



VAISHNO CEMENT COMPANY LIMITED

2022-2023



**THIRTY SIXTH
ANNUAL REPORT**

VAISHNO CEMENT COMPANY LIMITED
CIN L26942WB1992PLC057087

DIRECTORS` REPORT

Dear Members,

The Board of Directors of Vaishno Cement Company Limited are pleased to present the 36th Annual Report for the Financial Year ended 31st March, 2023, together with the Auditors' Report and Audited Accounts for the Financial Year 2022-2023.

FINANCIAL RESULTS:

The summarized performance of the Company for the Financial Years 2022- 2023 and 2021- 2022 are as under:

| | (Amount Rs.) | |
|----------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| | Year ended 31 st March, 2023 | Year ended 31 st March, 2022 |
| Income | 0.00 | 0.00 |
| (Loss) / Profit before Finance Cost, Depreciation and Taxation | (05.16) | (06.92) |
| Less: Provision for Taxation | 0.00 | 0.00 |
| Add /(Less): Extra Ordinary Items | 0.00 | 0.00 |
| Profit/ (Loss) after Tax | (05.16) | (06.92) |

FINANCIAL PERFORMANCE:

During the year under review, your Company recorded Loss of Rs. (5,15,936/-).

DIVIDEND & RESERVES:

The Board of Directors of your Company has decided not to declare any Dividend during the Financial Year in view of loss during the year and absence of accumulated profits.

CHANGES IN SHARE CAPITAL:

There has been no change in the equity share capital of the Company during the Financial Year under review.

PUBLIC DEPOSITS:

Your Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

Your Company do not have any Subsidiary Company, Joint Venture or Associate Companies as on the date of the Balance Sheet.

LISTING:

The equity shares of the Company are presently listed on The Calcutta Stock Exchange Ltd. and Bombay Stock Exchange Limited (ISIN INE116E01018) and the listing fees on the said Stock Exchange for the Financial Year 2021- 2023 have not been paid.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis report for the year under review, as stipulated under SEBI(LODR) Regulations, 2015 is set out in the annexure A forming part of the Annual Report

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed of during each Calendar year:

- No. of complaints received: Nil
- No. of complaints disposed of: Nil

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Since your Company does not fall under the threshold laid down in section 135 of the Companies Act, 2013, the provision

of section 134(3)(o) of the Companies Act, 2013 is not applicable and no disclosure is required by the Board.

CORPORATE GOVERNANCE REPORT

Since the paid-up share capital of your Company and its net-worth was below the prescribed limit as per the regulation 15 of SEBI (LODR), Corporate Governance is not mandatory on the Company during the financial year 2021-2023 and accordingly, a separate section on Corporate Governance, is not attached herewith.

DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 of the Act and the Company's Article of Association, Mr. Jatin Nanji Chheda (DIN: 09342630) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself re-appointment in compliance with provisions of Companies Act, 2013.

As per provisions of Section 149 of the 2013 Act, independent directors shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment for another term up to five years on passing of a special resolution by the company and disclosure of such appointment in Board's Report. Further Section 152 of the Act provides that the Independent Directors shall not be liable to retire by rotation in the Annual General Meeting ('AGM') of the Company.

Details of Directors / KMP appointed and resigned during the year

| Name | Designation | Date of Appointment | Date of Resignation |
|------------------------------|----------------------------|--------------------------------|--------------------------------|
| Sonal Atal | Women Director | 1 st October, 2021 | 3 rd November, 2022 |
| Suman Das | Independent Director | 18 th January, 2022 | - |
| Rajeswari Bangal | Independent Director | 18 th January, 2022 | - |
| Jayita Bagchi | Independent Women Director | 3 rd November, 2022 | - |
| Namrata Gunaji Medhekar | Independent Director | 3 rd November, 2022 | - |
| Prathamesh Ganpat Manjarekar | Independent Director | 3 rd November, 2022 | - |
| Rohit Prakash Kankekar | Independent Director | 3 rd November, 2022 | - |
| Prakash Pandurang Kankekar | Independent Director | 3 rd November, 2022 | - |
| Jagrati Suhalka | Company Secretary | 21 st August, 2020 | 7 th January, 2023 |

PARTICULARS OF EMPLOYEES:

None of the employees of the Company attract the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the year under report and therefore no disclosure needs to be made under the said provision.

