

SHENTRACON CHEMICALS LIMITED

ANNUAL REPORT 2011-12

BOARD OF DIRECTORS

Jagdish Prasad Sureka	-	Director
Govind Prasad Sureka	-	Director
Pijush Mondal	-	Director
Tarun Mandal	-	Director

AUDITORS

M/S K. P. JHAWAR & CO.
Chartered Accountants

BANKERS

Indian Bank
State Bank of India
Punjab National Bank

REGISTRAR & SHARE TRANSFER AGENT

M/s. C. B. Management Services Private Limited

REGISTERED OFFICE:

6A, Kiran Sankar Roy Road
3rd Floor, Kolkata – 700 001

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the members of Shentracon Chemicals Limited will be held on 29th September, 2012 at 3.00 p.m. at the Registered office of the company 6A, Kiran Sankar Roy Road, 3rd Floor, Kolakta – 700 001 to transact the following business:

Ordinary Business:

1. To consider and adopt the Director's report, the Audited Financial Statements including Profit and Loss Account for the year ended March 31st, 2012, Cash Flow statement for the year ended March 31st, 2012 and the Balance Sheet as on that date and the Auditor's report thereon.
2. To appoint a Director in place of Mr. Tarun Mandal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Pijush Mondal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors and to fix their remuneration, and in this regard, to consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:
"RESOLVED that the retiring auditor K. P. Jhavar & Co., Chartered Accountant be and hereby appointed as Auditors of the company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

By Order of the Board
For **Shentracon Chemicals Limited**

Registered Office
6A, KIRAN SANKAR ROY ROAD
KOLKATA – 700 001

J. P. SUREKA
Director

Place : Kolkata
Date : 03/08/2012

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxy form duly stamped and executed in order to be effective, must reach the Registered Office of the Company not less than 48 hours before the time of commencement of the Annual General Meeting. Corporate Members are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting. Members / proxy holders are requested to bring their attendance slip duly signed so as to avoid inconvenience.

2. Members holding shares in physical form are requested to advise any change in their registered address, to the Company's Registrar and Share Transfer Agent, M/s. C. B. Management Services Private Limited quoting their folio number. Members holding shares in electronic form must send the advice about change in their registered address or bank particulars to their respective Depository Participant and not to the Company/Share Transfer Agent.
3. Members desiring any information on the Accounts of the Company are requested to write to the Company at least 10 days in advance so as to enable the Company to keep the information ready.
4. In all correspondence with the Company or with its Share Transfer Agent, members are requested to quote their folio number and in case the shares are held in the dematerialized form, they must quote their Client ID Number and their DPID Number.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from 23rd September 2012 to 29th September, 2012 (both days inclusive).

Members are further requested to;

- Intimate about consolidation of folios to the Registrar & Transfer agent, if your shareholding is under multiple folios
 - All documents referred to in this Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 1.00 p.m. upto the date of the AGM.
 - As measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting.
- Shareholders are requested to kindly bring their copies to the Meeting.

By Order of the Board
For **Shentracon Chemicals Limited**

Registered Office
6A, KIRAN SANKAR ROY ROAD
KOLKATA – 700 001

J. P. SUREKA
Director

Place : Kolkata
Date : 03/08/2012

Additional information on directors recommended for appointment or seeking re-appointment at the Annual General meeting (in pursuance of clause 49 of the Listing Agreement)

	P. Mondal	T. Mandal
Age	52	27
Qualification	B. Sc	B. Com
Date of Appointment	07.04.2011	01.06.2011
Category	Director	Director
Share holding of Director's	Nil	Nil
Director ship held in other public limited companies	No	No
Membership/Chairmanship of the committees of Indian Public Limited Companies.	No	No

DIRECTOR'S REPORT

Dear members,

Your Directors are pleased to present the 19th Annual Report and Statement of Accounts of your Company, for the year ended on 31st March 2012.

