

VAGHANI TECHNO-BUILD LIMITED

18th
Annual Report
2011-12

VAGHANI TECHNO-BUILD LIMITED

Board of Directors: Mr. Kantilal Savla – Chairman & Wholetime Director
Mr. Bavchandbhai Vaghani (*)
Mr. Ramesh Meisheri
Mr. Manojkumar Sharma
Mr. Sabu Daniel
Mr. Jayesh Nisar (**)

(*)Resigned on 14th August, 2012

(**)Resigned on 15th May, 2012

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 6th & 7th 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 Eighteenth Annual General Meeting of **VAGHANI TECHNO-BUILD LIMITED** will be held at the Registered Office of the Company at D-wing, Karma Sankalp, Corner of 6th and 7th Road of Rajawadi, Ghatkopar (East), Mumbai – 400 077 on Friday, 28th September, 2012 at 10.30 A.M. to transact with or without modification(s), as may be permissible, the following business:

ORDINARY BUSINESS

1. To adopt the Audited Balance Sheet as at 31st March, 2012 and Profit and Loss Account for the year ended on 31st March, 2012 and the Reports of Directors' and Auditors thereon.
2. To appoint a Director in place of Mr. Kantilal M Savla, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sabu P Daniel, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint M/s M.L. Bhuwania & Co, Chartered Accountants, the retiring Auditors who are eligible for re-appointment as Auditors of the Company from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

Registered Office:
D Wing, Karma Sankalp,
Corner of 6th & 7th Road of Rajawadi
Ghatkopar (east), Mumbai – 400 077.

For and on behalf of Board of Directors

Sd/-
Kantilal M Savla
Chairman & Wholetime Director.

Place: Mumbai
Date: 28th August, 2012

NOTES:

1. 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 APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 23-09-2012 to 28-09-2012 (both days inclusive).
3. The members are requested to:
 - a) Intimate to the Company's Registrars and Share Transfer Agents M/s. Link Intime India Private Limited the changes, if any, in their registered address, Bank account number / details etc. at an early date;
 - b) Quote ledger folio numbers / DP Identity and Client Identity Numbers in all their correspondences;
 - c) Approach the Company for consolidation of folios, if shareholdings are under multiple folios;
 - d) Get the shares transferred in joint names, if they are held in single name to avoid inconvenience;
 - e) Bring their copies of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting;
 - f) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company at the Registered Office address so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.
 - g) Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting is attached hereto.

Disclosure pursuant to Clause 49 of the Listing Agreement:

Disclosure of Directors seeking re-appointment at the Annual General Meeting to be held on 28th September, 2012.

Name of Director	Mr. Kantilal M Savla	Mr. Sabu P Daniel
Date of Birth	13/05/1959	03/02/1966
Date of Appointment	31/01/2009	31/01/2009
Qualification	B.com & OPM (Owner/President – Management Program) from Harvard Business School	MA(Public Administration)
Expertise in specific functional areas	Construction & Real Estate Business	Civil contractor and Real Estate Investment Services
Chairman / Member of the committee of other companies*	2	NIL

* only public Limited Companies are considered

For and on behalf of the Board of Directors

Sd/-

**Kantilal M Savla
Chairman & Wholetime Director**

**Place: Mumbai
Date: 28th August, 2012**

DIRECTOR'S REPORT

Dear Members,

Your Directors present their EIGHTEENTH ANNUAL REPORT together with the Audited Accounts along-with the report of the Auditors for the year ended 31st March, 2012

FINANCIAL RESULTS

(in Lacs ₹)

Particulars	Year 2011-12	Year 2010-11
Income	320.34	2869.69
Total Expenditure	334.43	2679.70
Profit Before Tax	(14.10)	414.75
Provision for Tax	-	134.12
Profit /(Loss) for the period (after tax)	(14.10)	280.63

DIVIDEND

The Board of Directors, in view of the loss incurred during the year, regrets their inability to recommend any dividend for the year ended 31st March, 2012.

REVIEW OF OPERATIONS

The total income of the Company for the year under review was ₹ 320.34 Lacs as against ₹ 2869.69 Lacs achieved during the previous year. Expenditure Incurred during the year is ₹ 334.43 Lacs and the Company's earnings before tax is ₹(14.10) Lacs as against 414.75 Lacs in the previous year. Further Company's earnings after tax is ₹ (14.10) Lacs as against ₹ 280.63 Lacs in the previous year. EPS of the Company has decreased from ₹ 5.38 per share in the previous year to ₹ (0.27) per share in the current year.

BUSINESS AND FUTURE PLAN

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

DIRECTORS

Mr. Kantilal M Savla and Mr. Sabu P Daniel retire by rotation and being eligible offers themselves for reappointment.

Mr. Jayesh Raichand Nisar resigned from the directorship due to his pre-occupation and he ceased to be director of the Company w.e.f. 15/05/2012. The Board placed on record its appreciation for the valuable services and support rendered by him during his tenure on the Board of the Company.

