

**VALLEY MAGNESITE  
COMPANY LIMITED**

**27th  
ANNUAL REPORT  
2014-2015**

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Arun Kumar Agarwalla, Managing Director

Mrs. Sudha Agarwalla, Director

Mr. Shambhu Nath Modi, Director

Mr. Pratap Ram Ganguly , Director

### **COMPANY SECRETARY**

Ms. Renuka Keswani

### **STATUTORY AUDITORS**

M/s A.K.Meharia & Associates

Chartered Accountants

2, Garstin Place, 5th Floor,

Kolkata- 700 001

### **INTERNAL AUDITOR**

M/s V.M.D & Associates

10, Mullick Street, Burrabazar,

2nd Floor, Kolkata- 700 007.

### **BANKERS**

ORIENTAL BANK OF COMMERCE

#### **REGISTERED OFFICE:**

A-402, Mangalam,

24/26 Hemanta Basu Sarani,

Kolkata-700 001

Phone: (033)22436242/43

Email : valleymagnesite@yahoo.co.in

Website:www.valleymagnesite.com

### **REGISTRAR & SHARE TRANSFER AGENTSS.**

Niche Technologies Pvt.Ltd

D-511, Bagree Market, 71, B.R.B.Basu Road,

Kolkata- 700 001.

Phone: 033-22357270/71

Fax : 033-22156823

### **CIN**

L23109WB1988PLC045491

## **VALLEY MAGNESITE COMPANY LIMITED**

### **NOTICE OF ANNUAL GENERAL MEETING**

**Notice is hereby given that the 27th Annual General Meeting** of the Members of the Company will be held at the Registered Office of the Company at A-402, Mangalam, 24/26 Hemanta Basu Sarani, Kolkata- 700 001 on Tuesday, the 29th September, 2015 at 10.00 A.M to transact the following businesses :-

#### **ORDINARY BUSINESS :**

1. To consider and adopt the audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the year ended on that date, the Report of the Auditors thereon and the Report of the Board of Directors of the Company for the year ended 31st March, 2015.
2. To declare a dividend on Equity Shares, if any for the financial year ended 31st March, 2015.
3. To consider and, if thought fit, to pass, the following resolution as ordinary resolution:  
“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and the Companies (Audit & Auditors) Rule, 2014 including any statutory modification(s) or re-enactment(s) thereof from time to time, the appointment of M/s. A. K. Meharia & Associates, Chartered Accountants (Firm’s Registration No. 324666E), as Auditors of the Company for a term of three years i.e. till the conclusion of the 29th Annual General Meeting (AGM), which was subject to ratification at every AGM, be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the 29th AGM of the Company to be held in the year 2017, at such remuneration plus service tax, out-of-pocket expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”
4. To appoint a Director in place of Mrs Sudha Agarwalla (DIN:00938365), who retires by rotation and being eligible, offers herself for re-appointment.

#### **SPECIAL BUSINESS:**

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

RESOLVED FURTHER that pursuant to the provisions of Sections 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof from time to time, the consent of the Company, be and is hereby accorded to the appointment of Mr. Uttam Banerjee (holding PAN:ADBPB7207J) as a “Chief Financial Officer” effective from 06 February, 2015, on the terms and conditions of appointment and remuneration as contained in the draft agreement, a copy whereof initialed by the Chairman for the purpose of identification is placed before the meeting, and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration as may be agreed to by the Board of Directors and Mr. Uttam Banerjee.”

RESOLVED FURTHER that the Board (or any Committee thereof) be and is hereby authorised to take all such necessary actions in the matter”.

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

RESOLVED FURTHER that pursuant to the provisions of Sections 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company, be and is hereby accorded to the appointment of Ms. Renuka Keswani (holding PAN ASRPR0321G) as a “Secretary” effective from 20th April, 2015, on the terms and conditions of appointment and remuneration as contained in the draft

## VALLEY MAGNESITE COMPANY LIMITED

agreement, a copy whereof initialed by the Chairman for the purpose of identification is placed before the meeting, and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration as may be agreed to by the Board of Directors and Ms. Renuka Keswani.”

RESOLVED FURTHER that the Board (or any Committee thereof) be and is hereby authorised to take all such necessary actions in the matter”.

Registered Office : A-402, Mangalam,  
24/26 Hemanta Basu Sarani,  
Kolkata- 700 001.  
Dated: The 17th day of August, 2015

By order of the Board  
For Valley Magnesite Co.Ltd

(Arun Kumar Agarwalla)  
Managing Director  
DIN: 00607272

### Notes :

1. A Member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself and the proxy so appointed need not be a Member of Company. The Instrument of Proxy must be lodged with the Company not less than 48 hours before the Meeting.  
A person can act as a Proxy on behalf of Members not exceeding fifty and holding in aggregate shares not more than 10 percent of the total Share Capital of the Company, carrying voting rights.
2. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf in the meeting.
3. The Register of Members shall remain closed from **23rd September, 2015 to 29th September, 2015 (both days inclusive)**.
4. The relevant Statement, pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”) in respect of the items of Special Business is annexed hereto.
5. As per Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management of Administration) Rules, 2014, the items of business set out in the attached Notice may be transacted also through electronic voting system as an alternative mode of voting. The Company is providing the facility of casting votes through the electronic voting system (“e-Voting”) **under an arrangement with the Central Depository Services Limited (CDSL)** as specified more fully in the instructions hereunder provided that once the vote on a Resolution is cast, a Member shall not be allowed to change it subsequently.
6. Voting shall be reckoned in relation to a Member’s holding of the Paid-up Equity Share Capital of the Company as at close of business **on 22nd September, 2015(Record Date)**.
7. Members holding shares in physical form are requested to notify change of address, if any, along with address proof i.e. Voter Identity Card, Electric/Telephone Bill, Driving Licence or a copy of passport and Bank Statement to the Share Department of the Company / Registrars and Share Transfer Agents and, in case the shares are held in dematerialized form, then this information should be passed on to the respective Depository Participants and into to the Share Department of the Company/Registrars and Share Transfer Agents.

## **VALLEY MAGNESITE COMPANY LIMITED**

8. In case the mailing address mentioned on the envelope of this Annual Report is either without Pin Code or with incorrect Pin Code, Members are urged to advise the correct Pin Code to the Share Department of the Company /Registrars and Share Transfer Agents or the respective Depository Participants(s), as the case may be immediately, for speedier delivery in future.
9. (a) Members desirous of receiving Notices and/or documents from the Company through the electronic mode are urged to update their email address with their Depository Participants, where shares are held in electronic form or to the Share Department of the Company / Registrars and Share Transfer Agents where shares are held in physical form.  
  
(b) Email addresses of Members as advised to the Share Department of the Company / Registrar and Share Transfer Agents where shares are held in physical mode or registered with Depositories where shares are held in the electronic mode will be deemed to be the Member's registered Email address for serving Company documents/ notices as per provisions of the Act and the instructions of the Ministry of Corporate Affairs Members intending to refresh/update their email addresses should do so as soon as possible.
10. Members holding Shares, in physical form, in identical order of names in more than one Folio, are requested to write to the Share Department of the Company / Registrars and Share Transfer Agents enclosing the relevant Share Certificates requesting consolidation of such Folios into one Folio for your own convenience.
11. As per the provisions of the Act, the facility for making / varying/ cancelling nominations is available to individuals holding shares in the Company Nominations can be made in Form-SH.13 and any variation/ cancellation thereof can be made by giving notice in Form-SH.14, prescribed under the Companies (Share Capital and Debentures) Rules,2014 for the purpose. The Forms can be obtained from the Share Department of the Company / Registrars / Share Transfer Agents or from the Website or the Ministry of the Company Affairs at [www.mca.gov.in](http://www.mca.gov.in).
12. a) Members desirous of getting any information in relation to the Company's Annual Report 2014-15 are requested to address their query (ies) well in advance, i.e. at least 10 days before the Meeting, to enable the Management to keep the information readily available at the Meeting.  
  
b) Members holding shares in Electronic Form are requested to bring their Depository ID Number and Client ID Number to facilitate their identification for recording attendance at the forthcoming Annual General Meeting.
13. Members are requested to claim their unclaimed shares lying with the Company by sending proper documentary evidence to establish their bona fides. Till such claim, as per Clause 5A II of the Listing Agreement with the Stock Exchanges, voting rights on such shares shall remain frozen.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) for all securities market transactions. Thereafter it was clarified vide Circular no. MRD/DOP/Cir-05/2009 dated May 20, 2009 that for securities market transactions and off market transaction involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish a copy of PAN Card to the Company/Registrars and Share Transfer Agent for registration of such transfer of shares, Hence, Members holding shares in the electronic form are requested to submit their PANs to their Depository Participants with whom they maintain their Demat Accounts. Members holding shares in physical form should submit their PAN details to the Company/Registrars and Share Transfer Agents, Niche Technologies Pvt. Ltd.

## **VALLEY MAGNESITE COMPANY LIMITED**

15. As per requirements of Clause 49 (IV)(G)(I) of the Listing Agreement with the Stock Exchanges, particulars relating to appointment and reappointment of Directors are given in the Corporate Governance Section of the Annual Report.
16. A member, holding shares in physical form or in dematerialized form, may choose to cast his/her vote electronically, The Company will consider votes casted through the e-Voting system while declaring the results of the voting.