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DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 of the Companies Act, 2013 the Board of Directors hereby state and confirm that: -

- ❖ In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ❖ The Directors had selected such accounting policies and applied consistently and have 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 as at 31.03.2023 and of the profit of the Company for the year ended 31.03.2023;
- ❖ 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;
- ❖ The Directors had prepared the annual accounts on a going concern basis;
- ❖ The Directors, had laid down Internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- ❖ The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS OF BOARD MEETINGS:

During the Financial Year under review, four (4) meeting of Board of Directors were held i.e., on 06/05/2022, 17/08/2022 03/11/2022 & 07/01/2023 and its details are as follows:

| Name of Directors | No.of Board Meeting(s) attended |
|------------------------------|---------------------------------|
| Prakash Pandurang Kankekar | 2/4 |
| Jatin Nanji Chheda | 4/4 |
| Suman Das | 4/4 |
| Prathamesh Ganpat Manjarekar | 2/4 |
| Nabin Kumar Jain | 4/4 |
| Jagrati Suhalka | 4/4 |

The Company has duly complied with the provisions related to Notice, Minutes and Meetings as prescribed under the Companies Act,2013 and Rules made thereunder, if any.

COMMITTEES OF BOARD:

• **AUDIT COMMITTEE:**

In compliance with the provisions of section 177 of the Companies Act,2013 and relevant rules made thereunder, the Company has constituted the Audit Committee and the Audit Committee of the Board of Directors met four times on 28/05/2022, 12/08/2022, 12/11/2022/ & 14/02/2023 during the financial year under review.

| Name of Directors | Chairman/ Members | No.of Board Meeting(s) attended |
|------------------------------------------------------|-------------------|---------------------------------|
| Nabin Kumar Jain | Chairman | 4/4 |
| Jayita Bagchi (appointed w.e.f 03/11/2022) | Members | 2/4 |
| Rajeshwari Bangal | Members | 4/4 |
| Rohit Prakash Kankekar (appointed w.e.f 03/11/2022) | Members | 2/4 |
| Namrata Gunaji Medhekar (appointed w.e.f 03/11/2022) | Members | 2/4 |

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• ***NOMINATION AND REMUNERATION COMMITTEE:***

In compliance with the provisions of section 178 of the Companies Act, 2013 and relevant rules made thereunder, the Company has constituted the Nomination and Remuneration Committee and the details of composition of the Nomination and Remuneration Committee of the Board of Directors are as under and the Committee met one time on 29/09/2022 during the year under review:

| Name of Directors | Chairman/ Members | No.of Board Meeting(s) attended |
|--------------------|-------------------|---------------------------------|
| Nabin Kumar Jain | Chairman | 1/1 |
| Jatin Nanji Chheda | Members | 1/1 |
| Rajeshwari Bangal | Members | 1/1 |

• ***STAKEHOLDERS RELATIONSHIP COMMITTEE:***

In compliance with the provisions of section 178 of the Companies Act, 2013 and relevant rules made thereunder, the Company has constituted the Stakeholders Relationship Committee and the details of composition of the Stakeholders Relationship Committee of the Board of Directors are as under and Committee met four times on 12/04/2022, 18/07/2022, 18/10/2022 & 18/01/2023 during the financial year under review.

| Name of Directors | Chairman/ Members | No.of Board Meeting(s) attended |
|------------------------------------------------------|-------------------|---------------------------------|
| Nabin Kumar Jain | Chairman | 4/4 |
| Jayita Bagchi (appointed w.e.f 03/11/2022) | Members | 1/4 |
| Namrata Gunaji Medhekar (appointed w.e.f 03/11/2022) | Members | 1/4 |
| Sonal Atal (Resigned w.e.f 03/11/2022) | Members | 3/4 |
| Rohit Prakash Kankekar (appointed w.e.f 03/11/2022) | Members | 1/4 |

There were no Complaints from the Investors received by the Board during the period under review.

