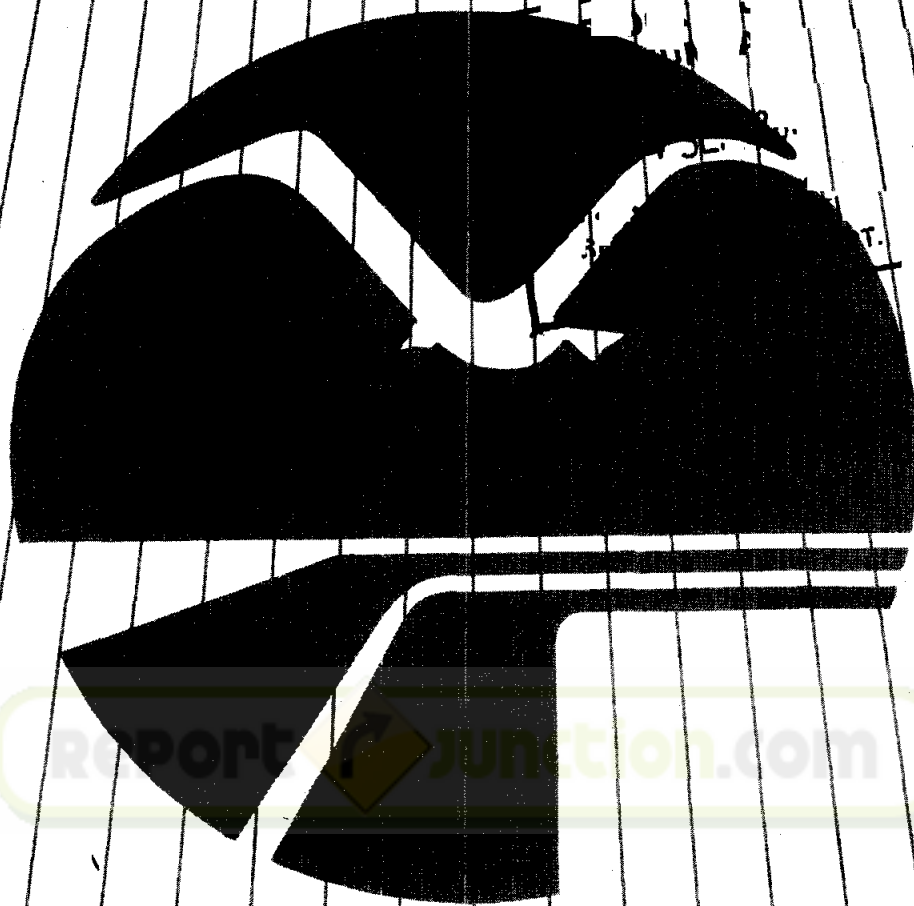


VCCL LIMITED



**FIFTEENTH ANNUAL REPORT
2000-2001**

VCCL LIMITED

BOARD OF DIRECTORS

BAL KRISHNA SHRIYA
K C AGARWAL
R K SRIVASTAVA

COMPANY SECRETARY

S K GUPTA

AUDITORS

ONKAR TANDON & CO.,
Chartered Accountants,
KANPUR

REGISTERED OFFICE

C-3, PANKI INDUSTRIAL ESTATE,
KANPUR-208 022

ADMINISTRATIVE & COMMERCIAL OFFICE

714, RAHEJA CHAMBERS,
NARIMAN POINT,
MUMBAI-400 021

WORKS

SALON,
DISTT. RAE BARELI - 229 127 (U. P.)

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VCCL LIMITED**NOTICE**

NOTICE is hereby given that Fifteenth Annual General Meeting of VCCL Limited will be held on Tuesday, the 25th September, 2001 at 10.00 A.M. at its Registered Office at C-3, Panki Industrial Estate, Kanpur-208 022 to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2001 and the Profit and Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. R K Srivastava, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and, to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT, pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Onkar Tandon & Co., Chartered Accountants of Kanpur, the retiring Auditors, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors."

