

13TH ANNUAL-REPORT 2006-2007

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VAS INFRASTRUCTURE LTD.



VAS INFRASTRUCTURE LIMITED

13TH ANNUAL GENERAL MEETING 2006-2007

CORPORATE INFORMATION

BOARD OF DIRECTORS

DR. JAYESH V. VALIA
Chairman

MR. SHASHIKANT K. KITTUR
Director

MR. AJAY JANI
Director

MR. BABULAL JAIN
Director

13TH ANNUAL GENERAL MEETING

DATE
29th September, 2007

DAY
Saturday

TIME
11.00 a.m.

PLACE
Conference Hall,
Sheth M. K. High School,
Factory Lane, Borivli (West),
Mumbai 400 092.

STATUTORY AUDITORS

M/s. KAKARIA & ASSOCIATES
Chartered Accountants

REGISTERED OFFICE

401, Court Chambers, 4th Floor, S. V. Road,
Borivli (W), Mumbai - 400 092.

REGISTRARS & SHARE TRANSFER AGENTS

Sharex Dynamic (India) Pvt. Ltd.

BANKERS

New India Co-op. Bank Ltd.

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VAS INFRASTRUCTURE LIMITED

NOTICE

Notice is hereby given that the Thirteen Annual General Meeting of the members of VAS INFRASTRUCTURE LIMITED will be held on Saturday, September 29, 2007, at 11.00 a.m. at the Conference Hall, Sheth M. K. High School, Factory Lane, Borivli (West), Mumbai 400 092, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2007, and the Profit and Loss Account for the year ended on that date along with the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. Shashikant K. Kittur who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint the Auditors', to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED that the authorised share capital of the Company be and is hereby increased from Rs.12,00,00,000/- (Rupees Twelve Crores Only) divided into 1,20,00,000/- (One Crore Twenty Lakhs) Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs.15,00,00,000/- (Rupees Fifteen Crores Only) divided into 1,50,00,000 (One Crore Fifty lakhs) Equity Shares of Rs.10/- (Rupees Ten Only) each, by creation of additional Rs.3,00,00,000/- (Rupees Three Crores Only) divided into 3,00,000 (Thirty Lakhs) Equity Shares of Rs.10/- (Rupees Ten Only) each".

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

"RESOLVED that the Memorandum of Association of the Company be and is hereby altered by substituting the following revised clause V thereof so as to read as follows.

The authorised share capital of the Company is Rs.15,00,00,000 (Rupees Fifteen Crores Only) divided into 150,00,000 (One Crore and Fifty lakhs) Equity Shares of Rs.10/- (Rupees Ten Only) each, with rights, privileges and conditions attached thereto as provided by the Articles of Association of the company for the time being in force and to divide shares in capital of the company into several classes (being those specified in the Companies Act, 1956) and to attach thereto respectively such preferential qualified or special rights privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges, or conditions in such manner as may for the time being permitted by the said Act or provided by the Articles of Association of the Company for the time being in force."

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

"RESOLVED that in accordance with the provisions of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, as also provisions of any other applicable law or laws, rules and regulations (including any amendments thereto or re-enactment thereof) for the time being in force and enabling provisions in the Memorandum & Articles of Association of the company and the Listing Agreement entered into by the Company with Bombay Stock Exchange Ltd., Mumbai, where the shares of the company are listed and subject to such provision, consent, permission and sanction of the Government of India, Reserve Bank of India, Securities and Exchange Board of India (SEBI) and all other appropriate or concerned Authorities and subject to such conditions and modifications as may be prescribed by any of them in granting such approval, consent, permission and sanction which may be agreed to by the Board of Directors of the Company (which term shall be deemed to include Committee which the Board may has constituted or hereafter constitute) for the time being exercising the powers conferred on the Board by this resolution which the Board be and is hereby authorised to accept if it thinks fit in the interest of the Company the consent of the Company be and is hereby accorded to the Board of Directors of the company and the Board of Directors is hereby authorised to issue, offer, and allot Equity Shares, not exceeding 30,00,000 (Thirty lakhs) or thereabout in numbers of Rs.10/- (Rupees Ten each only) each with premium of Rs.91/- (Rupees Ninety One Only) each Equity Share thus totalling Rs.101/- (Rupees One Hundred One Only) per Equity shares of Rs.10/- each (Rupees Ten each only), with premium of Rs.91/- (Rupees Ninety One Only) per Equity Shares to person/s belonging to the Promoters Group and others and/on Preferential Allotment basis to them in accordance with the SEBI Guidelines with Preferential Allotment Issue of Equity Shares of Rs.10/- each payable within 15 days from the date of Allotment of such Equity Shares on such terms and conditions as the Board may deem fit and beneficial in the interest of the Company and allot the said Equity Shares on Preferential Allotment basis to Indians/Foreign Nationals, Foreign Institutional Investors, Non-Residents, Investors (whether institutional, Corporates bodies, Mutual Funds, Foreign Institutional Investors, Overseas Corporate Bodies (OCB) Banks, Financial Institutions or individuals or otherwise) and/or whether or not any such Investors are members, promoters, Directors or their relatives/associates of the Company through Preferential Allotment basis as the Board of Directors may deem fit by any one or more combinations or the above mode/methods or otherwise.