### **17. VOTING THROUGH ELECTRONIC MEANS**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- III. **The process and manner for remote e-voting are as under:**
  - (i) The remote e-voting period commences on **26th September, 2015 (10:00 am) and ends on 28th September, 2015 (5:00 pm)**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **22nd September, 2015**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
  - (iii) Click on "Shareholders" tab.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (vii) If you are a first time user follow the steps given below:

## VALLEY MAGNESITE COMPANY LIMITED

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>•Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>•In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.</p>
Bank Account Number (DBD)	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"><li>•Please Enter the DOB or Bank Account Number in order to Login.</li><li>•If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction ( iv ).</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e **VALLEY MAGNESITE COMPANY LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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(xviii) Note for Institutional Shareholders & Custodians :

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
18. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [akkhandelia@rediffmail.com](mailto:akkhandelia@rediffmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before **28th September, 2015 upto 5:00 pm** without which the vote shall not be treated as valid.
  19. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **22nd September, 2015**. A person who is not a member as on Cut Off date should treat this notice for information purpose only.
  20. The shareholders shall have one vote per equity share held by them as on the cut-off date of **22nd September, 2015**. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
  21. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2015. and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
  22. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
  23. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. **22nd September, 2015**. are requested to send the written / email communication to the Company at [valleymagnesite@yahoo.in](mailto:valleymagnesite@yahoo.in) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
  24. Shri Anand Khandelia, Practising Company Secretary (Certificate of Practice Number FCS 5803) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a



## **VALLEY MAGNESITE COMPANY LIMITED**

fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

25. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.valleymagnesite.com](http://www.valleymagnesite.com) and on the website of CDSL. The same will be communicated to the listed stock exchanges viz. The Calcutta Stock Exchange Ltd.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

#### **Item Numbers 5**

Mr. Uttam Banerjee (holding PAN ADBPB7207J) was appointed as Chief Financial Officer of the Company at a Meeting of the Board of Directors held on 31st January, 2015.

Upon implementation of the Companies Act, 2013 ('the act'), it has become mandatory to appoint a Chief Financial Officer in terms of the provisions of section 203 and other applicable provisions of the Companies Act, 2013 and Rules made there under. The Board, as its Meeting held 31st January, 2015, has appointed Mr Uttam Banerjee as a CFO with effect from 6th February, 2015. His financial back ground suits the post and board has formed an opinion that he is a person of integrity and possess relevant expertise and experience for being appointed CFO of the Company.

In view of the above position, approval of Members is sought, through Ordinary Resolutions, to formally appoint him as CFO as per Section 203 of the Act.

#### **Item Number 6**

Ms. Renuka Keswani (holding PAN ASRPR0321G) was appointed as Full time Company Secretary of the Company at a Meeting of the Board of Directors held on 15th April, 2015.

Upon implementation of the Companies Act, 2013 ('the act'), it has become mandatory to appoint a Full time Company Secretary in terms of the provisions of section 203 and other applicable provisions of the Companies Act, 2013 and Rules made there under. The Board, as its Meeting held on 15th April, 2015., has appointed Ms. Renuka Keswani as a Secretary with effect from 20th April 2015.

In view of the above position, approval of Members is sought, through Ordinary Resolutions, to formally appoint her as Secretary as per Section 203 of the Act.

Registered Office : A-402, Mangalam,  
24/26 Hemanta Basu Sarani,  
Kolkata- 700 001.

Dated: The 17th day of August, 2015

By order of the Board  
For Valley Magnesite Co.Ltd

(Arun Kumar Agarwalla)  
Managing Director  
DIN: 00607272

# **VALLEY MAGNESITE COMPANY LIMITED**

## **DIRECTOR'S REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting their 27th Annual Report on the business and operations of the Company together with the Audited Accounts of the Company for the financial year ended March 31, 2015

### **FINANCIAL RESULTS**

<b><u>PARTICULARS</u></b>	<b><u>Year ended 31st March 2015</u></b>	<b><u>Year ended 31st March 2014</u></b>
Profit (Loss) before Tax	<b>(1074,770.44)</b>	749,159.96
Provisions for Taxation		
- Current provisions	-	(142,752.00)
- Provision for deferred Tax	<b>315,034.78</b>	253,680.35
Profit after Tax	<b>(761,411.66)</b>	860,088.31
Balance Brought forward	<b>228,14,529.63</b>	219,54,441.32
Retained Earning on Fixed Assests	<b>(8,143.00)</b>	
Balance Carried forward to Balance Sheet	<b>220,44,974.97</b>	228,14,529.63

### **DIVIDEND**

In order to consolidate the Company's financial position, your directors consider it prudent not to recommend dividend for the year under review.

### **RESERVES**

No amount is proposed to carry to any reserves by the board of directors.

### **STATE OF COMPANY'S AFFAIR**

The results for the reporting year compared with the prior year were affected mainly due to non-selling of investments, which resulted in a decline in revenues. However the market value of Current Investments are increased substantially as compared to last year

### **CHANGES IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the Company during the year.

### **MATERIAL CHANGES AND COMMITMENTS**

There is no material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### **INTERNAL CONTROL SYSTEMS**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

## **VALLEY MAGNESITE COMPANY LIMITED**

### **SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES:**

The Company does not become or ceased to be or have any subsidiary/Joint Ventures/ Associate Companies during the year.

### **DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### **SHARE CAPITAL**

During the year under review, the company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure B".

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO**

The information required u/s. 134(3)(q) of the Companies Act, 2013, read with the Rule 8(3) of Companies (Accounts) Rule, 2014 with respect to conservation of Energy, Technology absorption are not applicable to the company. The Company has no foreign exchange outflow or inflow during the year under review.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company had not given any loans , guarantees or investments under the provisions of section 186 of the Act during the year.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES U/S 188(1)**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. The details of the related party transaction made by company are given in the notes to the financial statements.

### **RISK MANAGEMENT POLICY**

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company laid down the procedure to inform Board members about the risk assessment and minimisation procedures. The Board framed, implemented and monitored, the Company's risk management practices and activities at regular interval. At present the Board has not identified any element of risk which may threaten the existence of the company.

### **CORPORATE SOCIAL RESPONSIBILITY**

In terms of the provisions of Section 135 read together with Rule of the Companies Act, the "corporate social responsibility" (CSR), requirement is not applicable to the Company.

### **CORPORATE GOVERNANCE CERTIFICATE**

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement shall be annexed with the report.

### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Board of Directors of the Company has adopted Whistle Blower Policy. The management of the Company, through the policy envisages encouraging the employees of the Company to report to the higher authorities any unethical, improper, illegal or questionable acts, deeds & things which the management or any superior may indulge in. This policy has been circulated to employees of the Company. However, no employee has been denied access to the Audit Committee.

## **VALLEY MAGNESITE COMPANY LIMITED**

### **NOMINATION & REMUNERATION COMMITTEE**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

### **PARTICULARS OF EMPLOYEES**

None of the employees, who were in receipt of remuneration in excess of the limits as specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 throughout or part of the financial year under review, was engaged in the company.

### **DIRECTORS:**

#### **Changes in Directors and Key Managerial Personnel**

Mrs. Sudha Agarwalla retire by rotation and, being eligible, offer herself for re appointment. The Directors recommend Mrs Sudha Agarwalla for re-appointment.

#### **Independent Director(s) declaration**

Mr. Shambhu Nath Modi and Mr. Pratap Ram Ganguly who are Independent Directors, have submitted a declaration that each of them meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act and revised Clause 49 of the Listing Agreements. Further, there has been no change in the circumstances which may affect their status as independent director during the year.

#### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

#### **CODE OF CONDUCT**

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company. A declaration to this effect has been signed by Managing Directors and forms part of the Annual Report.

#### **BOARD MEETING**

During the year nine Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The details of which are given in the Corporate Governance Report.

#### **SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT**

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed

Mr. Anand Khandelia, a firm of company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure A"

#### **STATUTORY AUDITORS & AUDITORS REPORT**

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s A.K Meharia & Associates, Chartered Accountants, were appointed as statutory auditors of the Company from the conclusion of the 26th Annual General Meeting (AGM) of the Company held on 29th September, 2014 till the conclusion of the 29th AGM to be held in the year 2017, subject to ratification of their appointment at every AGM.

The Auditor of the company has not made any qualification, reservation or adverse remark or disclaimer in his report and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

## **VALLEY MAGNESITE COMPANY LIMITED**

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments 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) The directors have 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.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) 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.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### **INDUSTRIAL RELATIONS**

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

### **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS**

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as separate Annexure, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

### **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the financial year 2014-15, no complain had been received.

### **PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS**

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

### **ACKNOWLEDGEMENTS:**

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

Place: Kolkata  
Dated: 28th May, 2015

For and on behalf of the Board  
**Arun Kumar Agarwalla**  
Managing Director  
DIN: 00607272

**VALLEY MAGNESITE COMPANY LIMITED**

Form No. MR-3

Annexure - A

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 2014-15**

[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,

TheMembers,

VALLEY MAGNESITE COMPANY LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Valley Magnesite Company Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Valley Magnesite Company Limited 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, 2015 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Valley Magnesite Company Limited ("the Company") for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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;
- (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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;: not applicable
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;: not applicable

**VALLEY MAGNESITE COMPANY LIMITED**

- (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;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and: not applicable
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) ..... (Mention the other laws as may be applicable specifically to the company): not applicable I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - (ii) The Listing Agreements entered into by the Company with Stock Exchange(s)
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

**I further report that**

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Kolkata

Date: 25/05/2015

Anand Khandelia

FCS No - 5841

**VALLEY MAGNESITE COMPANY LIMITED**

Annexure- B

FORM NO. MGT 9

**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration ) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

i CIN	L23109WB1988PLC045491
ii Registration Date	03.11.1988
iii Name of the Company	VALLEY MAGNESITE COMPANY LIMITED
iv Category/Sub-category of the Company	Indian Non-Government Company
v "Address of the Registered office & contact details"	A-402, MANGALAM, 24/26 HEMANTA BASU SARANI , KOLKATA- 700 001. PHONE: 033-22436242/43. EMAIL: VALLEYMAGNESITE@YAHOO.CO.IN, WEBSITE: WWW.VALLEYMAGNESITE.COM
vi Whether listed company	YES
vii Name , Address & contact details of the Registrar & Transfer Agent, if any.	NICHE TECHNOLOGIES PVT.LTD . D-511, BAGREE MARKET, 71, B.R.B.BASU ROAD, KOLKATA- 700001. PH- 033-22357271. EMAIL: NICHETECHPL@NICHETECHPL.COM