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. K C Agarwal, who was appointed as an Additional Director and holds such office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member, proposing Mr. K C Agarwal's candidature for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation."

By Order of the Board of Directors

Place : Kanpur
Dated : 28th June, 2001

S K GUPTA
Company Secretary

VCCL LIMITED

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a PROXY to attend and, on a poll, to vote instead of himself. A blank form of proxy is enclosed and, if intended to be used, should be returned to the Registered Office of the Company not less than forty-eight hours before the scheduled time of the Meeting. A proxy so appointed need not be a Member.
2. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed herewith.
3. Register of Members and Share Transfer Books will remain closed from Tuesday, the 18th September, 2001 to Tuesday, the 25th September, 2001 (both days inclusive).
4. Members are requested to notify change in their address, if any, quoting their Folio Numbers to the Company at C-10, Panki Industrial Estate, Site-II, Kanpur-208 022.

EXPLANATORY STATEMENT

Pursuant to Section 173(2) of the Companies Act, 1956

Item No. 4

Board had appointed Mr. K C Agarwal as an Additional Director of the Company on 30.03.2001. Company has received a notice in writing from a member proposing the candidature of Mr. K C Agarwal for the office of Director under Section 257 of the Companies Act, 1956. Resolution contained at Item No. 4 of the accompanying Notice is commended by the Board for your approval.

None of the Directors of the Company except Mr. K C Agarwal, is in any way, concerned or interested in the passing of the said resolution.

By Order of the Board of Directors

Place : Kanpur
Dated : 28th June, 2001

S K GUPTA
Company Secretary



VCCL LIMITED**DIRECTORS' REPORT**

To
The Members,

Your Directors present their Fifteenth Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2001.

During the year under review, your Company incurred a loss of Rs. 74.69 lakhs before extra-ordinary items and net loss of Rs. 33.30 lakhs after these adjustments.

Mr. R K Srivastava retires by rotation and, being eligible, offers himself for re-appointment.

During the year under review, Mr. M R B Punja and Mr. Deepak Singhanian resigned from the Directorship of the Company. During the current year, UTI has withdrawn its nominee Mr. S C Dikshit from the Board of the Company. Mr. K C Agarwal joined the Board as Additional Director on 30.03.2001. A notice has been received u/s 257 of the Companies Act, 1956 for the appointment of Mr. K C Agarwal as Director. Board expresses its gratitude to the outgoing Directors and welcomes the new Director.

Pursuant to Section 217 (2AA) of the Companies Act, 1956 pertaining to Directors' Responsibility Statement, the Directors confirm :

- i) that in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2001, the applicable Accounting Standards had been followed alongwith proper explanation relating to material departures;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgements 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 loss of the Company for the year under review;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

- iv) that the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2001 on a going concern basis.

M/s. Onkar Tandon & Co., Chartered Accountants, retire as Auditors at the ensuing Annual General Meeting and are eligible for re-appointment.

In respect of the observations made by the Auditors in their report, your Directors wish to state that the respective Notes to the Accounts are self explanatory and do not call for any further comments.

There is no employee whose particulars are required to be furnished in terms of Section 217(2A) of the Companies Act, 1956 and rules made thereunder.

Since the Company's manufacturing operations continue to remain suspended during the year under review, there was no conservation of energy and technology absorption. Your Company also did not earn and use any foreign exchange.

The Equity Shares of your Company are listed at the following Stock Exchanges :

- The U.P. Stock Exchange Association Ltd., Kanpur
- The Delhi Stock Exchange Association Ltd., New Delhi
- The Stock Exchange, Mumbai
- The Stock Exchange, Ahmedabad

The Company confirms that it has paid the Annual Listing Fee to all the above Stock Exchanges for the year 2001-2002.

Your Directors acknowledge co-operation extended by the Central / State Government Authorities and Shareholders.

For and on behalf of the
Board of Directors

B K SHRIYA
K C AGARWAL
Directors

Place : Kanpur
Dated : 28th June, 2001