

**VAGHANI TECHNO-BUILD LIMITED**

**20<sup>th</sup>**  
**Annual Report**  
**2013-14**

## **VAGHANI TECHNO-BUILD LIMITED**

### **Board of Directors:**

Mr. Kantilal Savla – Chairman & Wholetime Director

Mr. Ramesh Meisheri

Mr. Sabu Daniel

Mr. Bharat Shah

Miss. Grishma Savla w.e.f.12.08.2014

### **Company Secretary:**

Mr. Amit Surase  
(Appointed on 14/11/2013)

### **Auditors:**

M/s. M.L. Bhuwania & Co.  
Chartered Accountants

### **Bankers:**

Union Bank of India,  
Turner Road Branch, Bandra, Mumbai 400 050

### **Regd. Office:**

D-Wing, Karma Sankalp  
Corner of 6<sup>th</sup> & 7<sup>th</sup> Road of Rajawadi,  
Ghatkopar (east), Mumbai – 400 077.

### **Registrar and Share Transfer Agent:**

Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound,  
L B S Marg, Bhandup (West),  
Mumbai - 400 078.  
Tel. (022) 25963838

**NOTICE**

Notice is hereby given that the Twentieth Annual General Meeting of the members of **VAGHANI TECHNO-BUILD LIMITED** will be held at the Registered Office of the Company at D-wing, Karma Sankalp, Corner of 6<sup>th</sup> and 7<sup>th</sup> Road of Rajawadi, Ghatkopar (East), Mumbai -400077 on Tuesday, 30<sup>th</sup> September, 2014 at 11.30 A.M. to transact with or without modification(s), as may be permissible, the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2014 including the audited Balance sheet as at 31<sup>st</sup> March, 2014 and the statement of Profit & Loss Account of the Company for the year ended as on that date and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kantilal Savla (DIN 00403389), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditor and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

Resolved that M/s M.L. Bhuwania & Co, Chartered Accountants (Registration No. 101484W), the retiring auditors of the Company be and hereby appointed as the auditors of the Company to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be decided by the Board of Directors of the Company and the Auditors.

**SPECIAL BUSINESS :**

**4. Appointment of Mr. Bharat Shah as an Independent Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Bharat Shah (DIN-06432795), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto the conclusion of March 31, 2019.

5. **Appointment of Mr. Ramesh Meisheri as an Independent Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ramesh Meisheri (DIN 02531807), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto the conclusion of March 31, 2019."

6. **Appointment of Mr. Sabu Daniel as an Independent Director of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Sabu Daniel (DIN- 02402493), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto the conclusion of March 31, 2019."

7. **Regularization of Additional Director**

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

**"RESOLVED THAT** pursuant to the provisions of Section 161 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, Miss. Grishma Savla who was appointed as an Additional Director in the meeting of the Board of Directors held on 12.08.2014 and whose term expires at the ensuing Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 proposing her candidature for the office of the Director be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of directors by rotation".

**"RESOLVED FURTHER THAT** Mr. Kantilal Savla, Director and / or Mr. Amit Surase Company Secretary be and are hereby severally authorized to do all the acts, deeds and things which are necessary to give effect to the above said resolution."

**By Order of the Board of Director**  
**For VAGHANI TECHNO-BUILD LIMITED**  
**SD/-**  
**Amit Surase**  
**Company Secretary**

**Place: Mumbai**

**Date: 01<sup>st</sup> Sept 2014**

## NOTES:

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE THE MEMBER OF THE COMPANY. THE INSTRUMENT(S) APPOINTING A PROXY, IF ANY SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. A member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23-09-2014 to 30-09-2014 (both days inclusive).
4. Members are requested to intimate the Registrar and Share Transfer Agent of the Company- Link Intime India Private Limited, immediately of any change in their address, in respect of equity shares held in physical mode and to their Depository Participants (DP) in respect of equity shares held in dematerialized form.
5. Members holding share certificates under different folio numbers but in the same order of name are requested to apply for consolidation of such folios and send relevant share certificates to the Registrar and Share Transfer Agent of the Company.
6. Pursuant to Section 101 and 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Report and other communications through electronic mode to those Members who have registered their e-mail address with the Company or with the Depository. Members who have not registered their e-mail address either with the Company or with the Depository can now register the same by submitting updated email address to Link Intime India Private Limited, the Registrar and Share Transfer Agent or Company. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM. Members may also note that the Annual Report for FY 2013-2014 will also be available on the Company's website : [www.vaghanitechnobuild.com](http://www.vaghanitechnobuild.com) for their download.

7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, Members have been provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services Limited, on all resolutions set forth in this notice.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 24<sup>th</sup> September, 2014 (9.00 a.m. IST) and ends on 25<sup>th</sup> September, 2014 (6.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 5th September, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

- (ii) Click on Shareholders.

- (iii) Now Enter your User ID

- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (iv) Next enter the Image Verification as displayed and Click on Login.

- (v) 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.

- (vi) If you are a first time user follow the steps given below:

	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 <b>folio/client id</b> number in the PAN field.</li> <li>In case the <b>folio</b> 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 <b>folio</b> number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field.</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Vaghani Techno-Build Limited on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) 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.
- (xvii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - 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 user who 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.
- (xviii) 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).

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 and not casting their votes electronically, may cast their vote at the AGM venue, facility will be available at the venue. The results of e-voting will be placed by the Company on the website: [www.vaghani.technobuild.com](http://www.vaghani.technobuild.com) within two days of the AGM and also communicated to the stock exchanges, where the shares of the Company are listed.

8. The resolutions proposed will be deemed to have been passed on the date of AGM subject to receipt of number of votes in favour of the resolutions.
9. Mr. Narayan Parekh, Partner, PRS Associates, Practicing Company Secretaries, (Membership No: ACS 8059) has been appointed as the Scrutinizer to scrutinize the e-voting process.
10. In terms of clause 35B of the Listing Agreement, those members, who do not access to e-voting facility, may send their assent or dissent in writing on the Ballot Form sent along with this AGM Notice so as to reach the Scrutinizer at the Address- Mr. Narayan Parekh, Partner, PRS Associates, Practicing Company Secretary, (Membership No : ACS 8059) c/o Link Intime India Private Limited (Unit:- Vaghani Techno-Build Limited) at C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup ( West) Mumbai - 400 078, on or before 25th September, 2014. Any Ballot Form received after this date will be treated as if the reply from the member has not been received.
11. Voting will be provided to the members through e-voting and / or at the AGM venue. A member can opt for only one mode of voting i.e. either through e-voting or ballot. If a member cast votes by both modes, then voting done through e-voting shall prevail and the ballot shall be treated as invalid.
12. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered office on all working days of the Company between 10.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting except Saturday and Sunday.
13. Members/Proxies are requested to bring their attendance slip duly filled in along with their copy of Annual Report to the Meeting.



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

As required by Section 102(1) of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos.4 to 7 of the accompanying Notice dated 01<sup>st</sup> September 2014.

**Item No. 4**

Mr. Bharat Shah is a non- Executive Independent Director of the company. He joined the board of Director of the company in December 2012. In the term of the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Bharat Shah has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

The matter regarding appointment of Mr. Bharat Shah as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director from 1<sup>st</sup> April, 2014 up to 31<sup>st</sup> March, 2019.

In the opinion of the Board, Mr. Bharat Shah fulfils the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the Management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Bharat Shah as an Independent Director is now being placed before the members in general meeting for their approval.