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl No	Name & Description of main products/services	"NIC Code of the Product /service"	"% to total turnover of the company"
1	Other Financial Service Activities except insurance and pension funding activities	649	100%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

Sl No	Name & Address of the Company	CIN/GLN	"HOLDING/ SUBSIDIARY/ ASSOCIATE"	"% OF SHARES HELD"	"APPLICABLE SECTION"
1	-	-	-	-	-



## VALLEY MAGNESITE COMPANY LIMITED

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### A) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				Percent Change the during year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	<b>PROMOTERS</b>									
	(1) Indian									
	a) Individual/HUF	-	287,500	287,500	27.381%	-	287,500	287,500	27.381%	0.00%
	"b) Central Govt.or State Govt."	-	-	-	-	-	-	-	-	-
	c) Bodies Corporates	-	-	-	-	-	-	-	-	-
	d) Bank/FI	-	-	-	-	-	-	-	-	-
	e) Any other	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL:(A) (1)</b>	-	287,500	287,500	27.381%	-	287,500	287,500	27.381%	0.00%
	(2) Foreign									
	a) NRI- Individuals	-	-	-	-	-	-	-	-	-
	b) Other Individuals	-	-	-	-	-	-	-	-	-
	c) Bodies Corp.	-	-	-	-	-	-	-	-	-
	d) Banks/FI	-	-	-	-	-	-	-	-	-
	e) Any other...	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	0	0	0	0	0	0	0	0	0	
<b>"Total Shareholding of Promoter (A)= (A)(1)+(A)(2)"</b>	-	287,500	287,500	27.381%	-	287,500	287,500	27.381%	0.00%	
B.	<b>PUBLIC SHAREHOLDING</b>									
	(1) Institutions									
	a) Mutual Funds	-	-	-	-	-	-	-	-	-
	b) Banks/FI	-	-	-	-	-	-	-	-	-
	C) Cenntal govt	-	-	-	-	-	-	-	-	-
	d) State Govt.	-	-	-	-	-	-	-	-	-
	e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	-	-	-	-	-	-	-	-	-
	g) FIIS	-	-	-	-	-	-	-	-	-
	"h) Foreign Venture Capital Funds"	-	-	-	-	-	-	-	-	-
	i) Others (specify)	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL (B)(1):</b>	0	0	0	0	0	0	0	0	0
	(2) Non Institutions									
	a) Bodies corporates									
i) Indian	0	600400	600400	57.181%	-	600400	600400	57.181%	0.00%	
ii) Overseas	-	-	-	-	-	-	-	-	-	
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	162100	162100	15.438%	0	162100	162100	15.438%	0.00%	
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0.00%	0	0	0	0.00%	0.00%	
c) Others (specify)	-	-	-	-	-	-	-	-	-	
<b>SUB TOTAL (B)(2):</b>	0	762500	762500	72.619%	0	762500	762500	72.619%	0.00%	
<b>"Total Public Shareholding(B)= (B)(1)+(B)(2)"</b>	0	762500	762500	72.619%	0	762500	762500	72.619%	0.00%	
"C.	<b>Shares held by Custodian for GDRs &amp; ADRs"</b>	0	0	0	0	0	0	0	0	
<b>Grand Total (A+B+C)</b>		-	1,050,000	1,050,000	100.000%	-	1,050,000	1,050,000	100.000%	0%

## VALLEY MAGNESITE COMPANY LIMITED

### ii. Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	
1	ARUN KUMAR AGARWALLA	161,900	15.419%	-	161,900	15.419%	-	0.00%
2	ARUN KUMAR AGARWALLA(HUF)	19,600	1.867%		19,600	1.867%		0.00%
3	SUDHA AGARWALLA	106,000	10.095%		106,000	10.095%		0.00%
	Total	287,500	27.381%		287,500	27.381%		0.00%

### iii. Change in Promoter's Shareholding

SI No.	Shareholder's Promoters	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	ARUN KUMAR AGARWALLA				
	a)At the beginning of the year	161,900	15.419%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			161,900	15.419%
2	ARUN KUMAR AGARWALLA(HUF)				
	a)At the beginning of the year	19,600	1.867%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			19,600	1.867%
3	SUDHA AGARWALLA				
	a)At the beginning of the year	106,000	10.095%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			106,000	10.095%
	<b>TOTAL</b>	<b>287,500</b>	<b>27.381%</b>	<b>287,500</b>	<b>27.381%</b>

### iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR & ADR)

SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	DHANVERDHI EXPORTS LTD				
	a)At the beginning of the year	245000	23.333%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			245000	23.333%
2	SWAGTAM DISTRIBUTORS PVT.LTD				
	a)At the beginning of the year	112000	10.667%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			112000	10.667%
3	VIDYUT DEALERS PVT.LTD				
	a)At the beginning of the year	147000	14.000%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			147000	14.000%
4	SHARP TRADE & HOUSING PVT.LTD				
	a)At the beginning of the year	15000	1.429%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			15000	1.429%

## VALLEY MAGNESITE COMPANY LIMITED

5	KANIYALAL BAIJNATH PVT.LTD				
	a)At the beginning of the year	10000	0.952%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			10000	0.952%
6	MARDIA COMMERCIAL & HOLDING PVT.LTD				
	a)At the beginning of the year	9600	0.914%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			9600	0.914%
7	SCINTILLA COMMERCIAL & CREDIT (P).LTD				
	a)At the beginning of the year	9600	0.914%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			9600	0.914%
8	GOYAL COMMERCIAL PVT.LTD				
	a)At the beginning of the year	9600	0.914%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			9600	0.914%
9	AURA MINERALS PVT.LTD				
	a)At the beginning of the year	9600	0.914%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			9600	0.914%
10	DAGA FISCAL SERVICES PVT.LTD				
	a)At the beginning of the year	8700	0.829%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			8700	0.829%

### (v) Shareholding of Directors & KMP

Sl No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	ARUN KUMAR AGARWALLA				
	a)At the beginning of the year	161900	15.419%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			161900	15.419%
2	SUDHA AGARWALLA				
	a)At the beginning of the year	106000	10.095%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			106000	10.095%
3	UTTAM BANERJEE				
	a)At the beginning of the year	500	0.048%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			500	0.048%
4	PRATAB RAM GANGULY				
	a)At the beginning of the year	500	0.048%		
	b) changes during the year	(no changes during the year)			-
	c)At the end of the year			500	0.048%

**VALLEY MAGNESITE COMPANY LIMITED**

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Additions	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIA PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Rs. in Lakhs

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager Managing Director			Total Amount
	<b>1. Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
	2 Stock option	-	-	-	-
	3 Sweat Equity	-	-	-	-
	4 Commission as a % of profit	-	-	-	-
	5 Others, please specify				
	<b>Total (A)</b>	-	-	-	-
	<b>Ceiling as per the Act</b>				

**VALLEY MAGNESITE COMPANY LIMITED**

**B. Remuneration to other directors:**

Rs. in Lakhs

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Director	-	-	-	-
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	-	-	-
2	Other Non Executive Directors				
	"(a) Fee for attending board committee meetings"	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-
	<b>Overall Ceiling as per the Act.</b>				

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			RS. (Lakhs)
		CEO	Company Secretary	CFO*	Total
1.	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	0.41	0.41
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-	-	--
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as a % profit	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	-	0.41	0.41

\* Remuneration for the period from February ' 2015 to March' 2015

**Penalties / punishment / compounding of offences**

There were no Penalties / punishment / compounding of offences for the year ending March ' 31 , 2015

## VALLEY MAGNESITE COMPANY LIMITED

### REPORT ON CORPORATE GOVERNANCE

#### 1. Company's Philosophy on Corporate Governance :

The Company's philosophy on Corporate Governance is to enhance the long term economic value of the company its stakeholders and the society at large by adopting better corporate practices in fair and transparent manner by aligning interest of the company with its shareholders and other key stakeholders. Your Company continues to follow procedures and practices in conformity with the code of Corporate Governance outlined in the listing agreement.

#### 2. Board of Directors

##### **Composition of the Board, Directorships & Committee positions held in other companies and shares held as on 31st March 2015:**

As on 31st March 2015, the Company had 5 Directors. The Board of Directors Comprise of One Managing, Non Executive & Non Independent director, Two Non Executive & Non Independent directors and Two Non Executive Independent directors.

Directors	Category	Board Meeting Attendance	Annual General Meeting Attendance	Directorship in other companies*	Committee membership**	Committee chairmanship**
Arun Kumar Agarwalla	Managing. NonExecutive (Non-independent Director)	09	Yes	02	05	Nil
Sudha Agarwalla	Non - Executive (Non-Independent Director)	09	Yes	03	04	Nil
Sandeep Kumar Pareek	Non-Executive (Non- Independent Director)	09	Yes	Nil	01	Nil
Shambhu Nath Modi	Non Executive (Independent Director)	06	Yes	03	07	05
Pratap Ram Ganguly	Non Executive (Independent Director)	07	Yes	01	01	05

\* Other directorships do not include directorship of private limited companies, companies registered u/s 8 of Companies Act and of companies incorporated outside India.

\*\* Chairmanship/Membership of Board committees includes Membership of Audit, Nomination & Remuneration and stakeholders Relationship committees only.

\*\* No Director is a member of more than 10 committees or chairman of more than 5 committees across all companies in which he is a Director.

## **VALLEY MAGNESITE COMPANY LIMITED**

### **Number of Board Meetings held & dates on which meeting held:**

Number of Board Meetings Held	:	9
Date on which held	:	30th April 2014, 1st May 2014, 29th May 2014, 18th June 2014, 31st July 2014, 29th Aug . 2014, 19th Sept, 2014, 31st October, 2014, 31st January 2015

### **Role of Independent Directors:**

The independent directors devote sufficient time and attention to professional obligations for informed and balanced decision making at the Board and various committee meetings. They regularly update and refresh skills, knowledge and familiarity with the Company and actively and constructively participate in the meetings.

