

SHENTRACON CHEMICALS LIMITED

# Annual Report

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2016-17



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**COMPANY INFORMATION**

**BOARD OF DIRECTORS**

Mr. Jagdish Prasad Sureka	-	Director
Mrs. Garima Sureka	-	Director
Mr. Pijush Mondal	-	Director
Mr. Chandi Das Chakrobarty	-	Additional 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 Shankar Roy Road  
3<sup>rd</sup> Floor, Kolkata – 700 001

## NOTICE

**Notice is hereby given that the Twenty forth Annual General Meeting of the members of Shentracon Chemicals Limited will be held on Monday, 25<sup>th</sup> September, 2017 at 10.00 A.M. at the Registered office of the company 6A, Kiran Shankar Roy Road, 3<sup>rd</sup> Floor, Kolkata – 700 001 to transact the following business:**

### **Ordinary Business:**

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended as on 31<sup>st</sup> March 2017, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jagdish Prasad Sureka (holding DIN: 00482176), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s J. Khemani & Co. Chartered Accountants (Registration No, 322375E) as the Statutory Auditor of the Company in place of M/s K. P. Jhavar & Co, Chartered Accountants (Registration No.306105E) and to fix their remuneration and to pass, with or without modification(s), the following resolution as **an Ordinary Resolution**

“Resolved that pursuant to the provisions of Section 139,141, 142 and all other appropriate provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditor) Rules, 2014, including any statutory enactment or modification thereof and in accordance with the recommendation of the Audit Committee, M/s J. Khemani & Co Chartered Accountants, having Registration No. 322375E allotted by the Institute of Chartered Accountants of India (ICAI), who have given their consent and certificate in terms of Section 139(2) of the Companies Act 2013, be and is hereby appointed as Statutory Auditors of the Company from the conclusion of this 24th Annual General Meeting till the conclusion of the 29th Annual General Meeting of the Company, subject to ratification of their appointment by the members at every intervening Annual General Meeting held after this Annual General Meeting at a remuneration to be decided by the Board of Directors on recommendation of the Audit Committee and in consultation with the Auditor.

### **SPECIAL BUSINESS:**

4. Appointment of Mr. Chandi Das Chakraborty (DIN: 07688518) as an Independent Director.

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Chandi Das Chakraborty (DIN: 07688518), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on February 14, 2017 and whose term of office expires at this Annual General Meeting (‘AGM’) and in respect of whom the Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is

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hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from February 14, 2017.”

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

**Registered Office**

6A, KIRAN SHANKAR ROY ROAD  
KOLKATA – 700 001

**J. P. SUREKA**

Director

(DIN: 00482176)

**Place:** Kolkata

**Date:** 14<sup>th</sup> August 2017

**Notes:**

1. ***A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 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. A PROXY FORM, DULY COMPLETED, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.***

***A PROXY FORM IN FORM MGT-11 FOR THE AGM IS ENCLOSED HERewith. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY(50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.***

2. The Statement, pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business under Item No.4 of the Notice is annexed hereto and forms part of the Notice
3. Information on all the Directors proposed to be appointed/ re-appointed at the Meeting as required under Regulation 36(3) of the SEBI (Listing and Disclosure Requirements), 2015 and SS-2 are provided in the Annexure to this Notice.
4. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 19<sup>th</sup> September 2017 to Monday, 25<sup>th</sup> September, 2017 (both days inclusive) in connection with the Annual General Meeting.
5. Members are requested to bring their copies of the Annual Report at the meeting. Please note that the copies of the report will NOT be distributed and /or be made available at the meeting.
6. Route-map to the venue of the Meeting is enclosed with the notice for the convenience of the members. Members may also note that the notice along with the route map will also be available on the website of the Company ([www.shentracon.com](http://www.shentracon.com)) for download
7. Members desirous of getting any information on the accounts or operations of the Company is requested to forward their queries to the Company at least seven days prior to the meeting so that the required information can be made available at the Meeting.

8. The relevant documents are available for inspection by the members of the company at the registered office from 10.30 am to 12.30 pm on any working day, except Saturdays and Sundays up to the date of the Annual General Meeting.
9. Members are requested to immediately notify any change in their address to the Registrar Share Transfer agent of the Company M/s. C B Management Services (P) Ltd., P-22, Bondel Road, Kolkata – 700 019 in all correspondence with the Company, members are requested to quote their Account / Folio Numbers.
10. Members are requested to produce the enclosed attendance slip duly filled up and signed as per specimen signature recorded with the company for admission to the meeting hall.
11. Members are requested to notify immediately any change of address:
  - i. To their depository participants (DPs) in respect of their electronic share accounts, and
  - ii. To the Company at its registered office in respect of their physical shares, if any, quoting their folio number, banker's name and account number to ensure prompt and safe receipt of dividend warrants.
12. Members are requested:
  - i. To bring their copies of the annual report, notice and attendance slip at the time of the meeting.
  - ii. To quote their folio no./ ID No. in all correspondence
13. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) for all securities market transactions and off-market/ private transactions involving transfer of shares in physical form of listed companies. Hence, Members holding shares in the electronic form are requested to submit their PAN to their Depository Participant(s) with whom they maintain their Demat Accounts. Members holding shares in physical form should submit their PAN details to the Company / Registrar & Share Transfer Agent .
14. To comply with the provision of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules 2014, the Company shall be required to update its database by incorporating members' designated e-mail ID in its records.

You are thus requested to kindly submit your e-mail ID vide the e-mail registration form attached in this Annual Report by filling up and signing at the appropriate place in the said form and return the same to the Company. The e-mail ID provided shall be updated subject to successful verification of your signatures as per record available with the Registrar & Share Transfer Agent of the Company.

15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
16. The Government took a 'Green Initiative in Corporate Governance' in 2011 by allowing the Companies to service the documents to its Members through electronic mode.

Accordingly, the Company sends all communication including the Notice along with Annual Report in electronic form to all Members whose email Ids are registered with the Company/ Depository Participant(s) unless a specific request for hard copy has been requested. Shareholders holding shares in physical form are requested to register/update their e-mail address with the Company's Registrar and Share Transfer Agent, M/s. C. B. Management Services Private Limited at [rta@cbmsl.com](mailto:rta@cbmsl.com) or to us on [investor@shentracon.com](mailto:investor@shentracon.com)

17. The Company is pleased to offer e-voting facility as an alternate, for all its members to enable them to cast their vote electronically in compliance of provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries Of India.
18. The facility for voting through ballot paper shall be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their rights at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again
19. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, i.e. 18<sup>th</sup> September 2017. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting through ballot paper
20. Members may also note that the Notice of the 24<sup>th</sup> Annual General Meeting and the Annual Report for 2017 will also be available on the Company's website [www.shentracon.com](http://www.shentracon.com). The Notice of AGM shall also be available on the website of CDSL viz. [www.evotingindia.com](http://www.evotingindia.com).
21. The Board vide its Resolution passed on 14<sup>th</sup> August, 2017 has appointed Mr. Mohan Ram Goenka, Practising Company Secretary, (FCS No.: 4515/ CP No.: 2551), as Scrutinizer for conducting the e-voting process in accordance with the law and in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the meeting first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and within a period not exceeding 3 days from the conclusion of the Annual General Meeting make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company or any other person authorized by him in writing.

22. The Results declared along with the Scrutinizer's report shall be placed on the Company's website [www.shentracon.com](http://www.shentracon.com) and on the website of website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately and communicated to the exchange the agency immediately.

Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to have been passed on the date of the Meeting i.e. 25<sup>th</sup> September, 2017.

#### **E-Voting (voting through Electronic means):**

- 1) In Compliance of provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries Of India, the Company is pleased to provide members a facility to exercise their right to vote at the 23<sup>rd</sup> Annual General

Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by Central Depository Services Limited (CDSL)

- 2) Persons who have acquired shares and became Members after the dispatch of the Notice of the AGM but before the ‘Cut-off Date’ of Monday, September 18, 2017 may obtain their user ID and Password for e-voting and Company’s Registrars & Transfer Agent, C.B. Management Services (P) Ltd, P-22, Bondel Road, Kolkata 700 019 (Ph. No. 033 – 22806692/4011 6700/22823643/22870263 Fax No. 91 – 033 – 4011 6739).

The instructions for the member for voting electronically are as under :-

- (i) The voting period begins on Friday, 22<sup>nd</sup> September 2017 at 09.00 a.m. and ends on Sunday, 24<sup>th</sup> September 2017 at 5.00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 18<sup>th</sup> day of September 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on “Shareholders” tab.
- (iv) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank	Enter the Dividend Bank Details as recorded in your demat account or in the company



Details	<p>records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>
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- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By Order of the Board  
For Shentracon Chemicals Limited

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

J. P. SUREKA  
(DIN: 00482176)  
Director

Place: Kolkata  
Date: 14th August 2017

## **ANNEXURE TO THE NOTICE**

**Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Items of Special Business set out in the Notice convening the Twenty forth Annual General Meeting of the Company to be held on 25<sup>th</sup> September, 2017.**

### **Item No. 4:**

Mr. Chandi Das Chakraborty, was appointed as an Additional Director (Non-Independent, Non-Executive) of the Company by the Board of Directors with effect from 14<sup>th</sup> February, 2017 in terms of Section 161 of the Companies Act, 2013.

Mr. Chandi Das Chakraborty is a graduate from University of Calcutta .He has a wide range of experience of over 18 years in different positions across various industries.

In terms of the provisions of Section 161 of the Companies Act, 2013, Mr. Chandi Das Chakraborty shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing along with requisite deposit from a member under Section 160 of the Companies Act, 2013 proposing him candidature to the office of Director. Further, he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

The Board considers that his wide range of experience would be of immense benefit to the Company. Accordingly, the Board recommends his appointment as a Director of the Company.

The Board recommends the ordinary resolution as set out under item No. 4 of the notice for your approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

**Particulars of the Director seeking re-appointed at the ensuing Annual General Meeting pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard for General Meetings (SS- 2) is as mentioned below:**

Name of Director	Mr. Jagdish Prasad Sureka
Date of Birth	25.05.1941
Nationality	Indian
Date of Appointment on the Board	14.07.1993
Terms and Conditions of Appointment	As per Letter of Appointment
Qualifications	B. Com
Brief resume and expertise in specific functional areas	Mr. Jagdish Prasad Sureka is Commerce Graduate and have rich experience of over 40 years in different positions across various industries.
The Remuneration last drawn by Mr. Jagdish Prasad Sureka,if applicable	NIL
Details of Remuneration sought to be paid	NIL
Directorships held in other public companies (excluding foreign companies)	NIL
List of other Listed entities in which Directorship held	ISMT Limited, Prismo (India) Limited
Membership/chairmanship of Committees of the Board of Directors in other Listed Companies	Audit Committee: Member in ISMT Limited & Shentracon Chemicals Limited, Chairperson in Prismo (India) Limited. Stake Holder Relationship Committee /Shareholder Grievance Committee: Chairperson in ISMT Limited and Member in Shentracon Chemicals Limited Nomination and Remuneration Committee: Member in Shentracon Chemicals Limited
Membership/chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders'/ Investors' Grievance Committee)	NIL

# Shentracon Chemicals Limited

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Number of shares held in the Company	NIL
Relationship between Directors inter-se	Father -in-Law of Mrs. Garima Sureka

Name of Director	Mr. Chandi Das Chakraborty
Date of Birth	02.09.1963
Nationality	Indian
Date of Appointment on the Board	14.02.2017
Terms and Conditions of Appointment	As per Letter of Appointment
Qualifications	B.com
Brief resume and expertise in specific functional areas	Mr. Chandi Das Chakraborty is Commerce Graduate and have rich experience of over 18 years in different positions across various industries
The Remuneration last drawn by Mr. Chandi Das Chakraborty,if applicable	NIL
Details of Remuneration sought to be paid	NIL
Directorships held in other public companies (excluding foreign companies)	Satya Leasing Co Ltd
List of other Listed entities in which Directorship held	Shentracon Chemicals Ltd
Membership/chairmanship of Committees of the Board of Directors in other Listed Companies	Shentracon Chemicals Limited Audit Committee: Member Nomination & Remuneration Committee: Chairman Stakeholder Relationship Committee: Chairman
Membership/chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders'/ Investors' Grievance Committee)	NIL
Number of shares held in the Company	NIL
Relationship between Directors inter-se	NA

**Board's Report****Dear Shareholders,**

Your Directors have pleasure in presenting the twenty forth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2017

**FINANCIAL SUMMARY OF THE COMPANY:****(Amount in****Rs.)**

<b>Financial results for the year ended</b>	<b>31<sup>st</sup> March, 2017</b>	<b>31<sup>st</sup> March, 2016</b>
Total Income	8,15,375	12,56,810
Profit / (Loss) before Depreciation & tax	193890	1,91,745
Less : Depreciation	(190568)	(1,90,568)
Profit/ (Loss) before tax	3,322	1,177
Less: Tax Expenses	—	—
Profit /(Loss) for the year	3,322	1,177
Add: Balance as per last financial statements	(96853378)	(9,68,54,555)
Surplus/(Deficit) in the Statement of Profit and Loss	(96850056)	(9,68,53,378)

**STATE OF COMPANY'S AFFAIRS:**

As you are aware 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 have already disposed off block of the Plants & Machineries during this year and are currently negotiating with parties for rest of the plants & Machineries.

