



Valley Abrasives Limited

Report  junction.com

***11th
Annual Report
2001-2002***

VALLEY ABRASIVES LIMITED



DIRECTORS

Shri B. P. Agarwal (Managing Director)

Shri D. Agarwal

Shri S. K. Mukherjee

Shri P. K. Kundu (Nominee of IDBI)

AUDITORS

Agrawal Rungta & Co.

Martin Burn House

1, R. N. Mukherjee Road,

5th Floor, Room No. - 6

Kolkata - 700 001

REGISTRAR & TRANSFER AGENT

AMI Computers (India) Limited

Regd. Office : 60A & 60B, Chowringhee Road,

Kolkata – 700 020

BANKERS

UCO. BANK

REGISTERED OFFICE

40B, Vivekananda Road,

Kolkata – 700 007

PLANT

P. O. Chirkunda – 828 202,

Dist. Dhanbad

(Jharkhand)

VALLEY ABRASIVES LIMITED**NOTICE :**

NOTICE is hereby given that the 11th Annual General Meeting of the members of Valley Abrasives Limited will be held in the Conference Room of AMI Computers (India) Limited at 60A & 60B, Chowringhee Road, Kolkata – 700 020 on Monday, the 30th September, 2002 at 2.30 P. M. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2002 and Profit & Loss Account for the year ended on that date together with the Reports of Auditors' and Directors' thereon.
2. To appoint a Director in place of Shri Sunil Kumar Mukherjee who retires by rotation but being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration as may be mutually agreed upon between the said Auditors and Board of Directors of this Company. The existing Auditors M/s. Agrawal Rungta & Co., being eligible for appointment, has given their consent for re-appointment.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution.

"RESOLVED THAT pursuant to provisions of sections 269, 309, 310, 311 and other applicable provisions of the companies act, 1956 including schedule XIII of the said act. Sri Bajrang Prasad Agarwal be and is hereby appointed as the Managing Director of the company for a period of 3 years with effect from 15th December, 2002 on such terms and conditions of appointment and remuneration as set out in the explanatory statement with liberty to the Board of Directors to alter, modify and vary terms and conditions of the said appointment within the permissible limits of the said schedule XIII as amended from time to time as may be agreed to between the Board of Directors and Sri Bajrang Prasad Agarwal".

Registered Office :
40B, Vivekananda Road,
KOLKATA - 700 007

By order of the Board
For VALLEY ABRASIVES LIMITED

Date : 16th August, 2002

BAJRANG PRASAD AGARWAL
Managing Director

VALLEY ABRASIVES LIMITED**ANNEXURE TO THE NOTICE :****EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 :****ITEM : 4**

Sri Bajrang Prasad Agarwal is acting as a Managing Director of the Company and his terms of appointment will expire on 14th December, 2002. In view of his past experience and intimate knowledge of the industry, it will be in the interest of the Company to re-appoint him as the Managing Director for a further period of 3 years with effect from 15th December, 2002 on existing terms and conditions. The Board recommend his re-appointment.

TERMS AND CONDITIONS :

1. The Managing Director shall subject to the supervision, control and directions of the Board of Directors, be entrusted with the management of the whole of the affairs of the Company.
2. Period of Appointment : 3 years from 15th December, 2002 to 14th December, 2005.
3. The Managing Director shall be entitled to and shall be paid or given the following Salary, perquisites, commission and benefits.
 - i) Salary : Rs.15,000.00 (Rupees Fifteen Thousand only) per month with yearly increment not exceeding Rs. 2000.00 per month as may be decided by the Board (D.A. and all other allowances, if any payable under the Company's Rules except those specified here under will be treated as part of the Salary).
 - ii) Perquisites : In addition to salary, the following perquisites restricted to the annual salary are allowed.

CATEGORY 'A'

1. Housing : I : The expenditure by the Company on hiring furnished accommodation for the appointee will be subject to the following ceiling.

Sixty percent of the salary, over and above ten percent payable by the appointee.

VALLEY ABRASIVES LIMITED

Housing : II : In case the accommodation is owned by the Company, ten percent of the salary of the appointee shall be deducted by the Company.

Housing : III : In case no accommodation is provided by the Company, the appointee shall be entitled to house rent allowance subject to the ceiling laid down in Housing-I of Rs. 6000.00 per month whichever is less.

Explanation : The expenditure incurred by the Company on Gas, Electricity, Water and furnishings shall be valued as per the Income Tax Rule, 1962 and shall be subject to a ceiling of ten percent of the salary of Managing Director.

2. Medical Reimbursement : For self and the family not exceeding 1 month's salary in a year or three months' salary over a period of three years.
3. Leave Travel Concession : For self and the family once in a year incurred in accordance with the rules specified by the company.
4. Club Fees : Fees of clubs, subject to maximum of two clubs, but fee for admission and life membership are not to be paid.
5. Personal Accident Insurance Premium not exceeding Rs.4000.00 per annum.

