



# VYAPAR INDUSTRIES LIMITED

CIN No. L65990MH1983PLC029875

## ANNUAL REPORT (2013-2014)

### **BOARD OF DIRECTORS**

Abbas A Rassai	- Chairman
Hussain A Rassai	- Joint Chairman
Akil A. Rassai	- Managing Director
Ramesh W. Lalwaney	- Director
Parvez M.Master	- Director
Hussain M. Cementwala	- Director

### **AUDITORS**

Salim A. Kantawala  
Chartered Accountant, Mumbai

### **EQUITY SHARES ARE LISTED ON**

Bombay Stock Exchange

### **REGISTER AND SHARE TRANSFER AGENT**

BIGSHARE SERVICES PRIVATE LIMITED.  
E, 2/3, Ansa Industrial Estate,  
Sakivihar, Sakinaka,  
Andheri (East), Mumbai 400 072.  
Ph: 022-28470652/53, 40430200

### **DATE OF AGM**

September 30, 2014

### **DAY**

Tuesday

### **TIME**

3.00 p.m





## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of VYAPAR INDUSTRIES LIMITED will be held at 145, S. V. Road, Khar (West), Mumbai - 400 052 on Tuesday, September 30, 2014 at 3.00 p.m. to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and Profit & Loss Account for the year ended on that date together with the Auditors' and Directors' Report.
2. To appoint a Director in place of Mr. Parvez Master (DIN: 00024845) who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Hussain M. Cementwala (DIN: 03611787) who retires by rotation and being eligible offers himself for reappointment.
4. To appoint auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS:**

5. Appointment of Mr. Ramesh W. Lalwaney as an Independent Director of the Company :

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

**RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under and Clause 49 of the Listing Agreement (Including any statutory modifications or re-enactment thereof and any rules made there under, for the time being in force) and subject to such other approvals as may be required, 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, as an Independent Director of the Company not liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Mr. Ramesh W. Lalwaney (DIN: 00023420), as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. 30-09-2014.

6. Appointment of Mr. Parvez M. Master as an Independent Director of the Company :

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

**RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under and Clause 49 of the Listing Agreement (Including any statutory modifications or re-enactment thereof and any rules made there under, for the time being in force) and subject to such other approvals as may be required, 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, as an Independent Director of the Company not liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Mr. Parvez M. Master (DIN: 00024845), as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. 30-09-2014.

7. Appointment of Mr. Hussain M. Cementwala as an Independent Director of the Company :

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

**RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under and Clause 49 of the Listing Agreement (Including any statutory modifications or re-enactment thereof and any rules made there under, for the time being in force) and subject to such other approvals

as may be required, 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, as an Independent Director of the Company not liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Mr. Hussain M. Cementwala (DIN: 03611787), as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. 30-09-2014.

**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 AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing a proxy in order to be effective, should be duly completed, stamped and signed, and must be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percentage of the total share capital of the company carrying voting rights. A member holding more than ten percentage of the total share capital of the company holding voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member.
4. Members are requested to bring their copies of the Annual Report to the Meeting. Members/proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting.
5. Members are requested to advise immediately change in their address, if any, quoting their Folio number(s) to the company.
6. The Register of Members and Shares Transfer Books of the Company will remain closed from Wednesday, September 24, 2014 to Tuesday, September 30, 2014 (both days inclusive)
7. In order to receive copies of Annual Reports and other communication through e-mail, Members are requested to register their e-mail addresses with the company by sending their e-mail to [vyapar@vyaparindustries.com](mailto:vyapar@vyaparindustries.com).
8. In compliance with provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide the members the facility to exercise their vote for business to be transacted in this notice of Annual General Meeting by electronic means through e-voting facility provided by Central Depository Services Limited. Members who are holding shares in physical or dematerialized form as on August 29, 2014 shall exercise their vote by electronic means.
9. **E-voting:** The e-voting instructions for members receiving an e-mail or a physical copy of this notice of Annual General Meeting are as under :
  - (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on "Shareholders" tab.
  - (iii) Select the "Company Name" from the drop down menu and click on "Submit".
  - (iv) Now enter your User ID
    - a. For CDSL: 16 digit 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.
  - (v) Next enter the Image verification as displayed and Click on Login.
  - (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted earlier for any Company, then use your existing pass word.

(vii) If you are first time user then follow the steps given below :

For members holding share in Demat / Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by the 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 Participants are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>In case the folio number is less than 8 digits enter the applicable number 0's before the number after the first two characters of the name in Capital letters. e.g. if your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field</li> </ul>
DOB*	<p>Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio.</p> <p>OR</p>
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>
<p>* 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 held by you as on the cut off date in the Dividend Bank details field.</p>	

(viii) After entering these details clicks on "Submit" tab.

