



VISAGAR FINANCIAL SERVICES LIMITED

**21ST ANNUAL REPORT
2013-14**

Visagar Financial Services Limited

Annual Report 2013-14

COMPANY INFORMATION

• <u>BOARD OF DIRECTORS:</u>	Mr. Arvind G Desai Mr. Tilokchand Kothari Mr. Pramod Kumar Goenka Mr. Suranjan Upadhyay
• <u>BANKERS :</u>	HDFC Bank Ltd.
• <u>AUDITORS :</u>	M/s. Sudhir M Desai & Co. Chartered Accountants
• <u>REGISTERED OFFICE :</u>	907-908, Dev Plaza, 9 th Floor, S. V. Road, Andheri – West, Mumbai – 400 059.
• <u>REGISTRAR & SHARES TRANSFER AGENT:</u>	Adroit Corporate Services (P) Ltd. 19/20 , Jafferbhoy Industrial Estate, 1 st floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400 059. Tel.No. 42270400/2850 3748 Email id: info@adroitcorporate.com Website www.adroitcorporate.com
• <u>ISIN NO. :</u>	INE309H01020
• <u>Company Website:</u>	www.vfsl.org
• <u>Email:</u>	info@visagar.com

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NOTICE

NOTICE is hereby given that the **21st Annual General Meeting** of the Members of **M/s. VISAGAR FINANCIAL SERVICES LIMITED** will be held on **30th September 2014** at 01.00 p.m. at 1008/1009, Gold Crest Centre, L T Road, Borivali West, Mumbai – 400 092, India to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit & Loss Account of the Company for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Tilokchand Kothari (DIN: 00413627), who retires by rotation and being eligible, offers himself for re-appointments.
3. To re-appoint M/s. Sudhir M Desai & Co., Chartered Accountants (Reg. No. 041999), Mumbai, pursuant to the provisions of Section 139 of the Companies Act, 2013 as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration and for that purpose to pass the following Resolution which will be proposed as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 144 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Sudhir M Desai & Co., Chartered Accountants (Reg.No. 041999), Mumbai, the retiring Statutory Auditors, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and that the Board of Directors’ of the Company be and is hereby authorised to fix their remuneration for the said period and re-imbursement of actual out of pocket expenses, as may be incurred in the performance of their duties.”

SPECIAL BUSINESS

4. Appointment of Mr. Arvind Desai as Whole-time Director

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 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), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956), the consent of the Company, be and is hereby accorded to the appointment of Mr. Arvind Desai (DIN : 00353903) as a Whole-time Director of the Company for a period of five years effective from 27th August, 2014, on such 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

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meeting, and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Mr. Desai.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and/ or the Nomination and Compensation Committee be and is hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company.”

**By Order of the Board of Directors
For Visagar Financial Services Limited**

Sd/-
Arvind Desai
Director

Place: Mumbai
Date: 27.08.2014

NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting (“meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself /herself and the proxy need not be a member of the Company. The instrument appointing the proxy in the Proxy Form (MGT 13), in order to be effective, 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 (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten 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 shareholder.

2. Corporate Members intending to send their representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. The Company has notified closure of Register of Members and Share Transfer Books from 22nd September 2014 to 30th September 2014 (both days inclusive) for the purpose of annual book closure.
6. Members, holding shares in physical form, are requested to notify changes in address, if any, to the Registrars of the Company immediately, quoting their folio numbers. Members, holding shares in dematerialized form, should send the above information to the respective Depository Participants.
7. Members are requested to quote their Registered Folio Nos. on all correspondence with the Company.
8. Members desirous of getting any information in relation to the Company’s Annual Report 2013-14 are requested to address their query (ies) well in advance, i.e. at least 10 days before the Meeting, to the Secretary of the Company to enable the Management to keep the information readily available at the Meeting.
9. Members/Proxies should bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report. Members, who hold 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.

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10. Members holding shares in single name and physical form are advised to make nomination in respect of shareholding in the Company. Members can avail of the Nomination facility by filing Form SH-13 with the Company or its Registrar. Blank forms will be supplied on request. In case of shares held in D-mat form, the nomination has to be lodged with their DP.
11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to M/s. Adroit Corporate Services (P) Ltd., for consolidation into a single folio.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to M/s. Adroit Corporate Services (P) Ltd. (Formerly known as Intime Spectrum Registry Limited), 19/20 , Jafferbhoy Industrial Estate, 1st floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400 059.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 1.00 p.m. up to the date of declaration of the result of the Annual General Meeting of the Company.
15. Electronic copy of the Notice of the 21st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 21st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
16. Members may also note that the Notice of the 21st Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website www.vfsl.org for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: info@visagar.com.

