

**SHENTRACON CHEMICALS LIMITED**

**ANNUAL REPORT 2012-13**

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

REGISTRAR & SHARE TRANSFER AGENT

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

REGISTERED OFFICE:

6A, Kiran Sankar Roy Road  
3<sup>rd</sup> Floor, Kolkata – 700 001

## NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the members of Shentracon Chemicals Limited will be held on 30<sup>th</sup> September, 2013 at 3.00 p.m. at the Registered office of the company 6A, Kiran Sankar Roy Road, 3<sup>rd</sup> Floor, Kolakta – 700 001 to transact the following business:

### **Ordinary Business:**

1. To receive, consider and adopt the Director's report, the Audited Profit and Loss Account of the Company for the year ended March 31st, 2013 and the Balance Sheet as on that date together with the Reports of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Jagdish Prasad Sureka, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Govind Sureka, 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 :** 10/08/2013

### **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.
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.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from 24<sup>th</sup> September 2013 to 30<sup>th</sup> September, 2013 (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 :** 10/08/2013

**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)**

DETAILED PROFILE OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT GIVEN AS UNDER:

	J. P. Sureka	G. P. Sureka
Age	72 Years	39 Years
Qualification	B. Com	B. Com
Date of Appointment	14/07/1993	29/03/2000
Category	Promoter	Director
Share holding of Director's	208300	1500
Director ship held in other public limited companies	ISMT Limited, Prismo (I) Ltd. Taneja Aerospace and Aviation Limited (TAAL).	Prismo (I) Ltd.
Membership/Chairmanship of the committees of Indian Public Limited Companies.	Member -Audit Committee of ISMT Limited, Prismo (I) Ltd & TAAL. Chairman – Remuneration Committee of TAAL, Prismo (I) Ltd. Member- Shareholder/ Investor Grievance Committee of TAAL, Prismo (I) Ltd.	Chairman -Audit Committee of Prismo (I) Ltd. Member – Remuneration Committee of Prismo (I) Ltd. Member- Shareholder/ Investor Grievance Committee of Prismo (I) Ltd.

## DIRECTOR'S REPORT

Dear members,

Your Directors are pleased to present the 20<sup>th</sup> Annual Report and Statement of Accounts of your Company, for the year ended on 31<sup>st</sup> March 2013.

### FINANCIAL RESULTS:

Particulars	Financial year ended 31 <sup>st</sup> March 2013	Financial year ended 31 <sup>st</sup> March 2012
Profit before interest, depreciation & Tax	32,40,468.00	(68,958.00)
Less: Depreciation	2,22,820.00	(2,22,820.00)
Less: Interest	-	-
Profit before tax	30,17,648.00	(2,91,778.00)
Less: Tax	-	-
Profit after tax	30,17,648.00	(2,91,778.00)
Balance brought forward from previous years	(9,93,82,275.00)	(9,90,90,497.00)
Balance to be carried forward	(9,63,64,627.00)	(9,93,82,275.00)

### DIVIDEND

In view to strengthen the Company's reserve and due to inadequate profit, the directors have decided not to declare any dividend during the year under review.

### OPERATIONS

Due to uneconomical condition and technical unavailability, the production in chemical plant was shut down since long period. Your Company then resolved to close the company's main business of chemical. The Company then decided to disposed off the existing chemical Plant & Machineries and Electrical Equipments thereto on block basis and transferred the same from Fixed Assets to Current Assets, as the same are now meant for disposal. The Company is currently negotiating with a few parties in this regard.

Your Company is presently earning income by rent. The management is seriously considering other sources for generating Income on the existing Land and is in talk with various Consultants. Many alternate business plans including enhancement of Net worth are under consideration.

### DIRECTORS

Sri. Jagdish Prasad Sureka and Sri. Govind Sureka, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

### AUDITORS AND AUDITOR'S REPORT

M/s K. P. Jhavar & 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 31,2013 and of the profit 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.

**LISTING**

**Your Company has listing arrangements with Calcutta Stock Exchanges and Bombay Stock Exchanges (BSE). Since 2001 the trading of shares of your Company are under suspension in BSE.**

**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.

on behalf of the Board  
SHENTRACON CHEMICALS LTD.

Registered Office:  
6A, Kiran Shankar Roy Road,  
3rd Floor, Kolkata-700 001  
The 10<sup>th</sup> August, 2013

**J. P. SUREKA**  
Director

## *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 10<sup>th</sup> August, 2013

**J. P. SUREKA**  
Director



## MANAGEMENT DISCUSSION AND ANALYSIS

### Overview

F.Y. 2012-13 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

Since the company was closed for several year so the existing plant & machinery are no longer usable. Moreover the market condition is also unfavourable due to cheap import. So Company has decided to look for other avenues on the existing site, for which the Company is in talk with several consultants & also with financial institutions.

### Financial performance with respect to operation performance

This has been dealt with in the Directors Report

### 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's objective, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. This statement based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, raw materials cost and availability, change in government regulations, tax regime, economic developments within the country and other factors such as litigation and labour negotiation. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

For and on behalf of the Board of Directors

Regd. Office :  
6A, Kiron Shankar Roy Road,  
3rd Floor,  
Kolkata-700 001  
Dated : 10<sup>th</sup> August, 2013

**J. P. SUREKA**  
Director

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31ST MARCH, 2013.

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company has a strong value system comprising of honesty, integrity, secularity and equal opportunity for all. The company strives to provide its stakeholders with maximum information relating to the affairs of the company with an attempt to bring about total transparency in its working. We believe that good governance is the corner stone of any successful organization and we continuously endeavor to improve our standards of governance.

### 2. BOARD OF DIRECTORS

As on 31<sup>st</sup> March 2013, the Board consisted of four Directors of whom three were Non Executive Independent Director and one was Non Executive Non Independent Director.

The Composition of the Board, attendance of Directors at the Board Meetings held during the year under review as well as in the last Annual General Meeting and the number of the other Directorships/ Committees position held by them are as under:

Name of Director	Category	Attendance at Board Meeting		Directorship in other Public Limited Companies*	Committee position in other public companies**		Whether attended the last AGM
		Held during the year	Attended		Member	Chairman	
<b>Mr. J.P. Sureka (Chairman)</b>	Promoter Non Executive Non Independent	7	7	3	5	-	Yes
<b>Mr. G.P. Sureka</b>	Non Executive Independent Director	7	7	1	1	1	Yes
<b>Mr. Tarun Mandal</b>	Non Executive Independent Director	7	6	-	-	-	Yes
<b>Mr. Pijush Mondal</b>	Non Executive Independent Director	7	6	-	-	-	Yes

None of the Directors on the Board is a member of more than 10 Committees and the Chairman in more than 5 Committees, across all Companies in which they are Director.

\*Other Directorship does not include Directorship in Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956.

\*\* Chairmanships / Memberships of Board Committees relates to only Audit and Shareholders' /Investors' Grievance Committee.

