

**ANNUAL REPORT
&
ACCOUNTS
2008-2009**

OF

SHENTRACON CHEMICALS LTD.
6A, KIRAN SANKAR ROY ROAD, KOLKATA-700001



Shentracon Chemicals Limited

REGD. OFFICE :

6A, KIRAN SHANKAR ROY ROAD, KOLKATA-700 001, PHONE : 2248-9731, 2248-9538, FAX : (91-33) 2248-4000

NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of SHENTRACON CHEMICALS LTD. will be held at the Registered Office of the Company at 6A, Kiran Shankar Roy Road, 3rd Floor, Kolkata-700001 on Wednesday, the 30th September, 2009 at 3.00 P.M. to transact the following business :-

1. To receive and consider Director's Report and the Audited statement of Accounts for the period ended 31st March, 2009.
2. To elect a Director in place of Mr. J. P. Sureka, who retires by rotation and being eligible, offers himself for re-appointment.
2. To appoint Auditors and to fix their remuneration.

By Order of the Board

Commerce House,
6A, Kiran Shankar Roy Road,
3rd Floor,
Kolkata-700001.

For SHENTRACON CHEMICALS LTD.

Dated : 17th, August, 2009

A handwritten signature in black ink, appearing to read 'J. P. Sureka', is written over a horizontal line.

Director

NOTE : Every member entitled to attend and vote is entitled to appoint proxy and vote instead of him/her and such proxy need not be member of the Company. The proxies should, however, be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

The Register of members along with Share Transfer Register will remain closed from 21st September to 24th September, 2009 both days inclusive.



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DIRECTORS' REPORT

Ladies & Gentlemen,

Your Directors take pleasure in presenting the Sixteenth Annual Report of the Company together with the Audited Balance Sheet and Profit & loss Account for the year 2008-2009.

FINANCIAL RESULTS

2008-2009

Profit/(Loss)during the year	(3129734)
ADD Balance as per Last year	<u>(92326660)</u>
Balance carried to the Balance Sheet	<u>(95456394)</u>

OPERATIONS :

There was no production at the Company's manufacturing plant at Dankuni, Dist.Hooghly during the year. In view of that the Company had to incur heavy losses.

DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Mr. J. P. Sureka is liable to retire by rotation & has offered himself for re-appointment.

AUDITORS :

M/S. K.P.Jhawar & CO.,Chartered Accountants, Auditor of the Company hold office till the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

REMARKS IN AUDITORS' REPORT:

Note Nos. B: 4,5,6,7,9,10,11,12,13,14 in the Auditors Report are in nature of disclosures and self explanatory.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act 1956, with respect to Directors' Responsibility Statement. Your Directors confirm :

1.that in the preparation of Annual Accounts, the applicable accounting standards have been followed ;



: 2 :

2.that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year ended March 31,2009 and of the loss of the Company for the year.

3.that 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 of the assets of the Company and for preventing and detecting fraud and other irregularities;

4.That the Directors have prepared the Annual Accounts on a going concerns basis.

CORPORATE GOVERNANCE:

Report on Corporate Governance has to be implemented by your Company from financial year 2005-2006. Necessary steps will be taken for implementation of the same in due course.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

A statement containing necessary information as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rule, 1988 is annexed hereto and marked as Annexure "A" to the Report.

PARTICULARS OF EMPLOYEES:

As required by the provisions of Section 217(2A) of the Companies Act,1956 read with the Companies (Particulars of Employees) Rule, 1975 as amended, the particulars are not given as the same is not attracted in the case of any person employed by the Company.

ACKNOWLEDGEMENT :

Your Company and its Directors wish to sincerely thank the various Govt. Departments for their support and co-operation extended to the Company. Your Directors also sincerely thank the Shareholders for the confidence reposed by them in the Company and seek their continuous support and co-operation in future also.

