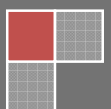




# **Vaishno Cement Company Ltd.**

Annual Report 2010-2011





# Vaishno Cement Company Limited

## BOARD OF DIRECTORS

R. K. Jaiswal  
Pramod Agarwal  
Rama Shankar Thakur

Chairman  
Independent Director  
Independent Director

## 24<sup>th</sup> *Annual* Report 2010 - 2011

## COMPLIANCE OFFICER

Mr. Chandresh N. Shah

## AUDITORS

M/s. J. Gupta & Co.  
Chartered Accountant

## BANKERS

State Bank of India

## REGISTERED OFFICE

Vaishno Chambers  
6, Brabourne Road  
Kolkata-700 001

## ANNUAL GENERAL MEETING

Date : 30<sup>th</sup> September, 2011  
Time : 11.30 A.M.  
Venue : Vaishno Chambers  
6, Brabourne Road  
Kolkata-700 001

### Contents

- ☞ Notice
- ☞ Report on Corporate Governance
- ☞ Auditors' Certificate on Corporate Governance
- ☞ Directors' Report
- ☞ Secretarial Compliance Report
- ☞ Auditors' Report
- ☞ Balance Sheet
- ☞ Profit & Loss Account
- ☞ Schedules
- ☞ Cash Flow Statement
- ☞ Balance Sheet Abstracts

**Members are requested to bring their copy of Annual Report at the time of Meeting**

## Notice

Notice is hereby given that the 24<sup>th</sup> Annual General Meeting of the members of **VAISHNO CEMENT COMPANY LIMITED** will be held on Friday, 30<sup>th</sup> September, 2011 at 11.30 A.M. at : Vaishno Chambers, 6, Brabourne Road, Kolkata-700 001 to transact following business as:

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Directors' Report and Audited Statement of Accounts for the year ended 31st March 2011.
2. To appoint Director in place of Mr. R. K. Jaiswal, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting and to fix their remuneration.

### **Notes :**

1. Proxies, in order to be effective, must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
2. The Register of Member and the Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September 2011 to 29<sup>th</sup> September 2011 (both days inclusive).
1. A copy of all the documents referred to in the accompanying explanatory statement are open to inspection at the Registered Office of the Company on all working days except holidays up to the date of AGM and at AGM .
2. The trading in Equity Shares of Company was suspended from trading due to non-compliance of Listing Agreement. The Company has made an Application to BSE for revocation of trading suspension and has filed all requisite documents with BSE.
3. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
4. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to the Company.
5. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
6. Members are requested to bring copies of Annual Report to the Annual General Meeting.
7. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
8. Members are requested to quote Folio Number/DPID & Client ID in their correspondence.
9. The Equity shares of the Company are listed on Bombay Stock Exchange Ltd. and Listing Fees for the financial year 2011-2012 is yet to be paid.

Kolkata, September 3, 2011

By order of the Board  
**For VAISHNO CEMENT COMPANY LIMITED**

**Registered Office :**  
Vaishno Chambers  
6, Brabourne Road  
Kolkata-700 001

**R. K. JAISWAL**  
Chairman

## Directors' Report, Management discussion & Analysis

To The Members,

Your Directors have pleasure in presenting the 24<sup>th</sup> Annual Report of your Company together with the Audited Statements of Accounts for the year ended 31st March 2011.

Financial Results	Year Ended	(₹ in Lacs)
	31.03.2011	Year Ended 31.03.2010
Income	0.00	0.00
Profit before Tax & extraordinary item	-0.21	-804.42
Less : Provision for Taxation	0.00	0.00
Profit after Tax	-0.21	-804.42
Add: Profit/(Loss) brought forward from Previous Year	-884.61	-80.18
Balance carried forward	-884.82	-884.61

### DIVIDEND

As the Company was in not in any business during the year and due to carried forward losses, the Company do not recommends any dividend during the year under review.

### PERFORMANCE & CURRENT YEAR PROSPECTS

As there were no business activities during the year under review, it is difficult to comment on the topic of current years' business performance of the Company. However the Company is trying hard to bring some capital by way of various modes which are allowed by SEBI and then to enter into the business of land development and building construction.

### BUSINESS SEGMENT

The Company was in no business during the year under review apart from some investing activities in shares and securities and thus unable to comment exactly on the topic.

### RISK & CONCERNS

In current scenario the Company is not in any business and hence there is no question of Risk and concerns in its line of business. However the Company is looking various aspects to invest its money, if the same is being recovered and your Company is hopeful to be succeeded. Though, if the Company fails to recover its money, the Company is having fear that they will not be able to deliver anything to its shareholders.

### OVERVIEW OF FINANCIAL AND BUSINESS PERFORMANCE

During financial year 2010-11, there were almost nil business activities apart from doing investment activities in shares and securities.

Currently, your Company is in the business of cement manufacturing. The PBT of the Company stood at ₹ 21 Lac which is not as per expectation of Company management. The Company is trying hard to bring some more fund or capital in order to enter into the new business activities which has been identified by the management.

### RISK MANAGEMENT & CONCERNS

The objective of risk management is to balance the trade-off between risk and returns and ensure optimum risk adjusted return on capital. It entails the identification, measurement and management of risks across the various businesses of the Company. Risk is managed through a framework of policies and principles

approved by the Board of Directors and supported by an Independent risk function that ensures that the Company operates within its risk appetite. The risk management function attempts to anticipate vulnerabilities at the transaction level or at the portfolio level, as appropriate, through quantitative or qualitative examination of the embedded risks. The Company continues to focus on refining and improving its risk management systems. In addition to ensuring compliance with regulatory requirements, the Company had developed internal systems for assessing capital requirements keeping in view the business objectives.

The Company has identified main risks viz. Credit Risk, Market Risk, Liquidity Risk and Operational Risk for its business, which needs to be addressed at this point of time.

The Company has framed the appropriate business policies to tackle the challenges of above risks and is continually reviewing and modifying these policies in order to face the challenges and come out with the help of Company's business policies.

### **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

VCCL has developed adequate Internal Control Systems in place to ensure a smooth functioning of its business. The Control System provides a reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of Company's assets.

The ICS and their adequacy are frequently reviewed and improved and are documented.

