

26th Annual Report 2012 - 2013

**Vaishno Cement
Company Ltd.**

VAISHNO CEMENT COMPANY LTD.

BOARD OF DIRECTORS

| | |
|---------------------|----------------------|
| R. K. Jaiswal | Chairman |
| Pramod Agarwal | Independent Director |
| Rama Shankar Thakur | Independent Director |

COMPLIANCE OFFICER

Mr. Chandresh N. Shah

AUDITORS

M/s. Anil Sanklecha & Co.
Chartered Accountants

BANKERS

State Bank of India

REGISTERED OFFICE

Vaishno Chambers
6, Brabourne Road
Kolkata-700 001.

ANNUAL GENERAL MEETING

Date : 27th September, 2013
Time : 11.30 A.M.
Venue : Vaishno Chambers
6, Brabourne Road
Kolkata-700 001

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C O N T E N T S

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

NOTICE

Notice is hereby given that the 26th Annual General Meeting of the members of **VAISHNO CEMENT COMPANY LIMITED** will be held on Friday, 27th September, 2013 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 2013.
2. To appoint Director in place of Mr. Rama Shankar Thakur, who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and thought fit, to pass, with or without modification(s), the following Resolution, as an Ordinary Resolution:

"RESOLVED THAT M/s. Rishikesh Mishra & Associates, Chartered Accountants, Mumbai, be and is hereby reappointed as Auditor of the Company from the conclusion of this General Meeting and until the conclusion of the next Annual General Meeting and that the Board of Directors /Audit Committee of Directors of the Company be and is hereby authorized to fix their remuneration plus reimbursement of any out-of-pocket expenses that may be incurred, in connection with the audit."

4. M/s. Rishikesh Mishra & Associates have intimated the Company that, if reappointed, their appointment will be within the limit laid down under section 224 of the Companies Act, 1956.

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. 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.
3. The Register of Member and the Share Transfer Books of the Company will remain closed from 20th September 2013 to 27th September 2013 (both days inclusive).
4. A detail of Director seeking re-appointment in this Annual General Meeting is given in the "Shareholders' Information" section of Annual Report.
5. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id vaishno.cement@gmail.com for quick and prompt redressal of their grievances.
6. The Shares of the Company are mandated by the Securities & Exchange Board of India

(SEBI) for trading in dematerialized form by all investors.

7. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL. Such Members are advised to bring the relevant identity card issued by the Depository Participant to the Annual General Meeting.
8. 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. Members are requested to intimate change in their address immediately to M/s S. K. Computers, the Company's Registrar and Share Transfer Agents, at their office at 34/1A, Sudhir Chatterjee Street, Calcutta - 700 006.
9. Members are requested to intimate change in their address immediately to M/s S. K. Computers, the Company's Registrar and Share Transfer Agents, at their office at 34/1A, Sudhir Chatterjee Street, Calcutta - 700 006.
10. 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 M/s S. K. Computers, Registrar and Share Transfer Agents of the Company, at their address given above.
11. 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.
12. Members holding shares in physical form and wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed form (form 2B) to M/s S. K. Computers, Registrar and Share Transfer Agents of the Company, at their address given above or to the Compliance Officer at the Registered Office of the Company.
13. Members are requested to bring copies of Annual Report to the Annual General Meeting.
14. Members/Proxies should bring the attendance slip duly filled in and signed for attending the meeting.
15. Members are requested to quote Folio Number/DP ID & Client ID in their correspondence.
16. The Equity shares of the Company are listed on BSE, CSE, DSE & JSE and Listing Fees for the financial year 2012-2013 have been paid to BSE.