During the financial year 2012-2013, seven meetings of the Board of Directors were held on 14.05.2012, 24.07.2012, 02.08.2012, 16.10.2012, 01.11.2012, 31.01.2013 and 30.03.2013.

At the ensuing Annual General Meeting, Mr. Jagdish Prasad Sureka & Mr. Govind Sureka Non-Executive Independent Director, is liable to retire by rotation and being eligible has offered themselves for re appointment Information as required under Clause 49(VI) of the listing agreement are annexed to the notice

### **3. AUDIT COMMITTEE**

#### **(a) Composition :**

The Audit Committee of the company is constituted in line with the provisions of clause 49 of the Listing Agreement with Stock Exchanges and also conforms to the requirements of Section 292A of the Companies Act, 1956.

The Terms of Reference of the Audit Committee are as under:

1. Overseeing of the company's financial reporting process and disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment and removal of external auditor, fixation of audit fees and also approval for payment for any other services
3. Reviewing with Management the Annual Financial Statements before submission to the Board
4. Reviewing with the Management, External and Internal Auditors, the adequacy of internal control systems
5. Reviewing the adequacy of Internal Audit function, including the structure of the Internal Audit Department
6. Discussion with Internal Auditors on any significant finding & follow up thereon.

The Audit Committee comprises of three members, out of which two being Non-Executive & Independent Director. The Committee met five times during the financial year respectively on 14.05.2012, 24.07.12, 02.08.2012, 01.11.2012 and 31.01.2013.

Attendance of the members at the meetings during the financial year 2012-2013 were as under:

Sl. No.	Name	Status	No. of Meetings held	No. of Meetings attended
1	Mr. Pijush Mondal (Chairman)	Non Executive Independent Director	5	5
2	Mr. G. P. Sureka.	Non Executive Independent Director	5	5
3	Mr. J.P. Sureka	Promoter Non Executive Non Independent Director	5	5

Mr. Pijush Mondal is the Chairman of the Audit Committee. At the invitation of the Committee, Statutory Auditors also attended the Audit Committee Meetings to answer and clarify the queries raised at Meetings. The Chairman of the Audit Committee Mr. Pijush Mondal attended the last Annual General Meeting.

#### 4. REMUNERATION COMMITTEE

##### (a) Composition of the Committee:

The Remuneration Committee comprises of three members, out of which two being Non-Executive Independent Directors.

The Remuneration Committee comprises of the following Director as members:

Sl. No.	Name	Status
1	Mr. G. P. Sureka. (Chairman of the Committee)	Non Executive Independent Director
2	Mr. J.P. Sureka.	Promoter Non Executive Non Independent Director
3.	Mr. Tarun Mandal.	Non Executive Independent Director

This being a Non-mandatory Committee, however, during the year, no meeting was held during the financial year ended 31<sup>st</sup> March 2013.

##### (b) Remuneration Policy:

The Non-Executive Independent Directors of the Company were not paid any sitting fee or any other remuneration or commission.

#### 5. SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE:

The Shareholders' / Investors' Grievance Committee of your Company comprises of three members, out of which two being Non-Executive & Independent Directors. During the financial year two meetings were held on 16.10.2012 and 30.03.2013.

The Composition of the Committee are as under:-

Sl. No.	Name	Status	No. of meetings held during the year	No. of meetings attended during the year
1	Mr. Tarun Mandal. (Chairman)	Non Executive Independent Director (ID)	2	2
2	Mr. G. P. Sureka.	Non Executive Independent Director (ID)	2	2
3	Mr.J.P. Sureka.	Promoter Non Executive Non Independent Director (ID)	2	2

Mr P Mondal, Director of the Company act as the Compliance officer..

There were also no investors compliant pending against the company as on March 31, 2013 on SCORES, the web based complaint redressal system of SEBI. There were no pending share transfers as on 31<sup>st</sup> March, 2013.

Email ID earmarked for the investor grievances in terms of Clause 47(f) of Listing Agreement: [investor@shentracon.com](mailto:investor@shentracon.com)

The status of Complaints received from the Shareholders and disposed of during the year under review are as under:

No. of Complaints Pending as on 01.04.2012	NIL
No. of Complaints received during the year ended 31.03.2013	NIL
No. of Complaints disposed off during the year ended 31.03.2013	NIL
No of Complaints pending as on 31.03.2013	NIL

#### 6. SHARE TRANSFER COMMITTEE (STC):

Mr. J.P Sureka and Mr. G.P Sureka are the members of the Share Transfer Committee as on March 31, 2013.

The STC notes and take on record the transfer/transmission /transposition of shares and consolidation/splitting of folios, issue of share certification on exchange for subdivision, consolidation, defaced etc., as approved by the authorized officers of the Company. The Share Transfer Committee Meetings are held as and when required, usually monthly meeting is held.

#### 7. GENERAL BODY MEETING:

A. Location and time for last three Annual General Meetings were as follows:

Financial Year	Date of AGM	Venue	Time
2011-12	29-09-2012	6A, Kiron Shankar Roy Road, 3 <sup>rd</sup> Floor, Kolkata	3.00 P.M.
2010-2011	29-09-2011	6A, Kiron Shankar Roy Road, 3 <sup>rd</sup> Floor, Kolkata	3.00 P.M.

2009-2010	30-09-2010	6A, Kiron Shankar Roy Road, 3 <sup>rd</sup> Floor, Kolkata	3.00 P.M.
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**B. SPECIAL RESOLUTIONS AT THE LAST THREE ANNUAL GENERAL MEETINGS:**

No Special resolution has put through by postal ballot so far by the Company.

No Extra-Ordinary General Meeting was held during the year.

**C. WHETHER ANY SPECIAL RESOLUTION PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT**

No resolution is proposed to be conducted through postal ballot in the forthcoming Annual General Meeting.

**8. DISCLOSURES**

- a) Related party transaction:  
The detailed related party transactions can be referred to in Notes 17 (xiii) to Annual Accounts.
- b) The Company has complied with all the requirements of the listing agreement with the Stock Exchange(s) as well as regulations and guidelines of SEBI. No penalty has been imposed or strictures have been issued by SEBI or any other Stock Exchange(s) on matters related to Capital Market so far.
- c) Certificate as stipulated in Clause 49 of the listing Agreement was obtained and placed before the Board.
- d) The Company has complied with all the mandatory requirements of Clause 49 of the Listing agreement but has not adopted the non-mandatory requirements so far save and except the requirements under Remuneration Committee.
- e) CEO/CFO Certification  
  
A Certificate from Mr. J P Sureka, Director and Mr Govind Sureka, Director on the financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2013 was placed before the Board.

**9. MEANS OF COMMUNICATIONS**

The quarterly, half yearly and the annual results of the Company are sent to the Stock Exchange immediately after they are approved by the Committee/Board and posted on Company's website.

At present the company does not make presentation to institutional investors and analysts

The Management Discussion and Analysis Report is a part of the Annual Report.

## 10. INSIDER TRADING:

The Company has adopted the Code of Internal Procedures and Conduct framed under SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, to, inter alia, prevent insider trading in the Shares of the Company.