### **MATERIAL DEVELOPMENT IN HUMAN RESOURCES**

The Company was having staff strength of 3 people during the year under review however the Company is recruiting more experienced employees during financial year 2010-11. Once the process of new recruitment will be over, the Company will be able to comment on this.

### **PUBLIC DEPOSITS**

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act 1956 and the rules there under.

### **CAUTIONARY STATEMENT**

Statements in the Management Discussions and Analysis describing the Company's objectives, projections, estimates, expectations may be forward looking statements. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's performance include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government Regulations, tax laws, statues and other incidental factors.

### **MANAGEMENT**

There is no Change in Management of the Company during the year under review.

### **DIRECTORS**

There is no change in management during the year under review.

During the year, Mr. Manoj Jaiswal, Mr. Hitesh Jaiswal and Mr. Jairaj Jaiswal have resigned in the month of January 2011.

### **INFORMATION TECHNOLOGY**

The Company aims to maintain a scalable computing infrastructure that delivers efficient and seamless services across multiple channels for customer convenience. In order to retain competitive edge, technology infrastructure has been implemented wherever necessary, in alignment with business requirements.

### **COMPLIANCE**

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

New Instructions/guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their activities and processes. New products and process launched during the year were subjected to scrutiny from the Compliance Standpoint and proposals of financial services were screened from risk control prospective.

## **HUMAN RESOURCES**

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2010-11, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

The Company believes that learning is an ongoing process. Towards this end, the Company has built a training infrastructure which seeks to upgrade skill levels across grades and functions through a combination of in-house and external programme.

## **STATUTORY INFORMATION**

The Company being basically in the media sector, requirement, regarding and disclosures of Particulars of conservation of energy and technology absorption prescribed by the rule is not applicable to us.

## **AUDITORS**

The Auditors M/s J. Gupta & Co., Chartered Accountants, Kolkata, West Bengal holds the office until the conclusion of ensuing Annual General Meeting. Your Company has received certificate from the Auditors U/S 224(1B) of the Companies Act, 1956 to the effect that their reappointment if made, will be within the limit prescribed.

The shareholders are requested to appoint Auditors and fix their remuneration.

## **COMMENTS ON AUDITOR'S REPORT :**

The notes referred to in the Auditor's Report are self explanatory and as such they do not call for any further explanation as required under section 217(3) of the Companies Act, 1956.

## **PARTICULARS OF EMPLOYEES**

There were no employees in Company during the year under review.

The information as required by provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particular of employees) amendments rules, 1988 is reported to be NIL.

## **PARTICULARS UNDER SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956**

The Company is having no business other than the business of investing activities during the year under review and hence the information regarding conservation of energy, Technology Absorption, Adoption and innovation, the information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, is reported to be NIL.

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

1. In the preparation of the annuals accounts, for the year ended 31st March 2011, all the applicable accounting standards prescribed by the Institute of Chartered Accountants of India have been followed;
2. The Directors had adopted such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the annual accounts on a going concern basis.

### **REPORT ON CORPORATE GOVERNANCE**

The Company is committed to good Corporate Governance. The Company respects the rights of its Shareholders to inform on the performance of the Company and its endeavor to maximize the long-term value to the Shareholders of the Company. As per Clause 49 of the listing Agreement of the Stock Exchange, a report on Corporate Governance is set out separately, which forms part of this report.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Corporate Social Responsibility (CSR) is commitment of the Company to improve the quality and living standard of the employees and their families and also to the community and society at large. The Company believes in undertaking business in such a way that it leads to overall development of all stake holders and Society.

### **APPRECIATION**

The Board of Directors wishes to convey their appreciation to all the Company's managing body for their performance and continued support. The Directors would also like to thank all the Shareholders, Consultants, Customers, Vendors, Bankers, Service Providers, and Governmental and Statutory Authorities for their continued support.

Kolkata, September 3, 2011

By order of the Board  
**For VAISHNO CEMENT COMPANY LIMITED**

**Registered Office :**  
Vaishno Chambers  
6, Brabourne Road  
Kolkata-700 001

**R. K. JAISWAL**  
Chairman



## Annexure to the Directors' Report

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, Compliance with the requirements of Corporate Governance is set out below :-

1. To enhance the long term interest of its shareholders and to provide good management, the adoption of prudent risk management techniques and compliance with the required standards of capital adequacy, thereby safeguarding the interest of its other stakeholders such as lenders, creditors, customers, suppliers and employees.
2. To identify and recognize the Board of Directors and the Management of the Company as the principal instruments through which good corporate governance principles are articulated and implemented. Further, to identify and recognize accountability, transparency and equality of treatment for all stakeholders, as central tenets of good corporate governance.
3. VCCL has during its way towards growth, adopted the VCCL Code of Conduct and VCCL Prevention of Insider Trading Program. The Company has in place an Information Security Policy that ensures proper utilization of the IT Resources.

### BOARD OF DIRECTORS

#### Composition of Directors

The Constitution of Board of Directors of the Company is governed by the Company's Act 1956 and the Clause 49 of listing agreement. The Company's Board comprises a combination of executives and non-executive Directors. The Board presently consists of 7 Directors and its mix provides a combination of professionalism, knowledge and experience required in the line of Business of the Company. The Board is responsible to manage business of the Company. The functions, responsibilities, role and accountability of the Board are well defined.

The Board of Directors met 5 times on 12<sup>th</sup> August, 2<sup>nd</sup> September and 12<sup>th</sup> November in year 2010 and on 10<sup>th</sup> January and 8<sup>th</sup> February in the year 2011 during the financial year 2010-2011.

Details of Composition of Board, category of the Directors and their attendance at Board Meetings and last Annual General Meeting, number of other directorship are given below :-

Name	Designation	Board Meetings Attended	Whether Attended AGM	Committee Membership	Committee Chairmanship	No. of Directorship in other Public Ltd. Co.
R. K. Jaiswal*	Managing Director	5	Yes	2	1	Nil
Pramod Agarwal	Independent Director	5	Yes	2	1	Nil
Rama Shankar Thakur	Independent Director	5	Yes	2	1	Nil

\*Chairman of the Board

### AUDIT COMMITTEE

The Audit Committee consists of two Independent Directors & the Managing Director. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise.