### **Independent Directors Meeting:**

During the year under review, the Independent Directors met on December 03, 2014, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the meeting.

### **Disclosures in relation to the appointment/re-appointment of Directors:**

As required under Clause 49(IV)(G)(I) of the Listing Agreements, brief profiles of the directors appointed or re-appointed are appended below:

#### **a) Shambhu Nath Modi**

Name of Independent Director	Mr. Shambhu Nath Modi
Father's Name	Sri Mahavir Modi
Director Identification No.(DIN)	02782718
Date of Birth	16.12.1956
Date of Appointment	18.06.2014
Qualifications	B.Com
Experience	Mr. Shambhu Nath Modi is a Commerce Graduate from Ranchi University having experience of over 35 Years in the field of Investment and Finance Business. He is recognized for his experience in the field of Accounts and Fund Management.
Directorship in other Companies	Saumya Consultants Limited Ganodaya Finlease Limited Dhanverdhi Exports Limited Amarshakti Commerce & Industries Limited Kunj Iron Products Limited

**VALLEY MAGNESITE COMPANY LIMITED**

Chairman/Member of the Committee of the Board of Directors of the Company	<p><b>Chairman:</b> Audit Committee</p> <p><b>Member:</b> Nomination and Remuneration Committee Stakeholder's Relationship Committee</p>
Membership / Chairmanship of Committees of the other public companies in which he is a Director	<p><b>Saumya Consultants Limited</b></p> <p><b>Chairman:</b> Audit Committee Stakeholder's Relationship Committee</p> <p><b>Member:</b> Nomination and Remuneration Committee</p> <p><b>Ganodaya Finlease Limited.</b></p> <p><b>Chairman:</b> Audit Committee Stakeholder's Relationship Committee</p> <p><b>Member:</b> Nomination &amp; Remuneration Committee</p> <p><b>Dhanverdhi Exports Limited.</b></p> <p><b>Member:</b> Audit Committee Stakeholder's Relationship Committee Nomination and Remuneration Committee</p>
No.of Shares held in the Company	Nil

**b) Pratap Ram Ganguly**

Name of Independent Director	Mr. Pratap Ram Ganguly
Father's Name	Sri Ram Dhan Ganguly
Director Identification No.(DIN)	00607399
Date of Birth	16.12.1963
Date of Appointment	18.06.2014
Qualifications	B.Com
Experience	Mr. Pratap Ram Ganguly is a Commerce Graduate from Burdwan University having experience of over 32 Years in the field of Investment and Finance Business.
Directorship in other Companies	Dhanverdhi Exports Limited Superlight Finance Private Limited Core Mercantiles Private Limited Bright Finance Private Limited Himatsingka Agencies Private Limited



<b>VALLEY MAGNESITE COMPANY LIMITED</b>	
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Chairman/Member of the Committee of the Board of Directors of the Company	<b>Chairman:</b> Nomination & Remuneration Committee Stakeholder's Relationship Committee <b>Member:</b> Audit Committee
Membership / Chairmanship of Committees of the other public companies in which he is a Director	<b>Dhanverdhi Exports Limited.</b> <b>Chairman:</b> Audit Committee Stakeholder's Relationship Committee Nomination & Remuneration Committee
No. of Shares held in the Company	500

**Code of Conduct:**

The Company has a code of conduct applicable to all Board Members & Senior Management staff for avoidance of conflict of interest between each of the above individuals and the Company. Each Board Members & Senior Management staff declare their compliance with the Code of Conduct as at the end of each Financial Year. A certificate to this effect is attached to this report duly signed by Managing Director.

**3. Audit committee**

Apart from all the matters provided in clause 49 of the listing agreement and section 177 of the Companies Act 2013, the Audit committee reviews reports of the internal Auditors, meets statutory auditors as and when required and discuss findings, suggestions, observations and other related matters.

**a) The Composition of the Committee and the attendance of each member at Meetings were as follows:**

Members	Designation	Category	No. of Meeting Attended
Shambhu Nath Modi	Chairman	Non Executive (Independent)	3
Pratap Ram Ganguly	Member	Non Executive (Independent)	3
Arun Kumar Agarwalla	Member	Non Executive (Non-Independent)	3

**b) Details of the Audit Committee Meetings Held :**

<u>Date of Meeting</u>	<u>No. of Members Attended</u>
29.07.2014	Three
29.10.2014	Three
30.01.2015	Three

## **VALLEY MAGNESITE COMPANY LIMITED**

### **4. Nomination and Remuneration Committee (Formerly Remuneration Committee):**

In compliance with Section 178 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and revised Clause 49 of the Listing Agreement, Remuneration Committee were renamed "Nomination and Remuneration Committee" of the Board of Directors of the Company. The Nomination and Remuneration Committee has been constituted w.e.f. 18/06/2014.

a) The Composition of the Committee and the attendance of each member at Meetings are as follows:

<b>Members</b>	<b>Designation</b>	<b>Category</b>	<b>No. of Meeting Attended</b>
Pratap Ram Ganguly	Chairman	Non Executive (Independent)	Two
Shambhu Nath Modi	Member	Non Executive (Independent)	Two
Sandeep Kumar Pareek	Member	Non Executive (Non Independent)	Two

### **b) Details of the Nomination and Remuneration Committee Meetings Held :**

<u>Date of Meeting</u>	<u>No. of Members Attended</u>
24.07.2014	Three
27.10.2014	Three

### **The terms of reference to this committee include:**

- The Committee shall identify persons who are qualified to become directors and who may be appointed as Key Managerial Persons in accordance with criteria laid down, recommend the board their appointment and removal and shall carry out evaluation of every director's performance.
- This Committee is empowered to review and recommend the Board of Directors, remuneration and commission of directors and other senior executives of the Company.

### **Policy for selection and appointment of directors:**

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual member. Considering the requirements of the skill-sets on the Board, eminent persons having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment of new Directors on the Board. The number of directorships and memberships in various committees of other companies by such persons is also considered. Board members are expected to possess expertise, leadership skills required to manage and guide a high growth.

### **Remuneration Policy:**

The Remuneration policy of your Company is a comprehensive and the policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives.

### **Performance Evaluation of Independent Directors:**

The Nomination and Remuneration Committee evaluates the performance of Independent Directors based on their commitment towards attending the meetings of the Board/Committees, contribution and attention to the affairs of the Company and their overall performance.

## **VALLEY MAGNESITE COMPANY LIMITED**

### **Non-executive/ Independent directors remuneration**

The Company is not paying any remuneration to the Non-executive Directors.

### **5. Stakeholder's Relationship Committee :**

In line with the provisions of Section 178 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement, the nomenclature of the Stakeholder's Relationship & Investor's Grievance Committee was changed to 'Stakeholders Relationship Committee' with effect from October 30, 2014.

a) The Composition of the Committee and the attendance of each member of the committee are given below:

<b>Name of the Director</b>	<b>Designation</b>	<b>No. of Meeting held &amp; Attended</b>
Pratap Ram Ganguly	Chairman	3
Shambhu Nath Modi	Member	3
Arun Kumar Agarwalla	Member	3

b) Renuka Keshwani was appointed as Secretary and she is the compliance officer of the Company.

c) Details of the Stakeholder's Relationship Committee Meetings Held :

<b><u>Date of Meeting</u></b>	<b><u>No. of Members Attended</u></b>
16.08.2014	Three
28.10.2014	Three
23.01.2015	Three

No complaints have been received during the year regarding transfer of shares and/or non receipt of balance sheet etc.

### **The terms of reference to this committee include:**

- Review, on periodic basis, status of grievances relating to transfer, transmission of shares, issue of duplicate shares.
  - Monitor expeditious redressal of Investors grievances.
  - Review instances of non-receipt of Annual Report.
  - Consider all matters related to all security holders of the Company.
6. Business Risk Evaluation and Management is an ongoing process within the Organization. The purpose of the committee is to assist the Board in fulfilling its corporate governance duties by overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational and strategic risks. The committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the company. The risk management committee is also responsible for reviewing and approving risk disclosure statements in public documents or disclosures.

## **VALLEY MAGNESITE COMPANY LIMITED**

### **7. General Body Meetings:**

a) Location, Place and time where last three Annual General Meetings were held are given below:-

<b>Financial Year</b>	<b>Date of AGMs</b>	<b>Location</b>	<b>Time</b>
2013-2014	29th September 2014	A-402 Mangalam, 24/26 Hemanta Basu Sarani, Kolkata- 700 001	10.00 A.M
2012-2013	28th September 2013	A-402 Mangalam, 24/26 Hemanta Basu Sarani, Kolkata- 700 001	10.00 A.M
2011-2012	28th September 2012	A-402 Mangalam, 24/26 Hemanta Basu Sarani, Kolkata- 700 001	10.00 A.M

b) **Special Resolutions passed at previous three AGMs:-**

i) AGM on 29th September 2014

In the AGM held on 29th September, 2014, a Special Resolution was passed for adopting the new set of Article of Association in terms of the provisions of section 14 of the Companies Act, 2013. in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

ii) AGM on 28th September 2013

No Special Resolution was passed at the last AGM.

iii) AGM on 28th September 2012

No Special Resolution was passed at the last AGM.

c) No Extraordinary General Meeting of the members was held.

### **8. Disclosures:**

a) **Disclosures on materially significant related party transaction:**

The statements containing the transactions with related parties were submitted periodically to the Audit Committee. There are no related party transactions that may have potential conflict with the interest of the Company at large. There were no material individual transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis.

b) **Details of non-compliance(s) by the Company:**

No penalties have been imposed or strictures have been issued by SEBI, Stock Exchanges or any Statutory Authorities on matters relating to Capital Markets during the last three years against the non compliance relating to the matter aforesaid.

c) **Whistle Blower Policy/ Vigil Mechanism**

The Board of Directors of the Company has adopted Whistle Blower Policy. The management of the Company, through the policy envisages encouraging the employees of the Company to report to the higher authorities any unethical, improper, illegal or questionable acts, deeds & things which the management or any superior may indulge in. This policy has been circulated to employees of the Company. However, no employee has been denied access to the Audit Committee.

