

VALLEY MAGNESITE COMPANY LIMITED

**27th
ANNUAL REPORT
2014-2015**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Arun Kumar Agarwalla, Managing Director

Mrs. Sudha Agarwalla, Director

Mr. Shambhu Nath Modi, Director

Mr. Pratap Ram Ganguly , Director

COMPANY SECRETARY

Ms. Renuka Keswani

STATUTORY AUDITORS

M/s A.K.Meharia & Associates

Chartered Accountants

2, Garstin Place, 5th Floor,

Kolkata- 700 001

INTERNAL AUDITOR

M/s V.M.D & Associates

10, Mullick Street, Burrabazar,

2nd Floor, Kolkata- 700 007.

BANKERS

ORIENTAL BANK OF COMMERCE

REGISTERED OFFICE:

A-402, Mangalam,

24/26 Hemanta Basu Sarani,

Kolkata-700 001

Phone: (033)22436242/43

Email : valleymagnesite@yahoo.co.in

Website:www.valleymagnesite.com

REGISTRAR & SHARE TRANSFER AGENTSS.

Niche Technologies Pvt.Ltd

D-511, Bagree Market, 71, B.R.B.Basu Road,

Kolkata- 700 001.

Phone: 033-22357270/71

Fax : 033-22156823

CIN

L23109WB1988PLC045491

VALLEY MAGNESITE COMPANY LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 27th Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company at A-402, Mangalam, 24/26 Hemanta Basu Sarani, Kolkata- 700 001 on Tuesday, the 29th September, 2015 at 10.00 A.M to transact the following businesses :-

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the year ended on that date, the Report of the Auditors thereon and the Report of the Board of Directors of the Company for the year ended 31st March, 2015.
2. To declare a dividend on Equity Shares, if any for the financial year ended 31st March, 2015.
3. To consider and, if thought fit, to pass, the following resolution as ordinary resolution:
“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and the Companies (Audit & Auditors) Rule, 2014 including any statutory modification(s) or re-enactment(s) thereof from time to time, the appointment of M/s. A. K. Meharia & Associates, Chartered Accountants (Firm's Registration No. 324666E), as Auditors of the Company for a term of three years i.e. till the conclusion of the 29th Annual General Meeting (AGM), which was subject to ratification at every AGM, be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the 29th AGM of the Company to be held in the year 2017, at such remuneration plus service tax, out-of-pocket expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”
4. To appoint a Director in place of Mrs Sudha Agarwalla (DIN:00938365), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

5. To consider & if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

RESOLVED FURTHER that pursuant to the provisions of Sections 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof from time to time, the consent of the Company, be and is hereby accorded to the appointment of Mr. Uttam Banerjee (holding PAN:ADBPB7207J) as a “Chief Financial Officer” effective from 06 February, 2015, on the terms and conditions of appointment and remuneration as contained in the draft agreement, a copy whereof initialed by the Chairman for the purpose of identification is placed before the meeting, and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration as may be agreed to by the Board of Directors and Mr. Uttam Banerjee.”

RESOLVED FURTHER that the Board (or any Committee thereof) be and is hereby authorised to take all such necessary actions in the matter”.

6. To consider & if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

RESOLVED FURTHER that pursuant to the provisions of Sections 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company, be and is hereby accorded to the appointment of Ms. Renuka Keswani (holding PAN ASRPR0321G) as a “Secretary” effective from 20th April, 2015, on the terms and conditions of appointment and remuneration as contained in the draft

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agreement, a copy whereof initialed by the Chairman for the purpose of identification is placed before the meeting, and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration as may be agreed to by the Board of Directors and Ms. Renuka Keswani.”

RESOLVED FURTHER that the Board (or any Committee thereof) be and is hereby authorised to take all such necessary actions in the matter”.