The primary purpose of the Audit Committee is to assist the Board of Directors (the “Board”) of Vaishno Cement Company Ltd., (the “Company”) in fulfilling its oversight responsibilities with respect to (a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stockholders, the public, any stock exchange and others, (b) the Company’s compliances with legal and regulatory requirements, (c) the Company’s independent auditors’ qualification and independence, (d) the audit of the Company’s Financial statements, and the performance of the Company’s internal audit function and its Independent Auditors.

### **Authority and Responsibilities**

1. The Audit Committee reviews the Company’s financial reporting process, disclosure of accounting treatment, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter, Compliance with listing and other legal requirements relating to financial statements, disclosure norms, internal control systems, risk management policies, accounting policies and practices, ensuring the quality and appropriateness of the Company’s accounting and financial disclosures as well as quarterly/half yearly financial statements. It recommends appointment of Statutory Auditors fixes audit fees and reviews internal control systems, Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern, scope for observations of the auditors and adequacy of the internal audit function, discussion with internal auditors any significant findings and follow up there on, To review the functioning of the Whistle Blower mechanism, 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 etc.

In addition to the above, Audit Committee reviews the followings :

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors and qualification in draft audit report;
4. Internal audit reports relating to internal control weaknesses;
5. To review the annual financial statements and to recommend their adoption to the Board, with particular reference to disclosure of any related party transaction.
6. To review the Quarterly financial statements and recommend their adoption to the Board.
7. The appointment, removal and terms of remuneration of the Chief internal auditor;

The Committee Members met 4 times on 12<sup>th</sup> August, 2<sup>nd</sup> September and 12<sup>th</sup> November in year 2010 and on 8<sup>th</sup> February in the year 2011 during the financial year 2010-2011.

<b>Name</b>	<b>Number of Meetings Held</b>	<b>Meetings Attended</b>
Mr. R. K. Jaiswal	4	4
Mr. Pramod Agarwal	4	4
Mr. Rama Shankar Thakur*	4	4

\*Chairman of Committee

### **REMUNERATION COMMITTEE**

Since the Company does not have remuneration Committee (constitution of which is a non-mandatory requirement), the details pertaining to the same are not provided.

### **Details of Remuneration paid to Directors**

The payment of salary to Directors was Nil during the financial year 2010-2011.  
 No Stock option has been allotted to any of the Directors during the financial year 2010-2011.  
 None of the Independent Directors holds any shares in their name or in the name of their relatives.

### SHARE TRANSFER COMMITTEE

The Board of Directors has constituted Share Transfer Committee under the Chairmanship of Mr. R. K. Jaiswal; Chairman with two other Independent Directors.

The Committee Members met 4 times on 12<sup>th</sup> August, 2<sup>nd</sup> September and 12th November in year 2010 and on 8<sup>th</sup> February in the year 2011 during the financial year 2010-2011.

Name	Number of Meetings Held	Meetings Attended
Mr. R. K. Jaiswal*	4	4
Mr. Pramod Agarwal	4	4
Mr. Ramashankar Thakur	4	4

\*Chairman of Committee

### INVESTOR GRIEVANCE COMMITTEE

The Board of VAISHNO CEMENT COMPANY LIMITED has constituted a Committee of Directors, which inter-alia also functions as “Shareholders/Investors” Grievance Committee, consisting of three members, chaired by a Non-Executive, Independent Director. The Committee meets once a month and inter-alia, deals with various matter relating to:

- ✓ Transfer/transmission/transposition of shares;
- ✓ Consolidation/splitting of shares/folios;
- ✓ Issue of Share Certificates for lost, sub-divided, consolidated, rematerialize, defaced etc;
- ✓ Review of Shares dematerialized and all other related matters; and
- ✓ Investors’ grievances and redressal mechanism and recommend measures to improve the level of Investor Services.

The Share Department of the Company attends to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges and Registrar of Companies etc.

The Minutes of Shareholders’/Grievances Committee are noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and email addresses to facilitate prompt action.

### COMPLIANCE OFFICER

The Company has appointed Mr. Chandresh N Shah as a Compliance Officer within the meaning of Listing Agreement.

### COMPOSITION OF COMMITTEE AND MEETINGS ATTENDED

The Committee Members met 4 times on 12<sup>th</sup> August, 2<sup>nd</sup> September and 12th November in year 2010 and on 8<sup>th</sup> February in the year 2011 during the financial year 2010-2011.

Brief Details of Names, Position, Category and meeting attended by Members of Committee is as follows:

Name	Position	Category	Meetings Attended
Mr. Pramod Agarwal*	Chairman	Independent, Non-Executive	4
Mr. R. K. Jaiswal	Member	Executive – Wholetime	4
Mr. Rama Shankar Thakur	Member	Independent, Non-Executive	4

\*Chairman of Committee

## DETAILS OF SHAREHOLDERS' COMPLAINTS

During the year the Company did not receive any complaint from any of its Members and there were Nil Complaints at the end of Financial Year ending on 31st March 2011.

## GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings :

Annual General Meeting	Date & Time	Venue
23 <sup>rd</sup> Annual General Meeting	30 <sup>th</sup> September 2010, 11.30 AM	Vaishno Chambers, 6, Brabourne Road, Kolkata-700 001
22 <sup>nd</sup> Annual General Meeting	30 <sup>th</sup> September 2009, 11.30 AM	Vaishno Chambers, 6, Brabourne Road, Kolkata-700 001
21 <sup>st</sup> Annual General Meeting	30 <sup>th</sup> September 2008, 11.30 AM	Vaishno Chambers, 6, Brabourne Road, Kolkata-700 001

## LOCATION AND TIME OF LAST TWO EXTRA-ORDINARY GENERAL MEETINGS :

No Extra-Ordinary General Meetings have been held during last three financial years.

## POSTAL BALLOT

No Resolution has been passed during last three financial years through Postal Ballot Rules.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

## SPECIAL RESOLUTION PASSED IN LAST THREE ANNUAL GENERAL MEETINGS:

No Special Resolutions have been passed during previous three financial years.