Registered Office:
6A, Kiran Shankar Roy Road,
3rd Floor, Kolkata-700 001
The 27th day of July,2009

on behalf of the Board
SHENTRACON CHEMICAL LTD.


Director



ANNEXURE-A

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUT GO:

b) Conservation of Energy:

The Company's production at present is under suspension and therefore no power is consumed at the factory.

c) Technology Absorption:

The Company's factory at Dankuni is under suspension of work therefore Technology Absorption is not applicable.

d) Foreign Exchange Earning and Outgo:

- a. Activities relating to Export/initiatives taken to increase exports & Development of New Export market for products and services and Export plans:

At present the Company has no production and sales so matter will be considered only after restart of production.

b) Total Foreign Exchange used and earned:

i) Foreign Exchange Earning : Nil

ii) Foreign Exchange Outgo : Nil

Registered Office:

6A, Kiran Shankar Roy Road,
3rd Floor, Kolkata-700 001

The 27th day of July, 2009

on behalf of the Board
SHENTRACON CHEMICAL LTD.

Director

k. p. jhavar & Co.

CHARTERED ACCOUNTANTS

4, Narayan Prasad Babu Lane.

Kolkata-700 007

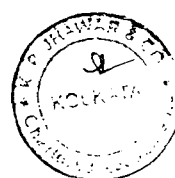
Phone O : 2269-8193, 2272-5735

R : 2259-2339

M : 98300 10761

**AUDITORS' REPORT TO THE MEMBERS OF SHENTRACON
CHEMICALS LIMITED**

1. We have audited the attached Balance Sheet of SHENTRACON CHEMICALS LIMITED as at 31st March, 2009 and the Profit and Loss account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. 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.
2. We 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, We enclose in the Annexure a statement of the matters specified in paragraph 4 & 5 of the said order.
4. Further to our comments given in (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 accounts as required by law have been kept by the company, so far as appears from our examination of the 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 and Profit & Loss account dealt with in this report complies with the mandatory accounting standard referred to in sub-section 3(c) of Section 211 of the Companies Act., 1956.
 - E) On the basis of written submission received from the Directors' as on 31st March 2009 and taken on record by the Board of Directors', we report that none of the Directors is disqualified as on 31st March 2009 from being appointed as a Director in term of Section 274(1)(g) of the Companies Act. 1956 as amended.
 - F) (a) The accounts of the company have been prepared on a going concern basis. However since the work is under suspension since 10.10.1999, its ability to continue as such is highly doubtful and largely depend on outcome of its future planning. We are unable to express an opinion on the same.



(b) Subject to matters referred in notes on accounts given in Schedule 12 together with resulting impact thereof as regards (i) as indicated in note B:7 as regards possible reduction in inventory value unascertained due to no physical verification and evaluation thereof. (ii) as indicated in note B:3 accounts of the company have been prepared on a going concern basis even though the production was under suspension. (iii) As indicated in the note B:10 possible erosion in realisable value of fixed assets comparing to its written down value, quantum of which could not be ascertained. (vi) Possible erosion of value of capital work-in progress arising due to long suspension as stated in B: 6. (vii) Amount advanced against orders Rs. 24,43,030/- pending settlement as specified in Note B:14(ii). (viii) Contingent liabilities as specified in Note B:5, which might have impact on company's standing.

Subject to the above in our opinion and to the best of our information and according to explanation given to us, the said accounts read together with significant accounting policies and other notes appearing in Schedule 13 give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :

- a. In the case of Balance Sheet, of the State of affairs of the Company as at 31st March 2009.
- b. In the case of the Profit & Loss account, of the loss (excluding waiver of interest) for the year ended on that date.
- c. In the case of Cash Flow Statement of the cash flow for the year ended on that date.

Report

For K. P. JHAWAR & CO.
CHARTERED ACCOUNTANTS

(K. P. JHAWAR)

Proprietor
M-10309

Place : Kolkata

Dated : The 10th day of July, 2009