Notwithstanding anything contained in the foregoing "RESOLVED FURTHER that the ten percent amount of the value of Equity Share of Rs. 101/- (Rupees One

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Hundred One only) each at the sole of discretion of the Board of Directors of the Company shall be payable immediately within 15 days from the date of allotment and the balance amount shall be payable within 24 months from the date of allotment as may be scheduled by the Board of Directors."

"RESOLVED FURTHER that such of the Equity Shares as referred to above shall be issued as or as not subscribed may be disposed off by the Board/Committee thereof to such persons and in such manner and on such terms and conditions as, the Board or Committee in its absolute discretion think more beneficial to the Company including offering or placing them with Bankers, Financial Institutions, Investment Institutions, Mutual Funds, Foreign Institutional Investors, Overseas Corporate Bodies, Promoters, Foreign Nationals, Indian Citizen or Non-Residents such other persons or otherwise as the Board or Committee may in its absolute discretion decide".

"RESOLVED FURTHER that the relevant date in relation to Equity Shares for the purpose of determining the issue price under SEBI Guidelines for Preferential Issue shall be thirty days (30) prior to the date of the Annual General Meeting scheduled to be held on September 29, 2007, at 11.00 a.m. at the Conference Hall, Sheth M. K. High School, Factory Lane, Borivli (West), Mumbai 400 092.

"RESOLVED FURTHER that the Equity Shares so issued on Preferential Allotment basis shall be governed by Lock-in Form in period rules and regulations issued by SEBI from time to time".

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to get the Equity Shares listed on Bombay Stock Exchange Ltd., Mumbai".

"RESOLVED FURTHER that the Equity Shares shall rank pari-passu with the existing Equity Shares of the Company in all respects save that they shall not be eligible for receipt of any dividend if declared for prior period".

"RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds and things as it may, in its absolute discretion deem necessary in connection with issuance and allotment of the Equity Shares and/or subsequent covering and allotment of Equity Shares in lieu thereof and to settle any question, difficulty or doubt that may arise in this regard."

BY ORDER OF THE BOARD

**(DR. JAYESH VALIA)
CHAIRMAN**

REGISTERED OFFICE :

401 Court Chambers,
4th Floor, S.V. Road,
Borivli (West),
MUMBAI 400 092

PLACE : MUMBAI

DATED : 25.8.2007

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT OF PROXY SHOULD HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and The Share Transfer Registers will remain closed between September 22, 2007, and September 29, 2007 (both days inclusive).
3. An Explanatory Statement under Section 173 of the Companies Act, 1956, dated 25.8.2007 and forming part of this Notice dated 25.8.2007 is enclosed herewith.
4. The members are requested to :
 - a) Intimate changes, if any, in their registered addresses at an early date.
 - b) Quote ledger folio nos. in all their correspondence.
 - c) Bring copies of the Annual Report and the Attendance Slips at the Annual General Meeting.
5. A copy of the Memorandum of Association and the Articles of Association of the Company is open for inspection by the members on all working days between 2 p.m. and 4 p.m. at the Registered office.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, AND FORMING PART OF THE NOTICE CONVENING THE ANNUAL GENERAL MEETING DATED 25.8.2007

ITEM NO. 4

AUTHORISED CAPITAL

The Authorised Share Capital of the Company has to be increased to be in tune with the proposed quantum of Equity Shares on Preferential Allotment basis to absorb the increase in share capital.

The Directors recommend the resolution for members' approval.

None of the Directors is concerned or interested in the resolution.

ITEM NO. 5

CHANGE IN SHARE CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION REGARDING AUTHORISED CAPITAL

To be in line with the increased Authorised Share Capital, the present Clause in the Memorandum and Articles of Association has to undergo a suitable change to match it with the increase in Authorised Share Capital.

The Directors recommend the resolution for members' approval.

None of the Directors is concerned or interested in the resolution.

ITEM NO. 6

PREFERENTIAL ALLOTMENT

Your Company is in dire need of finance in order to overcome the paucity of funds, the Board of Directors has decided to raise and augment the finance of Rs. 30,30,00,000 by issuance of Equity Shares of Rs.10/- each with premium of Rs.91/- each thereon and the amounts so raised can be utilised for various purposes namely to use it as working capital for your Company's operational functions and for such other purposes which may be warranting depending upon the situation in future and at the sole discretion of the Board of Directors for business purposes.

PRICE OF THE ISSUE

The issue of shares on Preferential Allotment basis shall be made at a price not less than higher of the following:

- i) The average of the weekly high and low of the closing prices of the related shares quoted on Bombay Stock Exchange Ltd., during six months preceding the relevant date:

OR

- ii) The average of the weekly high and low of the closing prices of the related shares quoted on Bombay Stock Exchange Ltd., during the two weeks preceding the relevant date.