## BOARD DISCLOSURES

### Risk Management

The Company has a Risk Management Policy which has been adopted by the Board of Directors, currently, the Company's risk management approach comprises of the following :-

- ❖ Governance of Risk
- ❖ Identification of Risk
- ❖ Assessment of Control of Risk

The risks have been prioritized through a companywide exercise. Members of Senior Management have undertaken the ownership and are working on mitigating the same through co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees.

The Company has appointed a Risk Officer and also put in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Risk Officer will make a presentation periodically on risk management to the Board of Directors and the Audit Committee. The Board and the Audit Committee provide oversight and review the risk management policy periodically.

## SUBSIDIARIES

The Company does not have any material non-listed Indian subsidiary whose turnover or net worth (i.e. paid-up capital and free reserves exceeding 20% of the consolidated turnover or networth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

## **INSIDER TRADING**

The Securities and Exchange Board of India (SEBI) has over the years introduced various amendments to the Insider Trading Regulations of 1992 which ordain new action steps by corporate and other market intermediaries for the purposes of prevention of Insider Trading.

Pursuant to the above requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a `Code of Conduct` for Prevention of Insider Trading (The Code) with effect from October 1, 2002. The Code is applicable to all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Compliance Officer has been appointed for monitoring adherence to the said Regulations.

## **DISCLOSURES**

- (a) There were no transactions with related parties i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large. The details of the related Party transactions are disclosed under the notes on accounts, as required under the Accounting Standard 18 issued by the Institute of Chartered Accountants of India.
- (b) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.
- (c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 1992) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof.
- (d) **Secretarial Audit Report** : A qualified Practicing Company Secretary carried out Reconciliation of Share Capital on quarterly basis to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The "Secretarial Audit Report" confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. However, since the Company yet to establish connectivity with both NSDL & CDSL, all the Equity Shares of the Company are in physical form and are tallied with Paid-up Capital of the Company.

## **DISCLOSURES ON NON-MANDATORY REQUIREMENTS**

The Company has adopted/complied with the following non-mandatory requirements as prescribed in Annexure I D to Clause 49 of Listing Agreement with the Stock Exchange :-

- a) None of the Independent Directors on the Board of the Company has served for the tenure of exceeding nine years. The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.
- b) The Company has not setup Compensation and Remuneration Committee.
- c) There was no case of Non-Compliance during financial year 2010-11 except filing of information/documents to Exchanges in term of provisions of Listing Agreement entered into with BSE by the Company. Further, no penalties have been levied or actions have been taken by BSE or SEBI during last three years.
- d) The Company has complied with mandatory provisions of listing agreement except filing of information / documents on time.
- e) The financial statements of the Company are unqualified.

- f) The Company has not adopted Whistle Blower Policy. However Employees can report to the Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy. No Employee has been denied access to the Audit Committee.

## MEANS OF COMMUNICATIONS

- The Company regularly provides information to the Stock Exchanges as per the requirements of the listing Agreement.
- The Quarterly/Half Yearly/Nine Months & Annual Results have been submitted to Bombay Stock Exchange Ltd. and published in the leading English Newspapers and in vernacular language Newspaper.
- Company posts its Quarterly Results/Half Yearly/Nine Months & Annual Results on its website [www.vccl.in](http://www.vccl.in)
- Official News releases are available on announcement section of [www.bseindia.com](http://www.bseindia.com) as well as on its website [www.vccl.in](http://www.vccl.in)
- No formal representations were made to Institutional Investors or Analysts during the year under review.
- Management Discussion and Analysis forms part of the Annual Report will be posted to the shareholders of the Company.

## GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided in section "Shareholders Information" which forms part of this Annual Report.

### SHAREHOLDERS' INFORMATION

#### a. Next Annual General Meeting

The information regarding 24<sup>th</sup> Annual General Meeting for the financial year ended on 31st March 2011 is as follows :-

Day & Date : Friday, 30<sup>th</sup> September 2011  
 Time : 11.30 A.M.  
 Venue : Vaishno Chambers, 6, Brabourne Road, Kolkata-700 001

b. **Financial Year** : 1<sup>st</sup> April to 31<sup>st</sup> March.

c. **Future Calendar** :

Subject Matter	Date
Financial Reporting of 1 <sup>st</sup> Quarter ended on 30 <sup>th</sup> June 2011	12 <sup>th</sup> August 2011
Financial Reporting of 2 <sup>nd</sup> Quarter ended on 30 <sup>th</sup> September 2011	14 <sup>th</sup> November 2011
Financial Reporting of 3 <sup>rd</sup> Quarter ended on 31 <sup>st</sup> December 2011	14 <sup>th</sup> February 2012
Financial Reporting of 4 <sup>th</sup> Quarter ended on 31 <sup>st</sup> March 2012	By 31 <sup>st</sup> July 2012
Date of Annual General Meeting	During September 2012

d. **Date of Book Closure** : September 22 to September 29, 2011. (Both days inclusive)

e. **Dividend Payment Date** : No Dividend has been recommended for the year under review.

f. **Listing of Shares** : Bombay Stock Exchange

g. **Listing Fees** : Company is yet to pay Annual Listing Fees to BSE.

h. **Stock Code & ISIN** : Scrip Code 526941 on BSE.  
 ISIN – INE116E01018 (only on NSDL)

i. **Market Price Data** : Trading in Equity Shares of the Company were suspended from

trading during the year under review. The Company is in process of filing application with BSE for revocation of suspension with all requisite documents.

**j. Registrar & Share Transfer Agent.**

M/s. S. K. Computers, Kolkata has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical and electronic mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

**M/s. S. K. Computers**

34/1A, Sudhir Chatterjee Street, Calcutta - 700 006

Tel : 033 – 22196797, Fax - 033 – 22194815

**k. Share Transfer Systems**

The Share transfer is processed in house and approved by Share Transfer Committee, if the documents are complete in all respects, within 21 days from the date of lodgment.

**l. Shareholding Pattern as on 31st March 2011**

Categories	No. of Shares	% of Shareholding
Promoters, Directors, Relatives & Person acting in concert	27,00,000	30.17
Indian Bank	0	0.00
Others (NRI)	336900	3.76
Private Corporate Bodies	83200	0.93
Indian Public (including HUF & Clearing Members)	5830100	65.14
<b>Total .....</b>	<b>8950200</b>	<b>100.00</b>

**m. Dematerialization of Equity Shares & Liquidity**

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with NSDL by signing the necessary agreements.

