

# **VCCL LIMITED**



**TWENTY SIXTH ANNUAL REPORT  
2011-2012**



## BOARD OF DIRECTORS

RAM KUMAR SRIVASTAVA,	<i>Director</i>
RAVINDRA KUMAR CHADHA,	<i>Director</i>
GOPI KRISHNA MALVIYA,	<i>Director</i>
HARI MOHAN KAPOOR,	<i>Director</i>

## COMPANY SECRETARY & COMPLIANCE OFFICER

VIMAL PRASAD GUPTA

## AUDITORS

ONKAR TANDON & CO.  
*Chartered Accountants,*  
KANPUR- 208 001. (U.P.)

## REGISTERED OFFICE

C-3, Panki Industrial Estate, Site-I,  
KANPUR - 208 022. (U.P.)

## ADMINISTRATIVE & COMMERCIAL OFFICE

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

## WORKS

Salon,  
District - Chhatrapati Shahuji Maharaj Nagar,  
PIN - 229 127. (U.P.)

## REGISTRAR AND SHARE TRANSFER AGENT

ALANKIT ASSIGNMENTS LIMITED  
RTA Division,  
2 E/21, Jhandewalan Extension,  
NEW DELHI - 110 055.

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# VCCL LIMITED

## NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of VCCL Limited will be held on Saturday, 29<sup>th</sup> September, 2012 at 3.00 P.M. at its Registered Office at C-3, Panki Industrial Estate, Site-I, Kanpur - 208 022 (U.P.) to transact the following businesses:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 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. Ram Kumar Srivastava, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ravindra Kumar Chadha who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to 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 all other applicable provisions, if any, of the Companies Act, 1956, M/s. Onkar Tandon & Co., Chartered Accountants, (Firm Registration No. 000953C) of Kanpur (U.P.), the retiring Auditors, be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors.”

By Order of the Board of Directors  
**For VCCL Limited**

**Vimal Prasad Gupta**  
Company Secretary &  
Compliance Officer

Place: Kanpur  
Dated: 26<sup>th</sup> May, 2012

### NOTE(S):

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF / HERSELF. A BLANK FORM OF PROXY IS ENCLOSED WHICH, IF INTENDED TO BE USED, SHOULD BE RETURNED DULLY FILLED, STAMPED AND SIGNED 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. Information as per Clause 49 of the Listing Agreement regarding appointment / re-appointment of Directors (for Item Nos. 2 & 3) is annexed herewith.
3. The Register of Members and the Share Transfer Books will remain closed from Saturday, the 22<sup>nd</sup> September, 2012 to Saturday, the 29<sup>th</sup> September, 2012 (both days inclusive).
4. Pursuant to SEBI circular No. D&CC/FITTC/CIR-15/2002 dated 27.12.2002 and 12.02.2003, regarding maintenance of whole Share Registry work at a single point, the Company has appointed **M/s Alankit Assignments Limited**, RTA Division, 2E/21, Jhandewalan Extension, New Delhi-110 055, as its Registrar & Share Transfer Agent for whole share transfer and demat work. Shareholders are requested to write to M/s Alankit Assignments Limited for any work/queries related to Shares.
5. Members holding shares in physical form are requested to notify changes in their address(es), if any, to M/s Alankit Assignments Limited, quoting their folio number(s), while those holding in the electronic mode are requested to send the intimation for change of addresses to their respective Depository participant(s) of Central Depository Services (India) Limited.
6. Company's Shares are being compulsorily traded in Demat form w.e.f. 2<sup>nd</sup> January, 2002. Members are requested to send Dematerialization Request Form (DRF) along with Share Certificates through Depository

Participant(s) of Central Depository Services (India) Limited (CDSL) for Demat of Shares to M/s Alankit Assignments Limited. The ISIN of the Equity Shares of the Company is 'INE460E01010'.

7. Members seeking any information with regard to Annual Accounts are requested to write to the Company at least one week in advance so as to enable the Company to keep information ready at the time of Annual General meeting.
8. Only Individual Members/Shareholders, who wish to nominate a person under section 109A of the Companies Act, 1956, may furnish required details to M/s Alankit Assignments Limited, in the prescribed Form 2B, which is available on demand.
9. Members / Proxies should bring the attendance slips duly filled in, for attending the meeting.

**INFORMATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING RE-APPOINTMENT OF DIRECTORS:**

**Item No. 2**

Mr. Ram Kumar Srivastava, M.A., LL.B., D.LL., age 73 years, has a vast experience of about 49 years in various areas of Business Management. He is the Director of the Company since 29<sup>TH</sup> June, 2000.

He is Chairman of Share Transfer & Shareholders / Investors' Grievance Committee & Sub-Committee of Directors of the Company.

He holds 100 Equity Shares of the Company.

He is also Whole-time Director in LML Limited and member in Risk Management Committee of LML Limited.

Resolution contained at Item No. 2 of the accompanying Notice, is recommended by the Board for your approval.

None of the Directors of the Company except Mr. Ram Kumar Srivastava, is in any way, concerned or interested in the passing of the said resolution.

**Item No. 3**

Mr. Ravindra Kumar Chadha a commerce graduate, age 60 years, has experience of about 38 years in Accounts and Finance.

He is holding the Directorship in three other Public Limited companies. He does not hold any shares of the Company.

He is also Chairman of Audit Committee and member of Share Transfer & Shareholder/Investor Grievances Committee and Sub Committee of Directors of the Company.

Resolution contained at Item No. 3 of the accompanying Notice, is recommended by the Board for your approval.

None of the Directors of the Company except Mr. Ravindra Kumar Chadha, is in any way, concerned or interested in the passing of the said resolution.