We are earning income by renting out a portion of factory building and let out the vacant land for hiring out for logistic purpose. 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.

**OPERATIONAL REVIEW:**

- Revenue from operations decreased to Rs. 8,15,375/- in the current year as against Rs. 1256810/- in the previous year.
- Net Profit decreased to Rs. 3322/- in the current year as against Rs. 1177/- in the previous year.

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**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of report.

**INDUSTRY OUTLOOK:**

Presently, the Company is not engaged in manufacturing process of Chemicals.

**CHANGE IN NATURE OF BUSINESS:**

There has been no change in nature of business of the Company during the F.Y. 2016-2017.

**DIVIDEND:**

In view to strengthen the Company's reserve and due to inadequate profit, your Board of Directors has not decided to recommend any dividend for the year ended 31<sup>st</sup> March 2017.

**CHANGES IN SHARE CAPITAL:**

The paid up Share Capital as on 31<sup>st</sup> March, 2017 stood at Rs 7,16,18,580. During the year under review, the Company has not issued any shares with differential voting rights, sweat equity shares nor granted any Employees stock options. The company neither came out with rights, bonus, private placement and preferential issue.

**TRANSFER TO RESERVE:**

During the period under review, no amount was transferred to any Reserves.

**DIRECTORS & KEY MANAGERIAL PERSONNEL:****DIRECTORS****a) Retirement by rotation**

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Articles of Association of the company Mr. Jagdish Prasad Sureka (DIN: 00482176), Director of the Company retires by rotation & being eligible offers himself for re-appointment at the ensuing Annual General Meeting of the company.

**b) Appointment**

The Board of Directors of the Company has appointed Mr. Chandi Das Chakroborty (DIN: 07688518) as an Additional (Non-Executive- Independent) Director of the Company with effect from 14th February, 2017 who holds office upto the date of the ensuing Annual General Meeting of the Company. The Company has received notice along with requisite deposit from a member of the Company under Section 160 of the Companies Act, 2013 proposing his candidature for the office of the Director of the Company. Your Board recommends his appointment.

Brief resume of the Directors proposed to be appointed/re-appointed as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the Notice convening the ensuing Annual General Meeting of the Company.

## **c) Cessation**

Mr. Tarun Mondal (DIN: 02424847), Non-Executive-Independent Director, resigned from the Directorship of the Company with effect from 13<sup>th</sup> February, 2017. The Board places on record its appreciation for the valuable services rendered by him during his tenure as a Director of the Company.

## **KEY MANGERIAL PERSONNEL**

Your Company has following personnels designated as whole – time key managerial personnel pursuant to section 203 of Companies Act 2013 and rules made thereon:

- 1) Mr. Jayanta Sahu – Manager
- 2) Mr. Rajesh Kumar Rungta – Chief Financial Officer

## **DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors have given declarations that they meet the criteria of independence as per applicable provisions of the Companies Act 2013 and Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **NUMBER OF MEETINGS OF THE BOARD**

The company has duly complied with section 173 of the Companies, Act 2013. During the year under review, Four Board meetings were convened and held. The maximum intervals between any two meetings did not exceeded 120 days. The dates on which meeting were held are as follow:

<b>Date of the meeting</b>	<b>No. of Directors attended the meeting</b>
30 <sup>th</sup> May 2016	4( Four )
12 <sup>th</sup> August 2016	4 (Four)
12 <sup>th</sup> November 2016	4 (Four)
14 <sup>th</sup> February 2017	4 (Four)

## **COMMITTEES OF BOARD**

. There are currently four Committees of the Board, as follows:

- ✓ Audit Committee
- ✓ Nomination and Remuneration Committee
- ✓ Stakeholders' Relationship Committee
- ✓ Shares Transfer Committee

The details of composition of the Committees of Board of Directors are as under:-

## A. Audit Committee

The terms of reference, role and scope of Audit Committee are in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations, 2015. The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment.

The Committee had met four times i.e. on 30<sup>th</sup> May, 2016, 12<sup>th</sup> August 2016, 12<sup>th</sup> November 2016 and 14<sup>th</sup> February 2017. The details of composition of the Audit Committee are as under:-

Sl. No.	Name	Chairman/ Members
1.	Mr. Pijush Mondal	Chairman-Independent Director
2.	Mr. Chandi Das Chakraborty	Member-Independent Director
3.	Mr. Jagdish Prasad Sureka	Member-Non Executive Director

All the recommendations from the committee were accepted by the Board.

## Vigil Mechanism / Whistle Blower Policy

In compliance with provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, 2015, the Company has framed a Vigil Mechanism / Whistle Blower Policy to deal with unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any. The Vigil Mechanism / Whistle Blower Policy have also been uploaded on the website of the Company and may be accessed at [http://www.shentracon.com/pdf/v\\_mach.pdf](http://www.shentracon.com/pdf/v_mach.pdf).

## B. Nomination & Remuneration Committee

Pursuant to section 178 of Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 of SEBI Listing Regulations, 2015, the Company has constituted the Nomination & Remuneration Committee under the new provisions and framed the terms of reference accordingly.

During the year under review, the Board of Directors of your Company had met once i.e. on 27<sup>th</sup> May, 2016. The details of composition of the Nomination & Remuneration Committee are as under:-

Sl. No.	Name	Chairman/ Members
1.	Mr. Chandi Das Chakraborty	Chairman- Independent Director
2.	Mr. Jagdish Prasad Sureka	Member Non Executive Director
3.	Mrs. Garima Sureka	Member- Non Executive Director



The policy of the company on remuneration of Directors, KMPs and other employees and appointment of Director including criteria for determining the qualification, experience, positive attributes and independence of directors was recommended to board and was duly approved. The Remuneration policy is stated in the corporate governance report. The said policy has been made available on the website of the Company [www.shentracon.com](http://www.shentracon.com) under the weblink [http://www.shentracon.com/pdf/nomination\\_remuneration\\_policy.pdf](http://www.shentracon.com/pdf/nomination_remuneration_policy.pdf).

The details of criteria for performance evaluation as laid by Nomination & Remuneration committee are disclosed in the Corporate Governance report, which forms a part to the Annual report.

## C. Stakeholders' Relationship Committee

In compliance with the provisions of Section 178(5) of the Companies Act, 2013 and read with Regulation 20 of SEBI Listing Regulations, 2015, the Board of Directors of your company has constituted a Stakeholder Relationship Committee.

Following are the terms of reference of the Stakeholders Relationship Committee:

- a) Consider and resolve the grievances of the security holders of the Company, including complaints related to transfer of shares, non receipt of annual report, non receipt of declared dividends, etc

The Company has adopted the Code of Conduct for Prevention of Insider Trading, under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines for procedures to be followed and disclosures to be made while dealing with the shares of the Company.

The Company has also adopted the Code of Corporate Disclosure Practices for ensuring timely and adequate disclosure of Price Sensitive Information, as required under the Regulations. The Manager & CFO is the Public Spokesperson for this purpose.

The Committee had met once i.e. on 27<sup>th</sup> May, 2016. The details of composition of the Stakeholders' Relationship Committee are as under:-

Sl. No.	Name	Chairman/ Members
1.	Mr. Chandi Das Chakraborty	Chairman- Independent Director
2.	Mr. Jagdish Prasad Sureka	Member- Non Executive Director
3.	Mrs. Garima Sureka	Member- Non Executive Director

## RISK MANAGEMENT POLICY

Pursuant to section 134(n) of the Companies Act, 2013 and Regulation 17(9) of SEBI Listing Regulations, 2015, your company has a robust Risk Management framework to identify, evaluate business risk and opportunities. Risk management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/ control the probability and / or impact of unfortunate events or to maximize the realization of opportunities.

Management of risk remains an integral part of your Company's operations and it enables your Company to maintain high standards of asset quality at time of rapid growth of its lending business. The objective of risk management is to balance the trade-off between risk and return and ensure optimal risk-adjusted return on capital. It entails independent identification, measurement and management of risks across the businesses of your Company. Risk is managed through a framework of policies and principles approved by the Board of Directors supported by an independent risk function which ensures that your Company operates within a pre-defined risk appetite. The risk management function strives to proactively anticipate vulnerabilities at the transaction as well as at the portfolio level, through quantitative or qualitative examination of the embedded risks.

Your Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. Your Company's management systems, organizational structures, processes, standards, code of conduct and behaviours governs how the Group conducts the business of the Company and manages associated risks.

## **PREVENTION, PROHIBITION & REDRESSAL OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company has in place an internal complaint committee under section 4 of The Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said committee.

## **LISTING AT STOCK EXCHANGE:**

The Equity shares of the company are listed on The Calcutta Stock Exchange Association Ltd., The Ahmedabad Stock Exchange Limited and The Bombay Stock Exchange Association Ltd. The Equity Shares of the Company are suspended in Bombay Stock Exchanges since 10.09.2001.

## **FAMILIARIZATIONS PROGRAMME FOR INDEPENDENT DIRECTORS**

In terms of Regulation 25(7) of the SEBI Listing Regulations, 2015 the Company has conducted the Familiarization Programme for Independent Director to familiarize them with their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various initiatives. The same has been uploaded in Company's website and may be accessed at <http://www.shentracon.com>.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOES:**

Information as required under the provisions of section 134(3)(m) of the Companies Act, 2013 and relevant applicable rules, details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in the "Annexure-A", which is annexed hereto and forms part of Board's Report.

## **MANAGERIAL REMUNERATION:**

The statement containing the disclosure as required in accordance with the provisions of Section 197(12) of the Companies Act 2013 read with rule 5(1) of the Companies(Appointment and Remuneration of Managerial Personnel)Amendment Rules, 2016 is annexed as "Annexure B" and forms a part of the Board Report.

Further, none of the employees of the Company are in receipt of remuneration exceeding the limit prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies(Appointment and Remuneration of Managerial Personnel)Amendment Rules, 2016 so statement pursuant to Section 197(12) of the Companies Act 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel)Amendment Rules, 2016 is not required to be included.

## **DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES:**

Your Company has neither a Subsidiary Company nor a Joint Venture Company or an Associate Company during the year under review. Therefore no disclosure is required to be included in this report.

Moreover, Formulation of Policy for determining material subsidiary is not required.

## **STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of Messrs K. P. Jhavar & Co., as the Statutory Auditors of the Company shall expire from the conclusion of the ensuing Annual General Meeting of the Company. The Board of Directors places on record its appreciation for the services rendered by Messrs K. P. Jhavar & Co. during their tenure as the Statutory Auditors of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company has recommended the appointment of Messrs J. Khemani & Co., Chartered Accountants, (FRN: 322375E) as the Statutory Auditors of the Company, subject to the approval of the Members of the Company in the Company's ensuing Annual General Meeting. Messrs J. Khemani & Co. shall hold office for the first term of five years, from the conclusion of the 24th Annual General Meeting until the conclusion of the 29th Annual General Meeting of the Company (subject to ratification of their appointment by the members at every intervening Annual General Meeting held after this Annual General Meeting). The proposal of their appointment is included in the Notice of the ensuing Annual General Meeting for approval of the Members of the Company. Messrs J. Khemani & Co. has furnished written consent and a confirmation to the effect that they are not disqualified to be appointed as the Statutory Auditor of the Company in terms of the provisions of Section 139 of the Companies Act, 2013 and Rules framed thereunder.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

The statutory Auditor has not reported any incident of fraud to the Audit committee of the company in the year under review.