**Procedures for dematerialization / rematerialization of Equity Shares:-**

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within one month from the date of issue of Shares.

The Shares of Company are traded on Bombay Stock Exchange Ltd. 9.33% of the Company's Equity Share Capital held under Public category has been dematerialized up to 31st March 2011.

**n. Nomination**

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

**o. Requirement of PAN Card in case of Transfer of Shares in Physical Form**

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

**p. Brief Resume of the Directors Seeking Re-Appointment**

Mr. R. K. Jaiswal, Age 53, Graduate, is having vast knowledge and rich experience of above 28 years in Financial & Income Tax related activities as well as expertise in Accounting & Taxation. It will be advantageous for the Company to avail his valuable services and rich experience. Your Company has received notices from members pursuant to section 257 of the Act, 1956 together with necessary deposit proposing the candidature of Mr. R. K. Jaiswal for the office of Director of the Company.

Mr. R. K. Jaiswal holds 8600 shares or 0.10% of Paid-up Capital in his own name and holds 37000 Shares or 0.41% of Paid-up Capital in the name of his relatives.

Mr. R. K. Jaiswal is not having any Directorship and Committee Chairmanship in any other Listed and/or Public Limited Cos.

**q. Details on use of Public Funds Obtained in the last three years :**

No fund has been raised by way of Public, Right of Preferential Issue or any other mode during last three financial years.

**r. Outstanding GDRs./ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity :**

Not Applicable.

**s. Investors' Correspondence**

Shareholders can contact the following Officials for secretarial matters of the Company :-

Mr. Chandresh N. Shah - [vaishno.cement@gmail.com](mailto:vaishno.cement@gmail.com)

**t. Code of Conduct**

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.

**u. Address for Correspondence**

VAISHNO CEMENT COMPANY LIMITED

Vaishno Chambers, 6, Brabourne Road, Kolkata-700 001

Tele: 0332225 3542 / 4407, Fax : 033-2225 7463



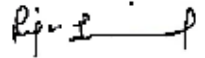
Annexure I

**Declaration by the Managing Director under Clause 49 of the Listing Agreement**

**To**  
**VAISHNO CEMENT COMPANY LIMITED**

Vaishno Chambers  
6, Brabourne Road  
Kolkata-700 001

In accordance with Clause 49 sub clause I(D) of the Listing Agreement with the Stock Exchanges, I, R. K. Jaiswal, Chairman of Vaishno Cement Company Limited hereby confirm that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conducts.



R. K. Jaiswal  
Chairman

Kolkata, September 3, 2011

## CHAIRMAN & MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT

As required by Clause 49 of Listing Agreement, the Managing Director and CEO's Declaration for Code of Conduct is given below:

To  
The Members of  
**VAISHNO CEMENT COMPANY LIMITED**

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their 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, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become 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.

Kolkata, September 3, 2011

By order of the Board  
**For VAISHNO CEMENT COMPANY LIMITED**

**Registered Office :**  
Vaishno Chambers  
6, Brabourne Road  
Kolkata-700 001

**R. K. JAISWAL**  
Chairman

## Compliance Certificate

To,  
The Members,  
VAISHNO CEMENT COMPANY LIMITED  
Vaishno Chambers  
6, Brabourne Road  
Kolkata-700 001

We have examined the compliance of Corporate Governance by VAISHNO CEMENT COMPANY LIMITED for the year ended on 31st March 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate Governance. It is neither an audit nor an expression of to opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance(s) is/ are pending for a period exceeding for one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **J. Gupta & Co.**  
Chartered Accountants

Place: Kolkata  
Date: September 3, 2011

**J. N. Gupta**  
Partner  
M. No. 051428

## Audit Report for the year ended 31st March 2010

The Shareholders,  
**VAISHNO CEMENT COMPANY LIMITED,**  
KOLKATA.

1. We have audited the attached Balance Sheet of VAISHNO CEMENT COMPANY LIMITED, Kolkata, as at 31st March 2011 and also Profit & Loss Account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standard require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the annexure referred to above, we report that :
  - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - ii) In our opinion, proper books of Accounts as required by the law have been kept by the Company so far as appears from our examination of those books.
  - iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of accounts.
  - iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report, comply with the accounting standard referred to in Section 211 (3C) of the Companies Act, 1956.
  - v) On the basis of written representations from the directors of the company, taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - a. In the case of Balance Sheet of the State of Affairs of the Company as at 31st March 2011 and
    - b. In the case of Profit & Loss Account, of the Loss for the year ended on that date.
    - c. In the case of cash flow statement, of the cash flows for the year ended on that date.

For **J. Gupta & Co.**  
Chartered Accountants

Place: Kolkata  
Date: September 3, 2011

**J. N. Gupta**  
Partner  
M. No. 051428

## Annexure to the Auditors' Report

Referred to in paragraph 3 our report of even date on the accounts for the year ended 31st March 2011 of VAISHNO CEMENT COMPANY LIMITED, KOLKATA.

### 1. 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. Fixed Assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- c. No substantial part of Fixed Assets has been disposed off during the year, and it has not affected the going concern.

### 2. In respect of its Inventories -

- a. Physical verification of Inventory has been conducted at reasonable intervals by the Management.
- b. Procedures for physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business. There are no inadequacies in such procedures that should be reported.
- c. Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.

### 3. In respect of Loans granted and taken to/from parties covered in the register maintained u/s 301 of the Companies Act 1956 -

- a. The company has not granted any secured or unsecured loans to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly clause III(b) to III(d) of Paragraph 4 of the Order are not applicable to the Company for the current year.
- b. N.A. whether the rate of Interest and other terms and conditions of loans given by the Company, secured or unsecured, are prima facie prejudicial to the interest of the Company.
- c. N.A. whether receipts of the principal amount and interest are also regular.
- d. N.A. if overdue amount is more than ₹ 1 Lac whether reasonable steps have been taken by the Company and recovery of the principal and interest.
- e. The company has not taken any loans from the companies covered in the register maintained under section 301 of the Companies Act, 1956
- f. In our opinion and according to information and explanations given to us, the rate of interest and other terms and conditions for such loans are prima facie prejudicial to the interest of the Company.
- g. The Loans are repayable on demand. As informed, lenders have been demanded repayment of any such loans during the year, thus there has been no default on the part of the Company. The Loans given are interest free.