The terms and conditions of appointment of Mr. Bharat Shah shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Mr. Bharat Shah is interested and concerned in the Resolution at Item No.4 of the Notice as it relates to his own appointment. Other than Mr. Bharat Shah, no other Director or Key Managerial Personnel (KMP) or their respective relatives, are concerned or interested in the Resolution at Item No.4 of the Notice.

**Item No. 5**

Mr. Ramesh Meisheri is a non- Executive Independent Director of the company. He joined the board of Director of the company in January 2009. In the term of the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Ramesh Meisheri has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

The matter regarding appointment of Mr. Ramesh Meisheri as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director from 1<sup>st</sup> April, 2014 up to 31<sup>st</sup> March, 2019.

In the opinion of the Board, Mr. Ramesh Meisheri fulfils the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the Management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Ramesh Meisheri as an Independent Director is now being placed before the members in general meeting for their approval.

The terms and conditions of appointment of Mr. Ramesh Meisheri shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Mr. Ramesh Meisheri is interested and concerned in the Resolution at Item No.5 of the Notice as it relates to his own appointment. Other than Mr. Ramesh Meisheri, no other Director or Key Managerial Personnel (KMP) or their respective relatives, are concerned or interested in the Resolution at Item No.5 of the Notice.

#### **Item No. 6**

Mr. Sabu Daniel is a non- Executive Independent Director of the company. He joined the board of Director of the company in January 2009. In the term of the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Sabu Daniel has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

The matter regarding appointment of Mr. Sabu Daniel as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director from 1st April, 2014 up to 31<sup>st</sup> March 2019.

In the opinion of the Board, Mr. Sabu Daniel fulfils the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the Management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Sabu Daniel as an Independent Director is now being placed before the members in general meeting for their approval.

The terms and conditions of appointment of Mr. Sabu Daniel shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Mr. Sabu Daniel is interested and concerned in the Resolution at Item No.5 of the Notice as it relates to his own appointment. Other than Mr. Sabu Daniel, no other Director or Key Managerial Personnel (KMP) or their respective relatives, are concerned or interested in the Resolution at Item No.5 of the Notice.

**Item No. 7**

Ms. Grishma Savla was appointed as an Additional Director on the Board of the Company w.e.f. August 12, 2014. Pursuant to the provisions of Section 149, 161 of the Companies Act, 2013, she holds office upto the date of ensuing Annual General Meeting of the Company.

Ms. Grishma Savla is an eminent Professional and bring rich and varied experience to the Board. The Board of Directors recommends the resolution set out in Item no. 7 of the accompanying Notice for approval of the Members.

Miss. Grishma Savla is interested and concerned in the Resolution at Item No. 7 of the Notice as it relates to her own appointment. Mr. Kantilal Savla being the relatives of Ms. Grishma Savla may be deemed to be interested in the Resolution at Item No.7, to the extent of their shareholding interest, if any, in the Company. Other than Miss. Grishma Savla and Mr. Kantilal Savla, no other Director or Key Managerial Personnel (KMP) or their respective relatives, are concerned or interested in the Resolution at Item No. 7 of the Notice.

**ANNEXURE TO THE NOTICE :****Disclosure pursuant to Clause 49 of the Listing Agreement:**

Disclosure of Directors seeking re-appointment at the Annual General Meeting to be held on 30<sup>th</sup> September, 2014

<b>Name of Director</b>	<b>Mr. Kantilal M Savla</b>	<b>Mr. Bharat Shah</b>	<b>Mr. Ramesh Meisheri</b>	<b>Mr. Sabu Daniel</b>	<b>Ms. Grishma Savla</b>
Date of Birth	13.05.1959	11.05.1955	24.08.1944	03.02.1966	06.07.1985
Date of Appointment	31.01.2009	11.12.2012	31.01.2009	31.01.2009	12.08.2014
Qualification	B.com & OPM (Owner/President - Management Program) from Harvard Business School	B.E.(Electrical)	B.E. Mech	MA(Public Administration)	M. Sc (International securities, investment and banking)
Expertise in specific functional areas	Construction & Real Estate Business	Business Processes and System enablement using Information Technology spear heading the initiative of implementation of ERP Systems Across the Group management of it Resource across tie Group	Engineering Projects and maintenance activities	Civil Contractor and real Estate investment service	Experience in the field of Finance and Accounts and investment

Directorship in Indian other Public Limited Companies as on 31.3.2014.	4	1	NIL	NIL	NIL
Chairman / Member of the committee of other companies*	2	NIL	NIL	NIL	2
No of shares held in the Company as on 31.3.2014	9,78,760	NIL	NIL	NIL	NIL

## DIRECTOR'S REPORT

**Dear Members,**

Your Directors present their TWENTIETH ANNUAL REPORT together with the Audited Accounts along-with the report of the Auditors for the year ended 31st March, 2014

### FINANCIAL RESULTS

(in Lacs Rs.)

Particulars	Year 2013-14	Year 2012-13
Income	114.00	289.34
Total Expenditure	81.95	691.26
Profit Before Tax	32.05	(401.92)
Provision for Tax	-	-
Profit / (Loss) for the period (after tax)	32.05	(401.92)

### DIVIDEND :

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year ended 31<sup>st</sup> March, 2014.

### REVIEW OF OPERATIONS :

During the year under review, the Company has earned a profit after tax of Rs. 32.05 Lacs as against loss of Rs. 401.92 Lacs of the previous year. Your Directors are continuously looking for future growth of the Company in real estate industry

### BUSINESS AND FUTURE PLAN :

The Company is trading in Transfer of Development Rights (TDR). Further steps will be taken to accelerate the same.

### FIXED DEPOSITS:

The Company has not accepted deposits from public and hence directives issued by the Reserve Bank of India and the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable for the year under audit

### DIRECTORS :

Mr. Kantilal Savla, Director, retires by rotation and being eligible offers himself for reappointment.

Pursuant to the provision of the Companies Act, 2013 and revised clause 49 of the Listing Agreement (effective from October 1, 2014) Mr.. Bharat Shah, Mr. Ramesh Meisheri and Mr. Sabu Daniel are proposed to be appointed as Independent Director to hold office upto 31<sup>st</sup> March, 2019.

Miss. Grishma Savla, appointed as an Additional director, will hold office till ensuing AGM and is eligible for re-appointment

The notice convening the AGM includes the proposal for appointment/ re-appointment of the aforesaid director are placed for your approval.

A brief resume of the Directors being re-appointed are attached to the Notice of the ensuing Annual General Meeting.

The Board of Directors recommends their appointment/ re-appointment

#### **AUDITORS :**

M/s M. L Bhuwania and Co. (MLB), Chartered Accountants, retiring auditors, is eligible for re-appointment and has expressed their willingness to accept office, if re-appointed. They have furnished Certificate u/s 141 of the Companies Act, 2013 for their eligibility for re-appointment. They have further confirmed that the said appointment, if made, would be within the prescribed limits under section 143(1)(g) of the Companies Act, 2013. Your directors recommend their appointment as the statutory auditors till the conclusion of the next Annual General Meeting.

#### **AUDITORS' REPORT :**

Explanation to Auditors Report as required under Section 217(3) of Companies Act, 1956

In Point VII of Annexure to Auditors Report, it is mentioned that the Company does not have an internal audit System. Your director would like to clarify that the Company is taking all steps to achieve adequate internal audit system in the operation, optimum utilization of resources and effective monitoring thereof and compliance with laws applicable.

