manju Devi Chirimar 87010 Manju Devi Chirimar 115000 Raghav Chirimar 17000 Sangita chirimar 3000 Sangitas & Rajeev 30000 Rajeev & MD Chirimar 125500	Rajeev HUF 45000

## MODERN CONVERTERS LIMITED

5. Stock of Shares, Debentures etc. have been valued at lower of the cost or market value and the Investments at actual cost.
6. During the year the Company has accounted for Deferred Tax in accordance with the Accounting Standard - '22' issued by the Institute of Chartered Accountants of India per Note 'H'.
7. In pursuance of Accounting Standard - 28 on Impairment of Assets (AS-28) issued by the Institute of Chartered Accountants of India, the management has reviewed its carrying cost of assets with value in use (determined based on future earnings)/ net selling price (determined based on a valuation). Based on such review, the Management is of the view that in the current financial year no provision in respect of impairment of assets is considered necessary.
8. The Equity Shares of the Company are not traded on the Kolkata Stock Exchange. The Company has sought delisting and listing fees are disputed and has not been paid and provided for since 2002-2003.
9. As the company is dealing in share & Securities the question of Micro, Small and Medium Enterprises Development Act, 2006 does not apply.
10. Figures for the previous year have been re-arranged/regrouped wherever found necessary.

## MODERN CONVERTERS LIMITED

### Cash Flow Statement for the year ended 31st March, 2013

		(Figure to nearest Rupees)	
		2012-2013	2011-2012
<b>A. Cash Flow from Operating Activities</b>			
Net Profit before Tax and extra-ordinary items		(470,767)	(533,458)
Adjustment for :			
Depreciation	84,130		167,881
Investments Income (Loss)			-
Long Term Capital Gain	357,690		77,294
Short Term Capital Gain	(45,266)		495,218
Interest Incomes			-
Dividend Received	(47,361)		(51,578)
Refund of Income Tax			(133,810)
Profit on Sale of Car	(108,966)		92,988
Intt. on Car Loan & Processing Charges		240,277	40,193
		<u>240,277</u>	<u>40,193</u>
			688,186
<u>Operating Profit before Working Capital Charges</u>		(230,540)	
Trade and other Receivables*	72,055		204,622
Inventories	25,775		(313,584)
Trade Payable	(20,104)	77,729	(31)
		<u>77,729</u>	<u>(31)</u>
		(152,811)	45,736
Cash Generated from Operations			
Income Tax Refund			216,360
Income Tax Paid	0		-4,000
		<u>0</u>	<u>-4,000</u>
		(152,811)	258,096
<b>B. Cash Flow from Investment Activities</b>			
Investments : Purchases	(2,784,822)		(1,216,061)
Sales	2,326,285		1,385,348
Dividend Received	47,361		51,578
Sale of Fixed Assets	500,000		500,000
Purchase of Fixed Assets		88,824	(547,650)
		<u>88,824</u>	<u>(547,650)</u>
			173,215
<b>C. Cash Flow from Financing Activities</b>			
Interest on Loan			(40,193)
Redemption Of Preference Shares	1,000		
Dividend Paid			-
Unpaid Dividend Transfer to Investor Education and Protection Fund	-22409		-15039
Loan Taken			
Loan Repaid			(467,085)
Net Cash used in Financing Activities		-23,409	-522,317
Net Increase in Cash & Cash Equivalent (A+B+C)		(87,396)	(91,006)
Opening Cash & Cash Equivalent		263,890	354,896
Closing Cash and Cash Equivalents		<u>176,494</u>	<u>263,890</u>

Mission Court  
25, Rajendra Nath Mukherjee Road  
  
Kolkata, the 23rd August, 2013

For and on behalf of  
**Ghosh & Ghosh**  
Chartered Accountants  
**A. K. Ghosh**  
Partner

r **R. N. Chirimar**  
**Rajeev Chirimar**  
**Sangita Chirimar**  
Directors.

# **Modern Converters Limited**

56E, HEMANTA BASU SARANI OLD ,4, B.B.D BAGH(EAST), KOLKATA - 700001

## **PROXY FORM**

FOLIO NO.	
NO. OF SHARES	

I/We\_\_\_\_\_of\_\_\_\_\_  
----- Being a Member / Members of Modern Converters Limited hereby  
appoint Mr. / Ms. \_\_\_\_\_ as my / our Proxy to  
attend and vote for me / us and on my / our behalf at the ANNUAL  
GENERAL MEETING of the Company to be held on 28th September, 2013  
and at any adjournment(s) thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Affix  
Re.1/-  
Revenue  
Stamp

Signature(s)

Proxy form must reach company's registered  
office not later than 48 hours before the  
commencement of the meeting

FOR OFFICE USE ONLY

DATE OF RECEIPT

# **Modern Converters Limited**

56E, HEMANTA BASU SARANI OLD ,4, B.B.D BAGH(EAST), KOLKATA - 700001

## **ATTENDANCE SLIP**

FOLIO NO.	
NO. OF SHARES	

*Name & Address of Shareholder / Proxy holder*

-----  
-----  
-----

*I, hereby certify that I am a registered Shareholder / Proxy for the registered Shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company held on 28th September, 2013 at 10.00 A.M. at its Registered Office at 56E, Hemanta Basu Sarani Old ,4, B.B.D Bagh(East), Kolkata - 700001*

*Member's / Proxy's Signature*

*(Shareholder attending the meeting in person or by proxy is requested to complete the attendance slip and handover at the entrance of the Meeting Hall)*

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