### 4. In respect of internal control -

In our opinion and according to information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of inventory and fixed assets and for the sale. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.

**5. In respect of contacts or arrangements need to be entered into a register maintained u/s 301 of the Companies Act, 1956 -**

- a. In our opinion, and according to information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act 1956, have been entered in the Register required to be maintained under that section.
- b. In our opinion, and according to information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act 1956, are made at price which is reasonable having regard to prevailing market prices at relevant time.

**6. In respect of deposits from public -**

The Company has not accepted any deposits from the public under section 58A and 58AA of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975, during the year.

**7. In respect of Internal Audit System -**

In our opinion, the Company's internal audit system is commensurate with the size and the nature of its business.

**8. In respect of maintenance of cost records -**

We have broadly reviewed the books of accounts relating to material, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records u/s 209 (i)(d) of the Companies Act 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

**9. In respect of statutory dues -**

- a. The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees State Insurance, Income-tax, Wealth Tax, Sale-tax, Service Tax, Custom Duty, Excise Duty, CESS and any other statutory due applicable to it;
- b. According to the records of the company, there are no dues of income tax, wealth tax, sale-tax, custom duty, sales tax and CESS and excise duty, which have been deposited on account of any dispute.

**10. In respect of Accumulated Losses and Cash Losses -**

The accumulated losses of the company at the end of financial year are not more than fifty per cent of its net worth.

**11. In respect of dues to financial institutions / banks / debentures -**

In our opinion and according to information and explanations given to us, the company not defaulted in repayment of dues to financial institution, bank or debenture holders.

**12. In respect of loans and advances granted on the basis of security -**

The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

**13. In respect of provisions applicable to chit fund -**

In our opinion and according to information and explanations given to us, the company is not a Chit Fund, Nidhi, Mutual Benefit Fund or Society. Accordingly the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.

- a. Not Applicable
- b. Not Applicable
- c. Not Applicable
- d. Not Applicable

**14. In respect of dealing/trading in shares, securities, debentures and other investments -**

According to the information and explanations given to us, the company is not dealing or trading in shares, securities, debenture and other investments. Accordingly the provisions of Clause 4 (xiv) of the Order are not applicable to the Company.

**15. In respect of guarantee given for loans taken by others -**

On the basis of records examined by us and as per information provided by the Management, we are of the opinion that the company has given guarantees for loans taken by others from bank or financial institutions.

**16. In respect of applications of term loans -**

In our opinion, the term loan raised by the Company during the year has been applied for the purpose for which it was raised.

**17. In respect of fund used -**

Based on the overall examination of the Balance Sheet of the Company and a review of the consolidated Fund Flow statement for the year, we report that no funds raised on short term basis have been used for long-term investment. Similarly, no funds raised on long term basis have been used for short-term investment.

**18. In respect of Preferential Allotment of Shares -**

The Company has not made any Preferential Allotment of Shares to parties and Companies covered in the Register maintained u/s 301 of the Act, during the year.

**19. In respect of securities created for debentures -**

The company has not issued any debenture during the year. Therefore provisions of Clause (xix) of paragraph 4 of the order are not applicable to the Company.

**20. In respect of end use of money raised by Public Issues -**

The company has not raised any money through public issue. Hence requirement of item (xx) of paragraph 4 of the order is not applicable to the Company.

**21. In respect of fraud -**

According to the information and explanations provided to us, a fraud on or by the company has not been noticed or reported during the year.

For **J. Gupta & Co.**  
Chartered Accountants

Place: Kolkata  
Date: September 3, 2011

**J. N. Gupta**  
Partner  
M. No. 051428

**VAISHNO CEMENT COMPANY LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2011**

	Schedule	31.03.2011	31.03.2010
		Rupees	Rupees
<b><u>SOURCES OF FUNDS</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	1	88,753,250	88,753,250
Un-Secured Loan	2	1,198,836	1,198,836
<b>TOTAL</b>		<b>89,952,086</b>	<b>89,952,086</b>
<b><u>APPLICATION OF FUNDS</u></b>			
<b>Current Assets, Loans &amp; Advances</b>			
Cash & Bank Balances	3	15,859	31,687
Sundry Debtors	4	245,000	245,000
Loans & Advances	5	2,881,104	2,881,104
		<b>3,141,963</b>	<b>3,157,791</b>
Less : Current Liabilities & Provisions	6		
Sundry Creditors		1,671,744	1,666,229
Net Current Assets		<b>1,470,219</b>	<b>1,491,562</b>
<b>MISCELLANIOUS EXPENDITURE</b>			
(To the extent not written of or adjusted)			
Profit & Loss Account		88,481,867	88,460,524
<b>TOTAL</b>		<b>89,952,086</b>	<b>89,952,086</b>
Notes forming part of the accounts & Significant Accounting Policies	8		

As per our report of even date

For **J. Gupta & Co.**

Chartered Accountants

**R. K. Jaiswal**

Director

**J. N. Gupta**

Partner

Membership No. 051428

**Pramod Kr. Agarwal**

Director

Place : Kolkata

Date : September 3, 2011



**VAISHNO CEMENT COMPANY LIMITED**

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

	Schedule	Year ended on 31.03.2011	Year ended on 31.03.2010
<b>INCOME</b>			
Not Any		-	-
<b>EXPENDITURE</b>			
Payment & Provisions to Employees		-	-
Administrative & Other Expenses	7	21,343	218,889
Loss on Sale of Investments		-	2,493,624
Loss on Sale of Assets / WIP		-	69,363,341
Miscellaneous Expenditure W/off		-	8,366,432
		<b>21,343</b>	<b>80,442,286</b>
Profit before Tax		<b>(21,343)</b>	<b>(80,442,286)</b>
Profit/(Loss) brought forward from previous year		<b>(88,460,524)</b>	<b>(8,018,238)</b>
Profit carried to Balance Sheet		<b>(88,481,867)</b>	<b>(88,460,524)</b>
Notes forming part of the accounts & Significant Accounting Policies	8		