## **VALLEY MAGNESITE COMPANY LIMITED**

d) The adoption of the other non-mandatory requirements set out in Clause 49 of the Listing Agreement is under consideration.

### **e) Disclosure of Accounting Treatment**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the Act 1956"), as applicable. These financial statements have been prepared on an accrual basis and under the historical cost conventions.

### **9 Means of Communication:**

The quarterly Unaudited Financial Results and the Audited Financial Results as approved and taken on record by the Board are sent to the Stock Exchanges where the Company's shares are listed and then published generally in "The Echo of India (English editions) and "Arthik Lipi" (Bengali editions). The results are also posted on the Company's website [www.valleymagnesite.com](http://www.valleymagnesite.com). However, these are not sent individually to shareholders.

Management Discussion and Analysis Report is an integral part of annual report.

### **10. Management Discussion & Analysis Report:**

The Company's performance is up beating. The Company does not foresee any threat in terms of investment policy and return on instrument as such the company is taking all its offers to overcome such unforeseen threat and to exceed in the concerned fora. The management is hopeful in achieving a better result in future.

### **11. CEO and CFO Certification**

The Managing Director i.e CEO and CFO of the Company give quarterly/annual certification on financial reporting and internal controls to the Board in terms of Clause 41 and 49 II(E)(2) of the Listing Agreement.

### **12. General Shareholders Information:**

#### **a) Annual General Meeting**

Date : 29th September, 2015.  
Time : 10.00 A.M.  
Venue : Registered Office;  
A-402, Mangalam,  
24/26 Hemanta Basu Sarani, Kolkata- 700 001.

b) Financial year of the Company : 1st April 2014 to 31st March 2015

c) Book Closure Date : 23rd September, 2015 to 29th September, 2015.  
(Both day inclusive)

d) Dividend payment date (if any) : Not recommended

e) Listing on Stock Exchanges : The Company has listed its shares at – Stock Exchanges as stated below:

<u>Sl.No.</u>	<u>Name of Stock Exchange</u>
01.	The Calcutta Stock Exchange Ltd.

ISIN No. for Dematerialization of Shares : INE834E01016

## **VALLEY MAGNESITE COMPANY LIMITED**

f) Market Price Data : Company's Shares are not frequently traded in the Stock Exchange.

g) Registrar and share transfer Agent  
(for Both: Physical and Dematerialized share transfers) : Niche Technologies Pvt. Ltd  
D-511, Bagree Market  
71, B.R.B. Basu Road, Kolkata- 700 001.  
Email: nichetechpl@nichetechpl.com

h) Share Transfer System:

Subject to documentation being in order, transfer requests of equity shares in physical form lodged with the Company/ Registrars are processed within 15 days from the date of receipt.

h) Distribution of Shareholding as on 31.03.2015:-

No. of Equity Shares held	No. of Share-Holders	% of Share-holders	No. of Share held	% of Share holdings
Upto 500	1334	97.94	143500	13.67
501-1000	06	00.44	4000	0.38
1001-5000	06	00.44	14600	1.39
5001-10000	09	00.66	81400	7.75
10001- & above	07	00.52	806500	76.81
	1362	100.00	1050000	100.00

i) Categories of Shareholders as on 31.03.2015 :-

Category	No. of Share-Holders	% of Share-holders	No. of Share held	% of Share held
Promoters	3	0.22	287500	27.38
Bodies				
Corporate	13	0.95	600400	57.18
Public	1346	98.93	162100	15.44
	1362	100.00	1050000	100.00

Dematerialization and Rematerialisation:

Request for Dematerialization and Rematerialisation should be sent either to the Company's Registrar and Share Transfer Agents or to the Share Department of the Company.

j) Dematerialization of Shares and liquidity:

Nil Equity Shares have been dematerialized upto 31st March, 2015.

## **VALLEY MAGNESITE COMPANY LIMITED**

k) Address for Correspondence:

**Registered Office**

A-402, Mangalam,  
24/26 Hemanta Basu Sarani, Kolkata- 700 001  
Phone: (033)2243-6242/6243  
Fax : (033)2231-0835  
Website: www.valleymagnesite.com  
Email : valleymagnesite@yahoo.in

**13. Compliance of Clause 49 pertaining to mandatory requirements & Auditors Certificate on Corporate Governance:**

The Company has complied with all the mandatory requirements on Corporate Governance as specified in Clause 49 of the Listing Agreement with the Stock Exchanges.

As required under Clause 49 of the Listing Agreement, the Auditor's Certificate on compliance of the Corporate Governance norms is attached.

Registered Office : A-402, Mangalam,  
24/26 Hemanta Basu Sarani,  
Kolkata- 700 001  
Dated: 28th May, 2015

For and Behalf of the Board

**(Arun Kumar Agarwalla)**  
Managing Director  
DIN : 00607272

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT  
PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company.

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended 31 March, 2015.

For and on Behalf of the Board

Place : Kolkata  
Dated: 28th May, 2015

**(Arun Kumar Agarwalla)**  
Managing Director  
DIN : 00607272

**VALLEY MAGNESITE COMPANY LIMITED**

To

The Board of Directors

Valley Magnesite Co.Ltd.

We, the undersigned , in our respective capacities as Chief Executive Officer and Chief Financial Officer of **Valley Magnesite Company Limited** ( "the Company"), to the best of our knowledge and belief certify that:

- a) a)We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March ,2015 and based on our knowledge and belief, we state that:
- i) These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
  - ii) These statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the company during the year, which are fraudulent , illegal, or violative of the company's code of conduct.
- c) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the code of Conduct as adopted by the company.
- d) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- e) We have indicated , based on our most recent evaluation, to the auditors and audit committee:
- i) Significant changes, if any, in the internal control over financial reporting during the years;
  - ii) Significant changes, if any in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any of the management or an employee having significant role in the Company's internal control system over financial reporting.

For and on behalf of Board

**(Arun Kumar Agarwalla)**

**(Uttam Banerjee)**

Place : Kolkata

Managing Director

CFO

Dated: 28th May, 2015

DIN : 00607272



**VALLEY MAGNESITE COMPANY LIMITED**

**Auditors Certificate of Compliance of Conditions of  
Corporate Governance**

To  
The Members of Valley Magnesite Company Limited,  
Kolkata

We have examined the compliance of conditions of Corporate Governance by **VALLEY MAGNESITE COMPANY LIMITED** ("the Company"), for the year ended on 31 March, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **A.K. Meharia & Associates**  
Chartered Accountants  
Firm's Registration No.324666E

**(A.K. Meharia)**  
Partner

Place:Kolkata  
Dated: 28th May, 2015

Membership Number: 053918

## **VALLEY MAGNESITE COMPANY LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **VALLEY MAGNESITE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Sec 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view

## **VALLEY MAGNESITE COMPANY LIMITED**

in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) in the case of the statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

11. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
- (e) on the basis of written representations received from the directors as on 31st March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
- (f) with respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2015, in our opinion and to the best of our information and according to the explanation given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial positions in its financial statements.
  - ii) The Company has made provisions, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **A.K. Meharia & Associates**  
Chartered Accountants  
Firm's Registration No.324666E

**(A.K. Meharia)**

Partner

Membership Number: 053918

Place: Kolkata

Dated: 28th May, 2015

## **VALLEY MAGNESITE COMPANY LIMITED**

### **ANNEXURE TO THE AUDITOR'S REPORT**

(Referred to in paragraph 1 of our report of even date)

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) Fixed assets have been physically verified by the Management at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- ii) The Company does not have any kind of Inventories during the year and/or at the end of the year
- iii) As per the information and explanation given to us, the company has not granted any loans, secured or unsecured to Companies, firms or other parties, covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, sub-clause (a), (b) of clause (iii) of Paragraph 3 of the order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and nature of its business, for the purchase of inventories, fixed asset and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal control system.
- v) The Company has not accepted any deposit from the public as stipulated under the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under and the directives issued by the Reserve Bank of India.
- vi) In our opinion, maintenance of cost records pursuant to the Companies (Cost Records and audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 are not applicable to the company.
- vii) a) In our opinion and according to the information and explanations given to us, Company is generally been regular in depositing with appropriate authorities undisputed statutory dues, as required under this clause and applicable to the Company during the year. There is no undisputed amount payable in respect of aforesaid statutory dues, outstanding for more than six months from the date they become payable as on 31st March, 2015.
  - b) According to the information and explanations given to us, there are no statutory dues that have not been deposited with the appropriate authorities on account of any dispute.
  - c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix) Based on our audit procedure and on the basis of information and explanations given by the management, the Company has not defaulted in repayment of dues to financial institutions or banks. The Company has not issued any debentures.
- x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.

**VALLEY MAGNESITE COMPANY LIMITED**

- x) To the best of our knowledge and belief and according to the information and explanations given to us, term loans were applied for the purpose for which these were obtained.
- xii) In our opinion and according to information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For A.K. Meharia & Associates**  
Chartered Accountants  
Firm's Registration No.324666E

**(A.K. Meharia)**  
Partner  
Membership Number: 053918

Place: Kolkata  
Dated: 28th May, 2015

**VALLEY MAGNESITE COMPANY LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2015**

		(Amount in ₹) AS AT	(Amount in ₹) AS AT
	NOTES	31ST MARCH, 2015	31ST MARCH, 2014
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>Shareholders Fund</u></b>			
Share Capital	1	10,500,000.00	10,500,000.00
Reserve & Surplus	2	29,309,605.81	30,079,160.47
<b><u>Current Liabilities</u></b>			
Other Current Liabilities	3	61,371.00	60,340.00
Short Term Provisions	4	292,374.00	395,149.00
<b>Total</b>		<b>40,163,350.81</b>	<b>41,034,649.47</b>
<b><u>ASSETS</u></b>			
<b><u>Non-Current Assets</u></b>			
Fixed Assets	5	369,199.62	449,140.90
Non-Current Investments	6	861,000.00	1,761,000.00
Deferred Tax Assets(Net)	7	1,124,482.92	809,448.14
<b><u>Current Assets</u></b>			
Current Investment	8	30,776,014.94	30,723,471.29
Cash & Bank Balances	9	833,156.33	852,552.14
Short Term Loans & Advances	10	6,193,873.00	6,433,873.00
Other Current Assets	11	5,624.00	5,164.00
<b>Total</b>		<b>40,163,350.81</b>	<b>41,034,649.47</b>

Significant Accounting Policies 21 - -  
The accompanying Notes of Accounts are an integral part of financial statements.

