

Seventeenth Annual Report  
2010-2011



**Senbo Industries Limited**

# ANNUAL REPORT

2010 - 2011

## CONTENTS

Notice	3
Annexure to the Notice	4
Directors' Report	5
Report on Corporate Governance	8
Auditors' Report on Corporate Governance	16
Auditors' Report	17
Annexure to Auditors' Report	18
Balance Sheet	20
Profit & Loss Account	21
Schedule to Balance Sheet	22
Schedule to Profit & Loss Account	24
Notes to Accounts	26
Cash Flow	34

## CORPORATE PROFILE

### Board of Directors

Mr. Kajal Sengupta	Chairman & Managing Director
Mr. C S Choudhury	Vice Chairman
Mr. Kingshuk Sengupta	Director
Dr. Shaibal Kumar Chakraborty	Director
Mr. Badal Modak	Director
Mr. Pradip Kumar Chakravorty	Director

### COMPANY SECRETARY

Ms. Anita Singh

### MANAGEMENT TEAM

Mr. Bhaskar Sengupta	Mr. S. K. Choudhury
Chief General Manager	General Manager(Material)

### AUDITORS

Rajesh Chaturvedi & Associates  
Chartered Accountants  
643A, 'O' Block, New Alipore  
Kolkata – 700 053

### BANKER

Axis Bank

### REGISTERED OFFICE

87, Lenin Sarani, Kolkata – 700 013  
Phone: 033 2217 8915/16; Fax: 033 2264 9485  
Email: senboind@gmail.com  
Website: www.senboindustries.com

### REGISTRAR & SHARE TRANSFER AGENT

Niche Technologies (P) Ltd.  
D 511, Bagri Market, 71, B.R.B.B.Road,  
Kolkata – 700 001

## NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of Senbo Industries Limited will be held at the premises at 251A/59A, Netaji Subhas Chandra Bose Road, Kolkata-700 047 on Monday, the 26th day of September, 2011 at 11 A.M. to transact the following business:

### Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date, together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Kingshuk Sengupta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint M/S Rajesh Chaturvedi & Associates, Chartered Accountants as Auditors of the Company who shall hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### 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 Mr. Badal Modak who was appointed as an Additional Director of the Company and who holds the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a shareholder proposing him as a candidate for the office of Director under the provision of Section 257 of the Companies Act, 1956 along with the requisite deposit and who is eligible for appointment be and is hereby appointed a Director of the company whose period of office shall be liable to determination by rotation."

Place: Kolkata  
Date: 30th May, 2011

By Order of the Board  
**Anita Singh**  
*Company Secretary*

### Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO 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 INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Explanatory Statement in respect of Item no. 4 pursuant to the Section 173(2) of the Companies Act, 1956 is annexed herewith.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 20th to 26th day of September, 2011, both days inclusive.
4. Members who are holding Equity Shares in identical order of names in more than one folio are requested to write to the Company to enable the Company to consolidate their holdings in one folio.
5. Members holding shares in physical form can avail of the nomination facility by submitting Form No.2B of the Companies (Central Government's) General Rules and Forms, 1956 with the Company or its Registrar & Share Transfer Agents. Blank Forms will be made available on request. In case of shares held in demat form, the nomination has to be lodged with their Depository Participant.
6. Members are requested to intimate to the Company, their queries, if any, regarding Report and Annual Accounts at least ten days before the Annual General Meeting to enable the Management to keep the information ready at the Meeting.

## **BRIEF PROFILE OF THE DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

As required under the Listing Agreement, the particulars of Directors proposed to be re-appointed are given below:

1. Mr. Kingshuk Sengupta is a Bachelor of Commerce and he has over 17 years experience in high-tech construction, pharmaceuticals and hotel industries.
2. Mr. Badal Modak is an Engineer by profession and he holds a Bachelor's degree in Civil Engineering.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

Item no. 4

Mr. Badal Modak who has been appointed as an Additional Director of the Company w.e.f 29th April, 2011 by the Board pursuant to Section 260 of the Companies Act, 1956 vacates office at this Annual General Meeting. Notice and a deposit as required under Section 257 of the Companies Act, 1956 has been received from a shareholder proposing his candidature as a Director of the Company.

Your directors recommend the resolution for your approval.

None of the Directors except Mr. Badal Modak is in any way concerned or interested in the resolution.

Place: Kolkata  
Date: 30th May, 2011

By Order of the Board  
**Anita Singh**  
*Company Secretary*

## DIRECTORS' REPORT

To  
The Members,

Your Directors present their Seventeenth Annual Report on the business and operations of the Company together with the financial results for the year ended 31st March, 2011.

### FINANCIAL RESULTS

(Rs. in lakh)

	2010-11	2009 - 10
Operating Profit / (Loss) before Finance Charges, Depreciation & Items not related to operation	(198.61)	(165.08)
Finance Charges	(0.04)	(0.05)
Depreciation	(160.76)	(160.72)
Write Back/Write Off (Net)	(1.58)	(6.42)
Net Operating Profit / (Loss)	(360.99)	(332.27)
Other Non-Operating Income	0.18	1.73
Net Profit / (Loss)	(360.81)	(330.54)
Adjustment relating to previous years	(0.01)	2.83
Accumulated (Loss) brought forward	(2,711.55)	(2,383.84)
(Loss) carried forward to Balance Sheet	(3,072.37)	(2,711.55)

In view of loss during the year, your Directors regret their inability to recommend payment of Dividend for the year.

### OPERATING PERFORMANCE

There was no production during the year under review due to suspension of work in the factory. Entire sale during the year was out of stock of finished goods of trial products of earlier years.

### CLOSURE OF FACTORY AT SONARPUR

In spite of all the measures taken to revive the Company, nothing could be done and finally it was decided to close the factory at Sonarpur with effect from 28.03.2011. The dues of the employees of the Company such as notice pay, gratuity etc. have been settled with borrowed fund, as per Section 25FFF of the Industrial Disputes Act, 1947 and other applicable statutes. Up-to date Employees' and Employers' contribution of Provident Fund has also been deposited on time with the West Bengal Regional Provident Fund office, Kolkata. Nothing from the Company is due to the employees as on date.

### ADVANCE AGAINST SALE OF ASSETS

As reported in the previous year the Company has received Rs. 6.00 crore from a buyer as advance against sale of Intra Venous Fluid manufacturing machinery of the Company. However, due to resistance from a section of the ex-workers the said machinery could not be removed from the factory till the date of the report. The Company has been trying to sort out the issue at the earliest. The entire amount received as advance against sale of machinery has been used to pay off part of its unsecured loan.

### FUTURE PLANS

The factory is closed down due to huge losses in the business of IV Fluid and the management plans to change its main line of business. Number of alternatives is under consideration, which include setting up medical care unit, cancer research unit & hospital, etc, decision on which will be taken in due course.

### MANAGEMENT DISCUSSION AND ANALYSIS

## **1. INDUSTRY STRUCTURE AND DEVELOPMENTS**

Once a new Project is identified, it will be possible to discuss both structure and development of the Project.

## **2. OPPORTUNITIES AND THREATS**

Many opportunities are open to proposed new projects. Management has been making continuous study on such new projects. Selection of a project is always subject to taking risk. Both opportunities and threats are associated with a new line of activity. Similarly, a number of contingencies are involved in implementation of a new project.

## **3. SEGMENT-WISE / PRODUCT-WISE PERFORMANCE**

Your Company is in search of a suitable project keeping in mind of its past experiences. Therefore, reporting of sector wise performance does not arise at this stage.

## **4. OUTLOOK**

The prospect of the Company largely depends on selection of an appropriate project and its techno-commercial viability.

## **5. RISKS & CONCERNS**

The major concern of your Company relates to earning a fair margin of profit. Other aspects of concern of your Company include selection of an appropriate project, funding of the said project and selection of a financial partner for execution of the project.

## **6. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

Adequate systems of internal control are in place to safeguard the assets of the Company.

## **7. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

Due to labour unrest and many other factors, the operation at the factory remained suspended throughout the year. As a result, during the year under review the Company suffered a loss of Rs. 360.81 lakh.

## **8. HUMAN RESOURCE & INDUSTRIAL RELATIONS**

After closure of the factory the entire dues of the Company to the employees have been fully settled.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

1. The applicable accounting standards excepting those mentioned in Para 1.11 to the Notes to accounts have been followed in the preparation of the annual accounts for the year.
2. The Directors have selected such accounting policies and applied them consistently and made adjustments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March, 2011 and of its losses for the year ended on that date.
3. The Directors 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 assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.