## **SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/S. MR & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **"Annexure C"**.

In connection with the Observation reported in Secretarial Audit Report regards to Appointment of Whole Time Company Secretary, it is clarified that your Board proposed to appoint Company Secretary but due to some unforeseeable circumstances the appointment could not be made during this financial year.

Due to financial crunch the company is unable to pay the listing fee of the Calcutta Stock Exchange Limited, Bombay Stock Exchange Limited and Ahmadabad Stock Exchange Limited

## **INTERNAL AUDITOR:**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014 the Company has appointed M/s. J. Khemani & Co., to undertake the Internal Audit of the Company for the F.Y. 2016-2017. There stood no adverse finding & reporting by the Internal Auditor in the Internal Audit Report for the year ended 31<sup>st</sup> March 2017.

## **EXTRACT OF ANNUAL RETURN:**

Pursuant to section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return as on 31<sup>st</sup> March 2017 is annexed herewith as “Annexure – D”.

## **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION:**

There have been no material changes and commitments affecting the financial position of the company, which have occurred between the end of the Financial Year of the Company to which financial statements relate and the date of the report.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:**

There are no significant material orders passed by the Regulators / Courts/Tribunals which would impact the going concern status of the Company and its future operations. Further the details of proceedings against the Company and its Directors are given in Annexure to Director's Report which forms part of the Annual Report.

## **INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has policy for Internal Financial Control System, commensurate with the size, scale and complexity of its operations. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The scope and authority of the Internal Audit (IA) function is defined in the internal financial control policy. The Internal Auditor monitors and evaluates the efficiency and adequacy of Internal Financial control system in the Company, its compliance with operating systems, accounting procedures and policies. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board, the internal audit report on quarterly basis and some are reviewed by the committee

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## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :**

Particulars of loans given, guarantees given and Investments made under the provisions of Section 186 of the Companies Act 2013 read with relevant applicable rules thereon as provided in the notes to the Financial Statements.

## **CORPORATE SOCIAL RESPONSIBILITY:**

Provisions of Corporate Social Responsibilities pursuant to Section 135 of the Companies Act 2013 read with relevant applicable rules thereon are not applicable to the Company.

## **DEPOSITS:**

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read relevant applicable rules.

## **CONTRACTS/ TRANSACTIONS / ARRANGEMENTS WITH RELATED PARTIES:**

During the year, the Company had not entered into any contract / arrangement / transaction with related parties thus disclosure relating to details of contracts or arrangements or transactions with related parties referred to in section 188(1) in Form AOC-2 is not required. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or their relatives or other designated persons which could have a potential conflict with the interest of the Company at large. All Related Party Transactions are periodically placed before the Audit Committee for its approval.

Your Directors draw attention of the members to Note 20(X) to the Financial Statement which sets out related party disclosures.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and may be accessed at <http://www.shentracon.com/pdf/mrpt.pdf>

## **FORMAL ANNUAL EVALUATION:**

The Nomination & Remuneration Committee of your Company has formulated and laid down criteria for Performance Evaluation of the Board (including Committees) and every Director (including Independent Directors) and that of Committees pursuant applicable provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on these criteria, the performance of the Board, various Board Committees viz. Audit Committee, Stakeholder's Relationship Committee, Nomination and Remuneration Committee and Share Transfer Committee, and Individual Directors (including Independent Directors and chairman) was evaluated.

During the year under review, the Independent Directors of your Company reviewed the performance of Non-Independent Directors and Chairperson of your Company, taking into account the views of Executive Directors and Non-Executive Directors.

The information flow between your Company's Management and the Board is complete, timely with good quality and sufficient quantity.

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## **DIRECTORS RESPONSIBILITY STATEMENT:**

In terms of provision of Section 134(5) of the Companies Act, 2013, your Board of Directors to the best of their knowledge and ability state that:

- a) In the preparation of the annual accounts for the financial year ended on 31<sup>st</sup> March 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) 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 as at 31<sup>st</sup> March 2017 and of the profit and loss of the company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **CODE OF CONDUCT**

The Board has laid down a Code of Conduct for all Board members and senior management of the Company. Board members and senior management personnel have affirmed compliance with the Code for the financial year 2016-17.

## **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of the Companies Act, 2013, the Company is not required to transfer any amount to Investor Protection and Education Fund as the Company has not declared any Dividend since its incorporation and as such there is no amount of dividend which was due and payable and remained unclaimed and unpaid for a period of seven years.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, is presented in a separate section forming part of the Annual Report as "Annexure – E" .

## **CORPORATE GOVERNANCE**

The Company is committed to maintain the highest standard of Corporate Governance and adhere to the Corporate Governance requirements set out under Regulation 34 read with Schedule V of the SEBI Listing Regulations, 2015. The report on Corporate Governance as stipulated under the Listing Agreement forms an integral part of this Report. The requisite certificate from the Auditors of the

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Company confirming compliance with the conditions of corporate governance is annexed to the Corporate Governance Report which is a part of Board's Report as "Annexure – F".

## **ACKNOWLEDGEMENTS:**

Your Directors take the opportunity to thank the Regulators, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**For and on behalf of the Board of Directors**

**Place: Kolkata**

**Date: 30<sup>th</sup> May 2017**

**Jagdish Prasad Sureka**

**Chairman**

**DIN: (00482176)**

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**Annexure “A” to the Director Report****Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)****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

**For and on behalf of the Board of Directors**

Place: Kolkata  
Sureka  
Date: 30<sup>th</sup> May 2017

Sd/-  
Jagdish Prasad  
  
Chairman  
DIN: (00482176)



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**Annexure "B" to the Director Report**

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016**

i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17-NIL**

ii) **The percentage increase in remuneration of each Director, Chief Financial Officer – NIL**

(The Directors and key Managerial Personnel are not being paid Remuneration and there were no Permanent employees in the Company as on March 31, 2017).

iii) **Percentage increase in the Median Remuneration of Employees during the Year:** The Median Remuneration of Employees as on March 31, 2017 was NIL and as on March 31, 2016 was also NIL. So the percentages increase in the median remuneration of employees was Not Applicable during the financial year.

iv) **Number of permanent Employees on the rolls of Company:** There were no permanent employee on the rolls of Company as on March 31, 2017;

v) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** NIL

vi) It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**For and on behalf of the Board of  
Directors**

**Place: Kolkata  
Date: 30<sup>th</sup> May 2017  
Chairman**

**Sd/-  
Jagdish Prasad Sureka**

**(DIN: 00482176)**

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**Annexure "C" to the Director Report**

**Form No. MR - 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

**TO,  
THE MEMBERS,  
SHENTRACON CHEMICALS LIMITED  
6A KIRAN SHANKAR ROY ROAD  
KOLKATA-700001**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHENTRACON CHEMICALS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- 
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
  - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time to the extent applicable

I further report that, there were no actions/ events in pursuance of;

- a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange Limited, Bombay Stock Exchange Limited and Ahmadabad Stock Exchange Limited.

During the period under review the Company has partially complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- *As per the requirements of Section 203 of the Companies Act, 2013 and Regulation 6 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has not appointed Company Secretary.*
- *The company has not paid the annual listing fees to the Calcutta Stock Exchange Limited, Bombay Stock Exchange Limited and Ahmadabad Stock Exchange Limited according to Regulation 14 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

## **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent directors including Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there are no specific events, actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc, referred to above.

This Report is to be read with our letter of even date which is annexed “**Annexure A**” and forms an Integral Part of this Report.

**For MR & Associates  
Company Secretaries**

**[M R Goenka]  
Partner  
FCS No.:4515  
C P No.:2551**

**Place: Kolkata  
Date: 30.05.2017**

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**“ANNEXURE – A to Secretarial Audit Report**

**(TO THE SECRETARIAL AUDIT REPORT OF SHENTRACON CHEMICALS LTD  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017)**

**TO,  
THE MEMBERS,  
SHENTRACON CHEMICALS LTD  
6A KIRAN SHANKAR ROY ROAD  
KOLKATA-700001**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the secretarial records based on our audit.
2. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial Records. We believe that the processes and practices, we followed provide the reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For MR & Associates  
Company Secretaries**

**[M R Goenka]  
Partner  
FCS No.:4515  
C P No.:2551**

**Place: Kolkata  
Date: 30.05.2017**

## Annexure "D" to the Director Report

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31.03.2017**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:	
1. CIN:	L24299WB1993PLC059449
2. Registration Date:	14/07/1993
3. Name of the Company	SHENTRACON CHEMICALS LTD.
4. Category / Sub-Category of the Company:	Public Limited company / Indian Non Government Company
5. Address of the Registered office and contact details:	6A Kiran Shankar Roy Road, Kolkata- 700001 , Tel : ( 033) 22489731, fax : (033) 2248 4000 Email id- <a href="mailto:investor@shentracon.com">investor@shentracon.com</a> Website : <a href="http://www.shentracon.com">www.shentracon.com</a>
6. Whether listed company Yes / No	Yes
7. Name, Address and Contact details of Registrar and Transfer Agent, if any –	M/s. C B Management Services Pvt. Ltd., P-22, Bondel Road, Kolkata – 700019 Tel : (033) 4011 6700, 2280 6692/93/94 Fax : (033) 2287 0263 Email id- <a href="mailto:rta@cbmsl.com">rta@cbmsl.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of Chemicals	3008	Nil

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable section
1.	N.A	N.A	N.A	N.A	N.A

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Physical	Demat	Total	% of Total Shares	Physical	Demat	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
(1) Indian	919967	-	919967	20.73	919967	-	919967	20.73	Nil
a) Individual/ HUF									
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1797376	-	1797376	40.50	1797376	-	1797376	40.50	Nil
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	2717343	-	2717343	61.23	2717343	-	2717343	61.23	Nil
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2717343	-	2717343	61.23	2717343	-	2717343	61.23	Nil
<b>B. PUBLIC SHAREHOLDING</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-

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g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-

2.Non - Institutions									
a)Bodies Corp.	837400	-	837400	18.87	837400	-	837400	18.87	Nil
i) Indian									
ii) Overseas	-	-	-	-	-	-	-	-	-
b)Individuals	669700	-	669700	15.09	669700	-	669700	15.09	Nil
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	213700	-	213700	4.82	213700	-	213700	4.82	Nil
c) Others (specify)	-	-	-	-	-	-	-	-	-
• Clearing Member									
• Non Resident Individual	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	1720800	-	1720800	38.77	1720800	-	1720800	38.77	Nil
Total Public Shareholding (B)=(B)(1)+(B)(2)	1720800	-	1720800	38.77	1720800	-	1720800	38.77	Nil
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	6801369	193457	6994826	100	6801369	193457	6994826	100	Nil



## (ii) Shareholding of Promoters

Sl · N o	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the compan y	%of Shares Pledged/ encumbere d to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumb ered to total shares	% change in Share - holding during the year
1	Jagdish Prasad Sureka	208300	4.69	Nil	208300	4.69	Nil	Nil
2	Sanjay Sureka	157600	3.55	Nil	157600	3.55	Nil	Nil
3	Raj Kumar Sureka	245100	5.52	Nil	245100	5.52	Nil	Nil
4	Jagdish Prasad Sureka-HUF	150000	3.38	Nil	150000	3.38	Nil	Nil
5	Savitri Devi Sureka	157300	3.54	Nil	157300	3.54	Nil	Nil
6	Manju Banka	1667	0.04	Nil	1667	0.04	Nil	Nil
7	Prismo(India) Ltd.	227084	5.12	Nil	227084	5.12	Nil	Nil
8	Shentracon Holdings(P)Lt d	372750	8.40	Nil	372750	8.40	Nil	Nil
9	Shentracon Finalease(P)Lt d	528392	11.91	Nil	528392	11.91	Nil	Nil
10	Satya Leasing Co. Ltd	269150	6.06	Nil	269150	6.06	Nil	Nil
11	Shentracon Financial Services Ltd	400000	9.01	Nil	400000	9.01	Nil	Nil
	Total	2717343	61.23	Nil	2717343	61.23	Nil	Nil

## (iii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	No Change during the year			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No Change during the year			
	At the End of the year	No Change during the year			