As per our report of even date

For **A.K. Meharia & Associates**  
Firm Registration Number-324666E  
Chartered Accountants

**(A.K. Meharia)**  
Partner  
Membership Number 053918  
Place: Kolkata  
Date: 28th May 2015.

**Arun Kumar Agarwalla**  
Managing Director  
DIN : 00607272  
**Renuka Keswani**  
Company Secretary

For and on behalf of Board

**Sudha Agarwalla**  
Director  
DIN : 00938365  
**Uttam Banerjee**  
CFO

**VALLEY MAGNESITE COMPANY LIMITED****STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

	<u>NOTES</u>	(Amount in ₹) For the Year <u>2014 - 2015</u>	(Amount in ₹) For the Year <u>2013 - 2014</u>
<b>INCOME</b>			
Revenue from Operation		-	-
Other Income	12	143,520.64	1,364,253.26
<b>Total Revenue</b>		<u>143,520.64</u>	<u>1,364,253.26</u>
<b>EXPENSES</b>			
Employee Benefit Expenses	13	515,688.00	223,904.00
Depreciation & Amortization Expenses	5	71,798.28	56,642.00
Others expenses	14	630,804.80	334,547.30
<b>Total Expenses</b>		<u>1,218,291.08</u>	<u>615,093.30</u>
<b>Profit/(Loss) Before Tax</b>		<b>(1,074,770.44)</b>	749,159.96
<u>Tax Expense:</u>			
Current Tax		-	(142,752.00)
Earlier Years		(1,676.00)	-
Deferred Tax Asset/(Liability)		315,034.78	253,680.35
<b>Profit/(Loss) for the Period</b>		<u><b>(761,411.66)</b></u>	<u>860,088.31</u>
<b>Earning Per equity Share-Basic &amp; Diluted</b>	15	<b>(0.73)</b>	0.82
Face Value Per Share (In ₹)		<b>10.00</b>	10.00

Significant Accounting Policies 21

The accompanying Notes of Accounts are an integral part of financial statements.

As per our report of even date

For **A.K. Meharia & Associates**  
Firm Registration Number-324666E  
Chartered Accountants

**(A.K. Meharia)**  
Partner  
Membership Number 053918  
Place: Kolkata  
Date: 28th May 2015.

**Arun Kumar Agarwalla**  
Managing Director  
DIN : 00607272

**Renuka Keswani**  
Company Secretary

For and on behalf of Board

**Sudha Agarwalla**  
Director  
DIN : 00938365

**Uttam Banerjee**  
CFO

## VALLEY MAGNESITE COMPANY LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

<u>PARTICULARS</u>	<u>YEAR ENDED ON</u> <u>31st March, 2015</u>		<u>YEAR ENDED ON</u> <u>31st March, 2014</u>	
	Rs.	P.	Rs.	P.
<b><u>Cash Flow From Operating Activities</u></b>				
Profit before tax as per Profit & Loss Account	(1,074,770.44)		749,159.96	
<u>Adjustment for:</u>				
Depreciation	71,798.28		56,642.00	
Profit on sale of Investment	(138,177.64)		(1,351,350.26)	
Operating Profit before Working Capital Changes	(1,141,149.80)		(545,548.30)	
<u>Adjustment for Working Capital changes:</u>				
Other Current Assets	(460.00)		2,134.00	
Trade Payable & Other Liabilities	(101,744.00)		16,940.00	
Change in Provisions	(1,676.00)		-	
Cash Generated from Operation	(1,245,029.80)		(526,474.30)	
<b>Net Cash Flow From Operating Activities</b> A)	(1,245,029.80)		(526,474.30)	
<b><u>Cash Flow From Investing Activities</u></b>				
Profit on Sale of Investment	138,177.64		1,351,350.26	
Movement in Short Term Loans & Advances	240,000.00		(155,000.00)	
Decrease (Increase) in Investment	847,456.35		(588,937.24)	
<b>Net Cash Flow From Investing Activities</b> B)	1,225,633.99		607,413.02	
<b><u>Cash Flow From Financing Activities</u></b>				
Interest Received	-		-	
<b>Net Cash Flow from financing Activities</b> C)	-		-	
Net Increase/(Decrease)n in cash and cash equivalents      (A+B+C)	(19,395.81)		80,938.72	
Cash and cash equivalent at the beginning of the year	852,552.14		771,613.42	
<b>Cash and Cash Equivalent at the end of the year</b>	833,156.33		852,552.14	

In terms of our report of even date

**Notes:**

- 1 The Cash Flow statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 'Cash Flow Statement' as specified in Companies (Accounts) Rules, 2014
- 2 Figures of the previous period has been rearranged/ regrouped where ever considard necessary.

For **A.K. Meharia & Associates**  
Firm Registration Number-324666E  
Chartered Accountants

**(A.K. Meharia)**  
Partner  
Membership Number 053918  
Place: Kolkata  
Date: 28th May 2015.

**Arun Kumar Agarwalla**  
Managing Director  
DIN : 00607272

**Renuka Keswani**  
Company Secretary

For and on behalf of Board

**Sudha Agarwalla**  
Director  
DIN : 00938365

**Uttam Banerjee**  
CFO



## VALLEY MAGNESITE COMPANY LIMITED

Notes to Financial Statements for the year ended 31st March, 2015

	(Amount in ₹) AS AT <u>31ST MARCH, 2015</u>	(Amount in ₹) AS AT <u>31ST MARCH, 2014</u>
<b>NOTE - 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised Shares:</b>		
11,00,000 (P.Y:11,00,000) Equity Shares of Rs.10/-each	11,000,000.00	11,000,000.00
<b>Issued, Subscribed &amp; fully Paid - up Shares</b>		
10,50,000 (P.Y:10,50,000) Equity Shares of Rs.10/-each fully paid up	<u>10,500,000.00</u>	<u>10,500,000.00</u>
	<u>10,500,000.00</u>	<u>10,500,000.00</u>

**a) Terms/rights attached to equity shares.**

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders except in the case of interim dividend. In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount in proportion of their shareholding.

**b) Details of shareholders holding more than 5% shares in the company**

	AS AT <u>31ST MARCH, 2015</u>		AS AT <u>31ST MARCH, 2014</u>	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity Shares of Rs.10 each fully paid up</b>				
Dhanverdhi Exports Ltd	245,000.00	23.33%	245,000	23.33%
Arun Kumar Agarwalla	161,900.00	15.42%	161,900	15.42%
Sudha Agarwalla	106,000.00	10.10%	106,000	10.10%
Swagtam Distributors Pvt Ltd	112,000.00	10.67%	112,000	10.67%
Vidyut Dealers Pvt Ltd	147,000.00	14.00%	147,000	14.00%

**NOTE - 2**

	AS AT <u>31ST MARCH, 2015</u>	AS AT <u>31ST MARCH, 2014</u>
<b>RESERVES &amp; SURPLUS</b>		
<u>Balance as per last Financial Statement</u>		
Capital Reserve	1,647,094.00	1,647,094.00
General Reserve	3,000,000.00	3,000,000.00
Investment Allowance (utilised) Reserve	<u>2,617,536.84</u>	<u>2,617,536.84</u>
	<u>7,264,630.84</u>	<u>7,264,630.84</u>
<u>Profit &amp; Loss Account</u>		
Balance as per last financial statement	22,814,529.63	21,954,441.32
Retained Earning on Fixed Assets	(8,143.00)	-
Profit/(Loss) for the year	(761,411.66)	860,088.31
	<u>22,044,974.97</u>	<u>22,814,529.63</u>
	<u>29,309,605.81</u>	<u>30,079,160.47</u>

**NOTE - 3**

**OTHER CURRENT LIABILITIES**

Sundry Creditors for Exp. & Others	57,663.00	57,531.00
Statutory Dues	<u>3,708.00</u>	<u>2,809.00</u>
	<u>61,371.00</u>	<u>60,340.00</u>

**NOTE - 4**

**SHORT TERM PROVISIONS**

Provision for Taxation	235,122.00	395,149.00
Provision for Gratuity	<u>57,252.00</u>	-
	<u>292,374.00</u>	<u>395,149.00</u>

**VALLEY MAGNESITE COMPANY LIMITED**

**NOTES SHOWING DETAIL OF FIXED ASSETS AS AT 31ST MARCH, 2015**

**NOTES - 5**

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As on 1.04.2014	Additions	Sales/ Adjustments	As on 31.03.2015	Upto 31.03.2014	Sales/ Adjustments for the year	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Motor Car	550,430.00	-	-	550,430.00	124,352.30	70,791.51	195,143.81	355,286.19	426,077.70
Computer	22,360.00	-	8,143.00	14,217.00	13,099.00	-	13,099.00	1,118.00	9,261.00
Television	15,290.00	-	-	15,290.00	1,487.80	1,006.77	2,494.57	12,795.43	13,802.20
<b>Total Rs.</b>	<b>588,080.00</b>	-	<b>8,143.00</b>	<b>579,937.00</b>	<b>138,939.10</b>	<b>-</b>	<b>210,737.38</b>	<b>369,199.62</b>	<b>449,140.90</b>
Previous Years	588,080.00	-	-	588,080.00	82,297.10	-	138,939.10	449,140.90	505,782.90