## **FIXED DEPOSIT**

During the year under review your Company has not accepted any deposit from the Public.

## **PARTICULARS OF EMPLOYEES**

Section 217(2A) of the Companies Act, 1956 is not applicable since none of the employees draws salary during the year in excess of the limit specified therein.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & EXPENDITURE

### A. CONSERVATION OF ENERGY

#### 1. Power and Fuel Consumption

		Current Year	Previous Year	
i)	Electricity from WBSSEDCL			
	Unit	Kwh.	114945	194875
	Total Amount	Rs.	2,130,519	2,320,553
	Rate	Rs. / Kwh.	18.54	11.91
ii)	Furnace Oil			
	Quantity	Ltr.	-	10,871
	Total Amount	Rs.	-	243,670
	Rate	Rs. / Ltr.		22.41

#### 2. Consumption per Unit of Production Current Year Previous Year

		Current Year	Previous Year
Electricity	Kwh / bottle	No Production	1.2360
Furnace Oil	Ltr. / bottle	No Production	0.0689

The energy consumption has always been a priority area for the Company. Your Directors are very much conscious of the need for conservation of energy as on-going process and for that purpose, continuous efforts are being made for optimum usage of energy.

### B. TECHNOLOGY ABSORPTION

Not applicable as the Company has suspended its operation and the factory is under closure.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	Current Year	Previous Year
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange used:		
- Raw Materials	Nil	Nil
- Spares & Components	Nil	1,121,678
-Others	Nil	Nil

### AUDITORS AND AUDIT REPORT

Messrs Rajesh Chaturvedi & Associates, Chartered Accountants, retire at the forthcoming Annual General Meeting as Statutory Auditors and being eligible, offer themselves for reappointment.

Explanation on the observations of the auditors in their report on the Company's accounts has been given in the notes to accounts.

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

A Certificate from the Statutory Auditors of the Company regarding compliance with the Code of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to this Report.

### DIRECTORS

Dr. Asish Kumar Sengupta has resigned from the Board of Directors with effect from 15th February, 2011. The Board places on record its deep appreciation for the valuable services rendered during his directorship in the Company.

Mr. Badal Modak has been appointed as an Additional Director on 29th April 2011. He holds office up to the date of the next annual general meeting. Notice has been received U/S 257 of the Companies Act, 1956 proposing his candidature for fresh appointment

Mr. Kingshuk Sengupta, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

In the 14th Annual General Meeting of the Company held on 24th September, 2008, Mr. Pradip Kumar Chakravorty was appointed as small shareholders' Director for the term of three years u/s 252(1) of the Companies Act, 1956. The Company has received notice from a few shareholders proposing his re-appointment for a further period of three years. Mr. Chakravorty has also accorded his consent for such appointment. The Board will propose the resolution for his re-appointment in terms of Section 252(1) separately through postal ballot pursuant to Section 192A and other applicable provisions, if any, of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

#### **ACKNOWLEDGEMENT**

Your Directors acknowledge with thanks the support and co-operation received by the Company from the various Government Departments, Banks, and the Shareholders of the Company.

Place : Kolkata

Date: 30th May, 2011

For and on behalf of the Board

**Kajal Sengupta**

*Chairman & Managing Director*

## **REPORT ON CORPORATE GOVERNANCE**

#### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Senbo Industries Limited is committed to the objectives of the Company while ensuring accountability in the exercise of power and patronage conferred upon it. The Company is further committed to ensure compliance with the code of Corporate Governance to enhance and protect the interest of all the shareholders.

#### **BOARD OF DIRECTORS**

The composition of the Board of Directors is regulated by the Companies Act, 1956 and the Company's Articles of Association. The Board of Directors of the Company sets the strategic goals based on the objectives of the Company, defines its policies and oversees implementation of those policies to facilitate the taking of suitable actions for attainment of its goals.

As on 31st March 2011 the Board of Directors consists of five Directors. However, an Independent Director, named Mr. Badal Modak was appointed as Additional Director on 29th April, 2011. Mr. Kajal Sengupta, the main promoter and the Chairman & Managing Director heads the Board. Sri Kajal Sengupta is B.Sc (Hons.) graduate and has 32 years of valuable experience in Hi-Tech, Design & construction, Hoteliering and Pharmaceuticals industry. No remuneration is currently paid to him.

The Vice Chairman of the Board is Mr. C S Choudhury. Mr. Choudhury is a graduate in the Commerce stream and is also a Fellow member of the Institute of Cost & works Accountants of India. He has experience of nearly five decades in various Companies of Engineering, Construction, Steel, Tea, Timber, Hotel and Pharmaceuticals.

Mr. Kingshuk Sengupta is a Bachelor of Commerce and has over 17 years experience in high-tech construction, pharmaceuticals and hotel industries. He is due to retire by rotation and being eligible, offers himself for re-appointment in the forthcoming Annual General Meeting.

Dr. Shaibal Kumar Chakraborty, MBBS is a reputed cardiologist and has experience in medical profession for over 2 decades.

Mr. Pradip Kumar Chakravorty, a representative of small shareholders of the Company, has nearly 4 decades of business experience. He has again been nominated by few small shareholders of the Company as a small shareholders' Director and deposited the requisite amount for his election u/s 252(1) of the Companies Act, 1956. Mr. Chakravorty has also consented to act as Director upon his re-election.



All Directors other than Mr. Kajal Sengupta, Chairman & Managing Director, Mr. C S Choudhury, Vice Chairman and Mr. Kingshuk Sengupta are independent Directors. The representation on the Board of Directors of executive vis-à-vis non-executive Directors is equal.

The Company has not entered into any transaction with non-executive Directors of the Company.

## BOARD MEETING

During the year under review seven Board meetings were held on 8th April, 28th May, 22nd June, 7th August, 15th November, 2010 and 8th January, 15th February, 2011

The last Annual General Meeting of the Company was held on 22nd September, 2010. The composition of the Board of Directors and their attendance at the Board Meetings during the year and at the Annual General Meeting and the number of other Directorship and Board Committee Membership / Chairmanship are as follows:

Name of Directors	Category	Attendance		Number of other Directorship & Committee Membership/Chairmanship		
		Board Meeting	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Mr. Kajal Sengupta	Promoter, Executive Director	7	Yes	4	-	-
Mr. C S Choudhury	Executive Director	7	Yes	1	-	-
Dr. Shaibal Kumar Chakraborty	Independent Non-Executive Director	7	No	Nil	-	-
Mr. Kingshuk Sengupta	Independent Non-Executive Director	7	No	3	-	-
Dr. Asish Kumar Sengupta	Independent Non-Executive Director	6	No	Nil	-	-
Mr. Pradip Kumar Chakravorty	Independent Non-Executive Director	7	Yes	Nil	-	-

\* Dr. Asish Kumar Sengupta has resigned from Board w.e.f. 15th February, 2011 and Mr. Badal Modak has joined the Board on 29th April, 2011.

## AUDIT COMMITTEE

The Audit Committee comprises of two (2) Non-Executive Directors and one Executive Director. The non-executive Directors being Dr. Shaibal Kumar Chakraborty, Chairman of Audit Committee and Mr. Pradip Kumar Chakravorty while Mr. Kajal Sengupta, Chairman & Managing Director is the sole executive Director. During the year under review six Audit Committee meetings were held, the dates of those meetings being 8th April, 28th May, 7th August, 15th November, 2010 and 8th January, 15th February, 2011. The composition of the Committee and the attendance at the meetings of the Committee are given below:

Name of Members	Designation	No. of Meetings attended	Remarks
Dr. Shaibal Kumar Chakraborty	Chairman	6	Nil
Mr. Kajal Sengupta	Member	6	Nil
Mr. Pradip Kumar Chakravorty	Member	1	Nil

\* Dr. Asish Kumar Sengupta has resigned from Board w.e.f. 15th February, 2011 and Mr. Pradip Kumar Chakravorty appointed in his place with immediate effect.