#### **POLLUTION AND ENERGY CONSERVATION AND FOREIGN EXCHANGE :**

The Company has not consumed energy of the significant level and accordingly no measures were taken for energy conservation and no additional investment was made for reduction of energy conservation. The particulars regarding technology absorption and Foreign exchange earnings and out go pursuant to Section 217 (1) (e) of the Companies Act, 1956 are NIL. During the year the company has not earned or expended foreign exchange.

#### **DIRECTORS' RESPONSIBILITY STATEMENT :**

The Board of Director of the Company confirms ::

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31.03.2014 and of the Profit & Loss of the Company for that year;
3. That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the annual accounts on 'going concern' basis.

#### **CORPORATE GOVERNANCE :**

As per clause 49 of the Listing Agreement with the Stock Exchange, the report of the Corporate Governance and the Certificate of the practicing Company Secretaries "PRS Associates", Mumbai in respect of compliance thereof are appended hereto and forming part of this report.

**LISITNG :**

Shares of the Company are listed with BSE Limited. Scrip Code No. 531676.

The Company has paid the annual listing fee to the above stock exchange for the financial year 2014-2015.

**DEMATERIALIZATION OF SHARES :**

To provide better and smooth services to the shareholders, the company's equity shares are made available for dematerialization in electronic mode in the depository system operated by National Securities Depository Limited (NSDL) and with the Central Depository Services Limited (CDSL).

**PARTICULARS OF EMPLOYEES :**

There are no employee drawing in excess of limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**APPRECIATION:**

Your Directors express their sincere gratitude for the assistance and co-operation extended by customers, various Government, Semi-Government and Local Authorities, suppliers and business associates.

The Directors would also like to place on record their appreciation for the dedicated efforts and services put in by employees of the Company.

**For and on behalf of the Board of Directors  
For Vaghani Techno Build Limited**

**Place: Mumbai  
Date: 01<sup>st</sup> Sept 2014**

**Sd/-  
Kantilal M Savla  
Chairman & Wholetime Director**

## CORPORATE GOVERNANCE

The Company pursuant to Clause 49 of the listing agreement with the Stock Exchange furnishes its report on the code on Corporate Governance.

### COMPANYS' PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all its interactions, Shareholders have right to have complete information about the Directors and Management and their interest in the company as well as governance practices followed by them. Towards this end, the company is making extensive disclosures from time to time.

#### Board of Directors

##### I. Composition and Category

The Board of Company consists of Four (4) directors, which include the one (1) Executive Directors and (3) Independent Directors.

Name of Directors	Executive/Non-Executive / Independent	No. of outside Directorship(s) Held (Public)
Kantilal M. Savla	Executive	4
Ramesh U. Meisheri	Independent	NIL
Sabu Daniel	Independent	Nil
Bharat . L . Shah	Independent	1

##### II. Board Meetings, attendance, position held in meetings

The Board met nine (4) times on 30/05/2013, 13/08/2013, 14/11/2013 and 14/02/2014 . Notices of the meetings with agenda along with necessary details were sent to the directors in time.

The names and categories of the Directors, their attendance at Board meetings and General Meeting as also position held by them in committees of other public limited companies as on 31st March, 2014 are given below:

Name of the Director	Category	Attendance Particular 2013-2014					
		Board Meeting held during tenure of Director	Board Meeting Attended	Last AGM	No. of Directorship in other Public Ltd. Cos	Chairman / Member of the committee of other Cos.	Chairman / Membership in other public limited Cos
Kantilal Savla	Chairman	4	4	Yes	3	2	2
Ramesh Meisheri	Independent	4	4	Yes	Nil	Nil	Nil
Bharat Shah	Independent	4	4	Yes	Nil	Nil	Nil
Sabu Daniel	Independent	4	4	Yes	Nil	Nil	Nil



### III. Information on Directors Re-appointment

Mr. Kantilal Savla retire by rotation at the ensuing Annual Meeting. He being eligible, offer himself for reappointment.

Mr. Ramesh Meisheri, Mr. Sabu Daniel and Mr. Bharat Shah are appointed as independent Director.

The following are their details:

<b>Name of Director</b>	<b>Mr. Kantilal M Savla</b>	<b>Mr. Bharat Shah</b>	<b>Mr. Ramesh Meisheri</b>	<b>Mr. Sabu Daniel</b>	<b>Miss. Grishma Savla</b>
Date of Birth	13.05.1959	11.05.1955	24.08.1944	03.02.1966	06.07.1985
Date of Appointment	31.01.2009	11.12.2012	31.01.2009	31.01.2009	12.08.2014
Qualification	B.com & OPM (Owner/President - Management Program) from Harvard Business School	B.E.(Electrical)	B.E. Mech	MA (Public Administration)	M. Sc (International securities, investment and banking)
Expertise in specific functional areas	Construction & Real Estate Business	Business Processes and System enablement using Information Technology spear heading the initiative of implementation of ERP Systems Across the Group management of it Resource across tie Group	Engineering Projects and maintenance activities	Civil Contractor and real Estate investment service	Experience in the field of Finance and Accounts and investment
Directorship in Indian other Public Limited Companies as on 31.3.2014.	4	1	NIL	NIL	NIL

Chairman / Member of the committee of other companies*	2	NIL	NIL	NIL	2
No of shares held in the Company as on 31.3.2014	9,78,760	NIL	NIL	NIL	NIL

\* Only public limited companies are considered

#### IV. Audit Committee

Audit Committee, during the year under review, comprise of Three members out of them Two are independent directors (i) Mr. Ramesh Meisheri, independent director, is the Chairman of the Audit committee, and (ii) Mr. Bharat Shah, independent director (iii) Mr. Kantilal Savla, are members to the committee.

Committee met on 30/05/2013, 13/08/2013, 14/11/2013 and 14/02/2014 for perusal of financial position, un-audited quarterly result and for Limited Review Report and for the finalization of account for the year ended on 31.03.2013. The Accounts and Financial position perused by the Audit Committee were placed before the board for their consideration.

#### Attendance

Sr. No.	Name of the Members	No. of Meetings Attended
1	Mr. Ramesh Meisheri (Chairman)	4
2	Mr. Bharat Shah	4
3	Mr. Kantilal Savla	4

#### V. SHARE TRANSFER COMMITTEE / INVESTOR GRIEVANCE COMMITTEE:

The Investors / Shareholders' Grievance Committee comprise of Four members and chaired by Mr. Bharat Shah being an independent, non-executive Director. The Committee looks into the Redressal of investors' complaints such as delay in transfer of equity shares, request for transmission of shares, issue of duplicate share certificates, non receipt of declared dividends / annual reports etc.

During the financial year 13-14, the Investors' Grievance Committee met four (4) times on 30/05/2013, 13/08/2013, 14/11/2013 and 14/02/2014

Investors' Grievance Committee comprised of the following members:

Sr. No.	Name	Status	No. of Meeting Attended
1	Mr. Bharat Shah	Chairman # (NE & I)	4
2	Mr. Sabu Daniel	Member # (NE & I)	4
3	Mr. Ramesh Meisheri	Member # (NE & I)	4
4	Mr. Kantilal Savla	Member @ (Exe.)	4

Shares of the company are also available for dematerialization.

# Non-Executive & Independent, @ Executive

#### **VI. EXCLUSIVE EMAIL-IDS:**

Further as per clause 47 (f) of the Listing Agreement, the company has designated exclusive Email id: [investor@vaghanitechnobuild.com](mailto:investor@vaghanitechnobuild.com) for grievance Redressal service department for the purpose of registering complaints by investor. For, prompt disposal of any query or any matters Shareholders may contact to the Registrar and Share Transfer Agent and under the above referred email id.