Mr. Bavchandbhai J Vaghani resigned from the directorship due to his pre-occupation and he ceased to be director of the Company w.e.f. 14/08/2012. The Board placed on record its appreciation for the valuable services and support rendered by him during his tenure on the Board of the Company

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

DEPOSITS

The Company has not accepted any deposits from the public within the meaning of the Companies (Acceptance of Deposits) Rules, 1975 during the year under review.

AUDITORS

M/s M. L Bhuwania and Company, 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 224 (IB) of the Companies Act, 1956 for their eligibility for re-appointment. 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 no. 4(VI) the auditors have mentioned that company has not appointed full time Company Secretary as required by 383A of the Companies Act, 1956. Here your directors would like to clarify that company is in the process of appointing full time Company Secretary.

In point no. 4(VI) the auditors have mentioned that the company has old trade receivable amounting to ₹ 98,98,024 (previous Year ₹ 1,08,98,024) however no provision for doubtful debts is made . Here your directors would like to clarify that company is hopeful of recovery and accordingly no provision for doubtful debt is made.

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

Your 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

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm the following:

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 31.03.2012 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 have been listed with Bombay Stock Exchange Limited. Scrip Code No. 531676.

The Company has paid the annual listing fee to the above stock exchange for the financial year 2012-13.

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 was 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 Board of Directors also thanks the Investor Shareholders for their support, co-operation and faith in the Company and look forward for their continued support in future.

For and on behalf of the Board of Directors

Sd/-

**Kantilal M Savla
Chairman & Wholetime Director**

**Place: Mumbai
Date: 28th August, 2012**

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 Six (6) directors, which include the two (2) Executive Directors and four (4) Independent Directors.

Name of Directors	Executive/Non-Executive / Independent	No. of outside Directorship(s) Held (Public)
Kantilal M. Savla	Executive	3
Bavchandbhai J. Vaghani(*)	Executive	NIL
Ramesh U. Meisheri	Independent	NIL
Manoj S. Sharma	Independent	NIL
Sabu P. Daniel	Independent	NIL
Jayesh Raichand Nisar(**)	Independent	NIL

(*) Resigned on 14th August, 2012

(**) Resigned on 15th May, 2012

II. Board Meetings, attendance, position held in meetings

The Board met Seven (7) times on 01.04.2011, 30.05.2011, 13.08.2011, 30.09.2011, 15.11.2011, 27.01.2012, 28.03.2012. 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, 2012 are given below:

Name of the Director	Category	Attendance particular 2011-2012					
		Board Meeting held during tenure of Director	Board Meeting Attended	Last A G M	No. of Directorship in other Public Ltd. Cos	Chairman/ Member of the committee of other Cos.	Chairman/ Members hip in other public limited Cos.
1. Kantilal M. Savla	Chairman	7	7	Yes	3	2	2
2. Bavchandbhai J. Vaghani (*)	Executive	7	7	Yes	NIL	NIL	NIL
3. Ramesh U. Meisheri	Independent	7	7	Yes	NIL	NIL	NIL
4. Manoj S. Sharma	Independent	7	7	Yes	NIL	NIL	NIL
5. Sabu P. Daniel	Independent	7	7	Yes	NIL	NIL	NIL
6. Jayesh R. Nisar(**)	Independent	7	7	Yes	NIL	NIL	NIL

(*) Resigned on 14th August, 2012

(**) Resigned on 15th May, 2012

III. Information on Directors Re-appointment

Mr. Kantilal M Savla and Mr. Sabu P Daniel retire by rotation at the ensuing Annual Meeting. They being eligible, offer themselves for reappointment.

The following are their details:

Name of Director	Mr. Kantilal M Savla	Mr. Sabu P Daniel
Date of Birth	13/05/1959	03/02/1966
Date of Appointment	31/01/2009	31/01/2009
Qualification	B.com & OPM (Owner/President – Management Program) from Harvard Business School	MA(Public Administration)
Expertise in specific functional areas	Construction & Real Estate Business	Civil contractor and Real Estate Investment Services
Chairman / Member of the committee of other Co's*	2	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 Mr. Ramesh Meisheri, independent director, is the Chairman of the Audit committee, and (i) Mr. Manoj Sharma, independent director, (ii) Mr. Kantilal Savla, Chairman of the Company are members to the committee.

Committee met on 01.04.2011, 30.05.2011, 13.08.2011, 15.11.2011, 27.01.2012 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 31.03.2011. 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)	5
2	Mr. Manoj Sharma	5
3	Mr. Kantilal Savla	5

V. SHARE TRANSFER COMMITTEE / INVESTOR GRIEVANCE COMMITTEE:

The Investors / Shareholders' Grievance Committee comprise of four members chaired by Mr. Manoj Sharma 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 11-12, the Investors' Grievance Committee met four (4) times on 30.05.2011, 13.08.2011, 15.11.2011 and 27.01.2012.

Investors' Grievance Committee comprised of the following members:

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

Shares of the company are also available for dematerialization.

Non-Executive & Independent, @ Executive