## VALLEY MAGNESITE COMPANY LIMITED

### Notes to Financial Statements for the year ended 31st March, 2015

	(Amount in ₹) AS AT 31ST MARCH, 2015	(Amount in ₹) AS AT 31ST MARCH, 2014
<b>NOTE -6</b>		
<b>NON CURRENT INVESTMENTS</b>		
Trade Investments (Valued at cost unless stated otherwise)		
Quoted Equity Instruments		
(Face Value: Rs.10/- each fully paid up)		
6,100 (P.Y:6,100) Equity Share of Mihijam Vansapati Ltd .	61,000.00	61,000.00
	61,000.00	61,000.00
Unquoted Equity Instruments		
(Face Value: Rs.10/- each fully paid up)		
Investment in Other company		
Nil ( P.Y.10,000) Equity Share of Shree Kishan Himghar Pvt Ltd	-	500,000.00
20,000 ( P.Y. 20,000) Equity Share of Core Mercantiles Pvt Ltd	400,000.00	400,000.00
20,000 ( P.Y.40,000) Equity Share of Windsor Mercantiles Pvt Ltd	400,000.00	800,000.00
	800,000.00	1,700,000.00
Total Investment	861,000.00	1,761,000.00
Market Value of Quoted Investment	36,600.00	36,600.00
<b>NOTE -7</b>		
<b>DEFERRED TAX ASSETS</b>		
On account of		
Carried forward of losses	1,115,998.02	803,942.09
On carrying amount of fixed assets	8,484.90	5,506.05
	1,124,482.92	809,448.14
<b>NOTE - 8</b>		
<b>CURRENT INVESTMENTS</b>		
Trade Investments (Valued at cost unless stated otherwise)		
Mutual Fund		
56945(P.Y.nil) Unit of HDFC FMP May 2014 (1) Sr. 31	569,450.00	-
361307.869(P.Y.nil) Unit of Reliance FHF XXVI Sr 12	3,613,078.69	-
Nil(P.Y.180000) Unit of Ilici Pru Fixed Maturity Plan Sr-70 Plan K	-	1,800,000.00
1192.7249(P.Y.nil)Unit of Birla SL Cash Manager Fund	400,000.00	-
1611.758(P.Y 1611.758) Unit of Rel. Diversified Power Sector Fund	65,787.29	65,787.29
Nil(PY 220841.581) Unit of Rel. Dynamic Bond Fund	-	3,660,047.16
94047.766 (P.Y nil) Unit of ICICI Pru Corporate Bond Fund	1,900,000.00	-
Nil (P.Y 34,769.42) unit of Birla Sunlife India Reforms Fund	-	347,694.15
Nil (P.Y 50,000) Unit of HDFC Infrastructure Fund	-	500,000.00
2,70,225.82 (P.Y 2,70,225.82) Unit of HDFC MF M.I.P (Growth)	5,421,976.07	5,421,976.07
2,90,899.14(P.Y 2,90,899.14) Unit of ICICI Pru M.I.P (Growth)	6,800,000.00	6,800,000.00
9,756.10(P.Y 9,756.10) Unit of ING Global Real Estate Fund	100,000.00	100,000.00
147.615 (P.Y nil)unit of Tata Liquid Fund	351,747.98	-
184.742 (P.Y 217.289) Unit of Rel. Money Manager Fund Growth	342,608.99	366,600.70
1,47,233.29(P.Y 1,47,233.29)Reliance MIP G	2,842,058.98	2,842,058.98
1,27,360.95(P.Y 1,27,360.95) Unit of Reliance Reg. Saving Fund-Balanced	2,159,927.00	2,159,927.00
242601.635(P.Y 242601.635) Unit of Reliance Reg. Saving Fund-Debt Plan	3,950,765.96	3,950,765.96
99,100.02(P.Y 99,100.02) Unit of Reliance Regular Saving Fund-Equity	2,258,613.98	2,258,613.98
Nil (P.Y 45,000) Unit of Tata Indo Global Infrastructure Fund	-	450,000.00
	30,776,014.94	30,723,471.29
Market Value of Mutual Funds Investment	48,269,505.40	39,005,732.25

## VALLEY MAGNESITE COMPANY LIMITED

### Notes to Financial Statements for the year ended 31st March, 2015

	(Amount in ₹) AS AT <u>31ST MARCH, 2015</u>	(Amount in ₹) AS AT <u>31ST MARCH, 2014</u>
<b>NOTE - 9</b>		
<b>CASH &amp; BANK BALANCES</b>		
<b>Cash &amp; Cash Equivalents</b>		
Balances with bank:		
On Current Accounts:	99,728.17	11,125.98
Cash in hand	733,428.16	841,426.16
	<b>833,156.33</b>	<b>852,552.14</b>
<b>NOTE - 10</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
<i>(Unsecured considered good)</i>		
Advances recoverable in cash or in kind to Others	5,800,000.00	5,800,000.00
Other Loans and Advances		
Advance Income Tax Paid	255,000.00	495,000.00
FBT Paid	5,784.00	5,784.00
TDS Paid	133,089.00	133,089.00
	<b>6,193,873.00</b>	<b>6,433,873.00</b>
<b>NOTE - 11</b>		
<b>OTHER CURRENT ASSETS</b>		
Prepaid Expenses	5,624.00	5,164.00
	<b>5,624.00</b>	<b>5,164.00</b>
<b>NOTE - 12</b>		
<b>OTHER INCOME</b>		
Profit on Sale of Investment	138,177.64	1,351,350.26
Interest Received on IT Refund	5,343.00	1,380.00
Insurance Claim Received	-	11,523.00
	<b>143,520.64</b>	<b>1,364,253.26</b>
<b>NOTE - 13</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Bonus	458,436.00	223,904.00
Gratuity	57,252.00	-
	<b>515,688.00</b>	<b>223,904.00</b>
<b>NOTE - 14</b>		
<b>OTHER EXPENSES</b>		
Payment to Auditor (Refer details below)	28,090.00	28,090.00
Rent & Maintenance Charge	60,000.00	60,000.00
Motor Car Expenses	112,936.00	85,255.00
Professional Fees	167,057.00	25,096.00
Registrar Fees	13,483.00	10,112.00
Misc Expenses	249,238.80	125,994.30
	<b>630,804.80</b>	<b>334,547.30</b>
<b>Payment to Auditor</b>		
<i>As Auditor (Including Service Tax)</i>		
Statutory Audit Fee	28,090.00	28,090.00
	<b>28,090.00</b>	<b>28,090.00</b>

## VALLEY MAGNESITE COMPANY LIMITED

### Notes to Financial Statements for the year ended 31st March, 2014

	<b>For the Year</b>	<b>(Amount in ₹)</b>
	<b>2014 - 2015</b>	<b>For the Year</b>
	<b>2014 - 2015</b>	<b>2013 - 2014</b>
<b>NOTE - 15</b>		
<b>EARNINGS PER SHARE(EPS)</b>		
Net profit/(loss) after tax as per statement of Profit and Loss attributable to Equity Shareholders	<b>(761,411.66)</b>	860,088.31
Weighted average number of equity shares used as denominator for calculating EPS	<b>1050000</b>	1050000
Basic & Diluted Earning Per Share	<b>(0.73)</b>	0.82
<b>NOTE - 16</b>		
<b>DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 15 "EMPLOYEE BENEFIT"</b>		
<b>(a) Net Employee Benefit Expenses(Recognised in Employee Benefits Expense)</b>		
(i) Current Service Cost	19,797.00	-
(ii) Interest Cost	-	-
(iii) Expected return on Plan Assets	-	-
(iv) Actuarial (gain) / Losses on obligation	37,455.00	-
(v) Total Expenses	57,252.00	-
<b>(b) Net Assets (Liability) recognized in Balance Sheet</b>		
(i) Present value of obligation at the end of the year	(57,252.00)	-
(ii) Fair value of Plan Assets	-	-
(iii) Net Plan Assets / (Liability)	(57,252.00)	-
<b>(c) Change in obligation during the year</b>		
(i) Present value of obligation at the beginning of the year	37,455.00	-
(ii) Current Service Cost	19,797.00	-
(iii) Interest Cost	-	-
(iv) Actuarial (Gain) / Losses on obligation	37,455.00	-
(v) Benefits Paid	-	-
(vii) Present value of obligation at the end of the year	57,252.00	-
<b>(d) Change in Fair Value of Plan Assets during the year</b>		
(i) Plan Assets at the beginning of the year	-	-
(ii) Expected return on Plan Assets	-	-
(iii) Contributions by the employer	-	-
(iv) Benefits Paid	-	-
(v) Plan Assets at the end of the year	-	-
<b>(e) Actuarial Assumption</b>		
(i) Discount Rate	8.00%	-
(ii) Expected return on Plan Assets	0.00%	-
(iii) Inflation Rate	6.00%	-
(iv) Remaining Working Life	30 Years	-
(v) Mortality Table	IALM 2006-2008	-
Amount debited in the statement of profit & loss on account of gratuity includes Rs.37455/- relating to earlier years.		

## **VALLEY MAGNESITE COMPANY LIMITED**

### **NOTE - 17**

Previous year figures have been regrouped/rearranged wherever necessary.

### **NOTE - 18**

As per information available with the Company, there are no suppliers covered under Micro, Small & Medium Enterprises Development Act, 2006. As a result, no interest provision/payment have been made by the Company to such creditors, if any, and no disclosure thereof is made in this account.

### **NOTE - 19**

#### **RELATED PARTY DISCLOSURE**

There are no transactions or outstanding balances with the related party which is required to be disclosed in terms of the provisions of AS-18, issued by ICAI.

### **NOTE - 20**

#### **SEGMENT REPORTING**

The Company has only one segment of business i.e. Investment & Finance and the Company operates in a single geographical segment viz. India, accordingly no separate segment reporting is applicable to the company.