FINANCIAL RESULTS:

Particulars	Financial year ended 31 st March 2012	Financial year ended 31 st March 2011
Profit before interest, depreciation & Tax	(68958.00)	(676.00)
Less: Depreciation	(222820.00)	222820.00
Less: Interest	-	-
Profit before tax	(291778.00)	(223496.00)
Less: Tax	-	-
Profit after tax	(291778.00)	(223496.00)
Balance brought forward from previous years	(99090497.00)	(98867001.00)
Balance to be carried forward	(99382275.00)	(99090497.00)

DIVIDEND

As the company did not incur any profit during the F.Y. 2011-12, your directors do not recommend a dividend for the year under review ended on March 31, 2012.

OPERATIONS

As you know that due to uneconomical condition and technical unavailability, the production in chemical plant was shut down since long period and the board of directors resolved to close the company's main business of chemical. The management also disposed off the existing chemical Plant & Machineries and Electrical appurtenant thereto on block basis and transferred the same from Fixed Assets to Current Assets, as the same are now meant for disposal off. We are currently negotiating with a few parties in this regard.

We are earning income by renting out a portion of factory building. The management is seriously considering the revival of the Company. Many alternate business plans including enhancement of net worth are under consideration. The management is hopeful of reviving the Company.

DIRECTORS

Sri. Tarun Mondal and Sri. Pijush Mondal, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Your Directors recommend their appointment.

AUDITORS AND AUDITOR'S REPORT

M/s K. P. Jhawar & Co., Chartered Accountants, who are the Statutory Auditors of the Company, hold office until the conclusion of ensuing Annual General Meeting and are eligible for reappointment. The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act. The Notes on Accounts referred to in the Auditor's Report are self-explanatory and give complete information.

PUBLIC DEPOSITS:

The Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 and the Rules made there under.

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. that the Directors have selected such accounting policies and applied them consistently and made judgments 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 31,2012 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 AND MANAGEMENT DISCUSSION AND ANALYSIS:

A separate section on Corporate Governance and management discussion and analysis forming part of the Directors' Report and the certificate from the Company's auditors confirming the compliance of conditions as stipulated in Clause 49 of the listing agreement is annexed hereto.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies(Disclosure of particulars in the Report of Board of Directors) Rules,1988 is given in the Annexure and forms part of this 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.

ANNEXURE-A

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

a) Conservation of Energy:

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

b) Technology Absorption:

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

c) 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

on behalf of the Board
SHENTRACON CHEMICALS LTD.

Registered Office:

6A, Kiran Shankar Roy Road,
3rd Floor, Kolkata-700 001
The 02nd August, 2012

J. P. SUREKA
Director

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

F.Y. 2011-12 was a challenging year. The global economy after recession witnessed lower economic growth, resulting primarily from the Euro Zone debt crises and downgrade in debt rating of U.S. These global events had a negative impact on our economy.

Opportunities and threats

As the company is not interested in continuing the production of different chemical i.e. sodium Di-Chromate, Sodium sulphate yellow, Basic chrome sulphate, e.t.c due to financial trouble, labour problem, political and market condition.

In this scenario the company is planning to start its operation in some other line of business. But the unavailability of financial resources required for the purpose may prove to be tough job in restarting operation. The management discussed various ways by which the fund could be arranged and operation can be restarted.

Financial performance with respect to operation performance

Other income amounted to Rs. 2.88 Lac as compare to Rs. 1.08 Lac for the last financial year. During the year under review which ended on 31st March 2012 the profit & loss are Rs. (2.92) Lacs as compared to Rs. (2.23) Lac with the last F.Y.

Human Resources

There is no production plant in Dankuni. The company has not given direct or indirect employment to any persons during the under review because of the closures of the plant. The company has the transparent delegation structure. Which help in smooth business operations.

Internal Control Systems and Adequacy

We believe that SCL has adequate internal control systems in place. An internal Audit system is in place to conduct a regular check and review accounting methodologies with a view to improving the control systems.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company expectations or predictions are 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include demand-supply conditions, raw

materials prices, change in government regulations, tax regime, economic developments within the country and other factors such as litigation and labor negotiation.

For and on behalf of the Board of Directors

Regd. Office :
6A, Kiron Shankar Roy Road,
3rd Floor,
Kolkata-700 001
Dated : 02nd August, 2012

J. P. SUREKA
Director