



Shentracon Chemicals Limited

REGD. OFFICE :

6A, KIRAN SHANKAR ROY ROAD, KOLKATA-700 001, PHONE : 2248-9731, 2248-9538, FAX : (91-33) 2248-4000, EMAIL : investor@shentracon.com

CIN: L24299WB1993PLC059449

Website: www.shentracon.com

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31ST MARCH, 2014.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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.

2. BOARD OF DIRECTORS

As on 31st March 2014, the Board consisted of Four Directors of whom Two were Non Executive Independent Directors and Two were Non Executive -Non Independent Director.

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

Name of Director	Director Identification No.	Category	Attendance at Board Meeting		Directorship in other Public Limited Companies	Membership / Chairmanship of Committees		Whether attended the last AGM
			Held during the year	Attended		Member	Chairman	
Mr. J. P. Sureka (Chairman)	00482176	Promoter Non Executive, Non Independent	6	6	3	4	0	Yes



Mr. G.P. Sureka	00491488	Non Executive, Non Independent Director	6	6	2	2	1	Yes
Mr. Tarun Mandal	02424847	Non Executive Independent Director	6	6	NIL	1	1	Yes
Mr. Pijush Mondal	03348999	Non Executive Independent Director	6	6	NIL	NIL	1	Yes

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

Other Directorship does not include Directorship in Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956. Chairmanships / Memberships of Board Committees relates to only Audit Committee and Shareholders' / Investors' Grievance Committee.

During the financial year 2013-2014, six meetings of the Board of Directors were held on 10.05.2013, 20.05.2013, 10.08.2013, 11.11.2013, 28.01.2014 and 30.03.2014.

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

Shareholding of Non-Executive Directors

Name of Director	Category	No. of shares held (Rs. 10/- paid up)
Mr. J. P. Sureka	Non-Independent Director	208300
Mr. G. P. Sureka	Non-Independent Director	1500
Mr. Tarun Mandal	Independent Director	NIL
Mr. Pijush Mondal	Independent Director	NIL

3. AUDIT COMMITTEE

(a) Composition :

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

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



1. Overseeing of the company's financial reporting process and disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment and removal of external auditor, fixation of audit fees and also approval for payment for any other services.
3. Reviewing with Management the Annual Financial Statements before submission to the Board.
 - Any Changes in accounting policies and practices;
 - Major accounting entries based on exercise of judgment by management;
 - Qualification in draft audit report;
 - Significant adjustments arising out of audit;
 - The going concern assumptions;
 - Compliance with Accounting Standards;
 - Compliance with Stock Exchange and legal requirements concerning financial statements;
 - Any related party transaction that may have a potential conflict with the interest of the company at large.
4. Reviewing with the Management, External and Internal Auditors, the adequacy of internal control systems.
5. Reviewing the adequacy of Internal Audit function, including the structure of the Internal Audit Department.
6. Discussion with Internal Auditors on any significant finding & follow up thereon.

The Audit Committee comprises of three members, out of which two being Non-Executive & Independent Directors. The Committee met four times during the financial year respectively on 10.05.2013, 10.08.13, 11.11.2013 and 28.01.2014.

Attendance of the Members at the meetings during the financial year 2013-2014 were 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.	Non Executive Independent Director	4	4
3	Mr. J.P. Sureka	Promoter Non Executive Non Independent Director	4	4

Mr. Pijush Mondal is Chairman of the Audit Committee. Mr. J.P. Sureka possesses accounting and related management expertise. At the invitation of the Committee, Statutory Auditors also attended the Audit Committee Meetings to answer and clarify the queries raised at Meetings. The Chairman of the Audit Committee Mr. Pijush Mondal attended the last Annual General Meeting.

4. REMUNERATION COMMITTEE

(a) Composition of the Committee:

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



The Remuneration Committee comprises of the following Director as members:

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

This being a Non-Mandatory requirements, however, during the year, no meeting of the Remuneration Committee was held.

(b) Remuneration Policy:

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

5. SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee of your Company comprises of three members, out of which two being Non-Executive & Non-Independent Directors. During the financial year two meetings were held on 20.05.2013 and 28.01.2014.

The Composition of the Committee are as under:-

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

There was no complaint received from any of the shareholders of the Company during the Financial Year ended 31st March, 2014. There were also no investors complaint pending against the company as on March 31, 2014 on SCORES, the web based complaint redressal system of SEBI. There were no pending share transfers as on 31st March, 2014.

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



Compliance Officer of the Company in terms of Clause 47(a) of the Listing Agreement:

Name: Mr. Pijush Mondal
Email id: investor@shentracon.com

6. SHARE TRANSFER COMMITTEE (STC) :

Mr. J.P Sureka and Mr. G.P Sureka are the members of the Share Transfer Committee as on March 31,2014.