The terms of reference and the scope of surveillance of the Audit Committee include –

- a. Ensuring compliance and improving efficiency of internal control system as well as internal audit.
- b. Reviewing of Company's financial performance at regular intervals as well as overseeing of the Company's financial reporting process and concurring Financial Statements before submission to the Board.
- c. Reviewing scope and adequacy of audit functions, both internal and statutory.
- d. Reviewing of critical findings with particular reference to elements of cost, economization in expenditure, improving productivity and profitability as well as related follow-up actions thereof.
- e. Complying of Accounting Standards and Disclosure norms prescribed under the Companies Act, 1956.
- f. Disclosing of financial information while ensuring its correctness, sufficiency, credibility and its compliance with Stock Exchange Regulations as well as other legal requirements.
- g. Recommending appointment/ removal of external auditors, fixation of audit fees and approval for payment for other services rendered by the external auditors.
- h. Reviewing audit observations and critical concerns like suspected fraud or irregularity, or failure of internal control systems and reporting such matters to the Board.
- i. Reviewing of matters relating to changes in accounting policies, major accounting entries based on exercise of judgement, transactions in which Directors are directly / indirectly interested.
- j. Reviewing of the Financial and Risk Management Policies of the Company.
- k. Reviewing from time to time the Company's statutory and contractual obligations as well as reasons for defaults therein, if any.

#### REMUNERATION COMMITTEE

Remuneration Committee comprising of two non-executive Directors, viz, Dr. Asish Kumar Sengupta, Dr. Shaibal Kumar Chakraborty and one executive Director, viz., Mr. C S Choudhury, Vice Chairman was formed by the Board at its meeting held on 31st October, 2008. The Committee is headed by Dr. Asish Kumar Sengupta. Although he has resigned from the Board on 15th February, 2011, Mr. Pradip Kumar Chakravorty appointed as a member of the Committee with the immediate effect, and Mr. Shaibal Kumar Charkraborty appointed as the Chairman of the Committee. The Committee has been vested with powers to determine the terms of appointment and remuneration of Executive Directors, policy on remuneration package of the Executive Directors and revision in sitting fees as paid to Directors for attending meetings of the Board or Committees thereof. During the financial year, two meetings were held on 28th May and 7th August 2010.

The composition of the Committee and the attendance of the meetings at the Committee are given below:

Name of Members	Designation	No. of Meetings attended
Dr. Shaibal Kumar Chakraborty	Chairman	2
Mr. Pradip Kumar Chakravorty	Member	0
Mr. C S Choudhury	Member	2

\* Mr. Pradip Kumar Chakravorty has joined on 15th February, 2011

#### SHAREHOLDERS' COMMITTEE

Shareholders' Committee consists of Dr. Shaibal Kumar Chakraborty, Mr. Pradip Kumar Chakravorty and Mr. C S Choudhury, Vice Chairman. The Committee is headed by Dr. Shaibal Kumar Chakraborty, an independent director. The terms of reference of the Committee are to look into redressal of investors' complaints like transfer of shares, non-receipt of annual report, etc and to oversee the performance of the Registrar and Share Transfer agents. The details of complaints received and attended to during the year are given below:

No. of Shareholders' complaints received so far : Nil

No. of complaints pending / unresolved : Nil

## GENERAL BODY MEETING

The last three Annual General Meeting of the company were held as indicated below:

YEAR	VENUE	DATE	TIME
2007-08	Company's Works at Sonarpur, Sonarpur Station Road, Kolkata - 700103	24th September, 2008	11-00 A.M
2008-09	Company's Works at Sonarpur, Sonarpur Station Road, Kolkata - 700103	23rd September, 2009	11-00 A.M.
2009-10	251A/59A, Netaji Subhas Chandra Bose Road, Kolkata – 700 047	22nd September, 2010	11-00 A.M.

Special Resolutions passed at aforesaid Annual General Meetings.

YEAR	DATE OF MEETING	SPECIAL RESOLUTION PASSED
2007-08	24.09.2008	NIL
2008-09	23.09.2009	ONE (1)
2009-10	22.09.2010	NIL

No Special Resolution was passed during the year.

One Special Resolution was passed through postal ballot in the previous year i.e. in 2009-10. No Special Resolution is proposed to be conducted through Postal Ballot for the time being.

Postal Ballot, as and when considered necessary, strictly conforms to the provisions of Section 192A of the Companies Act, 1956 and Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 and each time Board of Directors appoints a scrutinizer for conducting such Postal ballot.

## DISCLOSURE

- During the year, there was no significant transaction of material nature with the Promoters, Directors or the Management, their subsidiaries or relations that might have any potential conflict with the interest of the Company at large.
- There was no instance of non-compliance of any matter related to the capital markets during the last three years and no penalties or strictures were imposed on the Company by any Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets during the last three years, save and except suspension in trading of Company's Shares by Stock Exchange of Mumbai for which requisite compliances and replies have been given in time. Your Company is hopeful of withdrawal of this suspension at an early date.
- The Audit Committee allows employees to complain about unethical behavior, actual or suspected fraud or malpractices in the Company without fear of reprisal.  
The Management encourages employees to talk about problems with either immediate superior or the superior's superior and ultimately raise the issue at the Audit Committee if they find no redressal of their complaints. No employee has been denied access to the Audit Committee on such issues.
- The Mandatory Requirements on Corporate Governance have been fully complied with and Non-Mandatory Requirements, viz., Training of Board Members, Mechanism for evaluating Non-Executive Board Members etc, are yet to be implemented.

## MEANS OF COMMUNICATION

The quarterly and annual financial results are published in The Financial Express/ Business Standard (English) and Kalantar/ Pratidin/ Aajkaal or some other suitable newspaper.

The financial results and the official news releases are also placed on the Company's website [www.senboindustries.com](http://www.senboindustries.com)

## RISK MANAGEMENT

The Company has a well-set risk management framework in place. This frame involves identifying risk across each of the business process of the Company and classifying them as:

**a. Strategic Risk:**

These include all risks associated with the longer term interests of the Company.

**b. Business Risk**

These include all risks associated with the regular functioning of each of the processes. These are more operational in nature.

**c. Reporting Risk**

These include all risks associated with incorrect or untimely financial and non- financial reporting.

## CODE OF CONDUCT

The Code of Conduct as adopted by the Board of Directors is summarized below:-

1. To act in the best interests of, and fulfill fiduciary obligations to the Company ; act honestly, fairly, ethically and with integrity, conduct themselves with professional, courteous and respectful manner and not take improper advantage of the position of the Director or Senior Manager.
2. To comply with all applicable laws, rules and regulations;
3. To act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgement to be subordinated;
4. To act in a manner to enhance and maintain the reputation of the Company;
5. To disclose any personal interest that they may have regarding any matters that may come before the audit committee and / or the Board and abstain from discussion, voting or otherwise influencing decision on any matter in which the concerned Director has or may have such interest.
6. To respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors, while continuing as such a Director and even after ceasing to be such a Director, for two years, except when authorized or legally required to disclose such information.
7. Restrain from using the Company's property or position for personal gain.
8. Avoid using any information or opportunity received in the capacity as Directors for personal gain, or in a manner that would be detrimental to the Company's interest.
9. Not to use confidential information acquired in the course of their service as Directors for their personal advantage or for the advantage of any other entity in which they have a direct or indirect interest.
10. Help, create or maintain a culture of high ethical standards and commitment to compliance.

All Directors and Senior Management personnel affirmed compliance with the Code.

## GENERAL INFORMATION FOR SHAREHOLDERS

### *Annual General Meeting*

Date and time : On Monday, September 26, 2011 and at 11 A.M.

Venue : Premises situated at 251A/59A, Netaji Subhas Chandra Bose Road  
Kolkata – 700 047

## Profile of the Directors seeking re-appointment/appointment

The profile of Directors who are seeking re-appointment at the Annual General Meeting is furnished below:-

Brief profile of Directors and nature of their experience in functional areas	Directorship / Committee membership in other Companies	Shareholding in Senbo Industries Limited
Mr. Kingshuk Sengupta is a Bachelor of Commerce. He has seventeen years experience in high-tech construction, pharmaceuticals and hotel industries.	Senbo Engineering Ltd. Senbo Exim & Impex Pvt. Ltd. Eleena Holdings Pvt. Ltd.	NIL
Mr. Prdip Kumar Chakravorty, a small shareholder's Director is a Bachelor of Commerce. He has nearly 4 decades of business experience.	NIL	1000
Mr. Badal Modak is an Engineer by profession. He holds a Bachelors degree in Civil Engineering. He is an independent director of the Company	NIL	NIL

## Financial Year

Indicative events of the Company for the year 2011-12 (April - March) excluding Extra Ordinary General Meeting(s), if any, are as under:

First Quarter Financial Results	August, 2011
Second Quarter Financial Results	November, 2011
Third Quarter Financial Results	February, 2012
Fourth Quarter Financial Results	May, 2012
Annual General Meeting	September, 2012

## Date of Book Closure

The Company's Register of Members and Share Transfer Books will remain closed from September 20, 2011 to September 26, 2011 (both days inclusive).