EXPLANATION

- a) "Relevant date" for this purpose means the date thirty days prior to the date on which the meeting of general body of Shareholders is held, in terms of Section 81(1A) of the Companies Act, 1956, to consider the proposed issue.
- b) "Stock Exchange" for this purpose shall mean any of the recognised stock exchanges in which the shares are listed and in which the highest trading volume in respect of the shares of the company has been recorded during the preceding six months prior to the relevant date.

In case of allotment of Equity shares of Rs.10/- each, the ten percent amount shall be payable within 15 days or earlier from the date of the Allotment as the Board of Directors may in its absolute discretion decide and the balance is payable as per the decision of the Board of Director within 24 months from the date of allotment.

If the amount is not paid within 15 days or earlier as decided by the Board of Directors from the date of allotment the same stands annulled.

TIME OF ALLOTMENT

The proposed allotment of Equity Shares shall be completed within fifteen (15) days or earlier from the date of the passing of resolution approving the preferential issue or fifteen (15) days or earlier from the date of such regulatory approvals as may be required, whichever is later.

13TH ANNUAL REPORT 2006-2007**CURRENCY OF EQUITY SHARES**

The currency of Equity Shares shall not exceed the prescribed date of the allotment and the period of 15 days or earlier given thereafter and they shall automatically get extinguished on exercise to subscribe to Equity Shares.

LOCK-IN

As per SEBI guidelines on preferential issue, the shares so allotted shall be under lock-in for three years from the date of the allotment. However, not more than 20% of the total share capital including preferential allotment share capital can be subjected to lock-in period but Equity Shares allotted to any person/s including promoter/promoters group shall be locked in for a period of one year from the date of the allotment.

The entire pre-preferential holding of allottee(s), if any shall also be under lock-in upto a period of 6 months from the date of preferential allotment.

SHAREHOLDING PATTERN BEFORE AND AFTER THE ALLOTMENT OF EQUITY SHARES

S. NO.	COMPANY	PRE ALLOTMENT AS ON 30.6.2007		POST ALLOTMENT	
		No. of Equity Shares	% to Total	No. of Equity Shares	% to Total
1.	Indian Promoters	1641864	16.42	4641864	35.70
2.	Foreign Promoters	—	—	—	—
3.	Indian Public	6081447	60.81	6081447	46.78
4.	Mutual Fund	200	0.01	200	0.91
5.	Bank	3500	0.03	3500	0.03
6.	Foreign Institutional Investors	—	—	—	—
7.	NRIs/OCBs	—	—	—	—
8.	Bodies Corporate	2273389	22.73	2273389	17.48
9.	Others	—	—	—	—
	Total	10000400	100.00	13000400	100.00

The post allotment shareholding pattern as above is on the basis of further issue and allotment of maximum number of Equity shares as envisaged in the resolution.

No change in management control over the company is contemplated as a result of or consequent to allotment of shares as envisaged in the resolution. Proportionate change in voting rights would result consequent to the change in shareholding pattern. Allotment to any one person(s) acting in concert will be less than 15% of the enhanced equity share capital of the Company.

IDENTITY OF THE PROPOSED ALLOTTEE(S)

S. NO.	Name of the Proposed Allottee(s)	POST ALLOTMENT HOLDING	
		No. of Equity Shares	% age to Total capital
1.	Mr. Raj Jayesh Valia	6,00,000	4.62
2.	Mr. Madhav Jayesh Valia	6,00,000	4.62
3.	Mrs. Sangeeta Jayesh Valia	6,00,000	4.62
4.	Mr. Jayesh V. Valia (HUF)	4,00,000	3.08
5.	Pushpanjali Drums Pvt. Ltd.	2,60,000	2.00
6.	Vasparr Shelter Ltd.	2,70,000	2.08
7.	Vasparr Trading P. Ltd.	2,70,000	2.08
	TOTAL	30,00,000	23.10

**VAS INFRASTRUCTURE LIMITED**

The following documents are available for inspection of Members at the Registered Office of the Company on any working day (except Sundays and Holidays) between 11.00 a.m. to 1.00 p.m.

1. A copy of the Auditors' Certificate certifying that the issue of equity shares is being made in accordance with the requirements contained in the Guidelines for Preferential Allotment under Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 mentioned aforesaid. (This will also be laid before the Annual General Meeting).
2. Letters dated 2nd August, 2007 from Identified persons appearing under the head "IDENTITY OF THE PROPOSED ALLOTTEES" that they have not sold any of their existing shareholdings during the period of six months prior to the relevant date and that their entire shareholding is in the demat form.

The Director recommend the resolution for member's approval.

None of the Director is concerned or interested in the resolution other than Mr. Jayesh Valia who may be deemed as interested to the extent of the allotment which may be made to him and to his relatives.

BY ORDER OF THE BOARD

**(DR. JAYESH VALIA)
CHAIRMAN**

REGISTERED OFFICE :

401 Court Chambers,
4th Floor, S.V. Road,
Borivli (West),
MUMBAI 400 092

PLACE : MUMBAI
DATED : 25.8.2007

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