CATEGORY 'B'

1. Contribution to the Provident Fund and Superannuation Fund to the extent permissible by the Government from time to time and as per the Rules of the Company will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
2. Gratuity at half a months' salary for each completed year of service.
3. Encashment of leave at the end of the tenure will not be included in the computation of ceiling of the perquisites.

CATEGORY 'C' :

Car for use on company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to the Managing Director.

VALLEY ABRASIVES LIMITED

III) Commission : In addition to salary subject to the overall ceiling laid down in Section 198 and 309 of the Companies Act, 1956, commission based on the net profits of the company in a particular year or part thereof shall be payable to the Managing Director. (Bonus, if any, payable under Company's Rules will be treated as part of the commission).

IV) Other Benefits :

1. The Managing Director shall be entitled to leave on full pay and perquisites, but not more than one month leave for every eleven months service. Leave accumulated and not availed of during his tenure as Managing Director shall be allowed to be encashed at the time of his retirement as per the Rules of the Company.
2. The Managing Director shall be entitled to the reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the company.
3. Subject to the conditions stated herein above, the Managing Director shall be entitled to other benefits, amenities and facilities as per the rules of the Company.
4. Sri Bajrang Prasad Agarwal so long as he functions as the Managing Director shall not become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the company without prior approval of the Central Government.

No Director other than Shri Bajrang Prasad Agarwal is interested or concerned in the resolution.

VALLEY ABRASIVES LIMITED**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.

Proxies in order to be effective must be received at the Registered Office not less than 48 hours before the meeting.

2. The Register of Members and Transfer Books of the Company will be closed from 28th September, 2002 to 30th September, 2002 both days are inclusive.
3. Intimation of any change of address should be given to the Registrar and Share Transfer Agent, M/s. AMI Computers (India) Ltd. 60A & 60B, Chowringhee Road, Kolkata - 700 020.
4. The Registers, Indexes, Returns, Books, Certificates and documents of the Company required to be maintained & kept open for inspection under the provisions of the Companies Act, 1956, be kept open for such inspection at the Registered office of the AMI Computers (I) Limited, by the persons entitled thereto, to the extent and in the manner and on payment of the fees, if any, specified in the Act, between 10.30 A. M. to 2.00 P. M. on any working day of the said share Registrar, except when the Registers and Books are closed under the Provisions of the Act or the Articles of Association of the Company and/or as per the listing agreement of the Stock Exchanges where the shares of the Company are listed.
5. MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF THE ANNUAL REPORT TO THE MEETING.

Registered Office :
40B, Vivekananda Road,
Kolkata - 700 007

By order of the Board
For **VALLEY ABRASIVES LIMITED**

Date : 16th August, 2002

BAJRANG PRASAD AGARWAL
Managing Director

VALLEY ABRASIVES LIMITED**DIRECTORS' REPORT TO THE MEMBERS :**

Your Directors present the 11th Annual Report of the Company together with the Audited Account for the year ended 31st March, 2002.

FINANCIAL RESULTS :

The Company has suffered a total loss of Rs. 439.90 Lacs after providing Depreciation & Interest, whereas the operation of the Plant remained totally suspended.

The Company had submitted its revival proposal to I. D. B. I. as Operating Agency appointed by B. I. F. R.

Once the revival scheme is sanctioned the Company would be in a position to achieve the targets being laid for the revival.

	Actual for the year 2001-2002 (Rs. in Lacs)	Actual for the year 2000-2001 (Rs. in Lacs)
Sales & Other Receipts	0.50	6.81
Profit before Interest and Depreciation	(21.79)	(40.52)
Less : Interest	415.27	345.98
Profit Before Depreciation	(437.06)	(386.50)
Less : Depreciation	2.85	3.19
Profit / Loss Carried to Balance Sheet	(439.91)	(389.69)
PRODUCTION :	Projected for the year 2000-2001 (in M/T)	Actual for the year 2000-2001 (in M/T)
Particulars		%
	NIL	0%

PROJECT PERFORMANCE :

There was no production in the year under review.

FUTURE PROSPECTS :

Due to gap in demand and supply, we foresee a good market for the Company's products if the revival scheme is approved and the Company can start afresh.

VALLEY ABRASIVES LIMITED**FIXED DEPOSITS :**

Your Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and the Rule made thereunder.

PARTICULARS OF EMPLOYEES :

The information required to be submitted under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1988 with respect to above matter are not applicable as there is no such employees receiving such remuneration to report with.

DIRECTORS :

Sri Sunil Kumar Mukherjee retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

CORPORATE GOVERNANCE :

According to the schedule of implementation of the recommendation of the Securities and Exchange Board of India and the Listing Agreements of the Stock Exchanges, the Company is not required to implement corporate Governance during the year under report. However, as a measure of advance planning, the Company has constituted two separate committees for audit and protection of Shareholders' interest were formed and named as Audit Committee and Shareholders/Investors Grievance Committee.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, the Directors confirm :

- i) That in preparation of the Accounts for the financial year ended 31st March 2002, the applicable accounting standards have been followed along with proper explanation relating to material departures :
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgement and estimates that were 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 or 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 :