## Dividend Payment

In view of the continuous loss incurred by the Company, no dividend has been recommended for the year 2010-11.

## Listing on Stock Exchange

The equity shares of the Company are currently listed at Bombay Stock Exchange Limited (BSE) and Calcutta Stock Exchange Association Limited (CSE). The Company has paid till date, appropriate listing fee to both the stock exchanges where the Company's equity shares are listed.

## Stock Code

- a) Stock Code of Stock Exchange at Mumbai : 532021  
 b) Stock Code of Stock Exchange at Kolkata : 10029214  
 c) ISIN Number  
 In NSDL and CDSL for Equity Shares of the Company : INE792C01010

## Market Price Data

As there was no trading during the year under review, Stock Market Price is not available and hence not furnished.

## Registrar and Share Transfer Agent

### Niche Technologies Private Ltd.

D 511, Bagri Market, 71, BRBB Road, Kolkata – 700 001, Ph No. – 033 2235 7271/ 7270

Email - nichetechpl@nichetechpl.com

## Share Transfer System

The Share Transfer requests, which are received in physical form, are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. However, in pursuance of SEBI guidelines, the Company has been offering the facility of Share Transfer-cum-Demat. Under the said system, after the share transfer is effected, an option letter is sent to the transferee, indicating the details of the transferred shares and requesting the owner of those shares whether he opts for demat shares. If he so desires to demat, he is to approach the Depository Participant (DP) with the option letter of the Company. The Depository Participant thereof generates a demat request, based on option letter, and sends the same to the Company along with its earlier issued option letter. On receipt of the same, the Company dematerializes those shares.

In case the transferee does not wish to dematerialize the shares, the Company despatches the shares certificates immediately.

## Distribution of Shareholding as on 31st March, 2011

Sl.	Number of Shares	No. of Holders	% of Total Shareholders	Total Shares	% of Total Shares
1.	1 to 500	2210	65.48	10,28,353	9.35
2.	501 to 1,000	813	24.09	685,094	6.23
3.	1,001 to 5,000	290	8.60	611,655	5.56
4.	5,001 to 10,000	23	0.68	166,699	1.51
5.	10,001 to 50,000	19	0.56	3,94,599	3.59
6.	50,001 to 1,00,000	4	0.12	307,300	2.79
7.	1,00,001 and above	16	0.47	7,806,300	70.97
	<b>Total</b>	<b>3,375</b>	<b>100.00</b>	<b>11,000,000</b>	<b>100.00</b>

## Shareholding Pattern of the Company as on 31st March, 2011

Category(No. of Shares)	Total Shares	% of Total Shares representing the Category
<b>Promoters:</b>		
Indian	6,192,100	56.29
Foreign	-	-
<b>Total Promoters'</b>	<b>6,192,100</b>	<b>56.29</b>
<b>Persons Acting in Concert:</b>		
<b>Institutional Investors:</b>		
Mutual Funds	14,900	0.14
Banks, FI, etc	355,800	3.23
Foreign Institutional Investors	-	-
<b>Others</b>		
Private Corporate Bodies	8,31,552	7.56
Indian Public	3,394,849	30.86
NRIs / OCBs	210,299	1.91
Any Other	500	0.01
<b>Total Non-Promoters'</b>	<b>4,807,900</b>	<b>43.71</b>
<b>Grand Total</b>	<b>11,000,000</b>	<b>100.00</b>

## **Dematerialization of Shares**

The shares of the Company are compulsorily traded in dematerialized form with effect from 29th April, 2001. Accordingly, the Company entered into agreements with NSDL on 15th January, 2001 and CDSL on 4th January, 2001. Till 31st March, 2011, the Company processed dematerialization requests for 14,39,205 shares which represents 13.08% of the shares issued.

## **OUTSTANDING GDR/ ADR/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

The Company has not issued any GDR/ ADR /Warrants /Convertible instruments and hence there is no impact on the Equity Shares of the Company due to conversion of above instruments.

## **PLANT LOCATION**

Senbo Industries Limited, Karbala, Sonarpur Station Road, P.O. Sonarpur, Kolkata -700 103

## **ADDRESS FOR CORRESPONDENCE**

For transfer/ dematerialization of shares and /or other query relating to share, and matters related /allies thereto:

### **Senbo Industries Limited**

87, Lenin Sarani, Kolkata - 700 013

Phone: 033 2217 8915/ 8916, Fax: 033 2265 9485

E-mail : [senboind@gmail.com](mailto:senboind@gmail.com) , Website : [www.senboindustries.com](http://www.senboindustries.com)

## AUDITORS REPORT ON CORPORATE GOVERNANCE

To the Shareholders of Senbo Industries Limited

1. We have examined the compliance of conditions of corporate governance by Senbo Industries Limited for the year ending 31st March 2011, as stipulated in Clause 49 of the listing agreement of the Company with Stock Exchanges.
2. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.
4. We state that in respect of investor grievances, the Registrar & Share Transfer Agents of the Company has maintained the relevant records and certified that as on 31st March 2011 there was no investor grievance pending against the Company for a period exceeding one month.
5. We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RAJESH CHATURVEDI & ASSOCIATES**

*Chartered Accountants*

**Firm's Regn. No 316131E**

**R. Chaturvedi**

**Proprietor**

**Membership No. 52809**

Place: Kolkata

Dated: 30th May, 2011



## AUDITORS' REPORT

### TO THE MEMBERS OF SENBO INDUSTRIES LIMITED

We have audited the attached Balance Sheet of Senbo Industries Limited as at 31st March 2011 and also the Profit & Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

We Report that:

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government under Section 227(4A) of the Companies Act, 1956 and as amended upto date, we enclose in the Annexure, a Statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, 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 and Profit & Loss Account dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow comply with the Accounting Standards referred in Section 211(3C) of the Companies Act, 1956, in so far as the Standards are applicable to the Company;
  - (e) On the basis of written representations received from the Directors as on 31st March 2011, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March 2011 from being appointed as Director within the meaning of Section 274 (1) (g) of the Companies Act, 1956.
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Significant Accounting Policies and subject to:

Note 1.1 regarding Non – provision of Bonus, Gratuity, Leave Encashment and interest received on Security Deposit with Central Medical Stores, the amount of which has not been determined;

Note 5 regarding non-charging of interest on Inter-Corporate Borrowings from a Group Company.

Note 6 on Party confirmations on Sundry Debtors, Sundry Creditors and Loans and Advances;

Note 8 regarding Non-adjustment of final dues with M/s Fresenius Kabi Pvt. Ltd. in the accounts.

All forming part of Schedule 19 read together with other notes therein, gives the information in the manner so required by the Companies Act, 1956 and gives a true and fair view:

- (i) In the case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2011;
- (ii) In the case of the Profit & Loss A/c, of the loss for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **RAJESH CHATURVEDI & ASSOCIATES**

*Chartered Accountants*

**Firm's Regn. No 316131E**

**R. Chaturvedi**

**Proprietor**

**Membership No. 52809**

Place: Kolkata

Dated: 30th May, 2011

**ANNEXURE TO AUDITORS' REPORT**  
(Referred to in Paragraph 1 of our Report)

1. In respect of its Fixed Assets:
  - a) The Company is in the process of updating its Fixed Assets Register to show full particulars including quantitative details and situation of Fixed Assets.
  - b) According to the information and explanations given to us, the Fixed Assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
  - c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year. However, it is the process of disposing off a Substantial portion of its Plants & Machinery.
2. In respect of inventories:
  - a) As explained to us, the stocks of finished goods, stores, spare parts and raw materials are physically verified by the management at reasonable intervals.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - c) As explained to us, the discrepancies noticed on verification between the Physical Stocks and the Book Records, were not significant.
3. In respect of loans:
  - a) The Company, during the year also, has taken unsecured loans from Companies listed in the Register maintained under section 301 of the Companies Act, 1956, which is at call and interest-free.
  - b) In respect of loans and advances in the nature of loans given by the Company to any parties/ staff where stipulations have been made; parties/ staffs have generally repaid the amounts as stipulated other than those written off during the year.
4. 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 for the purchase of stores, raw materials including components, plant & machinery, equipment and other assets and for the sale of goods and services. The Company is regular in taking corrective measures whenever major weaknesses in internal control are controlled.
5. In our opinion and according to the information and explanations given to us, no transaction was made for purchase of goods and materials and sale of goods, materials and services in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 5,00,000 or more in respect of each Party.
6. On the basis of documents examined & information received, we state that the Company has not accepted any deposits from the public in pursuance of sections 58A, 58AA or any other relevant provisions of the Act.
7. In our opinion, the Company has an Internal Audit system commensurate with its size and the nature of its business.
8. According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records u/s 209 (1) (d) of the Companies Act, 1956, for any product of the Company.
9. In respect of Statutory dues:
  - a) According to the records of the Company, all outstanding dues in respect of West Bengal VAT, Municipal Tax, and Fire License, etc. have not been paid during 2010-11.
  - b) According to the information and explanations given to us, no disputed or undisputed amounts payable in respect of income tax, sales tax, customs duty, excise duty or dues payable to any other Statutory and/or Local Authority were outstanding as at 31st March, 2011 for a period of more than six months from the date they became payable.