#### **VII. REGISTRAR AND SHARE TRANSFER AGENT:**

The company has appointed M/s. Link Intime India Private Limited as Registrar and Share Transfer Agent.

#### **DISCLOSURES:**

- a) There were no transactions of material nature with its Promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. However, the Company has annexed to the accounts a list of related parties as per Accounting Standard 18 and the transactions entered into with them.
- b) There were no instances of non-compliances nor have any penalties, strictures been imposed by Stock Exchange or SEBI or any statutory authority during the last 3 years on any matter related to capital markets.
- c) The senior management has made disclosures to the Board relating to all material financial and commercial transactions stating that they did not have personal interest that could result in a conflict with the interest of the Company at large.
- d) The Chairman has issued a certificate to the Board in compliance with Clause 49 (V) of the Listing Agreement for the Financial Year ended March 31, 2014.

#### **VIII. MEANS OF COMMUNICATION:**

The quarterly and yearly financial results are published in Free Press Journal (English Newspaper) and Navshakti (Marathi Newspaper). A Management Discussion and Analysis Statement is a part of Company's Annual Report. More over necessary reports and certificates as required by the listing agreement are sent to BSE Ltd.

## IX. MARKET PRICE DATA:

The 12 month wise detail of market prices of the shares from April 2013 is tabled below.

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	Spread High-Low	Spread Close-Open
Apr-13	5.05	5.22	4.57	4.95	34955	35	169855	0.65	-0.1
May-13	4.71	5.93	4.71	5.93	365	7	1876	1.22	1.22
Jun-13	6.17	9.2	6.17	9.2	1341	26	10702	3.03	3.03
Jul-13	9.65	10.1	9.6	9.6	502	5	4819	0.5	-0.05
Aug-13	9.13	9.13	9.13	9.13	300	1	2739	0	0
Sep-13	0	0	0	0	0	0	0	0	0
Oct-13	8.78	8.78	7.94	7.94	205	3	1730	0.84	-0.84
Nov-13	8.33	8.33	7.53	7.53	157	5	1223	0.8	-0.8
Dec-13	7.16	7.16	5.83	5.83	5285	14	31137	1.33	-1.33
Jan-14	5.54	5.54	4.01	4.01	33755	34	143334	1.53	-1.53
Feb-14	4	4.2	3.61	3.61	3985	9	15564	0.59	-0.39
Mar-14	3.73	5.27	3.73	4.17	41900	41	184644	1.54	0.44

## X. MANAGEMENT DISCUSSION AND ANALYSIS:

Report on Management discussion and analysis has been given separately in this Annual Report and form part of this report.

## XI. GENERAL BODY MEETINGS

a. Particulars of AGM held during last three years:

Year	Date	Time	Place of Meeting	Nos. of Special Resolutions Passed
2012-13	30/09/2013	10.30 A.M.	D-wing, Karma Sankalp, Corner of 6 <sup>th</sup> & 7 <sup>th</sup> Road of Rajawadi, Ghatkopar (East), Mumbai - 400077	NIL
2011-12	28/09/2012	10.30 A.M.	D-wing, Karma Sankalp, Corner of 6 <sup>th</sup> & 7 <sup>th</sup> Road of Rajawadi, Ghatkopar (East), Mumbai - 400077	NIL
2010-11	30/09/2011	10.30 A.M.	D-wing, Karma Sankalp, Corner of 6 <sup>th</sup> & 7 <sup>th</sup> Road of Rajawadi, Ghatkopar (East), Mumbai - 400077	NIL

All the resolutions including the special resolution set out in respective notices of the previous 3 AGM were passed by the shareholders.

## XII. COMPLIANCE OFFICER:

As on date Mr. Amit Surase, is acting as the Compliance Officer of the company.

## XIII. LISTING

The Equity Shares of the company are listed at BSE Ltd.

#### XIV. STOCK CODE

(1) Trading Scrip Code at BSE Ltd.: **531676**

(2) Demat ISIN number in NSDL/CDSL for equity Shares held: **INE554H01021**

#### XV. GENERAL MEETINGS:

##### Next Annual General Meeting and Date of Book Closure

Date:	30 <sup>th</sup> September, 2014
Time:	11.30 A M
Venue:	D-Wing, Karma Sankalp, Corner of 6 <sup>th</sup> and 7 <sup>th</sup> Road of Rajawadi, Ghatkopar (East), Mumbai - 400077
Date of Book Closure:	23.09.2014 to 30.09.2014

Financial Calendar (tentative) period : The Financial Year covers the April 1 to March 31.

##### Financial reporting for quarter ended

June 30, 2014	: By August 15, 2014
September 30, 2014	: By November 15 2014
December 31, 2014	: By February 15, 2015
March 31, 2015	: By May 15, 2015
Annual General Meeting for year ended 31 <sup>st</sup> March 2015 : By 30 <sup>th</sup> September, 2015	

None of the items to be transacted at the ensuing Annual General Meeting are required to be passed by Postal Ballot.

Dividend Payment: Not Applicable

#### XVI. DISTRIBUTION OF SHAREHOLDING PATTERN:

Category	Shares	% of total
Promoters-		
Kanti Savla & Gala Group	1957520	37.50
Vaghani Group	1956502	37.48
Banks, Financial Institutions, Mutual Funds	60	0.00
Public	1305978	25.02
In Transit	0	0.00
Total	5220000	100.00

The company is controlled by Kantilal Savla & Gala Group along with Vaghani Group.

Distribution Schedule: as on 31.03.2014 ;

No. of Equity Shares held	Shareholders		Shares	
	Number	% to total shareholders	Number	% to total Capital
1 - 500	752	60.35	155528	2.98
501 - 1000	344	27.61	236374	4.53
1001 - 2000	68	5.46	102257	1.96
2001 - 3000	31	2.49	81217	1.55
3001 - 4000	15	1.20	53358	1.02
4001 - 5000	4	0.32	19138	0.37
5001 - 10000	15	1.20	101743	1.95
10001 and above	17	1.36	470385	85.64
<b>Total</b>	<b>1246</b>	<b>100.00</b>	<b>5220000</b>	<b>100.00</b>

**XVII. Address for correspondence :**

**Vaghani Techno-Build Limited**

**D Wing, Karma Sankalp, Corner of 6th and 7th Road of Rajawadi, Ghatkopar (East),  
Mumbai- 400077**

**E-MAIL ID : investor@vaghanitechnobuild.com**

**Website : www.vaghanitechnobuild.com**

**Fax No : +912225018888**

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## **XVIII. MANAGEMENT DISCUSSION AND ANALYSIS:**

### **1. INDUSTRY OUTLOOK:**

The year 2013-14 was a year of major economic upheaval, marked by sluggish growth, global uncertainties. The slowdown in the economy and the rise in real estate prices during previous years plummeted demand across all segments of the sector and further there was a downfall for demand of TDR in the market due to situation prevailing in the market and continuous regulatory uncertainty which also weighed off TDR Sales.

### **2. FINANCIAL AND OPERATIONAL PERFORMANCE:**

The total income of the Company for the year under review was Rs. 114 Lacs as against Rs. **289.34 lacs** achieved during the previous year. Expenditure Incurred during the year is Rs. 81.95 Lacs vis-à-vis Rs. 621.26 Lacs in the previous year and the Company's earnings is **Rs.32.05** Lacs as against Loss of Rs. 401 Lacs in the previous year. EPS of the Company has increased from negative Rs. 7.70 per share in the previous year to **Rs. 0.61** per share in the current year.