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/16 to 31/03/17)	
		No. of Shares at beginning (01/04/16) / end of the year (31/03/17)	% of total shares of the Company				No of Shares	% of total shares of the company
1	SREI INTNL Finance Pvt. Ltd	99,400	2.24%	01.04.2016		No changes during the year	-	-
		-	-	-	Nil		-	-
		99,400	2.24%	31.03.2017			99,400	2.24%
2	Shentracon Financial Services(P) Ltd	73,800	1.66%	01.04.2016		No changes during the year	-	-
		-	-	-	Nil		-	-
		73,800	1.66%	31.03.2017			73,800	1.66%
3	Golden Securities Ltd	59,500	1.34%	01.04.2016		No changes during the year	-	-
		-	-	-	Nil		-	-
		59,500	1.34%	31.03.2017			59,500	1.34%

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4.	Sandip Kumar jain	59,500	1.34%	01.04.2016		No changes during the year	-	-
		-	-	-	Nil		-	-
		59,500	1.34%	31.03.2017			59,500	1.34%
5	Daga Business & Credit(P)Ltd	50,000	1.13%	01.04.2016		No changes during the year	-	-
		-	-	-	Nil		-	-
		50,000	1.13%	31.03.2017			50,000	1.13%
6	Singhania Agencies (P)Ltd	50,000	1.13%	01.04.2016		No changes during the year	-	-
		-	-	-	Nil		-	-
		50,000	1.13%	31.03.2017			50,000	1.13%
7	Puspa Commercial Co. (P) Ltd	50,000	1.13%	01.04.2016		No changes during the year	-	-
		-	-	-	Nil		-	-
		50,000	1.13%	31.03.2017			50,000	1.13%
8	Trio Meta Chem. Pvt. Ltd	45,000	1.01%	01.04.2016		No changes during the year	-	-
		-	-	-	Nil		-	-
		45,000	1.01%	31.03.2017			45,000	1.01%
9	Power Flow Vnimay(P)Ltd	40,000	0.90%	01.04.2016		No changes during the year	-	-
		-	-	-	Nil		-	-
		40,000	0.90%	31.03.2017			40,000	0.90%
10	Manoj Kr. Mohnot	30,100	0.68%	01.04.2016		No changes during the year	-	-
		-	-	-	Nil		-	-
		30,100	0.68%	31.03.2017			30,100	0.68%

## (v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	For each of the Directors and KMP				
	Mr. Jagdish Prasad Sureka				
	At the beginning of the year	208300	4.69%	208300	4.69%
	Increase / Share holding during the year	NIL	0.00%	NIL	0.00%
	At the End of the year	208300	4.69%	208300	4.69%

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<b>2</b>	Mr. Chandi Das Chakroborty				
	At the beginning of the year	NIL	-	NIL	-
	Increase / Share holding during the year	-	-	-	-
	At the End of the year	NIL	-	NIL	-
<b>3</b>	Mr. Pijush Mondal				
	At the beginning of the year	NIL	-	NIL	-
	Increase / Share holding during the year	-	-	-	-
	At the End of the year	NIL	-	NIL	-
<b>4</b>	Mrs. Garima Sureka				
	At the beginning of the year	NIL	-	NIL	-
	Increase / Share holding during the year	-	-	-	-
	At the End of the year	NIL	-	NIL	-
<b>5</b>	Mr. Jayanta Sahu				
	At the beginning of the year	NIL	-	NIL	-
	Increase / Share holding during the year	-	-	-	-
	At the End of the year	NIL	-	NIL	-
<b>6</b>	Mr. Rajesh kumar Rungta				
	At the beginning of the year	NIL	-	NIL	-
	Increase / Share holding during the year	-	-	-	-
	At the End of the year	NIL	-	NIL	-
<b>7</b>	Mr. Tarun Mondal				
	At the beginning of the year	NIL	-	NIL	-
	Increase / Share holding during the year	-	-	-	-
	At the End of the year	NIL	-	NIL	-

**V. INDEBTEDNESS: Indebtedness of the Company including interest outstanding/accrued but not due for payment  
(Amount in Rs.)**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	2,42,75,327	Nil	2,42,25,327
i) Principal Amount		-		-
ii) Interest due but not paid		-		-
iii) Interest accrued but not due		-		-

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Total (i+ii+iii)	Nil	2,42,75,327	Nil	2,42,25,327
Change in Indebtedness during the financial year	Nil		Nil	
• Addition		15,00,000		15,00,000
• Reduction		19,76,000		19,76,000
Net Change	Nil	(4,76,000)	Nil	(4,76,000)
Indebtedness at the end of the financial year	Nil		Nil	
i) Principal Amount		2,37,99,327		2,37,99,327-
ii) Interest due but not paid		-		-
iii) Interest accrued but not due		-		-
<b>Total (i+ii+iii)</b>	Nil	2,37,99,327	Nil	2,37,99,327

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		<b>MR. JAYANTA SAHU</b> -Designated as Manager	
1.	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission -as % of profit -Other, specify	-	-
5	Other, please specify	-	-
	Total (A)	NIL	NIL
	Ceiling as per the Act	No Remuneration paid due to insignificant profit incurred by the Company during Financial Year 2016-2017.	

## B. Remuneration to other directors:

Sl. no	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Jagdish Prasad Sureka	Mr. Chandi Das Chakraborty	Mr. Pijush Mondal	Mrs. Garima Sureka	
1.	Independent Directors					
	• Fee for attending board	-	-	-	-	-
	• committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total(1)	-	-	-	-	-
2.	Other Non-Executive Directors					
	• Fee for attending board	-	-	-	-	-
	• committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	No Remuneration is paid				
	Overall Ceiling as per the Act	No Commission or other remuneration is being paid to Non Executive Directors.				

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. no	Particulars of Remuneration	Key Managerial Personnel	Total
		Mr. Rajesh Kumar Rungta-CFO	
1.	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock option	-	-
3.	Sweat Equity	-	-

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4.	Commission -as % of profit -Other, specify	-	-
5.	Other, please specify	-	-
	Total (A)	Nil	Nil

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

Place: Kolkata  
Date: 30<sup>th</sup> May 2017

Jagdish Prasad Sureka  
Chairman  
DIN: 00482176

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **OVERVIEW**

The company was engaged in the production of different kinds of chemicals and after suspension of work since long time, the Company is not carrying any Business Activity.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

The plant of the Company is closed as the company is not interested in continuing the production of different chemical. Presently the Company is planning to start some fresh activities for which the company is trying to get some resources.

### **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. The company has closed the plant.

Presently the company is planning to start its operation in some other Activities and Business and for that the Management is currently indulge in arrangement of financial resources to restart new operations. The management discussed various ways by which the fund could be arranged and operation can be restarted.

### **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

As the company is not carrying any kind of activity so there is no segment or product-wise performance

### **OUTLOOK**

The outlook for the Chemical Sector is more better on account of positive trend of growth in the economy. But 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 have already disposed off block of the Plants & Machineries during this year and are currently negotiating with a few parties for rest of the plants & Machineries.

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATION PERFORMANCE**

This has been dealt with in the Directors' Report.

### **HUMAN RESOURCES**

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



## **INDUSTRIAL RELATIONS FRONT**

There are no employees employed in the company due to the closure of the plant as there is no production plant in Dankuni

## **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

We believe that the company 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. The same has been discussed in Directors' Report.

## **RISKS AND MITIGATION**

We dynamically observe and measure all possible risks and address them proactively, farsightedly and ethically.

## **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.

## **DISCLOSURE OF ACCOUNTING TREATMENT**

The Financial statements were prepared as per the prescribed Accounting Standards.

**For and on behalf of the Board of Directors**

**Place: Kolkata**

**Date: 30<sup>th</sup> May 2017**

**Jagdish Prasad Sureka**

**Chairman**

**DIN: 00482176**

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31ST MARCH, 2017.

In compliance of the provisions of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015), a report on Corporate Governance is set out as below.

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

It is the earnest endeavor of the Company to have focus on Corporate Governance by increasing accountability and transparency to its shareholders, bankers, customers, employees other associated persons and the society as a whole. The Company is committed to benchmarking itself with the best in all areas including Corporate Governance. The Company's philosophy on Corporate Governance is aimed at efficient conduct of its operations, in meeting its obligations and strengthening its confidence among various stakeholders such as shareholders, customers, employees, financiers, society at large and ensuring a long-term relationship of trust by maintaining transparency in its activities and through proper and timely disclosures. The Company believes in maintaining highest standards of quality and ethical conduct in all its activities.

### BOARD OF DIRECTORS

The Board of Shentracon Chemicals Limited comprises of eminent members with a balanced composition of executive and non-executive directors, including Independent Directors. The composition of the Board is in conformity with Regulation 17(1) of the SEBI Listing Regulations, 2015. As on 31<sup>st</sup> March 2017, the Board consisted of 4(Four) Directors of whom two were Non-Executive Independent Directors and two were Non-Executive Non Independent Director.

Pursuant to section 149 of Companies Act 2013, Independent Directors are appointed or re-appointed with the approval of the shareholders and shall not be liable to retire by rotation. Other Non-executive Directors (except Independent Directors) are liable to retire by rotation unless otherwise specifically approved by the shareholders.

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	DIN	Category	Attendance at Board Meeting		No. of other Directorships <sup>1</sup>	Membership / Chairmanship of Committees		Whether attended the last AGM	No. of shares and convertible instruments held	Relationship between directors inter-se
			Held during the year	Attend		Member	Chairman			
								✓		

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Mr. Jagdish Prasad Sureka (Chairman)	00482176	Promoter & NE-NID*	4	4	2	1	2	✓	208300	Father-in- Law of Mrs. Garima Sureka
Mrs. Garima Sureka	07138785	Promoter & NE-NID*	4	4	Nil	-	-	✓	NIL	Daughter-in-Law of Mr. Jagdish Prasad Sureka
Tarun Mondal <sup>2</sup>	02424847	NE-ID**	4	4	1	NA	NA	✓	NIL	NIL
Mr. Chandi Das Chakroborty <sup>3</sup>	07688518	NE-ID**	4	-	1	-	-	NA	NIL	NIL
Mr. Pijush Mondal	03348999	NE-ID**	4	4	2	1	-	✓	NIL	NIL

*Note: - \*Non Executive Non Independent Director.*

*\*\*Non Executive Independent Director.*

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 and the same is in compliance with Regulation 26 of SEBI Listing Regulations, 2015.

<sup>1</sup> The directorship held by Directors as mentioned above does not include Directorships of private companies / Section 8 companies / foreign companies as on 31<sup>st</sup> March, 2017.

<sup>2</sup> Ceased to be Director of the Company due to resignation w.e.f. 13<sup>th</sup> February, 2017.

<sup>3</sup> Appointed as an Additional (Non-Executive-Independent) Director of the Company w.e.f. 14<sup>th</sup> February, 2017.

In accordance with Regulation 26 of the SEBI Listing Regulations, 2015, Memberships/ Chairmanships of Board Committees relates to only Audit Committee and Shareholders' / Stakeholder Relationship Committee in all public Limited Committee (excluding Shentracon Chemicals Limited) have been considered.

During the financial year 2016-2017, 4(four) meetings of the Board of Directors were held on 30.05.2016, 12.08.2016, 12.11.2016 & 14.02.2017.

At the ensuing Annual General Meeting, Mr. Jagdish Prasad Sureka, Non-Executive Non-Independent Director, is liable to retire by rotation and being eligible has offered himself for re-appointment. Information as required Regulation 36(3) of the SEBI Listing Regulations, 2015 is annexed to the notice.

## COMMITTEES OF THE BOARD:

### A) AUDIT COMMITTEE

The company has a Audit committee with all members being non executive directors and the chairman being Independent Director. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors.

Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The Audit Committee role and reference has been revised in the board meeting held on 28th April 2014 and is formulated & defined in line of section 177 of Companies Act 2013 and regulation 18 of the SEBI Listing Regulations, 2015.. The committee shall act in accordance with the terms of reference specified by board which shall, inter alia, include—

- ❖ Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ❖ The recommendation to board for appointment, reappointment, remuneration, terms of appointment of Auditor and if required the replacement or removal of Auditors of the company.
- ❖ Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors reviewing and monitor the auditor's independence and performance, and effectiveness of audit process.
- ❖ Reviewing with management, performance of Statutory & Internal Auditor, adequacy of Internal Control System, scope of audit and note the observation of Auditors.
- ❖ Examination & review of the Annual financial statement, auditors' report with management before submission to board with particular reference to:
  - Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management

- Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- 
- ❖ Review, approve or any subsequent modification of transactions of the company with related parties and to grant omnibus approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis subject to the approval of the Board
  - ❖ Reviewing with management quarterly, half yearly financial statement before submission to board for approval ;
  - ❖ Valuation of undertakings or assets of the company, wherever it is necessary;
  - ❖ Evaluation of internal financial controls and risk management systems;
  - ❖ Reviewing with the management, the statement of uses /application of funds raised through an issue & other related matter and make appropriate recommendations to the Board..
  - ❖ Discussion with Statutory Auditor before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
  - ❖ The review the functioning of Vigil Mechanism /Whistle Blower Policy adopted for Directors & employees of the company to report their genuine concerns and shall have direct access to the chairperson of the Audit Committee in appropriate or exceptional cases
  - ❖ Scrutiny of Inter corporate Loans & Investments.
  - ❖ Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  - ❖ Discussion with internal auditors any significant findings and follow up there on.
  - ❖ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  - ❖ To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
  - ❖ Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  - ❖ To approve the appointment, removal and terms of remuneration of the Chief Internal Auditor and to approve the appointment of the Chief Financial Officer.

## **Composition, Name of Member and Chairperson:**

The Audit Committee consists of 3 members as on 31st March 2017 with majority independent directors. The Committee had met 4(four) times i.e. on 30<sup>th</sup> May, 2016, 12th August 2016, 12<sup>th</sup> November 2016 and 14<sup>th</sup> February 2017. The details of composition of the Audit Committee are as under:-

Sl. No.	Name	Status	No. of Meetings held	No. of Meetings attend
1	Mr. Pijush Mondal (Chairman)	Non Executive Independent Director	4	4
2	Mr. Tarun Mandal. (Member) (Resigned w.e.f 13.02.2017)	Non Executive Independent Director	4	4
3	Mr. Jagdish Prasad Sureka (Member)	Promoter Non Executive Non Independent Director	4	4
4.	Mr. Chandi Das Chakroborty (Member) Appointed w.e.f 14.02.2017)	Non Executive Independent Director	4	-

## **SEPARATE MEETING OF IDS'**

During the year 2016-17, the Independent directors met on 31<sup>st</sup> March, 2017 in order to inter alia, review the performance of non-independent directors including that of the Chairman taking into views of the executive and non-executive directors, access the quality, quantity and timeliness of flow of information between the company management and the Board to effectively and reasonably perform their duties and other related matters

## **NOMINATION AND REMUNERATION COMMITTEE**

Nomination and Remuneration Committee has been constituted pursuant to section 178 of Companies Act 2013 read with Regulation 19 of SEBI Listing Regulations, 2015.

The board revised the terms of reference of the committee. The terms of reference of committee are as under:

- ❖ To formulate the criteria for determining qualifications, positive attributes and independence for appointment of a Directors.
- ❖ Formulate and recommend to board policies on remuneration for Directors, Key Managerial Personnel and other employees;
- ❖ Identifying and assessing potential individuals in accordance with the Criteria laid down for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnels / senior management and recommend to the Board their appointment and removal
- ❖ To formulate the criteria for performance evaluation of all Directors and the Board.
- ❖ To devise a policy on Board Diversity

## Composition and meeting details:

The Nomination and remuneration committee consist of the following non executive members. The Chairman being the Independent Director. The Committee had met once i.e. on 27<sup>th</sup> May, 2016. The details of composition of the Nomination & Remuneration Committee are as under:-

Sl. No.	Name	Status	No. of Meetings held	No. of Meetings attend
1	Mr.Tarun Mandal (Chairman) (Resigned w.e.f 13.02.2017)	Non Executive Independent Director	1	1
2	Mr. Chandi Das Chakroborty (Chairman) Appointed w.e.f 14.02.2017)	Non Executive Independent Director	1	-
3	Mr. Jagdish Prasad Sureka (Member)	Non Executive Non Independent Director	1	1
4	Mrs. Garima Sureka** (Member)	Non Executive Non Independent Director	1	1

## Remuneration Policy:

As the Non Executive Independent Directors of the company were not paid any sitting fee or any other remuneration or commission so the provisions relating to remuneration of Directors is not applicable to the company.

## Performance Evaluation:

During the year, the Board adopted a formal mechanism for evaluating its annual performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process, whereby structured questionnaires were prepared covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of Non- Independent Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc. The performance of Independent Directors has been evaluated based on the guidelines as provided under Schedule IV of the Companies Act, 2013 and it has been determined that their term of appointment shall be continued or extended as the case may be.

The evaluation of the Independent Directors was carried out by the entire Board except by the Director being evaluated and that of the Chairman and the Non Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

## STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee shall act in compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations, 2015

The Stakeholders Relationship Committee of your Company comprises of three members, out of which two being Non-Executive & Non-Independent Directors. During the financial year one meeting was held on 27<sup>th</sup> May, 2016 to Consider & Resolve the Grievances of Security holders.

The details of composition of the Stakeholder's Relationship Committee are as under:-

Sl. No.	Name	Status	No. of Meetings held	No. of Meetings attended
1	Mr. Tarun Mandal (Chairman) (Resigned w.e.f 13.02.2017)	Non Executive Independent Director	1	1
2.	Mr. Chandi Das Chakroborty (Chairman) Appointed w.e.f 14.02.2017)	Non Executive Independent Director	1	-
2	Mr. Jagdish Prasad Sureka (Member)	Non Executive Non Independent Director	1	1
3	Mrs. Garima Sureka (Member)	Non Executive Non Independent Director	1	1

## Status of Investors' Complaints:

Number of complaints received during the year	Nil
Number of complaints resolved up to 31st March, 2017	Nil
Number of complaints not solved to the satisfaction of shareholders	N. A.
Number of complaints pending as on 31st March, 2017	Nil

There were also no investors complaints pending against the company as on March 31, 2017 on SCORES, the web based complaint redressal system of SEBI.

There were no pending share transfers as on 31st March, 2017.

Email ID earmarked for the investor grievances in terms of Regulation 46(2) of Listing Regulations, 2015: [investor@shentracon.com](mailto:investor@shentracon.com)

Compliance Officer of the Company in terms of Regulation 46 (2) of Listing Regulation:

Name: Mr. Pijush Mondal  
Email id: [investor@shentracon.com](mailto:investor@shentracon.com)



## RISK MANAGEMENT

Company is not required to formulate the Risk management committee but pursuant to the relevant provisions, the company has laid down a well defined risk management mechanism covering the risk analysis, risk exposure and risk mitigation process, which carries out to identify, evaluate, manage and monitor the business and non business risk. The board periodically reviews the risk and suggests steps to be taken to control and mitigate the same.

The management identifies and assesses the key risk area, monitor and report compliance and effectiveness of the procedure. The following broad categories of risks have been considered in our risk management framework:

- To continuously thrive for available risks in the Organization which directly or indirectly effect the functioning of the organization.
- To ensure the protection of rights & values of Shareholders by establishing a well organized Risk Management Framework.
- Selecting, maintaining and enhancing the risk management tools used by the Program to provide analyses that inform and support all activities of the entire Organization.

## GENERAL BODY MEETING:

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

Financial Year	Date of AGM	Venue	Time
2015-2016	30 <sup>th</sup> Day of September 2016	6A, Kiran Shankar Roy Road, 3 <sup>rd</sup> Floor, Kolkata	3.00 P.M.
2014-2015	30 <sup>th</sup> Day of September 2015	6A, Kiran Shankar Roy Road, 3 <sup>rd</sup> Floor, Kolkata	3.00 P.M.
2013-2014	30 <sup>th</sup> Day of September 2014	6A, Kiran Shankar Roy Road, 3 <sup>rd</sup> Floor, Kolkata	3.00 P.M.

During the period under review the company has not conducted any Extra ordinary general Meeting and also has not passed any special resolution through postal ballot.

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

## OTHER DISCLOSURE

### A. RELATED PARTY TRANSACTION:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and relevant provisions of the SEBI Listing Regulations, 2015 during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

There were no materially significant transactions with related parties viz. Promoters, Directors or the Management, or their relatives during the financial year that had potential conflict with the Company's interest.

Suitable disclosure as required by the Accounting Standards (AS 18) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at [www.shentracon.com](http://www.shentracon.com)

B. Company has complied with all the requirements of the listing agreement with the Stock Exchange(s) as well as regulations and guidelines of SEBI. There was no instance of non-compliance for which penalties/strictures imposed on the Company by stock exchange(s) or the SEBI or any other statutory authorities, on any matter related to capital markets during the last three years.

C. Certificate as stipulated in Part E of SCHEDULE V of the SEBI Listing Regulations, 2015 listing Agreement was obtained and placed before the Board.

D. The Company has complied with the mandatory requirements as stipulated in Listing Regulations with the Stock Exchanges. The Company has complied with all the mandatory requirements of SEBI Listing Regulations, 2015 but has not adopted the non-mandatory requirements so far. The Management Discussion and Analysis report forms part of the Annual Report.

F. The Company has followed all Accounting Standards as specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended while preparing Financial Statements. No deviation from the same has been made during the year.

## **E. WHISTLE BLOWER POLICY AND ITS AFFIRMATION:**

In terms of the provision of Section 177(9) of the Companies Act, 2013 the Company has implemented a vigilance mechanism which includes the implementation of the Whistle Blower Policy. The Board and Audit committee in their meeting has duly established, reviewed & approved a mechanism for employees & directors to report concerns about unethical behavior, actual or suspected fraud, or violation of our code of conduct.

It also provides for adequate safeguards against victimization of employees & directors who avail of the mechanism, and also allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Company has framed a Whistle Blower Policy / Vigil mechanism to deal with instances of fraud and mismanagement, if any.

We affirm that no employee of the Company was denied access to the Audit Committee during the Financial year 2016-17. The said Whistle-Blower Policy has been hosted on the website of the Company [http://www.shentracon.com/pdf/v\\_mach.pdf](http://www.shentracon.com/pdf/v_mach.pdf). As per the requirement of the relevant provisions, Mr. Pijush Mondal, Chairman of Audit Committee has affirmed that there stood no complaint in regard to the said clause.

F. The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Section 149(7) of the Companies Act, 2013

G. During the year ended 31st March, 2017, the Company does not have any material listed/unlisted Subsidiary Companies as defined in Regulation 16 of the SEBI Listing Regulations, 2015.

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**H. CEO & CFO CERTIFICATION:**

The Chief Financial Officer (CFO) certification have issued certificate pursuant to the Regulation 17(8) and 33(2) of the SEBI Listing Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report

**I. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Company has conducted the Familiarization program for Independent Directors appointed during the year. The Board members are provided with necessary documents/ brochures, reports, Information and internal policies to enable them to familiarize with the Company's procedures and practices. The Program aims to provide insights into the Company to enable the Independent Directors to understand its Business, its strategies, industry dynamics and its growth plan and to assist them in performing their role, responsibilities & duties as Independent Directors of the Company. The Company's Policy of conducting the Familiarization Program has been disclosed on the website of the Company at [www.shentracon.com](http://www.shentracon.com) and weblink "[http://www.shentracon.com/pdf/familiarization\\_programme.pdf](http://www.shentracon.com/pdf/familiarization_programme.pdf)"

The familiarization programme was conducted on 14th July, 2016. As a part of the programme, presentation made to the Independent Directors on the topic "Roles and Responsibilities of Independent Directors" giving a brief overview of layout of Companies Act, 2013, duties of directors and provisions relating to the roles, rights, responsibilities of Independent Directors under various statutes and regulations.

**MEANS OF COMMUNICATIONS**

- I. The Company also informs by way of intimation to exchanges where the shares of the company are listed and traded all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members
- II. The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the Listing Agreement with the Stock Exchanges. The aforesaid results are sent to the stock exchanges where the company shares are listed and traded as soon as approved by board.
- III. As the company does not have any institutional investors and angel investors, so the said clause is not applicable and will be complied if in the course of action it attracts.
- IV. 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 and published on newspaper "Bengal Leader" and "Dainik Lipi"
- V. The Annual Report is circulated to all members, and is also available on the Company's website. The Annual Report of the Company for the financial year ended on 31st March 2017 shall be emailed to the members whose email addresses are available with the depositories or are obtained directly from the members, as per section 136 of the Companies Act, 2013 and Rule 11 of the Company (Accounts) Rules, 2014. For other members, who have not registered their email addresses, the Annual Report shall be sent at their registered address. If any member wishes to get a duly printed copy of the Annual Report, the Company will send the same, free of cost, upon receipt of request from the member.