## 11. GENERAL SHAREHOLDERS INFORMATION

### A) Annual General Meeting:

**Date** : 30<sup>th</sup> September, 2013

**Time** : 3.00 P.M.

**Venue:** 6A, Kiran Shankar Roy Road, 3rd Floor, Kolkata-700 001.

### B) Book Closure Date

24<sup>th</sup> September, 2013 to 30<sup>th</sup> September, 2013 (both day inclusive)

**(C) Dividend:** In the absence of any distributable profits, the Directors have not recommended any Dividend on equity shares for the financial year ended 31<sup>st</sup> March 2013.

### D) Financial Calendar (Tentative):

Financial Year: 1<sup>st</sup> April 2013 to 31<sup>st</sup> March 2014

- First Quarter : By 14<sup>th</sup> August, 2013
- Second Quarter : By 14<sup>th</sup> November, 2013
- Third Quarter : By 14<sup>th</sup> February, 2014
- Fourth Quarter : By 30<sup>th</sup> May, 2014

### E) Listing on Stock Exchanges at:

- The Calcutta Stock Exchange Association Ltd.  
7, Lyons Range, Kolkata 700 001.
- The Bombay Stock Exchange Association Ltd.  
Floor 25, PJ Tower, Dalal Street, Mumbai – 400 001.
- Ahmedabad Stock Exchange Limited – applied for delisting

### F) Stock Code

- BSE: 530757
- CSE: 10029095
- ASE: 52695K

Annual Listing fees for Bombay Stock Exchanges has been paid for the year 2011-12. The Equity Shares of the Company are suspended in Bombay Stock Exchanges since 10.09.2001.

**G) Corporate Identification Number (CIN):** L24299WB1993PLC059449  
allotted by the ministry of corporate affairs.

**H) Share transfer system:** Share transfer requests are proceeds and the share certificate returned within a period of 15 days in most cases and in any case within 30 days from the date of receipt, subject to the documents being in order and complete in all respect.

**D) Secretarial Audit:** Secretarial Audit is being carried out every quarter by a practicing Company Secretary and his audit report is placed before the Board for its perusal and filed regularly with the Stock Exchange within the stipulated time.

**J) Location:** Registered office:  
 6A, Kiron Shankar Roy Road,  
 3<sup>rd</sup> Floor, Kolkata – 700001  
[Email-sureka\\_2000@yahoo.com](mailto:Email-sureka_2000@yahoo.com)  
 Phone No. – 033 2248 9731/9538,  
 Fax No.-033 2248 4000

**K) Registrar & Share Transfer Agents:** M/s. C. B. Management Services Private Limited  
 P22, Bondel Road, Ballygunge,  
 Kolkata 700 019

**L) Monthly high, low and trading volume of equity shares of the company during the financial year 2012-13:**

- Stock Market price for the Financial Year 2012-13 of The Calcutta Stock Exchange Association Ltd., are not available due to no trading.
- Stock Market price for the Financial Year 2012-13 of The Bombay Stock Exchange and Ahmedabad Stock Exchange Association Ltd., are not available due to suspension.

**M) Distribution of shareholding & shareholding pattern:**

**Distribution of shareholding as on 31/03/2013:**

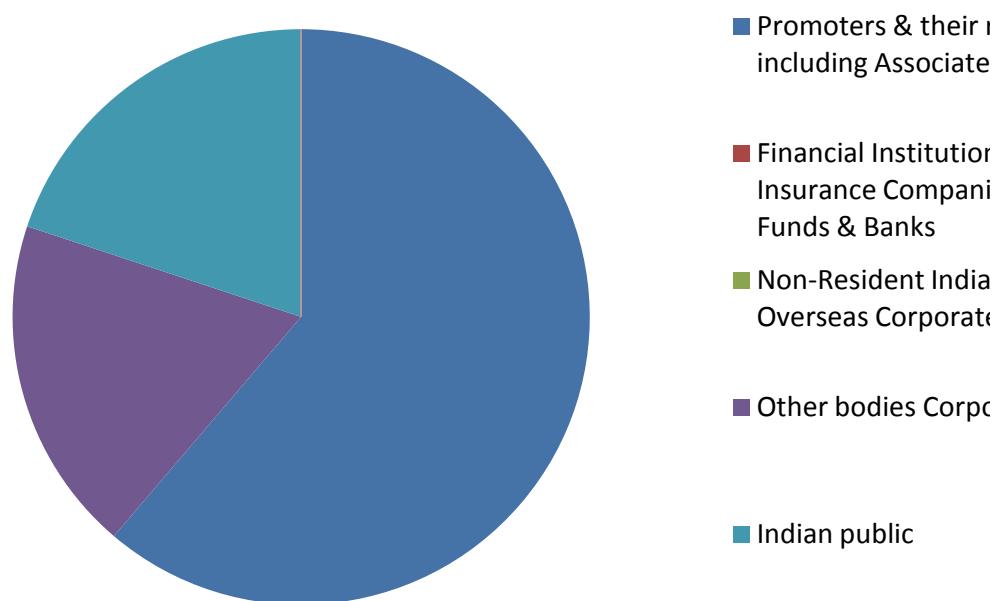
Range	Number of shareholders	% of shareholders	Number of shares held	% of shares held.
Up to 500	508	60.40	130167	2.93
501-1000	108	12.85	90100	2.03
1001-5000	73	8.68	115500	2.60
2001-3000	52	6.18	132000	2.98
3001 - 4000	20	2.38	76500	1.72
4001-5000	24	2.85	115500	2.60
5001-10000	18	2.14	156700	3.53
10000 & above	38	4.52	3621676	81.61
<b>Total</b>	<b>841</b>	<b>100</b>	<b>4438143</b>	<b>100</b>



## Pattern of Shareholding as on 31/03/2013

Sl. No.	Category	No. of shares held	% of shareholding
1	Promoters & their relatives including Associate Companies	2717343	61.23
2	Financial Institutions/ Insurance Companies/ Mutual Funds & Banks	-	-
3	Non-Resident Indians/ Overseas Corporate Bodies	-	-
4	Other bodies Corporate	837400	18.87
5	Indian public	883400	19.90
6	HUFs	-	-
	<b>TOTAL</b>	<b>4438143</b>	<b>100</b>

## Distribution by size as on March 31, 2013



- Outstanding ADRs/GDRs : Not Applicable
- Address for any kind of assistance/clarification: Mr. P. Mondal.  
6A, Kiron Shankar Roy Road,  
3<sup>rd</sup> Floor, Kolkata- 700 001

**11. CODE OF CONDUCT**

The Company has adopted a Code of Conduct for members of Board of Directors of the Company. The essence of the code is to conduct the business of the Company in an honest and ethical manner, in compliance with the applicable laws in a way that excludes consideration of personal advantage.

**12. DECLARATION**

As provided under Clause 49 of the Listing Agreement with the stock exchanges, the Board of Directors and select Employees have confirmed Compliance with the code of conduct.