As per our report of even date

For **J. Gupta & Co.**

Chartered Accountants

**J. N. Gupta**

Partner

Membership No. 051428

Place :Kolkata

Date : September 3, 2011

**R. K. Jaiswal**

Director

**Pramod Kr. Agarwal**

Director

**VAISHNO CEMENT COMPANY LIMITED**

<b>SCHEDULES TO ACCOUNTS</b>	<b>31.03.2011</b>	31.03.2010
	<b>Rupees</b>	Rupees
<b>SCHEDULE 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
100,00,000 Equity Shares of Rs.10/- each (Previous year		
100,00,000 Equity Shares of Rs. 10/- each)	<b>100,000,000</b>	100,000,000
<b>Issued, Subscribed &amp; Paid-up</b>		
51,00,000 Equity Shares of Rs. 10/- each (Previous year		
51,00,000 Equity Shares of Rs. 10/- each)	<b>89,502,000</b>	89,502,000
Less : Allotment Money Receivable	<b>748,750</b>	748,750
	<b>88,753,250</b>	88,753,250
<b>SCHEDULE 2</b>		
<b>Unsecured Loan</b>		
From Directors & Body Corporate	<b>1,198,836</b>	1,198,836
<b>SCHEDULE 3</b>		
<b>Sundry Debtors</b>		
Outstanding for more than 6 Months	<b>245,000</b>	245,000
<b>SCHEDULE 4</b>		
<b>Cash &amp; Bank Balances</b>		
Cash Balance	<b>5,385</b>	18,485
Balance with Scheduled Bank in Current A/c	<b>10,474</b>	13,202
	<b>15,859</b>	31,687
<b>SCHEDULE 5</b>		
<b>Loans, Advances &amp; Deposit</b>		
(Unsecured, Considered Good)		
Loans	<b>1,431,764</b>	1,431,764
Deposit with Govt Authorities & Others	<b>1,449,340</b>	1,449,340
	<b>2,881,104</b>	2,881,104
<b>SCHEDULE 6</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
Sundry Creditors from Dealers	<b>370,877</b>	370,877
Sundry Creditors for Expenses	<b>1,300,867</b>	1,295,352
	<b>1,671,744</b>	1,666,229
<b>SCHEDULE 7</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Travelling Expenses	-	10,798
RTA & ROC Filing Fees	<b>1,500</b>	71,824
Audit Fees	<b>5,515</b>	5,612
Miscellaneous Expenditure	<b>14,328</b>	130,655
	<b>21,343</b>	218,889

---

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

---

**Significant Accounting Policies General**

1. The Financial Statements are prepared on mercantile basis under the historical cost convention in accordance with the generally accepted accounting principles in India, Accounting Standards notified under section 211(3C) of the Companies Act 1956, read with the Companies (Accounting Standard) Rules, 2006 and the other relevant provisions of the Companies Act, 1956.

**Revenue Recognition**

2. All revenue and expenses are accounted on accrual basis.

**Fixed Assets**

3. All Fixed Assets are stated at cost. Costs include purchase price and all other attributable costs of bringing the assets to working condition for intended use.

**Turnover**

4. Turnover is stated after adjusting rebates and discounts and excluding Sales tax

**Depreciation**

5. Depreciation on all assets is charged proportionately from the date of acquisition/installation on written down method at rates prescribed in Schedule XIV of the Companies Act, 1956. Assets costing less than ₹ 5000/- individually have been fully depreciated in the year of purchase.

**Investments**

6. Investments are valued at cost.

**Retirement Benefit**

7. None of the Employee has completed the service period to become eligible for payment of gratuity.

**Income Tax**

8. Provision for taxes comprising of current tax is measured in accordance with Accounting Standard 22- "Accounting For Taxes On Income" issued by the Institute of Chartered Accountants of India :
9. Tax expenses comprises of current and deferred tax.
10. Provision for current income tax and fringe benefit tax is made on the basis of relevant provisions of Income Tax Act, 1961 as applicable to the financial year.
11. Deferred Tax is recognized subject to the consideration of prudence on timing differences, being the difference between taxable Income and Accounting Income that originate in one period and are capable of reversal in one or more subsequent periods.

**Provisions, Contingent Liabilities & Contingent Assets**

*Disclosures in terms of Accounting Standards (AS 29) Provisions, Contingent Liabilities and Contingent Assets issued by the Institute of Chartered Accountants of India :*

12. The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
13. A disclosure for a contingent liability is made when there is a possible obligation or present obligation that probably will not require an outflow of resources or where reliable estimate of the amount of the obligation cannot be made.
14. Contingent Assets are neither recognized nor disclosed.

#### **Others**

15. None of the Finished Products or Raw Materials, Stores, Spares and Components consumed or purchased during the year have been imported.
16. None of the Earnings / Expenditures is in Foreign Currency.
17. Balance of Debtors, Creditors, Deposits, Loans and Advances are subject to confirmation.
18. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated if realized in the ordinary course of business. The provision for depreciation and all known liabilities are adequate and not in excess of the amounts reasonably necessary.
19. Investments of the Company have been considered by the management to be of a long term nature and hence they are long term investments and are valued at cost of acquisitions.

#### **Segment Report**

20. Based on the Similarity of activities, risks and reward structure, organization structure and internal reporting systems, the Company was in no business Segment during the year.

#### **Notes to Accounts**

21. In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value state, if realized in the ordinary course of business. Provisions for all known liabilities are adequate and not in excess of the amount considered necessary for the same.

#### **Contingent Liabilities**

22. Contingent Liabilities not provided for – ₹ Nil

#### **Particulars of Director's Remuneration (In ₹)**

23. ₹ Nil has been paid to any of Directors towards Directors' Remuneration for the Year (P.Y. ₹ Nil)

#### **Related Party Transactions**

24. Key Management Personnel –

1. Mr. R. K. Jaiswal - Executive Director

#### **Subsidiary & Group Companies or Companies under same management –**

25. Company under same Management – Not Any

**Details of transactions with related parties –**

Transaction with related parties	Subsidiary Companies	Key Management Personnel & Relatives
Remuneration	Nil	Nil
Investments:		
Investment in Subsidiary	Nil	Nil
Investment in Group Cos.	Nil	Nil

**Remuneration to Auditors**

26.