- 10 The accumulated losses of the Company at the end of the financial year are in excess of its net worth. It has incurred cash losses during the year and also in the previous financial year.
- 11 As per records produced before us, the Company has not defaulted in payment of dues to any financial institution or bank or debentures holders.
- 12 In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- 13 In our opinion, the Company is not a chit fund or a nidhi/ mutual fund/ society. Therefore, clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 and as amended upto-date, is not applicable to the Company.
- 14 In our opinion, the Company has not dealt or traded in shares, securities, debentures and investments. Therefore, clause 4 (xiv) of the Companies (Auditor's Report) Order 2003 and as amended upto-date, is not applicable to the Company.
- 15 As per records produced before us, the Company has not given guarantees for loans taken by others from Banks or Financial institutions.
- 16 As per records produced before us, the Company has not raised any new term loans during the year. The Term Loans outstanding at the beginning of the year was nil.
- 17 According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that no short term loans have been used for long term investments.
- 18 As per records produced before us, during the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s. 301 of the Companies Act, 1956.
- 19 As per records produced before us, the Company has not issued any debentures during the year.
- 20 As per records produced before us, the Company has not raised any money by way of public issue during the year.
- 21 In our opinion and according to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For **RAJESH CHATURVEDI & ASSOCIATES**

*Chartered Accountants*

**Firm's Regn. No 316131E**

**R. Chaturvedi**

**Proprietor**

**Membership No. 52809**

Place: Kolkata

Dated: 30th May, 2011

## Balance Sheet as at 31st March, 2011

	Sch. No.	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUND</b>			
Share Capital	1	108,479,000	108,479,000
Reserve and Surplus	2	92,680,000	92,680,000
		<u>201,159,000</u>	<u>201,159,000</u>
<b>LOANS</b>			
Unsecured	3	180,005,203	194,272,245
		<u>180,005,203</u>	<u>194,272,245</u>
<b>TOTAL</b>		<u>381,164,203</u>	<u>395,431,245</u>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	4	321,969,041	321,969,041
Less : Depreciation		189,938,699	173,862,672
		<u>132,030,342</u>	<u>148,106,369</u>
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
Inventories	5	5,368,164	8,616,355
Sundry Debtors	6	-	7,215,247
Cash and Bank Balance	7	364,489	346,667
Loans and Advances	8	7,926,254	8,718,610
		<u>13,658,907</u>	<u>24,896,879</u>
<b>Less :</b>			
<b>CURRENT LIABILITIES AND PROVISIONS</b>			
Current Liabilities	9	71,762,193	48,726,860
Provisions for Taxation		-	-
		<u>71,762,193</u>	<u>48,726,860</u>
<b>NET CURRENT ASSETS</b>		<u>(58,103,286)</u>	<u>(23,829,981)</u>
<b>MISCELLANEOUS EXPENDITURE</b>			
(To the extent not written off or adjusted)			
Profit & Loss A/c		307,237,147	271,154,857
<b>TOTAL</b>		<u>381,164,203</u>	<u>395,431,245</u>

### NOTES TO ACCOUNTS

19

The Schedules referred to above form an integral part of the Balance Sheet

In terms of our report of even date attached

for **Rajesh Chaturvedi and Associates**

*Chartered Accountants*

**R. Chaturvedi**

*Proprietor*

Kolkata

Dated : 30th May, 2011

For and on behalf of the Board

**C. S. Choudhury**

*Vice Chairman*

**Kajal Sengupta**

*Chairman & Managing Director*

**Anita Singh**

*Company Secretary*

## Profit & Loss Account for the year ended 31st March, 2011

	Sch. No.	Year ended March 31, 2011 Rupees	Year ended March 31, 2010 Rupees
<b>INCOME</b>			
Sale of Trial Products		923,750	206,557
Other Income	10	17,539	172,899
Liabilities Written Back		351,769	-
Increase / (Decrease) in Stock		(990,462)	971,798
		<u>302,596</u>	<u>1,351,254</u>
<b>EXPENDITURE</b>			
Raw Materials Consumed	11	-	1,049,028
Other Materials Consumed	12	149	277,214
Utilities	13	2,131,419	2,647,454
Personnel Expenses	14	7,639,858	6,928,685
Other Expenses	15	1,893,992	5,861,892
Selling & Product Development	16	124,344	921,693
Depreciation	4	16,076,027	16,072,064
Loss on Sale of Raw Materials, Packing Material, Stores & Spares		789,568	-
Finance Charges	17	3,492	5,458
Provision for Doubtful Debts		7,215,247	-
Items written off during the year	18	510,290	642,009
		<u>36,384,386</u>	<u>34,405,497</u>
<b>PROFIT / (LOSS)</b>			
Profit / (Loss) before Taxation		<u>(36,081,790)</u>	<u>(33,054,243)</u>
		(36,081,790)	(33,054,243)
Adjustment Relating to Previous Year(s)		(500)	265,764
Excess Provision for FBT Written Back		-	17,420
Profit / (Loss) brought forward		<u>(271,154,857)</u>	<u>(238,383,798)</u>
<b>Carried forward to Balance Sheet</b>		<u>(307,237,147)</u>	<u>(271,154,857)</u>

### NOTES TO ACCOUNTS

19

The Schedules referred to above form an integral part of the Balance Sheet

In terms of our report of even date attached for **Rajesh Chaturvedi and Associates**  
*Chartered Accountants*  
R. Chaturvedi  
Proprietor  
Kolkata  
Dated : 30th May, 2011

For and on behalf of the Board  
**C. S. Choudhury**      **Kajal Sengupta**  
*Vice Chairman*      *Chairman & Managing Director*  
  
**Anita Singh**  
*Company Secretary*

### Schedule Forming Part of Balance Sheet

Sch. No.		As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
<b>1</b>	<b>SHARE CAPITAL</b>		
	<b>Authorised</b>		
	1,20,00,000 Equity Shares of Rs. 10/- each	<b>120,000,000</b>	<b>120,000,000</b>
	<b>Issued, Subscribed &amp; Paid up</b>		
	1,10,00,000 Equity Shares of Rs. 10/- each fully called up	110,000,000	110,000,000
	Less : Calls in Arrear - From Directors	-	-
	From Others	1,521,000	1,521,000
	(Out of the above 5,09,100 Equity Shares have been issued as fully paid up for consideration other than cash)		
		<b>108,479,000</b>	<b>108,479,000</b>
<b>2</b>	<b>RESERVE &amp; SURPLUS</b>		
	General Reserve	50,000	50,000
	Capital subsidy (Govt. of West Bengal)	1,500,000	1,500,000
	Capital Reserve	91,130,000	91,130,000
		<b>92,680,000</b>	<b>92,680,000</b>
<b>3</b>	<b>UNSECURED LOANS</b>		
	From Directors & Shareholders	3,103,816	-
	From Bodies Corporate	176,901,387	194,272,245
		<b>180,005,203</b>	<b>194,272,245</b>

#### 4 FIXED ASSETS & DEPRECIATION

	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2010	Additions	As at 31.03.2011	As at 01.04.2010	For the year 2010-11	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010
	1	2	3	4	5	6	7	8
Land	6,382,560		6,382,560	-	-	-	6,382,560	6,382,560
Building	45,835,917		45,835,917	19,121,764	1,530,920	20,652,684	25,183,233	26,714,153
Plant & Machinery	250,790,747		250,790,747	139,542,834	13,241,751	152,784,585	98,006,162	111,247,913
Electrical Installation	9,420,146		9,420,146	7,983,953	666,004	8,649,957	770,189	1,436,193
Office Equipments	1,315,921		1,315,921	891,395	93,036	984,431	331,490	424,526
Furniture & Fittings	7,474,466		7,474,466	6,109,180	473,134	6,582,314	892,152	1,365,286
Motor Vehicle	749,284		749,284	213,546	71,182	284,728	464,556	535,738
<b>Total</b>	<b>321,969,041</b>	<b>-</b>	<b>321,969,041</b>	<b>173,862,672</b>	<b>16,076,027</b>	<b>189,938,699</b>	<b>132,030,342</b>	<b>148,106,369</b>
Previous year	321,720,574	248,467	321,969,041	157,790,608	16,072,064	173,862,672	148,106,369	163,929,966