DECLARATION BY INDEPENDENT DIRECTOR:

Mr. Nabin Kumar Jain, Mr. Suman Das, Ms. Sonal Atal, & Ms. Rajeswari Bangal are the Independent Directors on the Board of your Company and they fulfill the conditions of Independence specified in Section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet with the requirement of the Listing Agreement entered into with the Stock Exchanges. A format letter of appointment to Independent Director as provided in Companies Act, 2013 and the repealed Listing Agreement has been issued and disclosed on the website of the Company viz. www.vaishnocement.com. Further, the Independent Directors of your Company, in the meeting held on 14.02.2023 has reviewed performance evaluation of Non-Independent Directors of the Company and other agendas in line with the requirement of the Listing Agreement read with applicable provisions of Schedule IV of the Companies Act, 2013 were transacted thereat.

EXTRACT OF ANNUAL RETURN:

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is enclosed as Annexure B.

SECRETARIAL AUDIT:

In terms of Section 204 of the Act and Rules made there under, Ms. Manisha Lath, Practicing Company Secretary, had been appointed Secretarial Auditor of the Company. The Secretarial Audit Report, enclosed as Annexure C is self-explanatory and does not call for any further comments.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Your Company has not given any loan, guarantee and no investments were made during the year under review.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM SYSTEM:

The Company as per the section 177 of the Companies Act, 2013 and applicable clause of the Listing Agreement formulated the Vigil (Whistle Blower) Mechanism which aims to provide a channel to the Directors and employees to report to the management instances of unethical behavior, actual or unsuspected fraud or violation of the Company's code of conduct. The policy provides adequate safeguard against victimization of employees and Directors who avail of Whistle Blower/Vigil Mechanism and also provide for direct access to the Chairman of the Audit Committee etc.

RELATED PARTY TRANSACTIONS:

There were no related party transactions during the financial year ended 31.03.2023. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Further, there are no materially significant related party transactions during the Financial Year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Committee. The Board of Directors expressed their satisfaction with the evaluation process.

COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Committee of the Board has formulated the Nomination and Remuneration Policy, which broadly laid down the various principles for selection, appointment and payment of remuneration. The said policy provides the procedure for selection and appointment of Board Members, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company along with detailed framework for remuneration to be paid to the members of the Board of Directors, Key Managerial Personnel (KMPs) and the Senior Management Personnel (SMPs) of the Company. The Nomination and Remuneration Committee identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decide on the selection of the appropriate member. The Committee along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The Board members should be qualified, independent and have positive attributes. Brief aforesaid Policy has been produced as hereunder:

- (i) The remuneration policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board and other executive level.
- (ii) The remuneration policy seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder's interests, industry standards and relevant Indian corporate regulations.
- (iii) The remuneration policy will ensure that the interests of the Board members & senior executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the Company and will be consistent with the "pay-for-performance" principle.
- (iv) Remuneration package largely consists of basic remuneration, perquisites, allowances and performance incentives. The components of remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by his individual performances, etc.

INTERNAL FINANCIAL CONTROL:

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. Efforts are

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made by the management to maintain a sound financial and commercial practice capable of improving the efficiency of the operations and sustainability of the business. The system ensures that all the assets are safeguarded and protected against loss from unauthorized use or disposition and those are authorized, recorded and reported correctly. All operating parameters are monitored and controlled. The Audit Committee of the Board of Directors also reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them, from time to time.

RISK MANAGEMENT POLICY:

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximise the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations

CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

As required under Section 134(3)(m) of the Companies Act, 2013 read with the and Rule 8(3) of Companies (Accounts) Rules, 2014 the Company has no activity involving conservation of energy or technology absorption, foreign exchange earnings and outgo.

BUSINESS RESPONSIBILITY REPORTING:

The Business Responsibility Reporting as required by Regulation 34 of the SEBI Listing Regulation is not applicable to your Company for the financial year ended March 31st, 2023.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors, Officers and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors, Officers and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board of Directors and the designated employees have confirmed compliance with the Code.