Particulars	31.03.2011	31.03.2010
Remuneration to Auditors for Audit Purpose	5515	5612

**Differed Tax**

27. The differed tax has not been recognized in financial statement during the year under review.

28. Earning per Equity Share

	Unit	31.03.2011	31.03.2010
Net Profit after Tax available for Share holders	₹	-21,343	-8,04,42,286
No. of Equity Shares	No.	89,50,200	89,50,200
Basis & Diluted Earnings Per Share*	₹	0.00	-8.99

\*The Company does not have any outstanding dilutive potential equity shares.

29. There are no Micro and Small Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2011. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

30. Previous years' figures have been regrouped, rearranged wherever necessary to make them comparable with those of current year.

**As per our report of even date**

---

**For J. Gupta & Co.**  
Chartered Accountant

**J. N. Gupta**  
Partner  
Membership No. 051428

Kolkata, September 3, 2011

**R. K. Jaiswal**  
Director

**Pramod Agarwal**  
Director

**Statement of Cash Flow Annexed to the Balance Sheet as at 31st March, 2011**

	31.03.2011	(In Rupees) 31.03.2010
<b>A. <u>Cash Flow from Operating Activities</u></b>		
<i>Net Profit before tax and extraordinary Items</i>	<i>(21,343)</i>	<i>(80,442,286)</i>
<i>Adjustments for</i>		
Interest Received	-	-
Depreciation	-	-
<i>Operating profit before working capital changes</i>	<i>(21,343)</i>	<i>(80,442,286)</i>
<i>Adjustments for Capital Changes</i>		
Inventories	-	646,547
Capital Work in Progress	-	44,607,782
Decrease (Increase) in Trade and other Receivables	-	-
Decrease (Increase) Loan & Advances	-	(9,620,673)
Trade Payable and Provisions	5,515	(216,709)
<i>Cash Generated from operations</i>	<i>5,515</i>	<i>35,416,947</i>
Income Tax & FBT Paid For The Year	-	-
Extraordinary Items	-	-
<b><i>Net Cash From Operating Activities</i></b>	<b><i>(15,828)</i></b>	<b><i>(45,025,339)</i></b>
<b>B. <u>Cash Flow From Investing Activities</u></b>		
Decrease / (Increase) in Fixed Assets	-	33,755,559
Decrease / (Increase) in Investments	-	3,562,320
Interest Received	-	-
Adjustments for Depreciation	-	-
<b><i>Net Cash from Investing Activities</i></b>	<b><i>-</i></b>	<b><i>37,317,879</i></b>
<b>C. <u>Cash Flow From Financing Activities</u></b>		
Income Tax & Extraordinary Items	-	7,719,885
<b><i>Net Cash used in Financing Activities</i></b>	<b><i>-</i></b>	<b><i>7,719,885</i></b>
<i>Net Increase in Cash &amp; Cash Equivalents</i>	<i>(15,828)</i>	<i>12,425</i>
<i>Opening Balance of Cash &amp; Cash Equivalents</i>	<i>31,687</i>	<i>19,262</i>
<i>Closing Balance of Cash &amp; Cash Equivalents</i>	<i>15,859</i>	<i>31,687</i>

**For and on behalf of the Board**

Kolkata, September 3, 2011

**R. K. Jaiswal**  
**Chairman & Managing Director**

We have verified the attached Cash Flow Statement of M/s. Vaishno Cement Company Limited, derived from Audited Financial Statements and the books and records maintained by the Company for the year ended on 31st March 2011 and found the same in agreement therewith.

**For J. Gupta & Co.**  
Chartered Accountants

Kolkata, September 3, 2011

**J. N. Gupta**  
Partner  
Membership No. 051428

**STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956****Balance Sheet Abstract and Company's General Business Profile****I Registration Details**

Registration No.	:	57087
State Code No.	:	21
Balance Sheet Date	:	31.03.2011

**II Capital raised during the year**

Public Issue	:	Nil
Right Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil

**III Position of Mobilisation and Deployment of Funds (Amount in Rs. in Thousands)**

Total Liabilities	:	89952
Total Assets	:	89952

**Sources of funds**

Paid-up Capital	:	88753
Reserves & Surplus	:	1199
Secured Loans	:	Nil
Unsecured Loans	:	Nil

**Application of funds**

Net Fixed Assets	:	Nil
Capital Work-in-Progress	:	Nil
Investments	:	Nil
Net Current Assets	:	1470
Miscellaneous Expenditures	:	Nil
Accumulated losses	:	88482

**IV Performance of Company (Amount in Rs. in Thousands)**

Turnover	:	0
Total Expenditure	:	21
Profit before taxes	:	-21
Profit after taxes	:	-21
Earning Per Share	:	0.00
Dividend Rate	:	Nil

**V Generic Names of Three Principal Products/Services of the Company**

<u>Product Description</u>	<u>Item Code No.</u>
Not Any	N.A.





# Vaishno Cement Company Ltd.

Vaishno Chambers, 6, Brabourne Road, Kolkata-700 001

## PROXY FORM

I/We \_\_\_\_\_ resident of \_\_\_\_\_ in the district of \_\_\_\_\_ being member/members of the above named Company, hereby appoint \_\_\_\_\_ resident of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him \_\_\_\_\_ resident of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our proxy to attend and vote for me/us on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company to be held on Friday, the 30th day of September 2011 at 11.30 A.M., at Vaishno Chambers, 6, Brabourne Road, Kolkata-700 001 and any adjournment thereof.

Registered Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2011

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

Signature of Proxy \_\_\_\_\_

Affix  
Revenue  
Stamp

Attested by Shareholder \_\_\_\_\_



# Vaishno Cement Company Ltd.

Vaishno Chambers, 6, Brabourne Road, Kolkata-700 001

## ATTENDANCE SLIP

I hereby record my presence at the 24<sup>th</sup> Annual General Meeting of the Company held on Friday, the 30th day of September 2011 at 11.30 A.M., at Vaishno Chambers, 6, Brabourne Road, Kolkata-700 001.

Name of Shareholder/s \_\_\_\_\_

Father/Husband's Name \_\_\_\_\_

Name of Proxy or Company Representative \_\_\_\_\_

Registered Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Signature of the Shareholder(s) or Proxy or Company Representative \_\_\_\_\_