## Schedule Forming Part of Balance Sheet

Sch. No.		As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
5	<b>INVENTORIES (AS TAKEN VALUED &amp; CERTIFIED BY THE MANAGEMENT)</b>		
	Raw Material	133,664	1,601,554
	Packing Material	118,654	342,902
	Stores & Spares	5,115,846	5,681,437
	Finished Goods	-	990,462
		<b>5,368,164</b>	<b>8,616,355</b>
6	<b>SUNDRY DEBTORS (Unsecured)</b>		
	Over Six Months Considered Good	-	-
	Over Six Months Considered Doubtful	11,994,763	11,994,763
		<b>11,994,763</b>	<b>11,994,763</b>
	Less : Provision for Doubtful Debts	<b>11,994,763</b>	4,779,516
		-	7,215,247
7	<b>CASH &amp; BANK BALANCES</b>		
	Cash in hand (As verified & certified by the Management)	1,978	1,606
	Current Accounts with scheduled Banks	100,667	83,217
	Fixed Deposit with a scheduled Bank as Margin Money for Guarantee	261,844	261,844
		<b>364,489</b>	<b>346,667</b>
8	<b>LOANS &amp; ADVANCES (Unsecured considered good)</b>		
	Advances recoverable in cash or in kind or for value to be received	4,802,161	4,964,848
	Advances for Expenses	-	2,200
	Advance to Staff	6,481	22,550
	Advance F.B.T.	-	4,681
	Excise P.L.A.	17,886	17,886
	Security Deposit	1,355,411	1,355,411
	Earnest Money	85,500	85,500
	Prepaid Insurance Premium	-	161,336
	Prepaid Membership Fees	132,363	217,503
	Prepaid License Fees PCB	-	30,000
	Prepaid License Fees	19,283	24,143
	Tax Deducted at Source	1,449,691	1,449,691
	Input Vat Receivable	-	342,922
	Accrued Interest on F.D	57,478	39,939
		<b>7,926,254</b>	<b>8,718,610</b>
9	<b>CURRENT LIABILITIES AND PROVISIONS</b>		
	<b>CURRENT LIABILITIES</b>		
	Creditors for Purchase		
	S.S.I.Unit	740,901	740,901
	Other	5,816,702	5,790,751
	Creditors for Expenses	2,593,887	2,772,649
	Other Liabilities	2,265,417	1,577,273
	Security Deposit Received	310,000	310,000
	Advance From Customers	35,286	35,286
	Advance Received against sale of Plant & Machinery	60,000,000	37,500,000
		<b>71,762,193</b>	<b>48,726,860</b>

### Schedule Forming Part of Profit & Loss Account

Sch. No.		Year ended March 31, 2011 Rupees	Year ended March 31, 2010 Rupees
<b>10</b>	<b>OTHER INCOME</b>		
	Interest Earned	17,539	64,164
	Sale of scrap	-	108,735
		<u>17,539</u>	<u>172,899</u>
<b>11</b>	<b>RAW MATERIALS CONSUMED</b>		
	Opening Stock of Raw Materials	1,601,554	2,621,168
	Add : Purchase During the period	-	196,691
		<u>1,601,554</u>	<u>2,817,859</u>
	Less : Damaged Stock Disposed / Written off	<u>1,467,890</u>	<u>167,277</u>
		<u>133,664</u>	<u>2,650,582</u>
	Less : Closing Stock	133,664	1,601,554
	Consumptions	-	<u>1,049,028</u>
<b>12</b>	<b>OTHER MATERIALS CONSUMED</b>		
	Packing Materials	149	194,905
	Stores & Spares	-	82,309
		<u>149</u>	<u>277,214</u>
<b>13</b>	<b>UTILITIES</b>		
	Power & Fuel		
	Electricity	2,130,519	2,320,553
	Furnace Oil	-	243,670
	Diesel for Generator	900	83,231
		<u>2,131,419</u>	<u>2,647,454</u>
<b>14</b>	<b>PERSONNEL EXPENSES</b>		
	Salary, Wages, Bonus & Ex-gratia and Allowances	4,442,195	6,010,070
	Compensation to Employees	1,128,900	-
	Notice Period Pay	177,300	-
	Leave Encashment	24,601	-
	Co's contribution to P.F. and E.S.I.	284,788	370,812
	P.F. Administration charges etc.	13,507	26,927
	Gratuity	1,329,168	-
	Staff Welfare	239,319	500,485
	Uniform & Liveries	80	20,391
		<u>7,639,858</u>	<u>6,928,685</u>



## Schedule Forming Part of Profit & Loss Account

Sch. No.		Year ended March 31, 2011 Rupees	Year ended March 31, 2010 Rupees
15	<b>OTHER EXPENSES</b>		
	Auditor's Remuneration	101,250	105,250
	Bank Charges	11,195	25,902
	Books & Periodicals	3,248	3,598
	Consultancy & Service Charges	374,829	430,895
	Conveyance	74,658	207,818
	Directors' Sitting Fees	26,500	40,000
	Donation & Subscription	1,500	752
	Entertainment Expenses	28,334	55,889
	Factory Maintenance	41,786	281,578
	Forms, Fees, Registration & Others	239,847	293,647
	Insurance Premium	164,099	298,989
	Legal Expenses	103,093	79,927
	Lab Expenses	-	2,013
	Postage & Telegram	14,004	68,553
	Printing & Stationery	26,368	67,374
	Profession Tax	2,500	2,500
	Rent Paid	11,880	11,880
	Taxes & Duty	242,400	255,078
	Telephone & Telex	118,996	281,026
	Travelling Expenses	-	37,193
	Vehicle Maintenance	273,555	311,401
	<b>Repairs :</b>		
	Machinery	-	2,976,383
	Others	33,950	24,246
		<b>1,893,992</b>	<b>5,861,892</b>
16	<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
	Business Promotion	5,131	883,604
	Advertisement	16,328	27,794
	Carriage outward	102,885	9,500
	Packing Expenses	-	795
		<b>124,344</b>	<b>921,693</b>
17	<b>FINANCE CHARGES</b>		
	Interest on:		
	Interest on TDS	3,492	2,282
	Interest on Municipal Tax	-	505
	Miscellaneous Interest	-	2,671
		<b>3,492</b>	<b>5,458</b>
18	<b>ITEMS WRITTEN OFF DURING THE YEAR</b>		
	Sundry Debit Balance No Longer Recoverable	-	642,009
	Advance To Party	162,687	-
	Input VAT Receivable	342,922	-
	Advance FBT	4,681	-
		<b>510,290</b>	<b>642,009</b>

## 19. NOTES TO ACCOUNTS

Schedules forming part of the Balance Sheet as at 31st March,2011 and Profit & Loss Account for year ended on that date :-

### 1. *Significant Accounting Policies*

#### 1.1 BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention, on accrual basis of accounting (save and except bonus, gratuity and interest receivable on security deposit with Central Medical Stores) to comply with the mandatory accounting standards as notified under the Companies (Accounting Standard) Rules 2006 pursuant to Section 211 (3C) of the Companies Act,1956 and in conformity with the accounting principles as generally accepted in India (Indian GAAP) as applicable, and the relevant provisions of the Companies Act, 1956. The Accounting policies are consistently applied by the Company.

#### 1.2 USE OF ESTIMATE

The preparation of financial statements in conformity with GAAP requires management to make estimated assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of policies during the reporting period. Although these estimates are based upon managements' best knowledge of current events and activities, actual results could differ from these estimates.

#### 1.3 FIXED ASSETS

- (a) Fixed Assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use.
- (b) The carrying value of fixed assets which are in excess of higher of its value in use or net realisable value is recognised as an impairment loss.

#### 1.4 DEPRECIATION

- (a) Depreciation of fixed assets is provided on straight line basis at the rate specified in Schedule XIV of the Companies Act,1956, as amended upto date.
- (b) Depreciation on asset purchased/acquired/installed during the year is charged from the date of such event. Similarly depreciation on assets sold/discarded during the year is charged upto the date of the event.