### **3. OPPORTUNITIES AND THREATS:**

The company envisaged growth over previous years and by seeing at current scenario many opportunities can be predicted in future for development.

### **4. INITIATIVES:**

The initiatives are being taken by the Company for improving the quality standards and reduction of costs at appropriate level and every effort is being taken at all levels to tackle all the types of situations which will improve the overall productivity and profitability.

### **5. RISKS AND CONCERNS:**

The Company is in to TDR Trading where TDR FSI Prices are governed as per demand and supply of TDR FSI in the market as such it is highly volatile which can affect company's performance.

### **6. INTERNAL CONTROL SYSTEM:**

The Company is taking all steps to achieve adequate internal audit system in the operation, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws.

### **7. FUTURE PLAN:**

The Company is trading in Transfer of Development Rights (TDR). Further steps will be taken to accelerate the same.

### **8. CAUTIONARY STATEMENT:**

Certain statements in this section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results which could be different from what the directors envisage in terms of the future performance and outlook.

**Vaghani Techno-Build Limited**

**DECLARATION BY THE WHOLE TIME DIRECTOR PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT**

To,  
The Shareholders of Vaghani Techno-Build Limited

I, **Kantilal M Savla**, the Whole time Director of Vaghani Techno-Build Limited declare that all the Board Members have confirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2014.

**For and on behalf of the Board of Directors  
For Vaghani Techno-Build Limited**

**Place: Mumbai  
Date: 27<sup>th</sup> May, 2014**

**Sd/-  
Kantilal M Savla  
Chairman & Wholetime Director**



## CEO/CFO CERTIFICATION

To,  
The Board of Directors  
Vaghani Techno-Build Limited  
Mumbai.

Mr. Kantilal Savla, the Chairman of the Company have certify to the Board that:

- (a) I have reviewed financial statements and the Cash Flow statement for the year and that to the best of my knowledge and belief:
  - (i.) these statements do not contain any materially untrue statement or omit any material fact or contain 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 existing accounting standards, applicable laws and regulations,
- (b) They are to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, or in violation of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit Committees.
  - (i) Significant changes in internal control over financial reporting during the year.
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors  
For Vaghani Techno-Build Limited**

**Place: Mumbai  
Date: 27<sup>th</sup> May, 2014**

**Sd/-  
Kantilal M Savla  
Chairman & Whole time Director**

**Vaghani Techno-Build Limited**  
**Certificate On Corporate Governance**

To,  
The Members of  
Vaghani Techno-Build Limited

We have examined the compliance of conditions of corporate governance by Vaghani Techno-Build Limited, for the year ended on 31st March, 2014 as stipulated in clause-49 of the Listing Agreement of the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation 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 clause-49 of the 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 PRS Associates**  
**Company Secretaries**

Sd/-  
**(Narayan Parekh)**  
**Partner**  
**M.No. ACS: 8059**  
**CP No: 6448**

**Place:- Mumbai**  
**Date: 27<sup>th</sup> May, 2014**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VAGHANI TECHNO-BUILD LIMITED**

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

We have audited the accompanying financial statements of Vaghani Techno-Build Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and 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**

Management is responsible for 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 Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 misstatements.

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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view 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 March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit 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.

**Emphasis of Matter**

We draw attention to Note No. 9.1 of the Financial Statement which states about advances given to Suppliers include Rs. 65,00,000 which are outstanding since long but no provision for doubtful advances has been made in the accounts as the Management is hopeful of recovery. Our opinion is not qualified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by Section 227(3) of the Act, we report that:
  - a. We have 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 appears from our examination of those books.
  - c. The reports on the accounts of the branches (location) audited by the branch auditors appointed under Section 228 of the Act have been forwarded to us and have been properly dealt with by us in preparing this report.
  - d. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- e. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
- f. On the basis of the written representations received from the Directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For and on behalf of  
**M. L. Bhuwania & Co.**  
**Chartered Accountants**  
Firm's Registration No. 101484W

Sd/-  
**J. P. Bairagra**  
**Partner**  
Membership No.12839

Place: Mumbai  
Date: 27<sup>th</sup> May, 2014

Annexure referred to in paragraph titled as “Report on Other Legal and Regulatory Requirements” of Auditor’s report to the members of **Vaghani Techno-Build Limited** for the year ended 31<sup>st</sup> March 2014.

On the basis of the records produced to us for our verification / perusal, such checks as we considered appropriate, and in terms of information and explanation given to us on our enquiries, we state that:

- (i) The Company does not have fixed assets and accordingly clause 4(i) of the Order is not applicable to the company.
- (ii) (a) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.  
  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
  
(c) On the basis of our examination of the records of inventories, we are of the opinion that the Company is maintaining proper records of inventories. No discrepancies were noticed during the physical verification of inventories.
- (iii) During the year, the Company has not granted unsecured loan to parties listed in the register maintained under Section 301 of the Companies Act, 1956.

During the year, the Company has taken unsecured loans from parties covered in the register maintained under section 301 of the Companies Act, 1956. The details of unsecured loans taken are as follows:

No. of parties	Amount (Rs.)	Maximum Amount outstanding during the year	Amount outstanding at the end of the year.
1	1,55,41,879	1,47,91,879	1,47,91,879

The rate of interest and other terms and condition on such loan are prima facie not prejudicial to the interest of the Company. The Company is regular in repayment of the loan and the interest thereon.

- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. No services has been rendered by the Company during the year. During the course of our audit, no major weakness has been noticed in internal controls.
- (v) (a) According to the information and explanation given to us, we are of the opinion that during the year, the particulars of the contracts/arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) Where each of the transactions is in excess of Rs. 5 lakhs in respect of any party, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time .
- (vi) The Company has not accepted deposits from the public during the year within the meaning of the provision of section 58A of the Companies Act, 1956.
- (vii) *The Company does not have formal internal audit system.*
- (viii) The Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, for any of the products of the Company.
- (ix) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable were outstanding at the yearend for a period of more than six months from the date they became payable.

According to the records of the Company, there are no dues of Sales Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty or Cess which have not been deposited on account of any dispute. The following are the disputed amounts in respect of Income Tax.

<b>Name of Statute</b>	<b>Nature of Dues</b>	<b>Financial year</b>	<b>Amount (Rs.)</b>	<b>Forum where dispute is pending</b>
Income-tax Act, 1961	Income Tax Dues	2003-04	23,15,882	Income Tax Appellate Tribunal
Income-tax Act, 1961	Income Tax Dues	2007-08	2,22,010	C.I.T. (Appeal)
Income-tax Act, 1961	Income Tax Dues	2008-09 to 2009-10	56,58,129	Income Tax Appellate Tribunal

- (x) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the current year but has incurred in immediately preceding financial year.
- (xi) As per the information and explanation given to us, the Company has not borrowed from the banks and financial institutions and does not have any borrowings by way of debentures. Accordingly, clause (xi) of the Order is not applicable to the Company.
- (xii) Based on our examination of documents and records, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clause 4 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute application to chit fund and nidhi/mutual benefit fund/societies. Accordingly, clause 4 (xiii) of the Order is not applicable to the Company.
- (xiv) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion, the Company is not dealing / trading in shares, securities, debentures and other investment. Accordingly, clause 4 (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, clause 4 (xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no term loans



were taken by the Company. Accordingly, clause 4 (xvi) of the Order is not applicable to the Company.

- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment by the Company.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised money by way of public issue during the year.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended March 31, 2014.