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

7. GENERAL BODY MEETING:

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

Financial Year	Date of AGM	Venue	Time
2012-2013	30-09-2013	6A, Kiran Shankar Roy Road, 3 rd Floor, Kolkata	3.00 P.M.
2011-2012	29-09-2012	6A, Kiran Shankar Roy Road, 3 rd Floor, Kolkata	3.00 P.M.
2010-2011	29-09-2011	6A, Kiran Shankar Roy Road, 3 rd Floor, Kolkata	3.00 P.M.

B. SPECIAL RESOLUTIONS AT THE LAST THREE ANNUAL GENERAL MEETINGS:

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

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

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

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

8. DISCLOSURES

a) Related party transaction:

The detailed related party transactions can be referred to in Notes 16 to Annual Accounts.

b) The Company has complied with all the requirements of the listing agreement with the Stock Exchange(s) as well as regulations and guidelines of SEBI. No penalty has been imposed or strictures have been issued by SEBI or any other Stock Exchange(s) on matters related to Capital Market so far.



- c) Certificate as stipulated in Clause 49 of the listing Agreement from was obtained and placed before the Board.
- d) The Company has complied with all the mandatory requirements of Clause 49 of the Listing agreement but has not adopted the non-mandatory requirements so far save and except the requirements under Remuneration Committee.

9. MEANS OF COMMUNICATIONS

The quarterly, half yearly and the annual results of the Company are sent to the Stock Exchange immediately after they are approved by the Committee/Board and posted on Company's website and published on newspaper "Bengal Leader" and "Dainik Lipi"

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

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

10. INSIDER TRADING:

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

11. GENERAL SHAREHOLDERS INFORMATION

A) Annual General Meeting:

Date : 30th September, 2014
Time : 3.00 P.M.
Venue: 6A, Kiran Shankar Roy Road, 3rd Floor, Kolkata-700 001.

B) Book Closure Date

24th September, 2013 to 30th September, 2013 (both day inclusive)

(C) **Dividend**: The Directors have not recommended any dividend for the year under review.

(D) Financial Calendar for the Financial Year 2014 – 2015 (tentative)

Un-audited 1st Quarter results : On or before 14.08.2014
Un-audited 2nd Quarter results : On or before 14.11.2014.
Un-audited 3rd Quarter results : On or before 14.02.2015.
Audited 4th Quarter results : On or before 30.05.2015



E) Listing on Stock Exchanges at:

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

F) Stock Code

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

Annual Listing fees for The Bombay Stock Exchanges and The Calcutta Stock Exchange has been paid. The Equity Shares of the Company are suspended in Bombay Stock Exchanges since 10.09.2001 and Ahmedabad Stock Exchange from 01.06.2014.

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

H) 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.

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

J) Location: Registered office:
6A, Kiran Shankar Roy Road,
3rd Floor, Kolkata – 700001

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

L) Monthly high, low and trading volume of equity shares of the company during the financial year 2013-14:

- Stock Market price for the Financial Year 2013-14 of The Calcutta Stock Exchange Association Ltd. is not available due to no trading.
- Stock Market price for the Financial Year 2013-14 of The Bombay Stock Exchange due to suspension.
- Stock Market price for the Financial Year 2013-14 of The Ahmedabad Stock Exchange Association Ltd. is not available due to no trading.



M) Distribution of shareholding & shareholding pattern:

Distribution of shareholding as on 31/03/2014:

Range	Number of shareholders	Number of shareholders	% of shareholders	% of shareholders	Number of shares held	Number of shares held	% of shares held	% of shares held
Upto 500	508	519	60.40		130167	114600	2.93	
501-1000	108	97	12.85		90100	87400	2.03	
1001-2000	73	58	8.68		115500	99367	2.60	
2001-3000	52	61	6.18		132000	151500	2.98	
3001-4000	20	26	2.38		76500	97300	1.72	
4001-5000	24	24	2.85		115500	115600	2.60	
5001-10000	18	18	2.14		156700	152700	3.53	
10001-50000	25	24	2.97		625700	611800	14.10	
50001-100000	3	5	0.36		218400	561350	4.93	
100001 and above	10	9	1.19		2777576	2446526	62.58	
Total	841		100		4438143		100	

Pattern of Shareholding as on 31/03/2014

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	-	-
	TOTAL	4438143	100

• Outstanding ADRs/GDRs :

Not Applicable

• Address for any kind of assistance/clarification:

Mr. P. Mondal.
6A, Kiran Shankar Roy Road,
3rd Floor, Kolkata- 700 001



11. CODE OF CONDUCT

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

12. DECLARATION

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

Shentracon Chemicals Ltd.



Director