Details of Director seeking re-appointment in the 26th Annual General Meeting on 27th September 2013 (in term of Clause 49 of the Listing Agreement)

| | |
|--|--|
| Mr. Ramashankar Thakur | |
| Fathers' Name | Pradhyumna Thakur |
| Date of Birth | 2nd January 1959 |
| Date of Appointment | 1st October 2002 |
| Expertise in specific functional areas | Rich experience in the field of Housing and Cement Industries, Capital Market related activities Business strategy, Corporate Restructuring, Financial and Tax Planning etc. |
| Years of Experience | 28 Years |
| Qualifications | Graduate |
| List of outside Directorship held in other Listed Cos. | Not Any |
| Member of Committee on the Board | Chairman - Audit Committee Member - Investor Grievance & Share Transfer Committee |
| Member/Chairman of Committee in other Companies | Not Any |
| No. of Shares held in own name or in the name of Relatives | Not Any |

Kolkata, May 30, 2013

By order of the Board
For **Vaishno Cement Company Ltd.**

Registered Office :

Vaishno Chambers
6, Brabourne Road
Kolkata-700 001

R. K. JAISWAL
Chairman

DIRECTORS' REPORT

To The Members,

Your Directors have pleasure in presenting the 26th Annual Report of your Company together with the Audited Statements of Accounts for the year ended 31st March 2013.

(` in Lacs)

| Financial Results | Year Ended 31.03.2013 | Year Ended 31.03.2012 |
|---|--------------------------|--------------------------|
| Income | 19.58 | 7.33 |
| Profit before Tax & extraordinary item | 1.06 | 3.12 |
| Less : Provision for Taxation | 0.35 | 0.94 |
| Profit after Tax | 0.71 | 2.18 |
| Add: Profit/(Loss) brought forward from Previous Year | -882.64 | -884.82 |
| Balance carried forward | -881.93 | -882.64 |

OVERVIEW OF ECONOMY

According to the latest estimates, Indian Economy grew by 5% in FY 2013, reflecting lower than expected growth in both industry and services sectors. Inflation also was at elevated levels. However with commodity and crude oil prices on the decline from the peak and with various policy initiatives coming through, the Economy is estimated to grow by around 6% in FY2014 with lower Inflation.

OVERALL PERFORMANCE & OUTLOOK

During financial year 2012-2013, there were almost nil business activities apart from doing investment activities in shares and securities.

Your Company was in the business of cement manufacturing which was apparently shut down due to lack of working capital as well as looking to the requirements of new machineries, for which the Company is not having enough financial strength.

The PBT of the Company stood at ` 19.58 Lac in comparison to last years' figure of ` 3.12 Lac whereas PAT stood at ` 1.06 Lac in comparison to last years' figure of ` 2.18. During the year the Company has paid sum of ` 12.64 Lac towards re-instatement fees to BSE for revocation of suspension from trading in its' Equity Shares and this amount is included as expenses while determining PAT for the year.

The Company is looking for financing from Bank, Financial Institutions or HNIs who can invest in the Company and from this funding, Company can revive and can do better in coming years. The Company is trying hard to bring working capital in order restart business activities or can think of entering into new businesses.

DIVIDEND

As there were no business activities during the year and due to carried forward losses, the Company do not recommends any dividend during the year under review.

SUBSIDIARY COMPANY

The Company does not Subsidiary Company.

MANAGEMENT DISCUSSION & ANALYSIS

As required by Clause 49 of Listing Agreement, the Management Discussion and Analysis is annexed and forms part of the Directors' Report.

MANAGEMENT

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

DIRECTORS

There is no change in composition of Board 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 2013, 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.

STATUTORY INFORMATION

The Company being basically in the business of Capital & Money Market, requirement, regarding and disclosures of Particulars of conservation of energy and technology absorption prescribed by the rule is not applicable to us.

INFORMATION TECHNOLOGY

Your Company believes that in addition to progressive thought, it is imperative to invest in Information and Technology to ascertain future exposure and prepare for challenges. In its

endeavor to obtain and deliver the best, your Company has invested its money for acquiring latest Computer hardware and software.