**For and on behalf of**  
**M. L. Bhuwania & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101484 W**

**Sd/-**  
**J. P. Bairagra**  
**Partner**  
**Membership No: 12839**

**Place: Mumbai**  
**Date: 27<sup>th</sup> May, 2014**

**VAGHANI TECHNO-BUILD LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2014**

Particulars	Note No.	2013-14	2012-13
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	1	5,22,00,000	5,22,00,000
(b) Reserve & Surplus	2	1,52,13,294	1,20,08,043
<b>Current Liabilities</b>			
(a) Short Term Borrowings	3	1,47,91,879	-
(b) Trade Payables	4	3,07,811	69,895
(c) Other Current Liabilities	5	5,605	7,886
(d) Short - Term Provisions	6	2,78,289	6,02,632
<b>TOTAL</b>		<b>8,27,96,877</b>	<b>6,48,88,456</b>
<b>II ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Long - Term Loans and Advances	7	28,92,256	5,01,66,292
<b>Current Assets</b>			
(a) Cash & Cash Equivalents	8	13,54,511	14,65,329
(b) Short Term - Loans and Advances	9	7,85,50,111	1,32,56,835
<b>TOTAL</b>		<b>8,27,96,877</b>	<b>6,48,88,456</b>
<b>Contingent Liabilities and Commitments</b>	10		
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO ACCOUNTS</b>	1-25		

The notes referred above form an integral part of the Balance Sheet.

As per our report attached of even date

**FOR M. L. BHUWANIA & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration Number : 101484W**

**FOR AND ON BEHALF OF THE BOARD**

**Sd/-**  
**J.P. BAIRAGRA**  
**PARTNER**  
**MEMBERSHIP NO.12839**

**Sd/-**  
**KANTILAL M. SAVLA**  
**DIRECTOR**

**Sd/-**  
**BHARAT L. SHAH**  
**DIRECTOR**

**PLACE : MUMBAI**  
**DATED : 27/05/2014**

**Sd/-**  
**AMIT SURASE**  
**COMPANY SECRETARY**

**VAGHANI TECHNO-BUILD LIMITED**  
**Statement of Profit and Loss for the year ended 31ST MARCH, 2014**

Particulars	Note No.	2013-2014	2012-2013
Revenue from Operations	11	71,68,824	2,11,87,164
Other Income	12	42,31,497	77,46,977
<b>Total Revenue</b>		<b>1,14,00,321</b>	<b>2,89,34,141</b>
<b>Expenses</b>			
Purchases of Stock - in - Trade	13	69,75,072	10,76,400
Changes in Inventories of Stock-in-Trade	14	-	6,71,55,097
Employee Benefit Expenses	15	1,72,632	-
Finance Costs	16	95,852	32,148
Other Expenses	17	9,51,514	8,62,018
<b>Total Expenses</b>		<b>81,95,070</b>	<b>6,91,25,663</b>
Profit before tax		<b>32,05,251</b>	<b>(4,01,91,522)</b>
Less: <u>Provision for Taxation</u>			
Current Tax		6,10,761	-
Less: MAT Credit Entitlement		(6,10,761)	-
Net Current Tax		-	-
Profit (Loss) for the period		<b>32,05,251</b>	<b>(4,01,91,522)</b>
Basic & Diluted Earning Per Share	18	<b>0.61</b>	<b>(7.70)</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO ACCOUNTS</b>	1-25		

The notes referred above form an integral part of the Statement of Profit and Loss.

As per our report attached of even date

**FOR M. L. BHUWANIA & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration Number : 101484W**

**FOR AND ON BEHALF OF THE BOARD**

**Sd/-**  
**J.P. BAIRAGRA**  
**PARTNER**  
**MEMBERSHIP NO.12839**

**Sd/-**  
**KANTILAL M. SAVLA**  
**DIRECTOR**

**Sd/-**  
**BHARAT L. SHAH**  
**DIRECTOR**

**PLACE : MUMBAI**  
**DATED : 27/05/2014**

**Sd/-**  
**AMIT SURASE**  
**COMPANY SECRETARY**

**VAGHANI TECHNO-BUILD LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014**

	2013-14	2012-13
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax & Extraordinary Items	32,05,251	(4,01,91,522)
Adjustment for:		
Interest Income	(42,31,497)	(42,46,972)
Interest Paid	95,852	32,148
Sundry balance written Off /(Back) (Net)	-	(35,00,000)
	(41,35,645)	(77,14,824)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(9,30,394)</b>	<b>(4,79,06,346)</b>
<b>ADJUSTMENTS FOR WORKING CAPITAL CHANGES :</b>		
Short Term Loans and Advances	(5,85,12,849)	2220163
Inventories	-	6,71,55,097
Trade receivables	-	33,98,024
Trade Payables	2,37,916	(97,577)
Other Current Liabilities	(2,281)	(1,34,656)
	(5,82,77,214)	7,25,41,051
Cash Generated from Operations	(5,92,07,608)	2,46,34,705
Direct Taxes Paid (Net of Interest On Income Tax Refund)	(8,49,847)	(6,48,326)
	(6,00,57,455)	2,39,86,379
<b>NET CASH FROM OPERATING ACTIVITIES</b>		
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Loan Given/Received Back	3,83,00,000	(4,39,60,304)
Long Term Loans and Advances Received	-	21528000
Interest Received	69,50,610	3,98,236
	4,52,50,610	(2,20,34,068)
<b>NET CASH USED IN INVESTING ACTIVITY</b>		
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/ (Repayments) from /of Short term borrowings	1,47,91,879	(4,76,698)
Interest Paid	(95,852)	(32,148)
	1,46,96,027	(5,08,846)
<b>NET CASH USED IN FINANCING ACTIVITY</b>	1,46,96,027	(5,08,846)
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS(A+B+C)</b>	<b>(1,10,818)</b>	<b>14,43,465</b>
<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	14,65,329	21,864
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	13,54,511	14,65,329
	<b>(1,10,818)</b>	<b>14,43,465</b>

**Notes**

**Closing Balance of Cash & Cash Equivalents**

1 Cash and Cash Equivalents Includes:

Cash in Hand	4,01,939	10,43,477
<u>Balance with Schedules Banks</u>		
- in Current Account	9,52,572	4,21,852
	13,54,511	14,65,329

2 Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report attached of even date

**FOR M. L. BHUWANIA & CO.**

**CHARTERED ACCOUNTANTS**

**Firm Registration Number : 101484W**

**FOR AND ON BEHALF OF THE BOARD**

**Sd/-**  
**J.P. BAIRAGRA**  
**PARTNER**  
**MEMBERSHIP NO.12839**

**Sd/-**  
**KANTILAL M. SAVLA**  
**DIRECTOR**

**Sd/-**  
**BHARAT L. SHAH**  
**DIRECTOR**

**PLACE : MUMBAI**  
**DATED : 27/05/2014**

**Sd/-**  
**AMIT SURASE**  
**COMPANY SECRETARY**

**VAGHANI TECHNO BUILD LIMITED**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS  
NOTES FORMING PART OF THE BALANCE SHEET**

**1 SHARE CAPITAL**

<b>Particulars</b>	<b>As at March 31,2014</b>	<b>As at March 31,2013</b>
<b><u>Authorized Shares</u></b>		
1,00,00,000 Equity shares, Rs. 10 /-par value (Previous Year : 1,00,00,000 Equity shares, Rs. 10 /- par value)	10,00,00,000	10,00,00,000
	<b>10,00,00,000</b>	10,00,00,000
<b><u>Issued, Subscribed and Fully Paid Up Shares</u></b>		
52,20,000 Equity shares, Rs. 10 /- par value fully paid up (Previous Year : 52,20,000 Equity shares, Rs. 10 /-par value fully paid up)	5,22,00,000	5,22,00,000
<b>Total Issued, Subscribed and Fully Paid Up Share Capital</b>	<b>5,22,00,000</b>	<b>5,22,00,000</b>

**Note No 1.1 The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2014 :**

<b>Particulars</b>	<b>As at March 31,2014</b>	<b>As at March 31,2013</b>
Number of shares at the beginning	52,20,000	52,20,000
Add: Shares issued during the year	-	-
Less : Shares Bought back (if any)	-	-
<b>Number of shares at the end</b>	<b>52,20,000</b>	<b>52,20,000</b>

**Note No 1.2 Terms/Rights attached to equity shares**

(A) 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 in the ensuing Annual General Meeting.