By order of the Board  
For SHENTRACON CHEMICALS LIMITED,

Regd. Office:  
6A, Kiron Shankar Roy Road,  
3rd Floor,  
Kolkata-700 001  
Dated: 10<sup>th</sup> August, 2013

**J. P. SUREKA**  
Director

**CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE  
GOVERNANCE**

To  
The Shareholders of  
Shentracon Chemicals Limited

1. We have examined the compliance of conditions of Corporate Governance by Shentracon Chemicals Limited, for the year ended on March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchange.
2. The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 and based on the representation made by the directors and the management, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.
4. We further state that such Compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For MR & Associates  
Company Secretaries

M R Goenka  
Partner  
CP No.:2551

Place: Kolkata  
Date: 10<sup>th</sup> day of August, 2013

**CEO/CFO CERTIFICATION**  
(Under Clause 49 (V) of Listing Agreement)

To  
The Board of Directors  
Shentracon Chemicals Limited

We, J.P.Sureka, Chairman and G. P. Sureka, Director of Shentracon Chemicals Limited, to the best of our knowledge and belief, certify that:

- (1) We have reviewed the audited financial statements and the cash flow statement for the year ended 31.03.2013 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and/or applicable laws and regulations.
- (2) To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
- (3) We are responsible for establishing and maintaining internal controls for financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (4) We have disclosed based on our most recent evaluation, whenever applicable, to the company's auditors and the Audit Committee of the company's Board of Directors:
  - (i) That there were no significant changes in internal control over financial reporting during the financial year ended March 31, 2013;
  - (ii) All significant changes in accounting policies during the financial year ended March,31, 2013 and that the same have been disclosed in the notes to the financial statements; and
  - (iii) There are no instances of significant fraud of which we are 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.

**J.P.SUREKA      G. P. SUREKA**

**Place: Kolkata**

**Date: 10<sup>th</sup> August, 2013**

**Director**

**Director**

(AUDITORS REPORT)

To  
The Members of  
**Shentracon Chemicals Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Shentracon Chemicals Limited** (“the Company”), which comprise the Balance Sheet as at **March 31, 2013**, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management’s Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (“the Act”). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

*Auditor’s Responsibility*

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

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements read together with notes thereon including disclosure notes given in Notes schedule 16 and subject to notes given in 2(f) hereof give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Profit and Loss Account, of the Profit 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 on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c. The Balance Sheet and Profit and Loss Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet and Profit and Loss Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 to the extent applicable;
  - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f. Our opinion is subject to notes as under:
    - (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 Notes 17 together with resulting impact thereof as regards (1) as indicated in note 17 (VII) as regards possible reduction in inventory value not ascertained in absence of physical verification and evaluation thereof. (2) as indicated in note 17(II) accounts of the company have been prepared on a going concern basis even though the production was under suspension. (3) Possible erosion in value of capital work-in progress transferred to Current Assets at its written down value as stated in 17(VI). (4) Fixed Assets transferred to Current Assets under the head Assets held for Disposal in the year 2010-11 and still remains undisposed off, Its actual realisable value is not

ascertainable (5) Contingent liabilities as specified in Note 17(V), which might have impact on company's standing. (6) As indicated in Note 17(VIII)(a) Directors resolved to close the company's main business of chemicals and to explore other avenues of business at the existing site of factory and its possible impact on company's standing.

For K. P. JHAWAR & CO.  
CHARTERED ACCOUNTANT  
Firm Registration No.-306105E

( K. P. JHAWAR )  
Proprietor  
M-10309

Place : Kolkata  
Dated : 10<sup>th</sup> August 2013

**ANNEXURE TO THE AUDITORS' REPORT**

**For the Financial year 2012-13**

1. In Respect of Fixed Assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) We are informed that the Board of Directors resolved to close the company's main business of chemicals. In view of the fact that the existing chemical plant will not be of any use in any other probable line of production, it was decided to dispose the Plant & Machinery and Electrical appurtment thereto, As these are meant for disposal, the same are shown under Current Assets.
2. In respect of its Inventory :
  - a) It is informed to us that inventory comprising stock of materials, stores, fuel, finished goods, work-in-process and reusable residues could not be physically verified since 21.07.1998 due to closure of the factory and hence we are not in a position to comment thereon. Consequently we are not in a position to comment on as regards unserviceable and damaged inventory.
  - b) It is informed to us that any erosion in potential value of the stock, which may arise due to its nature, could not be dealt with due to non verification of stock and its technical evaluation.
  - c) The closing stock of finished goods, work in progress and reusable residues and raw materials have been taken in the account on the basis of verification/evaluation certificate dated 21.07.1998 of an independent valuer appointed by State Bank of India. There was no movement of inventory thereafter. No further physical verification and/or technical evaluation has been made thereafter.
  - d) We are informed that proper records of inventory has been maintained. However in absence of physical verification thereof we are not in a position to comment on discrepancy comparing with the physical stock. The stock has been taken in these accounts on the basis of physical counting and evaluation made by the independent valuer in 1998-99 and there is no movement thereafter
3. In respect of the loans, Secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
  - a) As per information and explanations furnished the company has not granted but has taken unsecured loan from companies, firms and other associates covered in the register maintained under section 301 of the Companies Act, 1956. The aggregate amount outstanding loan taken at the close of the year is 2,38,92,462/-.
  - b) In our opinion the rate of interest and other terms and conditions on which these loan has been taken are prima facie not prejudicial to the interest of the company. The amount of principal and interest in respect of such loans are not claimed for repayment consequently there is no overdue amount of principal and interest in respect of such loan. These loans are accommodative in nature and do not bear interest as arranged with lenders.
4. Having regard to the fact that there is complete suspension of operational activity during the year, procedure of internal control as regards purchase of inventory is not applicable.



5. In respect of the contract of arrangement referred to in section 301 of Companies Act, 1956:  
In our opinion and according to information and explanation provided by the management, there is no such transaction need to be entered in the register in pursuance of Section 301 of the Companies Act, 1956. Accordingly para V (b) of the Companies (Auditor's Report) Order, 2003 are not applicable.
6. According to information and explanation given to us, the company has not accepted any deposit from the public during the year except inter-corporate loan and loan from Directors/their relatives/associates/promoters which are coming from earlier years.
7. As per the information and explanations furnished, the company has an adequate infrastructure of inhouse internal audit system commensurate with the size and nature of its business.
8. In respect of statutory dues:  
In absence of any emoluments of the employees during the year, the deduction of P.F. & E.S.I. and deposit thereof has no relevance. According to information and explanation furnished to us, there is no disputed amount relating to Income Tax Sales Tax, Wealth Tax, Cess, other material Statutory Dues.
9. The company have net worth sufficient to cover its accumulated losses.
10. The company have accumulated losses at the end of the financial year. The company has not incurred cash loss during the financial year covered by the audit and has incurred loss in the immediate preceding financial year.
11. According to information and explanation given to us, the company has not granted any loans and advances on the basis of security by way of pledge of Shares, Debentures and other Securities. Accordingly the provisions of clause 4 (xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
12. In our opinion the company is not a Chit Fund or a Nidhi/Mutual Benefit Fund/Society. Accordingly the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
13. According to the information and explanation given to us, the Company is not dealing and trading in shares, Securities, debentures and other Investments
14. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
15. In our opinion, the application of term loan for the purpose for which they were raised, have no relevance as there is no secured term loan.
16. According to the information and explanation given to us, and overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
17. The Company has not made any preferential allotment of any shares to parties and companies covered u/s301 of the Companies Act,1956 during the year.
18. According to the information and explanation given to us, the company has not created security for debentures issued in earlier years. No new debentures were issued during the year covered by our audit report.
19. According to the information and explanation given to us, the company has not made any public issue during the year to raise money. Accordingly, the provisions of clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

20. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported in the year as explained to us during the course of our audit.