By Order of the Board of Directors  
**For VCCL Limited**

**Vimal Prasad Gupta**  
*Company Secretary &  
Compliance Officer*

Place: Kanpur  
Dated: 26<sup>th</sup> May, 2012

# **VCCL LIMITED**

## **DIRECTORS' REPORT**

To

The Members

Your Directors have pleasure in presenting the Twenty Sixth Annual Report together with Audited Statement of Accounts for the financial year ended 31<sup>st</sup> March, 2012.

### **Operations**

During the year under review, your Company's operation remained suspended.

### **Dividend**

Due to suspension of operation of the Company your Directors regret their inability to recommend any dividend for the year.

### **Management Discussion and Analysis Report**

The Company is exploring various possibilities regarding the matter of resources/assets including but not limited to lease/sale of the assets of the Company as has been already approved by the shareholders earlier.

### **Corporate Governance**

Your Company has been practicing the principles of good corporate governance. The Board of Directors supports the principles of corporate governance. In addition to the basic governance issues, the Board lays emphasis on transparency, accountability and integrity.

Formal detailed report on Corporate Governance and also Certificate of the Auditors of your Company regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement(s) with Stock Exchanges, are enclosed.

### **Directorate**

Mr. Ram Kumar Srivastava & Mr. Ravindra Kumar Chadha retire by rotation and, being eligible, offer themselves for re-appointment. Board of Directors recommend their reappointment as Director of the Company.

### **Directors' Responsibility Statement**

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

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) that they have 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 L/c Company at the end of the financial year and of the losses of the Company for that period;
- c) that they 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
- d) that they have prepared the annual accounts on a going concern basis.

### **Auditors and their Report**

M/s Onkar Tandon & Co., Auditors of the Company, are retiring at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

In respect of the observation 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.

## Cost Audit

In view of the suspension of manufacturing operations during the year, no records under section 209 (1)(d) of the Companies Act, 1956 were required to be maintained. We have secured the approval regarding exemption from the Cost Audit u/s 233B of the Companies Act, 1956, from Ministry of Corporate Affair, Cost Audit Branch.

## Loans and Advances

The Company does not have any subsidiary and no loans and advances have been made by the Company to its associates, as required to be disclosed under Clause 32 of the Listing Agreement with Stock Exchanges.

## Personnel

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.

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

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.

## Stock Exchange Listings

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

- BSE Limited, Mumbai.
- U.P. Stock Exchange Limited, Kanpur.

The Company confirms that it has paid the Annual Listing Fee to BSE Limited, Mumbai and U.P. Stock Exchange Limited, Kanpur.

## Acknowledgement

Your Directors appreciate the valuable co-operation extended by the Central and State Government Authorities for their continued assistance, guidance and support. Your Directors are also grateful to the Shareholders and general public for their support and confidence reposed in the management.

For and on behalf of the Board of Directors

**For VCCL LIMITED**

Place : Kanpur

Dated : 26<sup>th</sup> May, 2012

**Ravindra Kumar Chadha    Ram Kumar Srivastava**

*Director*

*Director*

## CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a report on Corporate Governance is given below:

### I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the combination of voluntary practices & compliance with laws & regulations leading to effective control & management of Company. Good Corporate Governance leads to long term shareholder value & enhances interest of other stakeholders.

The Company's philosophy on Corporate Governance embraces a frame work & implementation of systems & practices with an emphasis on transparency, accountability & integrity.

### II. BOARD OF DIRECTORS

#### Composition of Board

The Board of Directors of the Company, headed by a Non-Executive Chairman, consists of following Directors, all being Independent & non-executive, as on 31.03.2012 categorized indicated as under:-

Name	Status	No. of Directorships and Committee Memberships / Chairmanships of other public companies		
		Other Directorships	Committee Memberships	Committee Chairmanships
Mr. R K Srivastava	Independent & Non-Executive	1	1	–
Mr. R K Chadha	Independent & Non-Executive	3	–	–
Mr. G K Malviya	Independent & Non-Executive	–	–	–
Mr. H M Kapoor	Independent & Non-Executive	–	–	–

#### Directors' Attendance at Board/Shareholders' Meeting(s)

Four Board Meetings were held during the financial year 2011-12. These meetings were held on 18<sup>th</sup> May, 2011, 5<sup>th</sup> August, 2011, 5<sup>th</sup> November, 2011 and 6<sup>th</sup> February, 2012. The attendance record of all the Directors at the Board Meeting and the last AGM held on 28<sup>th</sup> September, 2011 was as under:

Name	No. of BOD Meetings attended	Attended last AGM
Mr. R K Srivastava	4	Yes
Mr. R K Chadha	4	Yes
Mr. G K Malviya	4	Yes
Mr. H M Kapoor	4	Yes

#### Directors' Remuneration

The details of Remuneration paid to the directors during the year were as under:

Name	Gross Remuneration (Rs.)	Sitting Fee (Rs.)	Total (Rs.)
Mr. R K Srivastava	–	–	–
Mr. R K Chadha	–	–	–
Mr. G K Malviya	–	12000.00	12000.00
Mr. H M Kapoor	–	8000.00	8000.00

#### Board Procedure

As per Corporate Policy, most of the statutory and material information are placed before the Board with a view to enable it to discharge efficiently its responsibilities in formulating the strategies and policies for the growth of the Company. The Agenda and other relevant papers were circulated ahead of the scheduled dates of the meetings. Opinions and advice of the Independent & Non-Executive Directors are considered valuable guidance. For specific matters, there exist committees of the directors to deliberate in detail, analyze situations, firm up views & advise the Board on decision making & follow up actions as may be considered appropriate.