- VI. In case of appointment or re-appointment of a Director, members are provided a brief resume of the Director, the nature of his / her expertise in specific functional areas, the names of companies in which he / she holds Directorship, and membership of committees of the Board. As required under SEBI Listing Obligations and Disclosure, 2015, particulars of Directors seeking appointment /reappointment are given in the Explanatory Statements to the Notice of the ensuing Annual General Meeting.
- VII. The Auditors' Certificate of Corporate Governance is annexed with the Directors' Report and shall be sent to the stock exchange along with the Annual Report filed by the Company.
- VIII. For the financial results and other relevant information, shareholders may log on to the websites of the Company [www.shentracon.com](http://www.shentracon.com)

## GENERAL SHAREHOLDERS INFORMATION

### A) Annual General Meeting:

**Date** : 25<sup>th</sup> September, 2017

**Time** : 10.00 A.M.

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

### B) Book Closure Date

19<sup>th</sup> September, 2017 to 25<sup>th</sup> September, 2017 (both day inclusive)

### C) Financial Calendar (Tentative)

**Financial Year 2017 – 2018 : April to March**

Financial Reporting	Tentative Dates
First Quarterly results	On or before 14.08.2017
Second Quarterly results	On or before 14.11.2017
Third Quarterly results	On or before 14.02.2018
Fourth Quarterly results	On or before 30.05.2018

### D) Dividend

The Directors have not recommended any dividend for the year under review.

### 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

## **G) LISTING FEES TO STOCK EXCHANGE**

Annual Listing fees for The Bombay Stock Exchanges, The Calcutta Stock Exchange & The Ahmedabad Stock Exchange has not been paid. The Equity Shares of the Company are suspended in Bombay Stock Exchanges since 10.09.2001.

**H) Corporate Identification Number (CIN):** L24299WB1993PLC059449

## **I) Location:** Registered office:

6A, Kiran Shankar Roy Road,  
3<sup>rd</sup> Floor, Kolkata – 700001

## **I) Share transfer system:**

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

## **J) 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.

## **K) Registrar to an issue & Share Transfer Agents:**

M/s. C. B. Management Services Private Limited  
P22, Bondel Road, Ballygunge,  
Kolkata-700 019

Telephone No. - +91 33 4011 6717

Fax no.: +91 22 4011 6739

E-mail : [rta@cbmsl.com](mailto:rta@cbmsl.com)

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

## **L) Stock Market Data :**

Monthly high, low and trading volume of equity shares of the company during the financial year 2016-17:

- Stock Market price for the Financial Year 2016-17 of The Calcutta Stock Exchange Association Ltd. is not available due to no trading.
- Stock Market price for the Financial Year 2016-17 of The Bombay Stock Exchange is not available due to suspension.

- Stock Market price for the Financial Year 2016-17 of The Ahmedabad Stock Exchange Association Ltd. is not available due to no trading.

**M) Stock performance:** Since the shares are suspended in the Bombay Stock Exchange and the trading of shares is not active in the Calcutta Stock Exchange so there is no such performance of stock at present.

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

**Distribution of shareholding as on 31<sup>st</sup> March, 2017**

Range	Number of shareholder s	Number of shareholder s	% of shareholder s	% of shareholder s	Number of shares held	Number of shares held	% of share s held	% of share s held
Upto 500	508	519	60.40	61.71	130167	114600	2.93	2.58
501-1000	108	97	12.85	11.53	90100	87400	2.03	1.97
1001-2000	73	58	8.68	6.90	115500	99367	2.60	2.24
2001-3000	52	61	6.18	7.25	132000	151500	2.98	3.41
3001 - 4000	20	26	2.38	3.09	76500	97300	1.72	2.19
4001-5000	24	24	2.85	2.85	115500	115600	2.60	2.04
5001-10000	18	18	2.14	2.14	156700	152700	3.53	3.44
10001-50000	25	24	2.97	2.85	625700	611800	14.10	13.79
50001-100000	3	5	0.36	0.36	218400	561350	4.93	12.65
100001 and above	10	9	1.19	1.19	2777576	2446526	62.58	55.12
<b>Total</b>	<b>841</b>	<b>841</b>	<b>100</b>	<b>100</b>	<b>4438143</b>	<b>4438143</b>	<b>100</b>	<b>100</b>

**Pattern of Shareholding as on 31<sup>st</sup> March, 2017**

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>

- Dematerialization of shares and liquidity : Since the shares are suspended in the Bombay Stock Exchange and the trading of shares is not active in the Calcutta Stock Exchange so the Company unable to provide dematerialization of shares
- Outstanding ADRs/GDRs or any convertible instruments, conversion and likely impact on equity: Not Applicable
- Address for any kind of assistance/clarification: Mr. P. Mondal.  
6A, Kiran Shankar Roy Road,  
3<sup>rd</sup> Floor, Kolkata- 700 001  
Telephone: 2248-9731 Fax: 2248 4000  
E-mail : [investor@shentracon.com](mailto:investor@shentracon.com),  
Website: [www.shentracon.com](http://www.shentracon.com)
- Commodity price risk or foreign exchange risk and hedging activities Not Applicable

## 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

## CODE OF CONDUCT

The Company has adopted a Code of Conduct for members of Board and Senior Management Personnel of the Company. The said Code is also been posted on the website of the Company [www.shentracon.com](http://www.shentracon.com). 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.

## DECLARATION

All the members of the Board and senior management personnel of the Company affirmed due observance of the Code of Conduct, framed pursuant to Regulation 34(3) of Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015. in so far as it was applicable to them and there was no non-compliance thereof during the year ended March 31, 2017

**For and on behalf of the Board of Directors**

**Place: Kolkata**  
**Date: 30<sup>th</sup> May 2017**

**Jagdish Prasad Sureka**  
**Chairman**  
**DIN: 00482176**

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

To

The Members

Shentracon Chemicals Limited

1. We have examined the compliance of conditions of Corporate Governance by Shentracon Chemicals Limited("the Company") for the year ended 31.03.2017,as per relevant applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from April 01, 2016 to March 31, 2017.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has partially complied with the mandatory conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations / Listing Agreements (as applicable).
4. We 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

Place: Kolkata

Date: **30<sup>th</sup> May 2017**



## CEO/CFO CERTIFICATION

[Under Regulation 17(8) & Regulation 33(2) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To  
The Board of Directors  
Shentracon Chemicals Limited

We, Jayanta Sahu, Manager and Rajesh Kumar Rungta, CFO 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 31.03.2017 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 ended 31<sup>st</sup> March, 2017 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 controls, 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, 2017;
  - (ii) All significant changes in accounting policies during the financial year ended March, 31, 2017 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.

**Jayanta Sahu**

**Rajesh Kumar Rungta**

**Place: Kolkata**

**Date: 30<sup>th</sup> May 2017**

**Manager**

**CFO**

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**Independent Auditors' Report**

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**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, 2017 and the statement of profit and loss, the 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**

The Company's board of directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with rule relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

**Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, 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 on the financial statements.

**Opinion**

Subject to matter referred in notes on accounts in Schedule 20 with resulting impact thereof as regard

- (i) as indicate in point No. 20(ii), the accounts have been prepared on the basis of going concern and hence erosion / diminution in value which may arise in assets of a closed chemical plant have not been considered.
- (ii) as pointed out in point No. 20(vi) no physical verification of inventory has taken place since 1988 and disclosed in the books at the same value since then. Being a chemical plant erosion in its potential value can't be denied.

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profits, its cash flows for the year ended on that date.

**Report on other legal and regulatory requirements**

1. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and 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 statement of profit and loss, the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

- (e) On the basis of written representations received from the directors as on March 31, 2017, taken on record by the board of directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
  - (ii) The Company does not have any long-term contracts, including derivative contracts. Accordingly, no provision for material foreseeable losses have been made; and
  - (iii) There were no amounts which were required to be transferred to the investor education and protection fund by the Company.
  - (iv) As required under notification No. GSR 308(E) dated 30<sup>th</sup> March 2017 issued by the Ministry of Corporate Affairs, the Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the November 8, 2016 of the Ministry of Finance, during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we enclose in the "Annexure - B" a statement on the matters specified in paragraphs 3 and 4 of the said Order.

**For K. P. Jhawar & Co.**

*Chartered Accountants*

Firm Registration No. 306105E

**K. P. Jhawar**

Proprietor

Membership No. 010309

**Place : Kolkata**

**Date :30.05.2017**

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Annexure “A” to the Independent Auditors’ Report on financial statement

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(Referred to in paragraph 1 (f) under ‘Report on other legal and regulatory requirement’ of our report of even date)

**Report on the Internal Financial Controls over Financial Reporting under Clause (I) of Sub-Section 3 of Section 143 of the Companies Act, 2013.**

We have audited the internal financial controls over financial reporting of Shentracon Chemicals Limited (the “Company”) as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

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## **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For K. P. Jhawar & Co.**

*Chartered Accountants*

Firm Registration No. 306105E

**K. P. Jhawar**

Proprietor

Membership No. 010309

**Place : Kolkata**

**Date :30.05.2017**

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**Annexure “B” to the Independent Auditors’ Report on financial statement**

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**(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

- i. In respect of its 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 had resolved to close the company’s main business of chemicals in F.Y 2010-11. 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 were shown under Current Assets since last few years.
  - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sales deed/conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and building which are freehold, are held in the name of the Company as at the balance sheet date.
- ii. In respect of Inventory:
  - a) It is informed to us that inventory comprising stock of materials, stores and finished goods 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.

- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year. Therefore, the provision of Clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. There has been no manufacturing activity during the previous year hence the reporting under section 148(1) is not applicable.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employee's State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
  - b) There were no disputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2017.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and dues to debenture holders. The Company has not obtained any loan from financial institution.
- ix. In our opinion and the information and explanation given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.



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- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence reporting under the clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For K. P. Jhawar & Co.**

*Chartered Accountants*

Firm Registration No. 306105E

**K. P. Jhawar**

Proprietor

Membership No. 010309

**Place : Kolkata**

**Date :30.05.2017**

# Shentracon Chemicals Limited

ANNUAL REPORT 2016-17

## Balance Sheet as at 31st March, 2017

Particulars	Note	As at 31st March 2017 (Amount / Rs.)	As at 31st March 2016 (Amount / Rs.)
<b>EQUITY AND LIABILITIES</b>			
<i>Shareholder's Funds</i>			
Share Capital	3.	716,18,580	716,18,580
Reserve and Surplus	4.	<u>(534,99,056)</u>	<u>(535,02,378)</u>
		181,19,524	181,16,202
<i>Non-Current Liabilities</i>			
Long-term borrowings	5.	<u>215,57,900</u>	<u>220,33,900</u>
		215,57,900	220,33,900
<i>Current Liabilities</i>			
Short-Term Borrowing	6.	22,41,427	22,41,427
Trade Payable	7.	2,00,634	2,00,634
Other Current Liabilities	8.	<u>3,15,216</u>	<u>67,977</u>
		27,57,277	25,10,038
<b>TOTAL</b>		<u><u>424,34,701</u></u>	<u><u>426,60,140</u></u>
<b>ASSETS</b>			
<i>Non Current Assets</i>			
Fixed Assets			
Tangible Assets	9.	<u>135,68,425</u>	<u>137,58,993</u>
		135,68,425	137,58,993
<i>Current Assets</i>			
Inventory	10.	70,14,797	70,14,797
Trade Receivables	11.	2,70,000	1,80,000
Cash and bank balance	12.	12,39,866	13,63,528
Short Term Loans & Advances	13.	66,456	67,665
Other Current Assets	14.	<u>202,75,157</u>	<u>202,75,157</u>
		288,66,276	289,01,147
<b>TOTAL</b>		<u><u>424,34,701</u></u>	<u><u>426,60,140</u></u>

Significant Accounting Policies

See accompanying Notes to the Financial Statement - 1-20.

The notes referred to above form an integral part of the financial statements

In terms of our Report of even date

For K. P. JHAWAR & CO.