(B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note No 1.3 The details of shareholders holding more than 5% shares in the Company :**

<b>Name of the Shareholders</b>	<b>No. of shares held</b>	<b>% held as at March 31, 2014</b>	<b>No. of shares held</b>	<b>% held as at March 31, 2013</b>
Govind J. Vaghani	15,95,985	30.57%	15,95,985	30.57%
Kantilal M. Savla	9,78,760	18.75%	9,78,760	18.75%
Gunvanti Popatlal Gala	4,89,380	9.38%	4,89,380	9.38%
Kartik Popatlal Gala	4,89,380	9.38%	4,89,380	9.38%

**2 RESERVE & SURPLUS**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<u>Surplus - Opening balance</u>	1,20,08,043	5,21,99,565
Add: Net Profit/(Loss) after tax transferred from Statement of Profit & Loss	32,05,251	(4,01,91,522)
<b>Surplus Closing Balance</b>	<b>1,52,13,294</b>	<b>1,20,08,043</b>

**3 SHORT TERM BORROWING**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b><u>Unsecured Loans</u></b>		
<u>Loans and Advance from Related Parties</u>		
Loan from Directors	1,47,91,879	-
	<b>1,47,91,879</b>	-

**VAGHANI TECHNO BUILD LIMITED**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**  
**NOTES FORMING PART OF THE BALANCE SHEET**

**4 TRADE PAYABLES**

Particulars	As at March 31, 2014	As at March 31, 2013
Sundry Creditors For Expenses ( Refer Note No. 4.1 given Below )	3,07,811	69,895
	<b>3,07,811</b>	<b>69,895</b>

**Note No. 4.1**

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given. The same has been relied upon by the Auditors.

**5 OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2014	As at March 31, 2013
<u>Other Payable</u>		
Statutory Dues Payable	5,605	7,886
	<b>5,605</b>	<b>7,886</b>

**6 SHORT TERM PROVISIONS**

Particulars	As at March 31, 2014	As at March 31, 2013
<u>Others</u>		
Provision for Taxation (Net Of Advance Tax Rs 3,32,472 , Previous year Rs 90,69,379)	2,78,289	6,02,632
	<b>2,78,289</b>	<b>6,02,632</b>

**7 LONG TERM LOANS & ADVANCES**

Particulars	As at March 31, 2014	As at March 31, 2013
<u>Other Loan and Advances</u>		
Advance Tax and Tax Deducted at Source	4,01,749	4,77,506
Minimum Alternative Tax Credit	24,90,507	18,79,746
Loan to Other Parties	-	4,78,09,040
	<b>28,92,256</b>	<b>5,01,66,292</b>

**VAGHANI TECHNO BUILD LIMITED**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**  
**NOTES FORMING PART OF THE BALANCE SHEET**

**8 CASH & BANK BALANCES**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<u>Cash &amp; Cash Equivalents</u>		
<u>Balances With Banks</u>		
In Current Account	9,52,572	4,21,852
Cash in Hand	4,01,939	10,43,477
	<b>13,54,511</b>	<b>14,65,329</b>

**9 SHORT TERM LOANS & ADVANCES**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(Unsecured, Considered Good, Unless Specified otherwise)		
<u>Other Loans and Advances</u>		
Prepaid Expenses	19,515	6,835
Loan to Other Parties	67,80,427	-
Advance Given to Suppliers (Refer Note No. 9.1 given below)	65,00,169	1,30,00,000
Advance against Right to generate TDR	6,50,00,000	-
Advance Tax and Tax Deducted at Source	2,50,000	2,50,000
(Net Of Provision For Taxes Rs.Nil) (Previous Year Rs 32,12,447)		
	<b>7,85,50,111</b>	<b>1,32,56,835</b>

**Note No. 9.1**

Advance given to Suppliers include Rs. 65,00,000 (Previous year: 65,00,000) outstanding since long but no provision has been made as the Management is hopeful of recovery.

**10 (A) CONTINGENT LIABILITY**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Disputed Income Tax Liability	81,96,021	67,25,748
	<b>81,96,021</b>	<b>67,25,748</b>

**VAGHANI TECHNO-BUILD LIMITED**

**NOTES FORMING PART OF THE STATEMENT OF PROFIT AND LOSS**

**11 REVENUE FROM OPERATIONS**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
Sale of Products (Refer Note No. 11.1 given below)	71,68,824	2,11,87,164
<u>Other Operating Revenues</u>		
Sales Compensation		-

	<b>71,68,824</b>	<b>2,11,87,164</b>
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**Note No 11.1 Sale of Products**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
Transfer of Development Rights	71,68,824	10,87,164
Industrial Units	-	2,01,00,000

<b>Total</b>	<b>71,68,824</b>	<b>2,11,87,164</b>
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**12 OTHER INCOME**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
Interest income (Refer Note No 12.1 given Below)	42,31,497	42,46,972
<u>Other non- operating income</u>		
Sundry Balance Written Back	-	35,00,005

	<b>42,31,497</b>	<b>77,46,977</b>
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**Note No 12.1**

**Break-up of Interest received**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
Interest on loan to Body Corporate	33,24,699	77,340
Interest on loan to Others	8,97,298	41,69,632
Interest on Income Tax Refund	9,500	

<b>Total</b>	<b>42,31,497</b>	<b>42,46,972</b>
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**13 PURCHASES OF STOCK IN TRADE**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
<u>Stock in Trade</u>		
Traded goods (Refer Note No 13.1 given Below)	69,75,072	10,76,400
	<b>69,75,072</b>	<b>10,76,400</b>

**Note No 13.1 Traded goods**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
Transfer of Development Rights	69,75,072	10,76,400

<b>Total</b>	<b>69,75,072</b>	<b>10,76,400</b>
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**14 CHANGES IN INVENTORIES**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
<u>STOCK IN TRADE - INDUSTRIAL UNITS</u>		
Opening Stock of Traded Goods	-	6,71,55,097
Closing Stock of Traded Goods	-	-
<b>Change in Stock of Stock in Goods</b>	<b>-</b>	<b>6,71,55,097</b>

**15 EMPLOYEE BENEFIT EXPENSES**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
Salary, Wages & Bonus	1,72,632	-
	<b>1,72,632</b>	<b>-</b>

**16 FINANCE COST**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
Interest Expenses (Refer Note No 16.1 given Below)	95,852	32,148
	<b>95,852</b>	<b>32,148</b>

**Note No 16.1**

**Break-up of Interest paid**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
Interest Paid to Bank	38,207	-
Interest Paid on Loan from Directors	57,645	32,148

<b>Total</b>	<b>95,852</b>	<b>32,148</b>
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**VAGHANI TECHNO-BUILD LIMITED**