### **NOTE - 21**

#### **SIGNIFICANT ACCOUNTING POLICIES**

##### **a) Basis of Preparation of Financial Statements**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the Act 1956"), as applicable. These financial statements have been prepared on an accrual basis and under the historical cost conventions.

##### **b) Fixed Assets:**

Fixed Assets are stated at cost of acquisition/installation less accumulated depreciation. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use.

##### **c) Depreciation and Amortisation:**

In respect of fixed assets (other than freehold land and capital work-in-progress) acquired during the year, depreciation/ amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to 1 April, 2014, the carrying amount as on 1 April, 2014 is depreciated over the remaining useful life in terms of the provisions of Schedule II of the Companies Act, 2013.

## **VALLEY MAGNESITE COMPANY LIMITED**

### **d) Investments**

Investments are classified into current and Long -term investment. Current Investments are stated at lower of cost and fair market value. Long Term Investments are stated at cost after deducting provision, if any, for diminution in value considered to be other than temporary in nature.

### **e) Earning Per Share**

Basic and Diluted Earnings per shares are calculated by dividing the net profit attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

### **f) Taxation**

Provision for current tax is made after taking in to consideration benefits admissible under the provisions of the Income Tax Act, 1961, Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and law that are enacted or substantively enacted as on the balance sheet date. Deferred tax assets is recognised and carried forward only to the extent that there is virtual certainty that the assets will be realised in future.

### **h) Employee Benefits**

Gratuity Liability has been provided on the basis of actuarial valuation. The company does not contribute to any fund for gratuity for its employees. The cost of providing benefits is determined on the basis of actuarial valuation at each year end using projected unit credit method. Actuarial gain and losses is recognized in the period in which they occur in the statement of profit and loss.

### **l) Impairment**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value being higher of value in use and net selling price. An impairment loss is recognized as an expense in the Profit and Loss Account in the year in which an asset is impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

### **j) Provision & Contingent Liability**

A provision is recognized when there is a present obligation as a result of past event, that probably requires an outflow of resources and a reliable estimate can be made to settle the amount of obligation. These are reviewed at each year end and adjusted to reflect the best current estimates. Contingent liabilities are not recognised but disclosed in the financial statements.

As per our report of even date

**For A.K. Meharia & Associates**  
Firm Registration Number-324666E  
Chartered Accountants

**(A.K. Meharia)**  
Partner  
Membership Number 053918  
Place: Kolkata  
Date: 28th May 2015.

**Arun Kumar Agarwalla**  
Managing Director  
DIN : 00607272

**Renuka Keswani**  
Company Secretary

**For and on behalf of Board**

**Sudha Agarwalla**  
Director  
DIN : 00938365

**Uttam Banerjee**  
CFO

**VALLEY MAGNESITE COMPANY LIMITED**

(CIN:L23109WB1988PLC045491)

Regd.Office:- A-402, Mangalam, 24/26 Hemanta Basu Sarani, Kolkata-700 001

Phone:033-22436242, Fax:-033-22310835

Email: valleymagnesite@yahoo.in

**ATTENDANCE SLIP**

27th Annual General Meeting to be held on Tuesday , the 29th day of September, 2015 at 10.00 A.M at A-402, Mangalam, 24/26 Hemanta Basu Sarani, Kolkata- 700 001

Name of the attending Member( In Block Letters)
Folio /DP ID CLIENT ID No.
No.of Shares Held
Name of PROXY (In Block Letters , to be filled in if Proxy Attends instead of the Member)

I hereby record my presence at the 27th Annual General Meeting on 29th September,2015

.....  
Signature of Proxy Holder

.....  
Signature of the Member

**THIS ATTENDANCE SLIP DULY FIELD IS TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL**

--



## VALLEY MAGNESITE COMPANY LIMITED

(CIN:L23109WB1988PLC045491)

Regd.Office:- A-402, Mangalam, 24/26 Hemanta Basu Sarani, Kolkata-700 001

Phone:033-22436242, Fax:-033-22310835

Email: valleymagnesite@yahoo.in

(27th Annual General Meeting – 29th September, 2015)

Form No. MGT 11

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
Folio No./DP ID-Client ID	
E-Mail ID	
No.of Shares	

I/We , being the member(s) of \_\_\_\_\_ shares of the named company, hereby appoint

1.Name:	
Address:	
Email Id	Signature
or failing him	
2.Name:	
Address:	
Email Id	Signature
or failing him	
3.Name:	
Address:	
Email Id	Signature

as my proxy to attend and vote for me/us and on my/our behalf at the 27th Annual General Meeting of the Company , to be held on Tuesday , the 29th September, 2015 at 10.00 A.M at A-402, Mangalam, 24/26 Hemanta Basu Sarani, Kolkata-700 001 and at any adjournment thereof in respect of such resolutions as are indicated below:-

Sl.No.	Resolution	For	Against
<b>Ordinary Business:</b>			
1.	Adoption of Financial Statements of the Company for the year ended 31st March,2015 together with the Director's & Auditors Report thereon.		
2.	Declaration of Dividend for the financial year 2014-15(if any)		
3.	Appointment of M/s A.K.Meharia & Associates , Chartered Accountants , as statutory auditors of the Company and to authorize the Board of Directors to fix their remuneration.		
4.	Re-appointment of Mrs. Sudha Agarwalla (DIN: 00938365) who retires by rotation		
<b>Special Business:</b>			
1.	Appointment of Mr.Uttam Banerjee as Chief Financial Officer of the Company.		
2.	Appointment of Ms.Renuka Keswani as Company Secretary of the Company		

Signed this \_\_\_\_ day of \_\_\_\_\_ 2015

\_\_\_\_\_  
Signature of Shareholder(s)

Revenue  
Stamp

\_\_\_\_\_  
Signature of first proxy holder    Signature of second proxy holder    Signature of third proxy holder

**Notes:** (a) the form should be signed across the stamp as per specimen signature registered with RTA/DP

(b) the form should be deposited at the registered office of the company atleast 48 hours before the time fixed for holding the meeting.

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## VALLEY MAGNESITE COMPANY LIMITED

Regd. Office:- A-402, Mangalam, 24/26 Hemanta Basu Sarani, Kolkata-700 001

(CIN:L23109WB1988PLC045491)

Phone:033-22436242, Fax:-033-22310835

Email: valleymagnesite@yahoo.in

### BALLOT PAPER FOR VOTING AT AGM( in lieu of e-voting)

Name & Registered Address of the sole /First Named Shareholder (in block letters)		Name(s) of the Joint Holder, if any	
		1.	
		2.	
Registered Folio No/ Client ID No.		No. of. Shares Held	

I / We hereby exercise my /our vote(s) in respect of the following resolutions to be passed for the business stated in the Notice of the 27th Annual General Meeting of the Company to be held on 29th September, 2015 , by sending my/our assent or dissent to the said Resolutions by placing a tick  at the appropriate box below:

Sl.No.	Resolution	I/We assent to the resolution For	I/We dissent to the resolution Against
<b>Ordinary Business:</b>			
1.	Adoption of Financial Statements of the Company for the year ended 31st March, 2015 together with the Director's & Auditors Report thereon.		
2.	Declaration of Dividend for the financial year 2014-15(if any)		
3.	Appointment of M/s A.K.Meharia & Associates , Chartered Accountants , as statutory auditors of the Company and to authorize the Board of Directors to fix their remuneration.		
4.	Re-appointment of Mrs.Sudha Agarwalla (DIN: 00938365) who retires by rotation		
<b>Special Business:</b>			
1.	Appointment of Mr.Uttam Banerjee as Chief Financial Officer of the Company.		
2.	Appointment of Ms.Renuka Keswani as Company Secretary of the Company		

Signed this \_\_\_ day of \_\_\_\_\_ 2015

.....  
Signature of Shareholder(s)

Place \_\_\_\_\_

Note: Please read the instructions overleaf before exercising your vote.

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## VALLEY MAGNESITE COMPANY LIMITED

### INSTRUCTIONS

- A. Shareholders have option to vote either through e-voting i.e electronic means or to convey assent / dissent in physical form. If a shareholder has opted for this physical ballot form , then he/she should not vote by e-voting and vice versa. However, in case shareholders cast their vote through both physical ballot form and e-voting , then vote cast through e-voting shall be considered. Subject to it being found to be valid, and vote cast through this form shall be treated as invalid.
- B. Voting through this form cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorized representatives with proof of their authorization, as stated below.

Process and Manner for Members opting to vote by using the Ballot Paper.

1. A member desiring to exercise vote by Ballot Paper should complete this Form (no other form is permitted ) and send it to the scrutinizer . Mr. Anand Khandelia , Practicing Company Secretary , Scrutinizer, to reach on or before the close of working hours i.e 5.00 p.m on 28th September, 2015. All Forms received after this date will be strictly treated as if the reply from such Member has not been received .
2. This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/ Depository Participants) In case of Joint Holding , this Form should be completed and signed by the First named Shareholder and in his absence , by the next named Shareholder.
3. In respect of Shares held by corporate and institutional shareholders (companies, trusts, societies etc ) the Form should be accompanied by a certified copy of relevant Board Resolution / appropriate authorization , with the specimen signature(s) of the authorized signatory (ies) duly attested.
4. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark  in the appropriate column in the Form. The assent or dissent received in any other form shall not be considered.
5. Members are requested to fill the Form in indelible ink to avoid filling it by using erasable writing medium(s) like pencil.
6. There will be one Form for every folio / client id irrespective of the number of joint holders.
7. A member may request for a duplicate Form, if so required, and the same duly completed should reach the Scrutinizer not later than the date specified under instruction No. 1 above.
8. Members are requested not to send any other paper along with this Form. They are also requested not to write anything in the form except giving their assent or dissent and putting their signature. If any such other paper is sent, the same will be destroyed by the Scrutinizer.
9. The Scrutinizer's decision on the validity of the Form will be final and binding.
10. Incomplete , unsigned or incorrectly ticked Forms will be rejected.