

VARDHMAN CONCRETE LIMITED

Annual Report
2009-2010

NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting of the Members of Vardhman Concrete Limited (The Company) will be held on Thursday 30th December 2010 at 11.00 a.m. at the Registered Office of the Company at Survey No.35/10, Lohop Village, Khalapur Taluka, Raigad District, to transact the following business.

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet for the financial year ended 30th June 2010 and Profit and Loss Account as at that date together with the Reports of the Directors and Auditors.
- 2) To re appoint M/s Choksi & Choksi, Chartered Accountants, Mumbai as the Statutory Auditors of the to hold office from the conclusion of the forthcoming Annual General Meeting to the conclusion of the next Annual General Meeting of the company and to fix their remuneration.
- 3) To appoint a Director in place of Mr. Rohit Kapadia who retires by rotation and being eligible offers himself for re-appointment.
- 4) To appoint a Director in place of Mr. Arvind Kothari who retires by rotation and being eligible offers himself for re-appointment.

By Order of the Board



Ramesh Vardhan
Chairman & Managing Director

Dated: 03.12.10
Place: Mumbai

Registered Office:
Survey No.35/10
Lohop Village,
Khalapur Taluka,
Raigad Dist. Maharashtra.



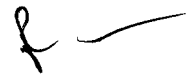
Rajesh Vardhan
Jt. Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THAT PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 24th December 2010 to Thursday, 30th December 2010(both dates inclusive).
3. Members holding Shares in physical form are requested to notify their address / Bank Account details to the Company or to the Share Transfer Agents. M/s. LinkIntime Spectrum Registry Ltd.
4. Member desiring any information is requested to write to the Company at the earliest so as to enable the Board of Directors to keep the information ready.
5. Members are requested to bring the copy of the Annual Reports of the Company to the Meeting.

Dated: 03.12.10
Place: Mumbai

By Order of the Board



Ramesh Vardhan
Chairman & Managing Director

Registered Office:
Survey No.35/10
Lohop Village,
Khalapur Taluka,
Nr.Vithoba Industrial Estate.
Raigad Dist. Maharashtra.



Rajesh Vardhan
Jt. Managing Director

DIRECTOR'S REPORT

Your Directors present the Twenty Seventh Annual Report along with the Audited Statement of Accounts for the financial year ended 30th June 2010

<u>FINANCIAL RESULTS</u>	Year ended 30/6/2010 (Rs. in lakhs)	Period ended 31/3/2009 (Rs. in lakhs)
Income from operation & other income	977.96	531.01
Profit before depreciation and tax	(248.38)	(424.33)
Depreciation	29.86	39.78
Income-Tax including deferred tax	(3.83)	1.81
Profit after Tax	(274.41)	(465.93)
Add: Balance B/f.	(1122.94)	(658.06)
Balance C/f. to Balance sheet	(1419.46)	(1122.94)

DIVIDEND:

In view of the loss, your Directors do not recommend any dividend for the year.

BOARD OF DIRECTORS:

In terms of the provisions of the Articles of Association Mr. Rohit Kapadia and Mr. Arvind Kothari retire by rotation and being eligible offer themselves for re-appointment.

Mr. Dilip Vardhan resigned as a Director of the company w.e.f. 28th April 2010

There were no other changes amongst the Directors

AUDITORS :

M/s. Chokshi & Chokshi, Chartered Accountants retire at the forthcoming Annual General Meeting of the Company and it is proposed to re appoint them as the Auditors of the company to hold office from the conclusion of the forthcoming Annual General Meeting to the conclusion of the next Annual General Meeting of the company.

AUDITORS REPORT:

With reference to the Qualifications made by the Auditors in their Report for the financial period ended 30th June 2010. The company is passing through a major restructuring phase, where planned efforts have been taken to complete all existing loss making projects and also, extensive efforts have gone in to enhance the order book of the company. The company has positioned itself as taking major works in the field of low cost housing for the government, apart from the works from private developers. Therefore, the company has laid foundation of reviving in near future. Moreover in the opinion of the board the company does not attract the provisions of the Sick Industrial companies act and therefore does not feel the need to be declared as a sick company. The company is also initiating to pay the interest liabilities.

The doubtful debtors are written off and the balances which are mentioned in the accounts are recoverable and the company is in the process of recovering the same. As of the creditors the company considers them good and payable.

Rs. 90.52/- lakhs is included in advances in respect of invoked bank guarantee as it was wrongly invoked and the company is in the process of recovering it back from the party.