**NOTES FORMING PART OF THE STATEMENT OF PROFIT AND LOSS**

**17 OTHER EXPENSES**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
Advertisement & Publicity Expenses	59,514	47,056
Auditors Remuneration (Refer Note No 17.1 given Below)	85,956	85,956
Legal and Professional Fees	3,41,141	5,10,496
Rate & Taxes	2,500	2,500
Brokerage Expense	2,40,000	10,872
Miscellaneous Expenses	2,22,403	2,05,138
	<b>9,51,514</b>	<b>8,62,018</b>

**Note No 17.1**

**Payment to Statutory Auditors**

	<b>2013-2014</b>	<b>2012-2013</b>
<u>As auditor :</u>		
Audit Fee (including limited review)	65,000	65,000
Tax Audit Fee	10,000	10,000
Service Tax	9,270	84,270
<u>In other capacity :</u>		
Other Services	1,500	1,500
Service Tax	186	1,686
<b>Total</b>	<b>85,956</b>	<b>85,956</b>

**18 EARNING PER SHARE**

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
(A) Profit attributable to Equity Shareholders (Rs.)	<b>32,05,251</b>	<b>(4,01,91,522)</b>
(B) No. of Equity Share outstanding during the year.	52,20,000	52,20,000
(C) Face Value of each Equity Share ( Rs.)	10	10
(D) Basic & Diluted Earning Per Share ( Rs.)	<b>0.61</b>	<b>(7.70)</b>

# VAGHANI TECHNO-BUILD LIMITED

## SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

### 19 RELATED PARTY DISCLOSERS

A. Names of related parties and description of relationship:

#### 1. Key Management Personnel

Mr. Kantilal M. Savla (Chairman)

#### 2. Entities where Key Management Personnel and their relatives have control or significant influence.

Integrated Spaces Ltd.

B. Transactions that have taken place during the year with related parties by the Company

Name of Related Parties	Nature of Transaction during the year	2013-2014	2012-2013
Mr. Kantilal M. Savla	Opening	-	4,76,698
	Loan Taken	1,55,41,879	5,25,531
	Loan Refund	7,50,000	10,02,229
	Loan outstanding at the year end	1,47,91,879	-
	Interest Paid	57,645	32,148
Integrated Spaces Limited	Advance against Rights to Generate TDR	6,50,00,000	-
	Advance Balance at the year end	6,50,00,000	-

20 The Company is engaged in the Real Estate related business and accordingly there are no reportable segments.

21 In the opinion of the Board, Current Assets, Loan and Advances are of the value stated if realised in the ordinary course of business. The provision for all known and determined liabilities are adequate and not in excess of the amounts reasonable required.

22 Balances of the Trade Receivables, Trade Payables, Loans and Advances are subject to confirmation, reconciliation and consequent adjustment if any. However, in the opinion of the management such adjustments, if any, will not be material.

23 Others provisions of Revised Schedule VI are not applicable to the company.

### 24 Other Significant Accounting Policies

#### (A) Basis of Preparation of Financial Statement

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principle in compliance with accounting standards and other requirements of the Companies Act, 1956.

#### (B) Inventories Valuation

TDR Stock are valued at lower of cost and net realisable value. Cost is arrived at on the basis of specific identification method.

#### (C) Revenue Recognition

Transfer of Development Rights Sale is recognized after entering into an agreement with the Purchaser of the Transfer of Development Rights.

#### (D) Taxation

(i) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income- tax Act, 1961.

(ii) The deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred Tax Asset arising from timing differences are recognised to the extent there is a virtual certainty that this would be realised in future and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

**(E) Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

**(F) Provision & Contingent Liability**

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

- 25 Previous year's figures have been regrouped/rearranged wherever necessary to confirm the current presentation as per the Revised Schedule VI.

As per our report attached of even date

**FOR M. L. BHUWANIA & CO.**

**CHARTERED ACCOUNTANTS**

**Firm Registration Number : 101484W**

**FOR AND ON BEHALF OF THE BOARD**

**Sd/-**

**J.P. BAIRAGRA**

**PARTNER**

**MEMBERSHIP NO.12839**

**Sd/-**

**KANTILAL M. SAVLA**

**DIRECTOR**

**Sd/-**

**BHARAT L. SHAH**

**DIRECTOR**

**PLACE : MUMBAI**

**DATED : 27/05/2014**

**VAGHANI TECHNO-BUILD LIMITED**

CIN : L74999MH1994PLC187866

ADDRESS : D Wing, Karma Sankalp, Corner of 6th and 7th Road of Rajawadi, Ghatkopar (East), Mumbai-400077

**Proxy Form****[Pursuant to Section 105(6) of the Companies Act, 2013 and  
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

Name of the Member(s): Registered address :		e-mail id: Folio No./ *Client Id: *DP Id:	
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I/We, being the member(s) holding \_\_\_\_\_ shares of Vaghani Techno-Build Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on Tuesday, 30<sup>th</sup> September, 2014 at 11.30 A.M. at D Wing, Karma Sankalp, Corner of 6th and 7th Road of Rajawadi, Ghatkopar (East), Mumbai-400077 and at any adjournment thereof in respect of such Resolutions as are indicated below:

**\*\*I wish my above proxy to vote in the manner as indicated in the box below :**

Item No.	Resolutions	Type of Resolution	For	Against
1	Adoption of Audited Statement of Profit and Loss for the year ended 31st March, 2014 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.	Ordinary		
2	Re-appointment of Mr. Kantilal Savla, who retires by rotation	Ordinary		
3	Appointment of Auditors, M/s M.L. Bhuwania & Co, Chartered Accountants and fixing their remuneration	Ordinary		
4	Appointment of Mr. Bharat Shah as an Independent Director of the Company	Ordinary		
5	Appointment of Mr. Ramesh Meisheri as an Independent Director of the Company	Ordinary		
6	Appointment of Mr. Sabu Daniel as an Independent Director of the Company	Ordinary		
7	Regularization of Additional Director	Ordinary		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of Shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp**Note :**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. A proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting results. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

**VAGHANI TECHNO-BUILD LIMITED**  
**CIN: L74999MH1994PLC187866**  
**ADDRESS : D-wing, Karma Sankalp, Corner of 6<sup>th</sup> and 7<sup>th</sup> Road of Rajawadi,**  
**Ghatkopar (East), Mumbai-400 077**

**ATTENDANCE SLIP**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL  
Joint shareholders may obtain additional slip at the venue of the meeting

DP Id*	
Client Id*	

Folio No.	
No. of Shares	

**NAME AND ADDRESS OF THE SHAREHOLDER:**

I hereby record my presence at the 20<sup>th</sup> Annual General Meeting of the Company held at D Wing, Karma Sankalp,  
Corner of 6<sup>th</sup> and 7<sup>th</sup> Road of Rajawadi, Ghatkopar (East), Mumbai-400077 on the 30<sup>th</sup> September at 11.30 A.M.

1. Only Member/ Proxy holder can attend the Meeting.
2. Member/ Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

Name of Shareholder's / Proxy's -----

Signature of the Shareholder / Proxy holder: \_\_\_\_\_

( \* ) Applicable only in case of investors holding shares in Electronic Form.

U.P.C/ BOOK POST

To,

If undelivered please return to:

Link Intime India Pvt Ltd

**Unit: Vaghani Techno-Build Limited**

C-13, Pannalal Silk Mills Compound,

L B S Marg, Bhandup (West),

Mumbai - 400 078.

Tel.: (022) 25963838