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

AUDITORS

Existing Auditors M/s Anil Sanklecha & Co., who are retiring in ensuring Annual General Meeting have expressed their un-willingness to re-appoint as Auditors of the Company.

In place of existing Auditors, the Board has appointed M/s Rishikesh Mishra & Associates, Chartered Accountants, Mumbai for financial year 2013-2014. Your Company has received certificate from the Auditors u/s 224(1B) of the Companies Act, 1956 to the effect that their appointment 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

People are the backbone of our operations. It is a matter of great satisfaction for our Company that our employees have been very supportive of the Company's plan. By far the employee's relations have been cordial throughout the year.

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 commission agent 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.

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

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.

REPORT ON CORPORATE GOVERNANCE

The Company conforms to the norms of Corporate Governance as envisaged in the Companies Act, 1956 and the Listing Agreement with the Stock Exchanges. Pursuant to Clause 49 of the Listing Agreement, a Report on the Corporate Governance and the Auditors Certificate on Corporate Governance are annexed to this report.

APPRECIATION

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and members for their continued support and confidence in the Company.

Kolkata, May 30, 2013

By order of the Board
For **Vaishno Cement Company Ltd.**

Registered Office :

Vaishno Chambers
6, Brabourne Road
Kolkata-700 001

R. K. JAISWAL
Chairman

MANAGEMENT DISCUSSION & ANALYSIS

MACRO ECONOMIC ENVIRONMENT

The year 2012 had been a year of slow growth world over and as per IMF forecast Global Economy is likely to show a growth of 3.3% during 2013 as compared to growth of 3.2% during 2012. The Global Economies witnessed a subdued growth with diverging growth paths across major economies. US economy which has registered a modest recovery is again subject to the adverse impact of the budget sequestration which will gradually gain pace during 2013. Japan's economy has shown signs of improvement on account of monetary and fiscal stimulus undertaken. The sovereign debt crises and the danger of a banking system meltdown in peripheral euro zone countries coupled with contraction in its major economies like Germany has resulted in negative growth in Euro zone.

The growth in the Emerging Market Economies which are viewed as growth engines of the world economy world over; have also slowed down with Brazil and South Africa registering accelerated growth where as Russia, China and India recorded a lower growth.

According to the Central Statistics Office's advance estimate of GDP growth, Indian Economy is expected to grow at 5% during the year 2012-13 as compared to a growth of 6.21% registered during 2011-12. This has been mainly on account of weak industrial activity compounded by domestic supply bottlenecks and slackening of external demand. This has also slowdown the growth in the service sector which has been the main driver of the growth.

The Reserve Bank of India in order to strike a balance in growth- inflation dynamics have initiated various measures during 2012-2013 to provide greater liquidity to financial system. This has resulted in moderating the headline inflation within its acceptable level. The food inflation as measured by new combined (rural and urban) consumer price index (CPI) remains in double digit is a cause of concern. The measures initiated are expected to result in moderate growth in GDP in the second half of 2013-2014.

REVIEW OF OPERATIONS

During the Financial Year 2012-2013, the Company registered a gross income of ` 19.58 Lac as compared to ` 7.33 Lac in previous financial year. PBT Margin during the year remains ` 1.06 Lac in comparison to last years' figure of ` 3.12 Lac whereas Net Profit remains at ` 0.71 Lac in comparison to last years' figure of ` 2.18 Lac.

BUSINESS SEGMENT

The Company was in no business during the year under review apart from some broking activities of Buy/Sale of Land & Buildings and thus unable to comment exactly on the topic.

OPPORTUNITIES & THREATS

The Fundamental drives of India's medium term growth prospects remain intact. However, global developments, in conjunction with Indian Policy responses to the concerns noted above, are likely to make 2012-2013 a challenging year.

Global economic and financial conditions can be expected to remain adverse for some time, particularly in the aftermath of Japan's natural disaster. Once the current financial year and commodity volatility subsides, deeper structural factors are likely to slow down economic