#### 1.5 IMPAIRMENT

Fixed assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognized, whenever the carrying amount of the assets either belonging to the Cash Generating Unit (CGU) or otherwise, exceeds recoverable amount. The recoverable amount is the greater of the assets net selling price or its value in use. In assessing value in use the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss / reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU are allocated to its assets on pro-rata basis.

#### 1.6 INVENTORIES

- (a) Inventories of raw materials, packaging materials, fuel, stores & spares valued at lower of procurement cost(weighted average basis) and net realisable value.
- (b) Where applicable Inventories of work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost of inventories includes direct materials, labour and a portion of manufacturing overheads based on normal operating capacity.

## 1.7 BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of fixed assets are capitalized as part of cost of such assets. All other borrowing costs are charged to revenue.

## 1.8 REVENUE RECOGNITION

Revenue arising out of sale of trial products is recognized upon passage of title to the customers, which generally coincides with their delivery. Adjustments, if any, arising out of price difference claims, etc, are accounted for as and when they are finally determined.

## 1.9 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

(a) A provision is recognized when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made, Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

(b) Contingent liabilities are disclosed by way of notes to accounts.

(c) Contingent Assets are not recognised except for the purpose of settlement of dispute / claim.

## 1.10 SEGMENT-WISE REPORTING

The Company's exclusive business is manufacturing and selling of I V Fluids and as such in the opinion of the Management this is the only reportable business segment as per Accounting Standard 17, on 'Segment Reporting' issued by The Institute of Chartered Accountants of India. There is no reportable Geographical segment either.

## 1.11 EMPLOYEE BENEFITS

(a) Defined contribution to provident fund and employee state insurance are charged to profit & loss account of the year when the contributions to the respective funds are due.

(b) Bonus and Gratuity is accounted for as and when disbursed.

## 1.12 POLICY ON EARNING PER SHARE

Basic earning per share is calculated by dividing the net profit or loss after tax and include post tax effect of any extra-ordinary item for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the period. The weighted average number of equity shares as outstanding during the period are adjusted for event including a bonus issue, bonus element in a right issue, split of shares or reverse split (i.e. consolidation of shares) etc. made during the year.

## 1.13 PROVISION FOR TAXATION

(a) Net Profit (Loss) is arrived at after considering current and deferred tax.

(b) A provision is made for the current tax based on tax liability computed in accordance with relevant tax rates and tax laws. A provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently or substantively enacted tax laws.

(c) Deferred tax assets are recognised only if there is reasonable certainty that they will be realized and are reviewed for the appropriations of their respective carrying values at each balance sheet date

## 1.14 FOREIGN CURRENCY TRANSACTION

Where applicable Foreign currency transactions are accounted for at the exchange rate prevailing at the transaction date. Year and monetary assets and liabilities in foreign currency are translated at the applicable year end exchange rates and the resultant difference is recognized as gain / loss for the year.

2. In the opinion of the Management, the recoverable amount of the assets [ either the entire Plant & Machinery relating to Intra-Venous Fluid Manufacturing Plant, the only CGU of the Company or the assets] being higher than those of respective carrying amount of such assets, no impairment loss has arisen on the Balance Sheet date.

### 3. Contingent Liabilities :

	Current Year (Rs.)	Previous Year (Rs.)
(a) Bank Guarantees in favour of West Bengal State Electricity Distribution Company	226,000	226,000
(b) Claim against the Company not acknowledged as debt	3,171,849	3,171,849
(c) Claim of Central Excise duty under Appeal to Tribunal	770,818	770,818

- 4 The only factory of the company has been closed with effect from 28th March, 2011 and all operations have been suspended. Payments for all statutory dues including notice period pay, compensation for early termination, arrear salary, bonus, gratuity, leave encashment, etc. had been paid to the employees of the company immediately on closure.
5. As no interest has been charged on Inter-Corporate Borrowings, the same has not been estimated and provided in the accounts.
6. Party confirmations in respect of outstanding balances for Sundry Debtors, Sundry Creditors, Loans and Advances have been taken into consideration to the extent received.
7. The Contract with M/s. Base Engineering, the Contractor responsible for Renovation work of Factory, was terminated due to poor and sub-standard quality of work and materials. At present, the matter is under litigation.
8. Debtors include dues from M/s. Fresenius Kabi Pvt. Ltd. (Fresenius) since 21st August, 2006, against which full provision has been made. The dues relate to certain unresolved disputed issues like claims of the company on Fresenius for increase in conversion charge, Godown rent, VAT, TDS certificates, Scrap etc. and also counter claim of the party on the Company.
9. As agreed by the company, Scott-Edil Advanced Research Laboratories & Education Ltd. paid an advance amount of Rs. 6.00 crore only out of Rs. 6.12 crores against sale of I V Fluids manufacturing machinery for which appropriate resolutions were passed by the Company's shareholders on 17th March, 2010. The aforesaid amount was used by the company towards part repayment of unsecured loan.
10. Electricity Expenses include Rs.11,22,000/- (Previous Year Rs. 11,22,000/-) for payment on account of fixed load factor. The balance amount of Rs.10,08,519/- (Previous Year Rs.11,98,553/-) is for consumption of 1,14,945 Kwh (Previous Year 1,94,875 Kwh) of electricity.
11. Tax Deducted at Source include Rs.10,89,306/-relating to tax deducted upto the Financial Year 2005 – 2006, assessment for which year have been completed. Recovery / Adjustment of the TDS amount is doubtful.
12. The following amounts under Loans & Advances have been written off during the year as these are found to be non – realizable any more :-

	Amount (Rs.)
i. Fringe Benefit Tax	4,681
ii. Input VAT Receivable	3,42,922
iii. Recoverable Advances	1,62,687
<b>Total</b>	<b>5,10,290</b>

### 13 Micro, Small & Medium Enterprises

The Company has not received any memorandum as required to be filed with notified authority under the Micro, Small and Medium Enterprises Development Act, 2006 claiming their status as on 31st March, 2011 (and also 31st

March, 2010) as micro, small and medium enterprises. Consequently the amount paid/ payable to these parties during the year (and also previous year) is nil.

#### 14. RELATED PARTY DISCLOSURES

Disclosures as required under Accounting Standard 18 are given below:

List of Related Parties:

Associated Companies	Key Management Personnel & their Relatives
Senbo Engineering Limited	Mr. Kajal Sengupta
Embicon Engineering Pvt. Ltd.	Mr. Kingshuk Sengupta
Eleena Holdings Pvt. Ltd.	Mr. C S Choudhury
Senbo Exim & Impex Pvt. Ltd.	Dr. Shaibal Kumar Chakraborty
	Mr. Pradip Kumar Chakravorty
	Mr. Badal Modak

Transactions with Related Parties during 2010-2011

Nature of Expenses		Associated Companies (Rs.)	Key Management Personal & Relatives (Rs.)
<b>Expenses</b>			
Directors' Remuneration	Current Year	Nil	Nil
	Previous Year	Nil	Nil
Directors' Sitting Fees	Current Year	Nil	26,500
	Previous Year	Nil	40,000
<b>Income</b>			
Electricity & Diesel	Current Year	63,146	—
	Previous Year	71,373	—
<b>Outstanding Balance as on 31st March, 2011</b>			
Unsecured Loan	Current Year	180,005,203	—
	Previous Year	194,272,245	—

#### 15. EARNING PER SHARE

	Current Year (Rs.)	Previous Year (Rs.)
Net Profit / (Loss) after current and deferred tax	(36,081,790)	(33,054,243)
Weighted Average		
Number of Equity Shares of Rs.10 each as on 31-3-2011	10,847,900	10,847,900
Earnings Per Share (Basic and Diluted)	Nil	Nil