For K. P. JHAWAR & CO.  
CHARTERED ACCOUNTANT  
Firm Registration No.-306105E

( K. P. JHAWAR )  
Proprietor  
M-10309

Place : Kolkata  
Dated : 10<sup>th</sup> August 2013

# Shentracon Chemicals Limited - Annual Report | 2013

## Balance Sheet as at 31st March, 2013

Particulars	Note	As at 31st March 2013 (Amount / Rs.)	As at 31st March 2012 (Amount / Rs.)
<b>EQUITY AND LIABILITIES</b>			
<i>Shareholder's Funds</i>			
Share Capital	2.	71,618,580	71,618,580
Reserve and Surplus	3.	(53,013,627)	(56,031,275)
		18,604,953	15,587,305
<i>Current Liabilities</i>			
Short-Term Borrowing	4.	23,892,462	23,698,462
Trade Payable	5.	200,634	4,653,461
Other Current Liabilities	6.	103,665	1,322,306
		24,196,761	29,674,229
<b>TOTAL</b>		42,801,714	45,261,534
<b>ASSETS</b>			
<i>Non Current Assets</i>			
Fixed Assets			
Tangible Assets	7.	14,362,949	14,585,769
Capital work in progress	7.	-	9,049,057
Long Term Loans and Advances	8.	-	2,592,737
		14,362,949	26,227,563
<i>Current Assets</i>			
Inventory	9.	7,014,797	7,014,797
Trade Receivables	10.	60,000	20,000
Cash and cash equivalents	11.	660,322	404,585
Short Term Loans & Advances	12.	60,000	-
Other Current Assets	13.	20,643,646	11,594,589
		28,438,765	19,033,971
<b>TOTAL</b>		42,801,714	45,261,534
Significant Accounting Policies	1		
Notes on Financial Statements	2- 17.		

In terms of our Report of even date

For K. P. JHAWAR & CO.  
Chartered Accountants  
Firm Registration No. 306105E

Jagdish Prasad Sureka  
Director

Pijush Mondal  
Director

(K. P. Jhavar)  
Proprietor  
Membership No. 010309  
Place: Kolkata  
Dated: 10th August, 2013

# Shentracon Chemicals Limited - Annual Report | 2013

## Statement of Profit and Loss account for the year ended 31st March, 2013

	Note	For the year ended 31st March 2013 (Amount / Rs.)	For the year ended 31st March 2012 (Amount / Rs.)
<b>INCOME:</b>			
Income other than operation	14.	3,493,897	288,000
Total Revenue		3,493,897	288,000
<b>EXPENDITURE:</b>			
Depreciation	7.	222,820	222,820
Other Expenses	15.	253,429	356,958
Total Expenses		476,249	579,778
Profit Before Tax		3,017,648	(291,778)
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
Profit for the year		3,017,648	(291,778)
Earning per equity shares of face value of Rs. 10/- Each Basic and Diluted (in Rs.)	16.	0.68	(0.07)
Significant Accounting Policies	1		
Notes on Financial Statements	2- 17.		

In terms of our Report of even date

For K. P. JHAWAR & CO.  
Chartered Accountants  
Firm Registration No. 306105E

Jagdish Prasad Sureka  
Director

Pijush Mondal  
Director

(K. P. Jhawar)  
Proprietor  
Membership No. 010309  
Place: Kolkata  
Dated: 10th August, 2013

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

	For the year ended 31st March 2013 (Amount / Rs.)	For the year ended 31st March 2012 (Amount / Rs.)
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per Profit & Loss Account	3,017,648	(291,778)
Adjusted for:		
Net Prior Year Adjustments	-	-
Loss on Sale / Discard of Assets (net)	-	-
Depreciation and Amortisation Expense	222,820	222,820
Transferred from Revaluation Reserve	-	-
Net gain on Sale of Investments	-	-
Finance Costs	-	-
	222,820	222,820
Operating Profit before working capital change	3,240,468	(68,958)
Adjusted for:		
Trade and Other Receivables	(40,000)	(20,000)
Inventories	-	-
Trade and Other Payables	5,671,468	128,454
	(5,711,468)	(148,454)
Cash Generated from Operations	(2,471,000)	(217,412)
Net Prior Year Adjustments	-	-
Taxes Paid	-	-
Net Cash from Operating Activities	(2,471,000)	(217,412)
<b>B: CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	-	-
Sale of Fixed Assets / Transfer of Participating Interest	-	-
Advance for Transfer of Participating Interest	-	-
Purchase of Investments	-	-
Sale of Investments	-	-
Movement in Loans and Advances	2,532,737	75,898
Interest Income	-	-
Dividend Income	-	-
Net Cash (used in) Investing Activities	2,532,737	75,898
<b>C: CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Issue of Share Capital	-	-
Buyback of Equity Shares	-	-
Proceeds from Long Term Borrowings	-	-
Repayment of Long Term Borrowings	-	-
Short Term Borrowings (net)	194,000	70,318
Dividends Paid (including dividend distribution tax)	-	-
Interest Paid	-	-
Net Cash (used in) / from Financing Activities	194,000	70,318

# Shentracon Chemicals Limited - Annual Report | 2013

D: Net Increase in Cash and Cash Equivalents	<u>255,737</u>	<u>(71,196)</u>
Opening Balance of Cash and Cash Equivalents	404,585	475,781
Closing Balance of Cash and Cash Equivalents	<u>660,322</u>	<u>404,585</u>
Net effect equivalent to "D" above:	<u>(255,737)</u>	<u>71,196</u>

As per out Report Attached

For K. P. JHAWAR & CO.  
Chartered Accountants  
Firm Registration No. 306105E

Jagdish Prasad Sureka  
Director

Pijush Mondal  
Director

(K. P. Jhawar)  
Proprietor  
Membership No. 010309  
Place: Kolkata  
Dated: 10th August, 2013

## Significant accounting policies forming part of financial statement ending March 31, 2013

### 1 Significant accounting policies

#### A Recognition of Standards and Accounting Policies :

- i) The accounts have been prepared following historical cost convention and on the basis of a going concern adopting mercantile system of accounting unless specified otherwise. There had been no change in accounting policies comparing to previous year.
- ii) Fundamental accounting assumptions, as suggested by The Institute of Chartered Accountants of India, are accepted and applied while preparing financial statements.