Registered Office : A-402, Mangalam,
24/26 Hemanta Basu Sarani,
Kolkata- 700 001.
Dated: The 17th day of August, 2015

By order of the Board
For Valley Magnesite Co.Ltd

(Arun Kumar Agarwalla)
Managing Director
DIN: 00607272

Notes :

1. A Member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself and the proxy so appointed need not be a Member of Company. The Instrument of Proxy must be lodged with the Company not less than 48 hours before the Meeting.
A person can act as a Proxy on behalf of Members not exceeding fifty and holding in aggregate shares not more than 10 percent of the total Share Capital of the Company, carrying voting rights.
2. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf in the meeting.
3. The Register of Members shall remain closed from **23rd September, 2015 to 29th September, 2015 (both days inclusive)**.
4. The relevant Statement, pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”) in respect of the items of Special Business is annexed hereto.
5. As per Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management of Administration) Rules, 2014, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting votes through the electronic voting system (“e-Voting”) **under an arrangement with the Central Depository Services Limited (CDSL)** as specified more fully in the instructions hereunder provided that once the vote on a Resolution is cast, a Member shall not be allowed to change it subsequently.
6. Voting shall be reckoned in relation to a Member’s holding of the Paid-up Equity Share Capital of the Company as at close of business **on 22nd September, 2015(Record Date)**.
7. Members holding shares in physical form are requested to notify change of address, if any, along with address proof i.e. Voter Identity Card, Electric/Telephone Bill, Driving Licence or a copy of passport and Bank Statement to the Share Department of the Company / Registrars and Share Transfer Agents and, in case the shares are held in dematerialized form, then this information should be passed on to the respective Depository Participants and into to the Share Department of the Company/Registrars and Share Transfer Agents.

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8. In case the mailing address mentioned on the envelope of this Annual Report is either without Pin Code or with incorrect Pin Code, Members are urged to advise the correct Pin Code to the Share Department of the Company /Registrars and Share Transfer Agents or the respective Depository Participants(s), as the case may be immediately, for speedier delivery in future.
9. (a) Members desirous of receiving Notices and/or documents from the Company through the electronic mode are urged to update their email address with their Depository Participants, where shares are held in electronic form or to the Share Department of the Company / Registrars and Share Transfer Agents where shares are held in physical form.
(b) Email addresses of Members as advised to the Share Department of the Company / Registrar and Share Transfer Agents where shares are held in physical mode or registered with Depositories where shares are held in the electronic mode will be deemed to be the Member's registered Email address for serving Company documents/ notices as per provisions of the Act and the instructions of the Ministry of Corporate Affairs Members intending to refresh/update their email addresses should do so as soon as possible.
10. Members holding Shares, in physical form, in identical order of names in more than one Folio, are requested to write to the Share Department of the Company / Registrars and Share Transfer Agents enclosing the relevant Share Certificates requesting consolidation of such Folios into one Folio for your own convenience.
11. As per the provisions of the Act, the facility for making / varying/ cancelling nominations is available to individuals holding shares in the Company Nominations can be made in Form-SH.13 and any variation/ cancellation thereof can be made by giving notice in Form-SH.14, prescribed under the Companies (Share Capital and Debentures) Rules,2014 for the purpose. The Forms can be obtained from the Share Department of the Company / Registrars / Share Transfer Agents or from the Website or the Ministry of the Company Affairs at www.mca.gov.in.
12. a) Members desirous of getting any information in relation to the Company's Annual Report 2014-15 are requested to address their query (ies) well in advance, i.e. at least 10 days before the Meeting, to enable the Management to keep the information readily available at the Meeting.
b) Members holding shares in Electronic Form are requested to bring their Depository ID Number and Client ID Number to facilitate their identification for recording attendance at the forthcoming Annual General Meeting.
13. Members are requested to claim their unclaimed shares lying with the Company by sending proper documentary evidence to establish their bona fides. Till such claim, as per Clause 5A II of the Listing Agreement with the Stock Exchanges, voting rights on such shares shall remain frozen.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) for all securities market transactions. Thereafter it was clarified vide Circular no. MRD/DOP/Cir-05/2009 dated May 20, 2009 that for securities market transactions and off market transaction involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish a copy of PAN Card to the Company/Registrars and Share Transfer Agent for registration of such transfer of shares, Hence, Members holding shares in the electronic form are requested to submit their PANs to their Depository Participants with whom they maintain their Demat Accounts. Members holding shares in physical form should submit their PAN details to the Company/Registrars and Share Transfer Agents, Niche Technologies Pvt. Ltd.

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15. As per requirements of Clause 49 (IV)(G)(I) of the Listing Agreement with the Stock Exchanges, particulars relating to appointment and reappointment of Directors are given in the Corporate Governance Section of the Annual Report.
16. A member, holding shares in physical form or in dematerialized form, may choose to cast his/her vote electronically, The Company will consider votes casted through the e-Voting system while declaring the results of the voting.

17. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- III. The process and manner for remote e-voting are as under:**
- (I) (i) The remote e-voting period commences on **26th September, 2015 (10:00 am) and ends on 28th September, 2015 (5:00 pm)**. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **22nd September, 2015**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e **VALLEY MAGNESITE COMPANY LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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(xviii) Note for Institutional Shareholders & Custodians :

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

18. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at akkhandelia@rediffmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before **28th September, 2015 upto 5:00 pm** without which the vote shall not be treated as valid.
19. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **22nd September, 2015**. A person who is not a member as on Cut Off date should treat this notice for information purpose only.
20. The shareholders shall have one vote per equity share held by them as on the cut-off date of **22nd September, 2015**. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
21. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2015. and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
22. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
23. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. **22nd September, 2015**. are requested to send the written / email communication to the Company at valleymagnesite@yahoo.in by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
24. Shri Anand Khandelia, Practising Company Secretary (Certificate of Practice Number FCS 5803) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a

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fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

25. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.valleymagnesite.com and on the website of CDSL. The same will be communicated to the listed stock exchanges viz. The Calcutta Stock Exchange Ltd.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item Numbers 5

Mr. Uttam Banerjee (holding PAN ADBPB7207J) was appointed as Chief Financial Officer of the Company at a Meeting of the Board of Directors held on 31st January, 2015.

Upon implementation of the Companies Act, 2013 ('the act'), it has become mandatory to appoint a Chief Financial Officer in terms of the provisions of section 203 and other applicable provisions of the Companies Act, 2013 and Rules made there under. The Board, as its Meeting held 31st January, 2015, has appointed Mr Uttam Banerjee as a CFO with effect from 6th February, 2015. His financial back ground suits the post and board has formed an opinion that he is a person of integrity and possess relevant expertise and experience for being appointed CFO of the Company.

In view of the above position, approval of Members is sought, through Ordinary Resolutions, to formally appoint him as CFO as per Section 203 of the Act.

Item Number 6

Ms. Renuka Keswani (holding PAN ASRPR0321G) was appointed as Full time Company Secretary of the Company at a Meeting of the Board of Directors held on 15th April, 2015.

Upon implementation of the Companies Act, 2013 ('the act'), it has become mandatory to appoint a Full time Company Secretary in terms of the provisions of section 203 and other applicable provisions of the Companies Act, 2013 and Rules made there under. The Board, as its Meeting held on 15th April, 2015., has appointed Ms. Renuka Keswani as a Secretary with effect from 20th April 2015.

In view of the above position, approval of Members is sought, through Ordinary Resolutions, to formally appoint her as Secretary as per Section 203 of the Act.

Registered Office : A-402, Mangalam,
24/26 Hemanta Basu Sarani,
Kolkata- 700 001.

Dated: The 17th day of August, 2015

By order of the Board
For Valley Magnesite Co.Ltd

(Arun Kumar Agarwalla)
Managing Director
DIN: 00607272

VALLEY MAGNESITE COMPANY LIMITED

DIRECTOR'S REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their 27th Annual Report on the business and operations of the Company together with the Audited Accounts of the Company for the financial year ended March 31, 2015

FINANCIAL RESULTS

<u>PARTICULARS</u>	<u>Year ended 31st March 2015</u>	<u>Year ended 31st March 2014</u>
Profit (Loss) before Tax	(1074,770.44)	749,159.96
Provisions for Taxation		
- Current provisions	-	(142,752.00)
- Provision for deferred Tax	315,034.78	253,680.35
Profit after Tax	(761,411.66)	860,088.31
Balance Brought forward	228,14,529.63	219,54,441.32
Retained Earning on Fixed Assests	(8,143.00)	
Balance Carried forward to Balance Sheet	220,44,974.97	228,14,529.63

DIVIDEND

In order to consolidate the Company's financial position, your directors consider it prudent not to recommend dividend for the year under review.

RESERVES

No amount is proposed to carry to any reserves by the board of directors.

STATE OF COMPANY'S AFFAIR

The results for the reporting year compared with the prior year were affected mainly due to non-selling of investments, which resulted in a decline in revenues. However the market value of Current Investments are increased substantially as compared to last year

CHANGES IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company during the year.

MATERIAL CHANGES AND COMMITMENTS

There is no material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

INTERNAL CONTROL SYSTEMS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.