ACKNOWLEDGEMENT:

Your directors wish to place on record their appreciation of the contribution of employees at all levels. Your directors also take this opportunity to thank the Company's Bankers, Shareholders and all others concerned for their valuable support and co-operation extended to the Company.

Place: Kolkata

Dated: 30th day of May, 2023

For and on behalf of the Board

S/d

**Jatin Nanji Chheda
Wholetime Director
DIN: 09342630**

For and on behalf of the Board

S/d

**Rajeswari Bangal
Director
DIN: 09440356**

MANAGEMENT DISCUSSIONS & ANALYSIS**1) Industry structure and developments**

India's development and construction industry will continue to expand over the forecast period (2017–2023), with investments in infrastructure, residential and energy projects continuing to drive growth. Various government flagship programs – including 100 Smart Cities Mission, Housing for All, Atal Mission for Urban Rejuvenation and Transformation (AMRUT), Make in India and Power for All – will be the growth drivers. Due to industrialization, urbanization, a rise in disposable income and population growth the demand for construction services is set to rise. Government efforts to improve the country's residential and transport infrastructure will also support growth.

2) Opportunities and Threats

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The Government of India has introduced several reforms to liberalize, regulate and enhance this industry. The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs). These measures include launching Credit Guarantee Fund Scheme for Micro and Small Enterprises, issuing guideline to banks regarding collateral requirements and setting up a Micro Units Development and Refinance Agency (MUDRA). With a combined push by both government and private sector, India is undoubtedly one of the world's most vibrant capital markets.

Threats

Indian money market is relatively underdeveloped when compared with advanced markets like New York and London Money Markets. Various problems of money markets in India include Dichotomy, Lack of Coordination & Integration, Diversity in the Interest Rates, Seasonality in the markets, shortage of funds, absence of a developed Bill market, Inefficient management etc.

There are different rates of interest existing in different segments of money market. In rural unorganized sectors the rate of interest is high and they differ with the purpose and borrower. There are differences in the interest rates within the organized sector also. Although wide differences have been narrowed down, yet the existing differences do hamper the efficiency of money market.

One of the major problems of Indian Money Market is its inefficient and corrupt management. Inefficiency is due to faulty selection, lack of training, poor performance appraisal, faulty promotions etc. For the growth and success of money market, there is need for well trained and dedicated workforce in banks. However, in India some of the bank officials are inefficient and corrupt.

3) Business Segment

In absence to working capital and finance, there are no such reportable business segments during the year. The Company was in to the business of broking and commission during the year under review.

4) Risk Management & Concerns

The Company's business-related software is operated on a server with regular maintenance and back-up of data and is connected to separate server. The system's parallel architecture overcomes failures and breakdowns. Reliable and permanently updated tools guard against virus attacks. The global communication network is managed centrally and is equipped to deal with failures and breakdowns. Updated tools are regularly loaded to ensure a virus free environment.

5) Internal Control Systems and Adequacy

The Company has satisfactory internal control system. Audit Committee reviews internal audit reports and oversees the internal control system of the Company. The Company has implemented a comprehensive system of internal controls and risk management systems for achieving operational efficiency, optimal utilization of resources, credible

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financial reporting and compliance with local laws. These controls are regularly reviewed by both internal and external agencies for its efficiency and effectiveness. Management information and reporting system for key operational activities form part of overall control mechanism.

6) Cautionary Statement

Certain statements under “Management Discussion & Analysis” describing the Company’s objectives, projections, estimates, expectations or predictions may be forward looking statement within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company’s operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

Place: Kolkata

Dated: 30th day of May, 2023

For and on behalf of the Board

S/d

Jatin Nanji Chheda

Wholetime Director

DIN: 09342630

For and on behalf of the Board

S/d

Rajeswari Bangal

Director

DIN: 09440356

Form No. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

(Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,
The Members,
Vaishno Cement Company Limited
14B, Ram Chandra Moitra Lane,
Kolkata – 700005,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Vaishno Cement Company Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable (*Foreign Direct Investment and Overseas Direct Investment not applicable during the audit period*)
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;