Chartered Accountants

Firm Registration No. 306105E

Mr. Jagdish Prasad Sureka  
Director  
DIN: 00482176

Mr. Pijush Mandal  
Director  
DIN: 03348999

(K. P. Jhavar)

Proprietor

Membership No. 010309

Place: Kolkata

Dated: 30th May 2017

Mr. Rajesh Kr. Rungta  
CFO

## Statement of Profit and Loss for the year ended 31st March, 2017

	Note	For the year ended 31st March 2017 (Amount / Rs.)	For the year ended 31st March 2016 (Amount / Rs.)
INCOME:			
Other Income	15.	8,15,375	12,56,810
Total Revenue		<u>8,15,375</u>	<u>12,56,810</u>
EXPENDITURE:			
Employees benefits expenses	16.	1,15,648	85,928
Finance Cost	17.	1,77,534	1,80,492
Depreciation	9.	1,90,568	1,90,568
Other Expenses	18.	<u>3,28,303</u>	<u>7,98,645</u>
Total Expenses		<u>8,12,053</u>	<u>12,55,633</u>
Profit/(Loss) Before Tax		3,322	1,177
Tax Expenses			
Current Tax		-	-
Deferred Tax		<u>-</u>	<u>-</u>
Profit/(Loss) for the year		<u>3,322</u>	<u>1,177</u>
Earning per equity shares of face value of Rs. 10/- Each			
Basic and Diluted (in Rs.)	19.	-	-

### Significant Accounting Policies

See accompanying Notes to the Financial Statement 1-20.

The notes referred to above form an integral part of the financial statements

In terms of our Report of even date

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

Mr. Jagdish Prasad Sureka  
Director  
DIN: 00482176

Mr. Pijush Mandal  
Director  
DIN: 03348999

(K. P. Jhavar)  
Proprietor  
Membership No. 010309  
Place: Kolkata  
Dated: 30th May 2017

Mr. Rajesh Kr. Rungta  
CFO

## Cash Flow Statement for the year ended 31st March, 2017

	For the year ended 31st March 2017 (Amount / Rs.)	For the year ended 31st March 2016 (Amount / Rs.)
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per Statement of Profit & Loss	3,322	1,177
Adjusted for:		
Loss on Sale / Discard of Assets (net)	-	(3,58,110)
Depreciation and Amortisation Expense	1,90,568	1,90,568
Finance Costs	1,77,534	1,80,492
	<u>3,68,102</u>	<u>12,950</u>
Operating Profit before working capital change	3,71,424	14,127
Adjusted for:		
Trade and Other Receivables	(90,000)	(1,80,000)
Inventories	-	-
Trade and Other Payables	(2,47,239)	7,811
	<u>1,57,239</u>	<u>(1,87,811)</u>
Cash Generated from Operations	5,28,663	(1,73,684)
Net Prior Year Adjustments		
Taxes Paid	-	-
Net Cash from Operating Activities	<u>5,28,663</u>	<u>(1,73,684)</u>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Sale of disposed assets	-	4,55,889
Movement in Loans and Advances	1,209	1,209
Net Cash (used in) Investing Activities	<u>1,209</u>	<u>4,57,098</u>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Long Term Borrowings	(4,76,000)	-
Short Term Borrowings (net)	-	50,000
Interest Paid	(1,77,534)	(1,80,492)
Net Cash (used in) / from Financing Activities	<u>(6,53,534)</u>	<u>(1,30,492)</u>
<b>D: Net Increase in Cash and Cash Equivalents</b>	<u>(1,23,662)</u>	<u>1,52,922</u>
Opening Balance of Cash and Cash Equivalents	13,63,528	12,10,606
Closing Balance of Cash and Cash Equivalents	12,39,866	13,63,528
Net effect equivalent to "D" above:	<u>1,23,662</u>	<u>(1,52,922)</u>

### Corporate Information

### Significant Accounting Policies

See accompanying Notes to the Financial Statement 1-20.

The notes referred to above form an integral part of the financial statements

In terms of our Report of even date

For K. P. JHAWAR & CO.

Chartered Accountants

Firm Registration No. 306105E

(K. P. Jhawar)

Proprietor

Membership No. 010309

Place: Kolkata

Dated: 30th May 2017

Mr. Jagdish Prasad Sureka

Director

DIN: 00482176

Mr. Pijush Mandal

Director

DIN: 03348999

Mr. Rajesh Kr. Rungta

CFO

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## Notes / annexure forming part of financial statement ending March 31, 2017

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### Note 1. Corporate Information

Shentracon Chemicals Limited ('the Company') was incorporated on July 14, 1993 under the Companies Act, 1956. The Company's equity shares are Listed at BSE Limited, Calcutta Stock Exchange Limited and Ahmedabad Stock Exchange Limited.

### Note 2. Significant accounting policies

#### 2.1) Basis of Preparation of Financial Statements (Accounting concept):

The financial statements are prepared under the historical cost convention, to comply with the generally accepted accounting principles in India ("Indian GAAP"), the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act, 1956, the relevant provision of Companies Act, 2013 to the extent applicable and the guidelines issued by the Securities and Exchange Board of India ('SEBI'). All assets and liabilities are current and non-current as per companies normal operating cycle and other criteria set out in schedule III.

#### 2.2) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

#### 2.3) Fixed Assets & Depreciation

- a) Fixed Assets (Tangible Assets) are stated at cost less depreciation as per the method specified in schedule II to The Companies Act, 2013, Depreciation is accounted for on SLM method over its useful life specified in schedule II of Companies Act, 2013.
- b) There is no intangible assets which requires recognition under provision of AS26.

#### 2.4) Impairment

- a) An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to profit and loss statement of the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there is a change in the estimate of recoverable amount.

#### 2.5) Inventories :

Inventories are valued at lower of cost or net realisable value on FIFO basis.

#### 2.6) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generation, investing and financing activities of the company are segregated.

Cash and cash equivalents for the purpose of cash flow comprise cash at bank and in hand.

2.7) Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Dividend income is recognised when right to receive is established.

2.8) Change in accounting policies/estimates.

The company follows the same accounting policies consistently from years unless mandated by law. During the year the company has charged depreciation on the basis of useful life of the assets as per schedule II of the Companies Act, 2013 as against the rates prescribed in schedule XIV of the Companies Act, 1956 in earlier years.

2.9) Miscellaneous :

Retirement benefits e.g. Gratuity etc. is accounted for as and when settled.

2.10) Taxation :

Tax expenses comprise of current tax and deferred tax. Applicable current Income Tax Liabilities, if any, is determined in accordance with the provision of Income Tax Act, 1961, as may be applicable for the year under relevance. Deferred income tax reflect the current period timing difference between taxable income and accounting income for the period and reversal of timing difference of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

2.11) Provisions, Contingent Liabilities and Contingent Assets.

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

## Notes / annexure forming part of financial statement ending March 31, 2017

Particular	As at 31st March 2017	As at 31st March 2016
<b>3. SHARE CAPITAL</b>		
Authorised Share Capital:	No's      Value	No's      Value
Equity Shares of Rs. 10/- each	51,00,000      510,00,000	51,00,000      510,00,000
10% Equi. Preference Share @ Rs. 60/- each	9,00,000      540,00,000	9,00,000      540,00,000
13.50% Equi. Preference Share @ Rs. 10/- each	10,00,000      100,00,000	10,00,000      100,00,000
	<u>1150,00,000</u>	<u>1150,00,000</u>
<b>Issued, Subscribed &amp; Paid up:</b>		
Equity Shares of Rs. 10/- each	44,38,143      443,81,430	44,38,143      443,81,430
10% Equi. Preference Share @ Rs. 50/- each	3,44,743      172,37,150	3,44,743      172,37,150
13.50% Equi. Preference Share @ Rs. 10/- each	10,00,000      100,00,000	10,00,000      100,00,000
<b>Total</b>	<u>716,18,580</u>	<u>716,18,580</u>
<b>3.1</b> The reconciliation of the number of shares outstanding is set out below:		
Equity Share at the beginning of the year	44,38,143	44,38,143
Issue during the period	<u>-</u>	<u>-</u>
At the end of the period	<u>44,38,143</u>	<u>44,38,143</u>
<b>3.2</b> The details of Shareholders holding more than 5% shares :		
Name of Shareholders	No. of Shares      % held	No. of Shares      % held
Raj Kumar Sureka	2,45,100      5.52	2,45,100      5.52
Prismo (India) Ltd.	2,27,084      5.12	2,27,084      5.12
Shentracon Holdings Pvt. Ltd.	3,72,750      8.40	3,72,750      8.40
Shentracon Finalease Pvt. Ltd.	5,28,392      11.91	5,28,392      11.91
Satya Leasing Co. Ltd.	2,69,150      6.06	2,69,150      6.06
Shentracon Financial Services Ltd.	4,00,000      9.01	4,00,000      9.01
	<u>20,42,476      46.02</u>	<u>20,42,476      46.02</u>
<b>3.3</b> Share holders have equal rights: Each Share holder is entitled to one vote per share.		
<b>3.4</b> There had been no allotment of shares either by way of Bonus allotment or allotment for consideration other than cash during last 5 years. There is no scheme of preference share allotment to employees under ESOP.		
<b>4. RESERVES AND SURPLUS</b>		
<b>A) State Government Capital Subsidy</b>		
As per last Balance Sheet	16,50,000	16,50,000
<b>B) Preference Share forfeiture Reserve A/c</b>		
As per last Balance Sheet	104,01,000	104,01,000
<b>C) Capital Reserve</b>		
As per last Balance Sheet	313,00,000	313,00,000

# Shentracon Chemicals Limited

ANNUAL REPORT 2016-17

Particular	As at 31st March 2017	As at 31st March 2016
<b>D) Profit &amp; Loss Account</b>		
As per last Balance Sheet	(968,53,378)	(968,54,555)
Add: Profit for the year	3,322 (968,50,056)	1,177 (968,53,378)
<b>TOTAL</b>	<b>(534,99,056)</b>	<b>(535,02,378)</b>
<b>5. LONG-TERM BORROWINGS</b>		
Debentures, Unsecured		
0%, Redeemable or Convertible debenture, 5yrs	215,57,900	220,33,900
<b>TOTAL</b>	<b>215,57,900</b>	<b>220,33,900</b>
-Details of 0% convertible debentures		
a) Conversion rate : The debentures holder shall be entitled to such number of equity shares of such value as may be determined at the time of conversion.		
b) Redemption : The CD can be redeemed at any time after the date of allotment but within five years. If the CD are not redeemed within five years then the same shall be made compulsory convertible in to equity shares of the company after five years.		
<b>6. SHORT-TERM BORROWINGS</b>		
Unsecured		
Loans & advances from related parties	22,41,427	7,41,427
Others	-	15,00,000
<b>TOTAL</b>	<b>22,41,427</b>	<b>22,41,427</b>
<b>7. TRADE PAYABLES</b>		
Trade Payable	2,00,634	2,00,634
<b>TOTAL</b>	<b>2,00,634</b>	<b>2,00,634</b>
<b>8. Other Current Liabilities</b>		
Other Statutory Liabilities	2,713	2,761
Creditors for expenses	3,12,503	65,216
<b>TOTAL</b>	<b>3,15,216</b>	<b>67,977</b>
<b>9. FIXED ASSETS</b>		

Description	Gross Block		Depreiciation/Amortisation			Net Block	
	As at 01-04-2016	As at 31-03-2017	As at 01-04-2016	For the year	As at 31-03-2017	As at 31-03-2017	As at 31-03-2016
<b>TANGIBLE ASSETS</b>							
Land	3,79,834	3,79,834	-	-	-	3,79,834	3,79,834
Land Development	113,30,490	113,30,490	-	-	-	113,30,490	113,30,490
Building	66,71,257	66,71,257	46,22,588	1,90,568	48,13,156	18,58,101	20,48,669
<b>Total</b>	<b>183,81,581</b>	<b>183,81,581</b>	<b>46,22,588</b>	<b>1,90,568</b>	<b>48,13,156</b>	<b>135,68,425</b>	<b>137,58,993</b>
<b>Previous Year</b>	<b>183,81,581</b>	<b>183,81,581</b>	<b>44,32,020</b>	<b>1,90,568</b>	<b>46,22,588</b>	<b>137,58,993</b>	<b>139,49,561</b>