17. E-Voting:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, read with Clause 35B of the Listing Agreement The Company is pleased to provide E-voting facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically on the resolutions mentioned in the notice of 21st Annual General Meeting of the Company dated on 27.08.2014 (the AGM Notice). The Company has appointed Dr. S. K. Jain, Practicing Company Secretary (C.P. No. 3076), as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional.

The instructions for members for voting electronically are as under:-

1. Launch internet browser by typing the following URL: www.evotingindia.com
2. Click on "Shareholders" tab.
3. 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.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. After entering these details appropriately, click on "SUBMIT" tab.
7. Members holding shares in physical form will then reach directly 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.
8. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
9. Click on the EVSN for <VISAGAR FINANCIAL SERVICES LIMITED>.
10. 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.
11. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
12. 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.
13. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
14. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
15. Once the vote on a resolution is cast by the shareholder she/he shall not be allowed to change it subsequently

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16. Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at : skjaincs1944@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
17. In case a Member receives physical copy the Notice of the AGM [for Members whose email IDs are not registered with the Company/Depository Participants(s) or requesting Physical Copy] Initial password is provided as below/at the bottom of the Attendance Slip for the AGM.
18. 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
19. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
20. The e-voting period commences on **September 22, 2014 (10:00 am)** and ends on **September 24, 2014 (6:00 pm)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **August 29, 2014**, may cast their vote electronically. The e-voting module shall also be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
21. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on **August 29, 2014**.
22. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **August 29, 2014** and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
23. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-Voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
24. The Results shall be declared on or after the 21st Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.vfsl.org and on the website of CDSL within two(2) days of passing of the resolutions at the 21st Annual General Meeting of the Company and shall be duly communicated to the BSE Limited.
25. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 4.00 p.m. up to the date of declaration of the result of the 21st Annual General Meeting of the Company.

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

ITEM NO. 4

The Board of Directors of the Company at their meeting held on 27th August, 2014 proposed to appoint Mr. Arvind Desai as Whole-time Director for a period of five years commencing from 27th August, 2014 subject to the approval of Members in the Annual General Meeting. A notice has been received from a member proposing Mr. Desai as a candidate for the office of Director of the Company.

Mr. Desai is a Commerce Graduate with an experience of 20 years in the field of trading and textile Industries.

The approval of the members is being sought to the terms, conditions and stipulations for the appointment of Mr. Desai as the Whole-time Director and the remuneration payable to him. The terms and conditions proposed (fixed by the Board of Directors at their meeting held on 27th August, 2014) are keeping in line with the remuneration package that the Company could accommodate without putting burden on the profits and continue to encourage good managerial practice.

The material terms of appointment and remuneration as contained in the draft Agreement are given below: -

I)	Basic Salary	:	Not Exceeding Rs. 1,80,000/- per annum with increments as may be decided by the Board of Directors of the Company from time to time, subject to the limits as stipulated under Companies Act, 2013
II)	Commission	:	No commission shall be paid to Mr. Desai in addition to the salary mentioned in (I)
III)	Perquisites:	:	Mr. Desai is not entitled to any perquisites beyond the salary mentioned in (I)
IV)	Minimum Remuneration	:	Notwithstanding anything herein contained, where in any financial year during the period of his office as a Whole-time Director, the Company has no profits or its profits are inadequate, the Company shall, subject to necessary approvals pay Mr. Desai. remuneration by way of salary, not exceeding the maximum limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013 (corresponding to Para 1 of Section II of Part II of Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Mr. Desai.
V)	Other Terms	:	<ul style="list-style-type: none">- Mr. Desai shall, subject to the superintendence, control and direction of the Board of Directors, manage and conduct the business and affairs of the Company.- He shall not be paid any sitting fee for attending meetings of the Board or Committee thereof.- The appointment can be terminated by Mr. Desai or the Company, by one party giving to the other 3 (three) calendar months' notice in writing or in case of shorter notice or on such other terms as may be mutually agreed.

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		<ul style="list-style-type: none">- The period of office of Mr. Desai shall be liable to determination by retirement of directors by rotation. If Mr. Desai is re-appointed as a director, immediately on retirement by rotation he shall continue to hold office of Whole-time Director and such re-appointment as director shall not be deemed to constitute break in his appointment as a Whole-time Director.
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In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956), the Board recommends the Special Resolution set out at item no. 4 of the accompanying Notice for the approval of the Members.

Mr. Desai is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

The re-appointment of Mr. Desai is appropriate and in the best interest of the Company. Brief profile of Mr. Desai is separately set out as annexed to the Notice.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives, except Mr. Arvind Desai, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.