#### B Fixed Assets :

- i) Fixed Assets are stated at cost less depreciation at the rates specified under The Companies Act, 1956.
- ii) The Management has resolved to close down the chemical plant and dispose off the plant & Machinery and Electrical appurtenant thereto.
- iii) Capital work-in-progress are brought forward since last few year's and stated at cost. The work was however under suspension since 10.10.1999 and hence its fate is uncertain. It's value is required to be evaluated for ascertainment of its factual worth. It is transferred to Current Assets at its written down value.
- iv) There is no intangible assets which requires recognition under provision of AS26.

#### C Depreciation :

- i) Depreciation on existing fixed assets on block basis has been provided on prorata basis following Straight line method at the rates specified in Schedule XIV of the Companies Act, 1956 as amended.
- ii) In the opinion of the management there is no impairment in the value of fixed assets, if disposed in the ordinary course of business.

#### D Inventories :

There had been no movement in the inventory during the year and physical verification of stock could not be conducted in view of stop of production from 19.09.1996 and work suspension from 10.10.1999. The stock has been taken at the same value as per valuation report dated 21.07.1998 of an independent valuer appointed by the State Bank of India. It's present realisable value is required to be evaluated to ascertain its factual worth.

#### E Miscellaneous :

Retirement benefits e.g. Gratuity etc. will be accounted for on cash basis. Quantum of possible liability thereof based on actuarial valuation for the period upto closure of work as on 10.October.1999 could not be ascertained. However, no employee is on payroll at present.

# Shentracon Chemicals Limited - Annual Report | 2013

## Notes / annexure forming part of financial statement ending March 31, 2013

The previous year figure have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

(All amount in Rupees except share data)

	As at 31st March 2013		As at 31st March 2012	
	No's	Value	No's	Value
<b>2. SHARE CAPITAL</b>				
<b>Authorised Share Capital:</b>				
Equity Shares of Rs. 10/- each	5,100,000	51,000,000	5,100,000	51,000,000
10% Equi. Preference Share @ Rs. 60/- each	900,000	54,000,000	900,000	54,000,000
13.50% Equi. Preference Share @ Rs. 10/- each	1,000,000	10,000,000	1,000,000	10,000,000
		<u>115,000,000</u>		<u>115,000,000</u>
<b>Issued, Subscribed &amp; Paid up:</b>				
Equity Shares of Rs. 10/- each	4,438,143	44,381,430	4,438,143	44,381,430
10% Equi. Preference Share @ Rs. 50/- each	344,743	17,237,150	344,743	17,237,150
13.50% Equi. Preference Share @ Rs. 10/- each	1,000,000	10,000,000	1,000,000	10,000,000
<b>Total</b>		<u>71,618,580</u>		<u>71,618,580</u>

2.1 The reconciliation of the number of shares outstanding is set out below:

Particular	As at 31st March 2013	As at 31st March 2012
Equity Share at the beginning of the year	4,438,143	4,438,143
Issue during the period	-	-
At the end of the period	4,438,143	4,438,143

2.2 The details of Shareholders holding more than 5% shares :

Name of Shareholders	As at 31st March 2013		As at 31st March 2012	
	No. of Shares	% held	No. of Shares	% held
Raj Kumar Sureka	245,100	5.52	245,100	5.52
Prismo (India) Ltd.	227,084	5.12	227,084	5.12
Shentracon Holdings Pvt. Ltd.	372,750	8.40	372,750	8.40
Shentracon Finalease Pvt. Ltd.	528,392	11.91	528,392	11.91
Satya Leasing Co. Ltd.	269,150	6.06	269,150	6.06
Shentracon Financial Services Ltd.	400,000	9.01	400,000	9.01
	<u>2,042,476</u>	<u>46.02</u>	<u>2,042,476</u>	<u>46.02</u>

2.3 Share holders have equal rights: Each Share holder is entitled to one vote per share.

2.4 There had been no allotment of shares made due to Bonus allotment or allotment by consideration other than cash during last 5 years.

3. **RESERVES AND SURPLUS**

	As at 31st March 2013	As at 31st March 2012
<b>State Government Capital Subsidy</b>		
As per last Balance Sheet	1,650,000	1,650,000
<b>Preference Share forfeiture Reserve A/c</b>		
As per last Balance Sheet	10,401,000	10,401,000
<b>Capital Reserve</b>		
As per last Balance Sheet	31,300,000	31,300,000
<b>Profit &amp; Loss Account</b>		
As per last Balance Sheet	(99,382,275)	(99,090,497)
Add: Profit for the year	3,017,648 (96,364,627)	(291,778) (99,382,275)
<b>TOTAL</b>	<u>(53,013,627)</u>	<u>(56,031,275)</u>