16. Figures for the previous year have been re-arranged and re-grouped wherever necessary.

17. Information Pursuant to Notification under Schedule VI of the Companies Act, 1956 (As certified by the Management):

	Current Year		Previous Year	
	Qty (No. of Bottles)	Value (Rs.)	Qty (No. of Bottles)	Value (Rs.)
17.1 Annual Capacity and Actual Production				
17.1.1 Licensed Capacity	18,000,000	N.A.	18,000,000	N.A.
17.1.2 Installed Capacity	18,000,000	N.A.	18,000,000	N.A.
17.1.3 Trial Products of Intravenous Fluids after Machine up gradation (as per Drug Authority's requirement)	NIL	N.A.	157,634	1,178,355
17.2 Sale of Trial Products of Intravenous Fluids	135,309	9,23,750	24,244	206,557
17.3 Opening Stock I.V.Fluids Bottles	135,309	990,462	1,919	18,664
17.4 Closing Stock I.V. Fluids Bottles	NIL	N.A.	135,309	990,462
17.5 Raw Materials Consumed				
17.5.1 PolyethyleneGranules(Kgs)	Nil	Nil	Nil	Nil
17.5.2 Chemicals-Kgs	Nil	Nil	Nil	Nil
17.6 Raw Materials Consumed Granules & Chemicals	Various Units		Various Units	1,049,028
17.7 Other Materials Consumed				
17.7.1 Packing Materials	Various Units	149	Various Units	194,905
17.7.2 Stores & Spares	Various Units	Nil	Various Units	82,309

	Current Year		Previous Year	
	%	Value (Rs.)	%	Value (Rs.)
17.8 Value of Imported and Indigenous Materials Consumed :				
17.8.1 Raw Materials				
- Imported	Nil	Nil	Nil	Nil
- Indigenous	Nil	Nil	100	1,049,028
17.8.2 Other Materials				
- Imported	Nil	Nil	Nil	Nil
- Indigenous	Nil	149	100	194,905
17.8.3 Stores & Spares (includes repairs to machinery)				
- Imported	Nil	Nil	94.35	1,374,503
- Indigenous	Nil	Nil	5.65	82,309

	Current Year Value (Rs.)	Previous Year Value (Rs.)
17.9 C. I. F. Value of Imports	Nil	Nil
17.9.1 Raw Materials	Nil	1,121,678
17.9.2 Spares & Components	Nil	Nil
17.10 Income in Foreign Currency	Nil	Nil
17.11 Expenditure in Foreign Currency		
17.12 Auditors' Remuneration		
17.12.1 For Statutory Audit	90,000	90,000
17.12.2 For tax Audit	Nil	Nil
17.12.3 For Certification Work	11,250	15,250
17.12.4 For Consultancy Work	Nil	Nil
TOTAL	101,250	105,250
17.13 Managerial Remuneration		
Directors' Sitting Fees	26,500	40,000

## Information pursuant to Part IV of Schedule VI of the Companies Act, 1956.

### Balance Sheet Abstract and Company's General Business Profile

#### I. REGISTRATION DETAILS

Registration No. 

L	2	4	2	3	1	W	B	1	9	9	4	P	L	C	0	6	3	7	7	8
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Balance Sheet Date 

3	1	-	0	3	-	2	0	1	1
---	---	---	---	---	---	---	---	---	---

#### II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. '000)

Public Issue 

N	I	L			
---	---	---	--	--	--

 Right Issue 

N	I	L			
---	---	---	--	--	--

Bonus Issue 

N	I	L			
---	---	---	--	--	--

#### III. Position of Mobilisation and Deployment of Funds (Amount in Rs. '000)

Total Liabilities 

4	5	2	9	2	6
---	---	---	---	---	---

 Total Assets 

4	5	2	9	2	6
---	---	---	---	---	---

##### Sources of Funds

Paid-up Capital 

1	0	8	4	7	9
---	---	---	---	---	---

 Reserve and Surplus 

	9	2	6	8	0
--	---	---	---	---	---

Secured Loans 

			N	I	L
--	--	--	---	---	---

 Unsecured Loans 

1	8	0	0	0	5
---	---	---	---	---	---

##### Application of Funds

Net Fixed Assets 

1	3	2	0	3	0
---	---	---	---	---	---

 Investments 

			N	I	L
--	--	--	---	---	---

Net Current Assets 

-	5	8	1	0	3
---	---	---	---	---	---

 Accumulated Losses 

3	0	7	2	3	7
---	---	---	---	---	---

#### IV. Performance of Company (Amount in Rs. '000)

Turnover 

			9	2	4
--	--	--	---	---	---

 Other Income 

3	6	9			
---	---	---	--	--	--

Total expenditure 

	3	7	3	7	5
--	---	---	---	---	---

 Profit /Loss (-) Before Tax 

-	3	6	0	8	2
---	---	---	---	---	---

Profit/Loss(-)After Tax 

-	3	6	0	8	2
---	---	---	---	---	---

 Earning Per Share 

N	I	L			
---	---	---	--	--	--

#### V. Generic names of Three Principal Products of the Company:

1. Intravenous Fluids (I.V. Fluids)

2. Nil

Code No. 

3	0	0	4	9	-	3	8	1
---	---	---	---	---	---	---	---	---

3. Nil

Schedules 1 to 19 are signed by the following:

In terms of our report of even date attached  
for **Rajesh Chaturvedi and Associates**

*Chartered Accountants*

**R. Chaturvedi**

*Proprietor*

Kolkata

Dated : 30th May, 2011

For and on behalf of the Board

**C. S. Choudhury**

*Vice Chairman*

**Kajal Sengupta**

*Chairman & Managing Director*

**Anita Singh**

*Company Secretary*



## CEO/CFO Certification

To  
The Board of Directors,  
Senbo Industries Limited

We, the undersigned, in our respective capacities as Chairman & Managing Director (CEO) and Vice Chairman (CFO) of Senbo Industries Limited ("the Company), to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements read with the Cash Flow Statement of Senbo Industries Limited for the year ending 31st March, 2011 and state 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 present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or otherwise in violation of the Company's Code of Conduct.
- (c) We further accept responsibility for establishing and maintaining internal control for financial reporting. We have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying such deficiencies.
- (d) We have indicated, based on our recent evaluation, to the auditors and the Audit Committee:
  - i. Significant changes, if any, in internal control over financial reporting during the year.
  - ii. Significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instance 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 over financial reporting.

Kajal Sengupta  
Chairman & Managing Director

C.S.Choudhury  
Vice Chairman

Place : Kolkata  
Dated : 30th May, 2011

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### Declaration:

Compliance with Code of Business Conduct and Ethics

As provided under Clause 49 (1)(D)( ii) of the Listing Agreement with the Stock Exchanges, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2011.

Place : Kolkata  
Dated : 30th May, 2011

For Senbo Industries Limited  
**Kajal Sengupta**  
Chairman & Managing Director

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	Year Ended March 31, 2011 Rupees	Year Ended March 31, 2010 Rupees
<b>A. Cash Flow from Operating Activities</b>		
Net Profit / (Loss) before tax and extra-ordinary items	(36,082,290)	(32,841,459)
Adjustment for Depreciation	16,076,027	16,072,064
Operating Profit / (Loss) before Working Capital Changes	<b>(20,006,263)</b>	<b>(16,769,395)</b>
(Increase)/Decrease in Working Capital (Other than Cash & Cash Equivalents)	34,291,127	39,528,301
<b>Net Cash Flow from Operating Activities</b>	<b>14,284,864</b>	<b>22,758,906</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets including Foreign Currency Variation	-	(248,467)
Advances for Capital Expenditure and Deferred Liability (Net)	-	-
<b>Net Cash used in Investing Activities</b>		<b>(248,467)</b>
<b>C. Cash Flow from Financial Activities</b>		
Proceeds from issue of Share Capital	-	-
Proceeds from long term borrowings	-	-
Repayment of Unsecured Loans	(14,267,042)	(23,071,143)
Other Borrowings	-	-
Share Issue / Product Development Expenses	-	-
<b>Net Cash used in Financing Activities</b>	<b>(14,267,042)</b>	<b>(23,071,143)</b>
<b>Net Increase / (decrease) in cash and cash equivalents (A + B + C)</b>	<b>17,822</b>	<b>(560,704)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>346,667</b>	<b>907,371</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>364,489</b>	<b>346,667</b>

*For and on behalf of the board*

**C. S. Choudhury**  
*Vice Chairman*

**Kajal Sengupta**  
*Chairman & Managing Director*

Place : Kolkata  
Dated : 30th May, 2011

**Anita Singh**  
*Company Secretary*

# Book Post

## Senbo Industries Limited

### Registered Office :

87, Lenin Sarani, Kolkata – 700 013

Phone: 033 2217 8915/16; Fax: 033 2265 9485

Email: [senboind@gmail.com](mailto:senboind@gmail.com)

Website: [www.senboindustries.com](http://www.senboindustries.com)

### Works :

Karbala, Sonarpur Station Road, Kolkata – 700 103

Phone: 033 2434 7339; Fax: 033 2434 7341