# Shentracon Chemicals Limited

ANNUAL REPORT 2016-17

Particular	As at 31st March 2017	As at 31st March 2016
<b>10. INVENTORY</b>		
Refer Note No. 20.vi)		
Raw materials	14,35,538	14,35,538
Work-in-progress	32,00,000	32,00,000
Finished goods	75,000	75,000
Stock-in-trade	16,21,259	16,21,259
Stores and spares	6,83,000	6,83,000
<b>TOTAL</b>	<b>70,14,797</b>	<b>70,14,797</b>
<b>11. Trade Receivables</b>		
(Unsecured and considered good)		
Over six months	2,25,000	90,000
Others	45,000	90,000
<b>TOTAL</b>	<b>2,70,000</b>	<b>1,80,000</b>
<b>12. CASH AND BANK BALANCE</b>		
Cash & Cash Equivalent		
Cash In Hand	6,37,316	10,71,766
(as per books and certified by management)	6,37,316	10,71,766
Other Bank Balances	6,02,550	2,91,762
Balance with Scheduled Bank in current account	6,02,550	2,91,762
<b>TOTAL</b>	<b>12,39,866</b>	<b>13,63,528</b>
*12.1. Please refer note 20(ix) for details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016.		
<b>13. SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured and considered good)		
Other advances recoverable or adjustable	66,456	67,665
	66,456	67,665
<b>TOTAL</b>	<b>66,456</b>	<b>67,665</b>
<b>14. OTHER CURRENT ASSETS</b>		
Assets held for disposal	202,75,157	202,75,157
	202,75,157	202,75,157
<b>TOTAL</b>	<b>202,75,157</b>	<b>202,75,157</b>
<b>15. OTHER INCOME</b>	2016-17	2015-16
Rent Received	90,000	2,40,000
Sale of assets held for disposal	-	3,58,110
Miscellaneous income	7,25,375	6,58,700
<b>TOTAL</b>	<b>8,15,375</b>	<b>12,56,810</b>

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<b>16. EMPLOYEE BENEFITS EXPENSES</b>	2016-17	2015-16
Gratuity	57,824	42,964
compensation	57,824	42,964
	<u>1,15,648</u>	<u>85,928</u>
<b>17. FINANCE COST</b>	2016-17	2015-16
Interest paid on loan	1,77,534	1,80,492
	<u>1,77,534</u>	<u>1,80,492</u>
<b>18. OTHER EXPENSES</b>	2016-17	2015-16
Filing Fees	5,400	43,800
	<u>5,400</u>	<u>43,800</u>
Audit Fees	2,800	2,800
<i>Miscellaneous Expenses</i>		
Advertisement	7,484	11,764
Accounting Charges	12,000	12,000
Registrar Fees	5,750	5,725
Factory Maintenance	26,050	25,260
Postage Expenses	4,452	10,196
Printing & Stationary	1,010	982
Professional fees	-	8,725
Stock Exchange Fees	2,40,798	2,39,518
Telephone Expenses	-	1,451
Conveyance	110	107
Commission Paid	14,527	34,468
Statutory demand of EPF	-	3,91,608
Bank Charges	386	592
General Expenses	7,536	9,649
	<u>3,20,103</u>	<u>7,52,045</u>
<b>TOTAL</b>	<u>3,28,303</u>	<u>7,98,645</u>
<b>19. EARNING PER SHARE</b>	2016-17	2015-16
1) Net Profit after Tax	3,322	1,177
2) Weighted Average number of equity shares used as denominator for calculating EPS	44,38,143	44,38,143
3) Basic and Diluted Earnings Per Share	-	-
4) Face value per equity share	10	10

## 20. DISCLOSURE AND OTHER NOTES ON ACCOUNTS

- i) There is no production in the chemical plant since 18.09.1996 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. Company have prepare there accounts under going concern basis. The managment seriously considering revival of the company with many alternate business plans including enhancement of net worth. During the year the company has started the business of hiring out its fixed assets to generate income therefrom.
- 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) CONTINGENT LIABILITIES :
  - a) 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/-.
  - b) 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) Since the company has been running under loss the dividend liabilities 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 has not been declared and paid.
- v) The assets held for disposal under current assets include the balances (net of disposal) transferred in earlier years from tangible fixed assets (including capital work in progress) due to the closure of chemical plant as mentioned in note no. 17(I) above. Being the items of close chemical plant, its current realisable value is not ascertainable. However the same has been valued at cost and in view of the management, its net realisable value is not lower than its cost.
- vi) 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.
- vii) 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 authorised 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.

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viii) Depreciation on existing Fixed Assets was been provided till 31.03.2014 on Straight line method at the rates specified in Schedule xiv of The Companies Act, 1956. Consequent to the change mandated by Companies Act, 2013, the depreciation on SLM basis has been calculated on the basis of remaining usefull life as specified in Schedule II of the Companies Act, 2013 after taking into account 5% of the original cost as residual value from 01.04.2015.

ix) Details of specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 is as under:

	SBNs	Other denomation notes	Total
Closing cash in hand as on 07.11.2016	3,20,000	4,80,508	8,00,508
(+) Permitted receipts		2,07,820	2,07,820
(-) Permitted payments		3,240	3,240
(-) Amount deposit in bank	3,20,000		3,20,000
Closing cash in hand as on 30.12.2016	-	6,85,088	6,85,088

x) Provision for all known liabilities are adequate in the opinion of the Management.

xi) 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	Director's
2	Mr. Gobind Prasad Sureka	
3	Mr. Piyush Mondal	
4	Mr. Tarun Mandal	
5	Mrs. Garima Sureka	
6	Mr. Raj Kumar Sureka	Relative of Director's
7	Prismo (India) Ltd.	Others: (Enterprise in which director's are substantial interested)
8	Shentracon Holdings Pvt. Ltd.	
9	Satya Leasing Co. Ltd.	
10	Shentracon Finalease Pvt. Ltd.	

b) Related party transaction as on March 31, 2017.

Profit & Loss Account	Director's	Relative of Director's	Others	Total	Outstanding as on 31.03.2017
No Transaction					
<b>Balance Sheet</b>					
<u>Long-term borrowing</u>					
<b>Convertible debentures</b>	-	-	(4,76,000)	(4,76,000)	215,57,900
	-	-	-	-	(220,33,900)
<u>Short-term borrowing</u>					
Loan Taken	15,00,000	-	-	15,00,000	22,41,427
	50,000	-	-	50,000	(7,41,427)
Loan paid	-	-	-	-	
	-	-	(230,79,035)	(230,79,035)	

Figures in bracket are related to previous year in the column balance outstanding on 31.03.2017)

xii) During the year the company has paid Rs. 115648.00 (P.Y. Rs. 85928.00) towards retirement benefit in the nature of gratuity and compensation on its settlement and the same is shown under the head employees benefit expenses.

- xiii) a) Since there was no 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.

xiv) Previous year's figures have been regrouped/reclassified wherever necessary, to confirm to current year's classification/disclosure.

In terms of our Report of even date

For K. P. JHAWAR & CO.

Chartered Accountants

Firm Registration No. 306105E

(K. P. Jhawar)

Proprietor

Membership No. 010309

Place: Kolkata

Dated: 30th May 2017

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Mr. Jagdish Prasad Sureka

Director

DIN: 00482176

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Mr. Pijush Mandal

Director

DIN: 03348999

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Mr. Rajesh Kr. Rungta

CFO

**ATTENDANCE SLIP**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

I / We, ....., hereby record my presence at the 24<sup>th</sup> Annual General Meeting of the Company to be held on Monday, the 25<sup>th</sup> September, 2017 at 10:00 a.m. at 6A, Kiran Sankar Roy Road, 3<sup>rd</sup> Floor, Kolkata – 700 001

Name of the Shareholder: \_\_\_\_\_

DP ID No.\* \_\_\_\_\_

Client ID No.\* \_\_\_\_\_

Folio Number: \_\_\_\_\_

Number of Equity Shares held: \_\_\_\_\_

\*Applicable for shares held in electronic form.

\_\_\_\_\_  
Member's/Proxy Name (in Block letters)

\_\_\_\_\_  
Signature of the Attending Shareholder / Proxy

Form No. MGT-11

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: ..... E-mail Id: .....

Address:.....

Signature:..... or failing him

2. Name: ..... E-mail Id:.....

Address: .....

Signature:..... or failing him

3. Name: ..... E-mail

Id:.....

Address: .....

Signature:.....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **24<sup>th</sup> Annual General Meeting** of the Company, to be held on Monday, the 25<sup>th</sup> September, 2017 at 10:00 a.m. at 6A, Kiran Sankar Roy Road, 3<sup>rd</sup> Floor, Kolkata 700 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions No.	Particulars	For	Against
1.	Adoption of the audited financial statement of the Company for the financial year ended as on 31st March 2017, the reports of the Board of Directors and Auditors thereon.		
2.	Appointment of Director in place of Mrs. Jagdish Prasad Sureka (DIN No: 00482176), who retires by rotation and being eligible, seeks re-appointment.		
3.	Appointment of M/s. J. Khemani & Co. as Statutory Auditors for a period of 5 year subject to ratification at every Annual General Meeting		
4.	Appointment of Mr. Chandi Das Chakraborty as Director who was appointed as additional director on 14/02/2017.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

Signature of shareholder \_\_\_\_\_

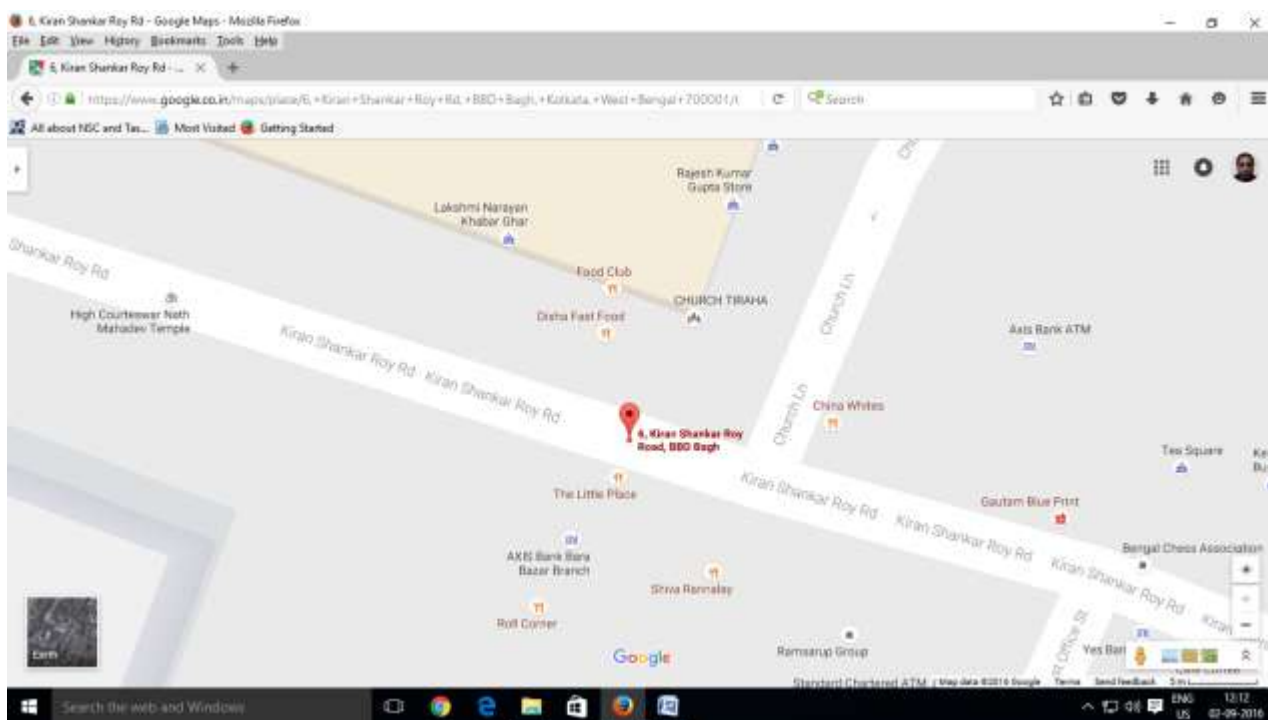
Signature of the proxy holder \_\_\_\_\_

Affix  
Revenue  
Stamp of  
Rs. 1/-

## Notes:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 2) A Proxy need not be a member of the Company.
- 3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- 5) In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

## ROUTE MAP





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