4.	<b>SHORT-TERM BORROWINGS</b>	As at 31st March 2013	As at 31st March 2012																																																																
	Unsecured																																																																		
	Loans & advances from related parties	23,892,462	23,698,462																																																																
	Refer Note No. 17.xiii)																																																																		
	<b>TOTAL</b>	23,892,462	23,698,462																																																																
5.	<b>TRADE PAYABLES</b>	As at 31st March 2013	As at 31st March 2012																																																																
	Trade Payable	200,634	4,653,461																																																																
	<b>TOTAL</b>	200,634	4,653,461																																																																
6.	<b>Other Current Liabilities</b>	As at 31st March 2013	As at 31st March 2012																																																																
	Creditors for expenses	103,665	88,760																																																																
	Others	-	1,233,546																																																																
	<b>TOTAL</b>	103,665	1,322,306																																																																
7.	<b>FIXED ASSETS</b>																																																																		
	<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="border: none;">Description</th> <th colspan="2" style="border: none;">Gross Block</th> <th colspan="3" style="border: none;">Depreciation/Amortisation</th> <th colspan="2" style="border: none;">Net Block</th> </tr> <tr> <th style="border: none;">TANGIBLE ASSETS</th> <th style="border: none;">As at 01-04-2012</th> <th style="border: none;">As at 31-03-2013</th> <th style="border: none;">As at 01-04-2012</th> <th style="border: none;">For the year</th> <th style="border: none;">As at 31-03-2013</th> <th style="border: none;">As at 31-03-2013</th> <th style="border: none;">As at 31-03-2012</th> </tr> </thead> <tbody> <tr> <td style="border: none;">Land</td> <td style="border: none;">379,834</td> <td style="border: none;">379,834</td> <td style="border: none;">-</td> <td style="border: none;">-</td> <td style="border: none;">-</td> <td style="border: none;">379,834</td> <td style="border: none;">379,834</td> </tr> <tr> <td style="border: none;">Land Development</td> <td style="border: none;">11,330,490</td> <td style="border: none;">11,330,490</td> <td style="border: none;">-</td> <td style="border: none;">-</td> <td style="border: none;">-</td> <td style="border: none;">11,330,490</td> <td style="border: none;">11,330,490</td> </tr> <tr> <td style="border: none;">Building</td> <td style="border: none;">6,671,257</td> <td style="border: none;">6,671,257</td> <td style="border: none;">3,795,812</td> <td style="border: none;">222,820</td> <td style="border: none;">4,018,632</td> <td style="border: none;">2,652,625</td> <td style="border: none;">2,875,445</td> </tr> <tr> <td style="border: none;"><b>Total</b></td> <td style="border: none;">18,381,581</td> <td style="border: none;">18,381,581</td> <td style="border: none;">3,795,812</td> <td style="border: none;">222,820</td> <td style="border: none;">4,018,632</td> <td style="border: none;">14,362,949</td> <td style="border: none;">14,585,769</td> </tr> <tr> <td style="border: none;"><b>Previous Year</b></td> <td style="border: none;">18,381,581</td> <td style="border: none;">18,381,581</td> <td style="border: none;">3,572,992</td> <td style="border: none;">222,820</td> <td style="border: none;">3,795,812</td> <td style="border: none;">14,585,769</td> <td style="border: none;">14,808,589</td> </tr> <tr> <td style="border: none;"><b>Work in progress</b></td> <td style="border: none;"></td> <td style="border: none;"></td> <td style="border: none;"></td> <td style="border: none;"></td> <td style="border: none;"></td> <td style="border: none;">-</td> <td style="border: none;">9,049,057</td> </tr> </tbody> </table>	Description	Gross Block		Depreciation/Amortisation			Net Block		TANGIBLE ASSETS	As at 01-04-2012	As at 31-03-2013	As at 01-04-2012	For the year	As at 31-03-2013	As at 31-03-2013	As at 31-03-2012	Land	379,834	379,834	-	-	-	379,834	379,834	Land Development	11,330,490	11,330,490	-	-	-	11,330,490	11,330,490	Building	6,671,257	6,671,257	3,795,812	222,820	4,018,632	2,652,625	2,875,445	<b>Total</b>	18,381,581	18,381,581	3,795,812	222,820	4,018,632	14,362,949	14,585,769	<b>Previous Year</b>	18,381,581	18,381,581	3,572,992	222,820	3,795,812	14,585,769	14,808,589	<b>Work in progress</b>						-	9,049,057		
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<b>Work in progress</b>						-	9,049,057																																																												
8.	<b>LONG TERM LOAN &amp; ADVANCES</b> (Unsecured & considered good)	As at 31st March 2013	As at 31st March 2012																																																																
	Security deposits	-	32,200																																																																
	Trade advances	-	2,468,030																																																																
	Other Loans and Advances	-	92,507																																																																
	<b>TOTAL</b>	-	2,592,737																																																																
9.	<b>INVENTORY</b> Refer Note No. 17.vii)	As at 31st March 2013	As at 31st March 2012																																																																
	Raw materials	1,435,538	1,435,538																																																																
	Work-in-progress	3,200,000	3,200,000																																																																
	Finished goods	75,000	75,000																																																																
	Stock-in-trade	1,621,259	1,621,259																																																																
	Stores and spares	683,000	683,000																																																																
	<b>TOTAL</b>	7,014,797	7,014,797																																																																
10.	<b>Trade Receivables</b> (Unsecured and considered good)	As at 31st March 2013	As at 31st March 2012																																																																
	Over six months	-	-																																																																
	Others	60,000	20,000																																																																
	<b>TOTAL</b>	60,000	20,000																																																																

# Shentracon Chemicals Limited - Annual Report | 2013

<b>11. CASH AND CASH EQUIVALENTS</b>	As at 31st March 2013	As at 31st March 2012
Balance with Scheduled Bank in current account	310,264	314,323
Cash In Hand	350,058	90,262
(as per books and certified by management)	660,322	404,585
<b>TOTAL</b>	<b>660,322</b>	<b>404,585</b>
<b>12. SHORT TERM LOANS AND ADVANCES</b> (Unsecured and considered good) Other advances recoverable or adjustable	As at 31st March 2013	As at 31st March 2012
	60,000	-
	60,000	-
<b>TOTAL</b>	<b>60,000</b>	<b>-</b>
<b>13. OTHER CURRENT ASSETS</b>	As at 31st March 2013	As at 31st March 2012
Assets held for disposal	20,643,646	11,594,589
	20,643,646	11,594,589
<b>TOTAL</b>	<b>20,643,646</b>	<b>11,594,589</b>
<b>14. INCOME OTHER THEN OPERATION</b>	2012-13	2011-12
Rent Received	240,000	288,000
Other Income	236,960	-
Sundry Balance w/o	3,016,937	-
<b>TOTAL</b>	<b>3,493,897</b>	<b>288,000</b>
<b>15. OTHER EXPENSES</b>	2012-13	2011-12
Establishment Expenses		
<i>Rates &amp; Taxes</i>		
Filing Fees	1,000	21,500
	1,000	21,500
Audit Fees	2,800	2,800
Advertisement	-	3,924
Accounting Charges	12,000	12,000
Legal Expenses	-	53,762
Registrar Fees	5,618	11,030
Factory Maintenance	3,900	3,900
Postage Expenses	1,095	930
Printing & Stationary	1,200	1,040
Power & Fuel	14,500	18,600
Professional fees	5,000	16,030
Stock Exchange Fees	148,877	181,575
Telephone Expenses	908	1,145
Travelling & Conveyance	17,811	1,240
Bank Charges	1,231	718
General Expenses	37,489	26,764
	249,629	332,658
<b>TOTAL</b>	<b>253,429</b>	<b>356,958</b>

16. EARNING PER SHARE	2012-13	2011-12
1) Net Profit after Tax	3,017,648	(291,778)
2) Weighted Average number of equity shares used as denominator for calculating EPS	4,438,143	4,438,143
3) Basic and Diluted Earnings Per Share	0.68	(0.07)
4) Face value per equity share	10	10