There are certain claims and matters under pending arbitration matters for variation of works and one side claims made by the company, the company is seeking legal advice and that none of the counter claims are legally teneable. Any decision on the claims may not have significant impact on the networth and financial statements of the company.

The other comments made by the Auditors are self explanatory.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act 1956 the Directors confirm the following in respect of the audited annual accounts for the financial period ended 30th June 2010.

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgment and estimate that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for the period ended 30th June 2010 and of the loss of the Company for that period.

- iii) that the Directors has taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and deflecting fraud and other irregularities.
- iv) that the Directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

As per the Listing Agreement with the Stock Exchange your Company is required to comply with the requirements of Corporate Governance. The report on Corporate Governance is annexed forming a part of this report.

CHANGE IN NAME :

The name of the company was changed from Stresscrete India Limited to Vardhman Concrete Limited with effect from 22nd April 2010

CONSERVATION OF ENERGY AND FOREIGN TECHNOLOGY ABSORPTION:

The details of energy consumption and conservation as required under the provisions of Section 217(1)(e) of the Companies Act 1956 is provided separately and forms part of this report.

The Company has not adopted any foreign technology during the year.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company has not earned any foreign exchange or incurred any foreign exchange outgo during the year.

LISTING:

The Company's Shares are listed in the Bombay Stock Exchange, Mumbai. The Directors regret the suspension of trading of the shares and is in process to revoke the same.

CASH FLOW STATEMENT:

In pursuant to the Listing Agreement the cash flow statement is annexed and forms part of this report.

ACKNOWLEDGEMENT:

The Board of Directors acknowledges the assistance, contribution and support received from Government, Authorities, Banks, Suppliers, customers, employees and the Share holders of the Company for their valued support extended to the Company.

By Order of the Board



Ramesh Vardhan
Chairman & Managing Director



Rajesh Vardhan
Jt. Managing Director

Dated: 03.12.10

Place: Mumbai

Registered Office :

Survey No.35/10

Lohop Village, Khalapur Taluka,

Nr. Vithoba Industrial Estate.

Raigad Dist. Maharashtra.

**ANNEXURE TO DIRECTOR'S REPORT
PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF
PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988**

A. CONSERVATION OF ENERGY

a) Energy conservation measures taken:
Nil

b) Additional investment and proposal, if any been implemented for reduction of consumption of energy.

Nil

c) Impact of measures for reduction of energy consumption and consequent impact on the cost of production of goods.

N.A.

d) Total energy consumption and energy consumption per unit of production as per form A in respect of Industries specified in the Schedule

N.A.

FORM – A
(See Rule 2)

Form for disclosure of particulars with respect to conservation of energy

A) POWER AND FUEL CONSUMPTION

	2009-2010	2008-2009
	(Rs. In lakhs)	(Rs. In lakhs)
1) Electricity.)	
a) Purchased)	Due to the nature of
Units (Lakhs – kWh))	
Rate/Unit (Rs.))	the activities of the
b) Own Generation)	
i) Through Diesel Generator)	company which requires
Net Units (Lakhs – kWh))	
Unit per Ltr. Of Diesel/)	the major execution
Furnace Oil (kWh))	
ii) Through Steam)	of the projects in
Turbine/Generator)	
2) Coal (used in Kiln))	the site of the projects
Quantity (tones))	
Total cost (Rs.Lakhs))	the details of energy
Average Rate (Rs.))	
3) Furnace Oil)	consumption would
Quantity (K.Ltrs.))	
Total Cost (Rs.lakhs))	not be relevant.
Average Rate (Rs./K.Ltr.))	
4) High Speed Diesel)	
Quantity (K.Ltrs.))	
Total Cost (Rs.lakhs))	
Average Rate (Rs./K.Ltr.))	
Others/Internal Generation)	

B) CONSUMPTION PER UNIT OF PRODUCTION

Electricity (kWh/T of cement))
HSD/FO (Ltr./T of Clinker))
Coat (Percentage of Clinker))

Form - B
(See Rule 2)

Form for disclosure of particulars with respect to absorption

RESEARCH AND DEVELOPMENT (R&D)

1. Specific area in which R & D carried out by the Company.

Nil

2. Benefits derived as a result of the above R&D

N.A.

3. Future plan of Action.

Nil

4. Expenditure on R&D

	2009-2010 (Rs. In lakhs)	2008-2009 (Rs. In lakhs)
Capital	Nil	Nil
Recurring	Nil	Nil
Total R & D expenditure as Percentage of turnover	Nil	Nil