## 17. OTHER DISCLOSURE NOTES

- i) There is no production since 18.9.1996 and the work suspension has been notified and declared since 10<sup>th</sup> October 1999. The management has resolved to close the chemical plant during the year 2010-11
  - ii) The accounts have been prepared on the basis of a going concern and hence, erosion/diminution in values, if any, as may be possible for a closed chemical plant has not been considered.
  - iii) A recovery suit filed by a creditor Kesoram Rayon Limited has been decreed ex-parte by city civil court for Rs. 433766/- on application the court has stayed the decree and the matter is still subjudice. Against this demand a sum of Rs. 200634/- is standing under creditors in the books of the company.
  - iv) Capital commitments against capital work in progress has been kept in abeyance and amount of which is not ascertainable.
- v) CONTINGENT LIABILITIES :
- a) Dividend Liability on Account of 10% Cum. Redeemable Preference Shares from the date of allotment on 28.6.95 & 31.03.06 and on 13.5% preference share from the date of allotment i.e. on 31.12.1998, till the end of the year remain unprovided which will be accounted for as and when paid. The liability will be approximate to Rs. 3,66,68,005/-at the end of the year.
  - b) Electricity Bills for Minimum Guarantee off take which relates to period before the date of closure and disputed by the Company is Rs. 21,60,000/-.
  - c) Listing Fees payable to Ahmedabad Stock Exchange amount of which is not ascertainable.
- vi) Since the chemical plant has been closed hence the fate of capital work in progress brought forward since last few years, hangs in uncertainty and its impact/loss could not be ascertained. Physical verification of assets also could not be carried out. Being a chemical plant closed long back, its potential current worth is not ascertainable which require update evaluation and ascertainment of its factual worth. During the year 2012-13 The Directors resolved to dispose off the Capital Work in progress and hence the same has been transferred to Current Assets under Fixed Assets meant for disposal at its existing cost (refer point vii also)
- vii) As there is no production since 18.09.1996 and that the plant is closed since 10.10.1999, the inventory has been shown in the accounts as taken, valued and certified by an independent valuer on 21.07.1998 in terms of their appointment by the State Bank of India (secured loan creditor at that time). It is certified by the management that there had been no movement in inventory after the date of verification by the independent valuer. Being a Chemical plant erosion in potential value is possible which will be taken care on its further evaluation. However possible diminution in value is not ascertainable at present and relevant adjustment could not be done.
- viii) Fixed Assets
- a) In view of uneconomical condition and technical unavailability, the production in chemical plant was shut down since 18.09.1996. The Board of Directors resolved to close the company's main business of chemicals effective from 1st April 2010. The Directors also resolved to explore other avenues and line of production or business by utilizing the existing site of Factory, Land & Building. In view of the fact that the existing chemical plant (with its all allied accessories) will not be of any use in any other probable line of production, it was resolved by the management in 2010-11 to dispose off the existing chemical Plant & Machineries and Electrical appurtenant thereto on block basis, and transfer the same from Fixed Assets to Current Assets, as the same are now meant for dispose off.
  - b) Based on facts stated in (i) above, Transfer of Plant & Machinery and Electrical appurtenant from Fixed Assets to current Assets on block basis has been done on the basis of Written Down Value or expected realisable value whichever is lower in accordance with the guidelines contained in Accounting Standard AS-10 of Institute of Chartered Accountants of India. As per valuation report of an actuarial valuer, the realizable value is greater than Written Down Value in the Books as on 1.04.2010, hence the management decided to transfer the same to Current Assets at its Written Down Value on block basis following the guidelines of AS-10.
- ix) Depreciation on existing Fixed Assets has been provided on Straight line method at the rates specified in Schedule xiv of The Companies Act, 1956.

- x) The Concerns from whom the Unsecured Loans have been obtained have waived their claim of interest.
- xi) Provision for all known liabilities are adequate in the opinion of the Management.  
No provision has been made on possible irrecoverable advances and deposits, the amount of which could not be ascertained. The Advances and deposits may not fetch the value as stated in the ordinary course of business.
- xii) a) The Management is seriously considering the revival of the Company. In its pursuit to revive ,it has already paid their dues with banker through OTS Scheme in earlier years. Management have get the company derecognised from BIFR vide order No. 253 dated 20.09.2007.Many alternate business plans including enhancement of net worth are under consideration. The management is hopeful of reviving the company.
- b) During the year the company has started hiring out its fixed assets to generate income therefrom.
- xiii) Related Party Disclosures pursuant to Accounting Standard AS-18:

(a) List of related parties and relationship

Sr. No.	Name of Related Parties	Relationship
1	Mr. Jagdish Prasad Sureka	Key Managerial Person
2	Mr. Gobind Prasad Sureka	
3	Mr. Piyush Mondal	
4	Mr. Tarun Mandal	
4	Mr. Raj Kumar Sureka	Relative of KMP
5	Prismo (India) Ltd.	Associate Companies
6	Shentracon Holdings Pvt. Ltd.	
7	Satya Leasing Co. Ltd.	
8	Shentracon Finalease Pvt. Ltd.	

(b) Related party transaction as on March 31, 2013

<b>Profit &amp; Loss Account</b>	Key Management Person	Relative of KMP	Associate Companies	Total	Outstanding as on 31.03.2013
No Transaction					
<b>Balance Sheet</b>					
Short-term borrowing					
Loan Taken	-	-	194,000	194,000	23,892,462
Loan paid	-	-	(230,318)	(230,318)	(23,698,462)
	-	-	(160,000)	(160,000)	-

Figures in bracket are related to previous year.

- xiv) a) Since there was no fresh production and/or dealing hence segment wise disclosure is not applicable.
- b) The deferred tax assets/liabilities and or its implication on deferred tax arising on account of unabsorbed losses & depreciation has not been accounted for on due principle of prudence and uncertainty of future taxable profit.

In terms of our Report of even date

For K. P. JHAWAR & CO.

Chartered Accountants

Firm Registration No. 306105E

Jagdish Prasad Sureka  
Director

Pijush Mondal  
Director

(K. P. Jhavar)

Proprietor

Membership No. 010309

Place: Kolkata

Dated: 10th August, 2013



PROXY

Reg. Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

I/We \_\_\_\_\_

Of \_\_\_\_\_ being Member(s) of

SHENTRACON CHEMICALS LIMITED hereto appoint \_\_\_\_\_

of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of

\_\_\_\_\_ as my/our proxy to vote for me/us and on my/our behalf at the 20<sup>th</sup> Annual General Meeting of the Company to be held on Saturday 30<sup>th</sup> day of September, 2013 at 3.00 p.m. at 6A, Kiran Sankar Roy Road, Kolkata -700 001, and at any adjournment thereof.

As witness my/our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2013

Affix  
Rs. 1/-  
Revenue  
Stamp

Signed by the said \_\_\_\_\_

- NOTE : 1. The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.  
2. Those members who have multiple folios with different proxy holders may use xerox copies of this Attendance Slip/Proxy.

-----Tear Here-----

SHENTRACON CHEMICALS LIMITED  
Registered office: 6A, Kiran Sankar Roy Road  
Kolkata -700 001

**ATTENDANCE SLIP**

I hereby record my presence at the 20<sup>th</sup> Annual General Meeting of SHENTRACON CHEMICALS LIMITED held on Saturday, 30<sup>th</sup> day of September, 2013 at 3.00 p.m. at 6A, Kiran Sankar Roy Road, Kolkata -700 001

Full Name of Member (In Block Letters)

Signature

Reg. Folio No. \_\_\_\_\_ DP ID No.\* \_\_\_\_\_ Client ID No.\* \_\_\_\_\_

\_\_\_\_\_  
Full Name of Proxy (In Block Letters)

\_\_\_\_\_  
Signature

- NOTE : 1. Member/ Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting.  
2. Member/ Proxy holder wishing to attend the meeting should bring his copy of the Annual Report for reference at the meeting.