- (ix) Members holding shares in physical form will then reach directly to 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 on resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is stongly recommended not to share your password with any other person and to take utmost care to keep your password confidential.
- (x) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company name on which you choose to vote.
- (xii) On the voting page, you will see "Resolutions Description" and against the same the option "Yes/No" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiv) After selecting the resolution you have decided to vote on, click on "Submit". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK" else to change your vote, click on "Cancel" and accordingly modify your vote.
- (xv) Once your "Confirm" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take print of the voting done by clicking on "Click here to print" option on the voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and image verification code and click on Forget Password and enter the details as prompted by the system.
- (xviii) Institutional shareholders (i.e. other than Individual, HUF, NRI, etc.) you are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

- (xix) They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - (xx) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - (xxi) 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.
  - (xxii) They should upload a scanned copy of the Board Resolution and Power of Attorney (PO) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
10. The voting period begins on Thursday, September 25, 2014 at 9.00 a.m. and ends on Friday, September 26, 2014 at 5.30 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 29, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  11. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQ") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  12. In case of Members who are attending the Annual General Meeting who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company will order a poll on his own motion for all businesses specified in the accompanying Notice. **For clarity, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the meeting.** The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.
  13. Mr. Martinho P. Ferrao, Practising Company Secretary, (Membership No. FCS 5676) has been appointed as the Scrutinizer to Scrutinize the e-voting process as well as the voting by way of poll, to be conducted at the Annual General Meeting, in a fair and transparent manner.
  14. The Scrutinizer shall within a period of not exceeding three working days from the date of close of e-voting unblock the votes in the presence of atleast two witnesses, not in the employment of the Company and make Scrutinizer's Report of the vote cast in favour of or against, in any, forthwith the Chairman of the Company.
  15. The results of e-voting and poll on resolutions shall be aggregated and these resolutions will be deemed to be passed on the Annual General Meeting date, subject to receipt of the requisite numbers of vote in favour of said resolutions.
  16. The results declared along with the Scrutinizer's report shall be communicated to BSE Limited and made available on the website of CDSL viz: [www.cdslindia.com](http://www.cdslindia.com), within two days of passing the resolution at the Annual General Meeting of the Company.

**For and on behalf of the Board**

**Abbas A. Rassai**  
Chairman

**Registered Office:**

145, S.V. Road, Khar (W),  
Mumbai-400 052.  
May 30, 2014



**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013.**

**Item No. 5 to 7**

In accordance with the provisions of Section 149 of the Companies Act, 2013 which came into effect from April 01, 2014, every listed public Company is required to have at least one-third of the total number of directors as Independent Directors who are not liable to retire by rotation and who shall hold office for a term of consecutive five years.

The Company has appointed Mr. Ramesh W. Lalwaney, Mr. Parvez M. Master and Mr. Hussain M. Cementwala, all as Non-Executive Directors, liable to retire by rotation under the Companies Act, 1956. These Director are also Independent Directors pursuant to Clause 49 of the listing agreement.

Consequent to the applicability of the Companies Act, 2013, it is proposed to appoint Mr. Ramesh W. Lalwaney, Mr. Parvez M. Master and Mr. Hussain M. Cementwala, as Independent Director of the Company for a term of consecutive five years with effect from the date of Annual General Meeting i.e. September 30, 2014 till September 29, 2019. The Company has received consent from these Independent Directors and also declaration confirming that they are not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and meet the criteria of Independence as prescribed under 149(6) of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement with the Stock Exchanges.

In this regard requisite notice in writing from a member has been received proposing appointment of Mr. Ramesh W. Lalwaney, Mr. Parvez M. Master and Mr. Hussain M. Cementwala, as candidate for the office of Independent Director of Company.

All these Independent Directors are Independent of the management and in the opinion of the Board they fulfill the condition specified in the Companies Act, 2013 and rules made there under for appointment of an Independent Director of the Company. A copy of draft letter of appointment as an Independent Director setting out terms and conditions will be available for inspection without any fees to the members at the Registered Office of the Company during normal business hours on any working day excluding Saturday. Other than the Independent Directors of the Company and their relatives none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed resolution as set out in item no. 5 to 7 of this Notice. This Explanatory Statement may also be regarded as disclosure under clause 49 of the Listing Agreement with the Stock Exchanges. The Board recommended the Ordinary Resolutions as set out at item number 5 to 7 of the Notice for approval by the Shareholders.

A brief profile along with other details of the Independent Directors is provided at the end of this statement.

## ANNEXURE TO THE NOTICE

Information under Clause 49 of the listing agreement with respect to directors seeking reappointment in this annual general meeting

### Item No. 5

1. Name	Shri Ramesh W. Lalwaney
2. Date of Birth	11th December, 1950
3. Profession	Professional
4. Qualification	B.Sc., P.G., DBA, DIS, Master in Law (Gold Medalist)
5. List of other Directorship held excluding private companies	None
6. Chairman / Member of the committee of Board of Director of the company	Chairman Remuneration Committee & Shareholders / Investors Grievance Committee and Members Audit Committee.
7. Chairman / Member of the committee of Board of Director of the other company	None
8. Expertise in specific functional area	In the field of Legal Consultancy

### Item No. 2 & 6

1. Name	Shri Parvez M. Master
2. Date of Birth	14th August, 1972
3. Profession	Service
4. Qualification	B.Sc. & MBA (Finance & Management) from Kellstadt Business School.
5. List of other Directorship held excluding private companies	Nil
6. Chairman / Member of the committee of Board of Director of the company	Chairman Audit Committee & Member Remuneration Committee.
7. Chairman / Member of the committee of Board of Director of the other company	Nil
8. Expertise in specific functional area	In the field of Finance & Related Areas.

### Item No. 3 & 7

1. Name	Shri Hussain M. Cementwala
2. Date of Birth	22nd August, 1976
3. Profession	Business
4. Qualification	B.Com.
5. List of other Directorship held excluding private companies	Nil
6. Chairman / Member of the committee of Board of Director of the company	Member Audit Committee, Remuneration Committee and Shareholders / Investors Grievance Committee.
7. Chairman / Member of the committee of Board of Director of the other company	None
8. Expertise in specific functional area	In the field of Import & Export.

**DIRECTORS REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their 29<sup>th</sup> Annual Report of the Company along with the audited statements of accounts for the year ended March 31, 2014.

**OPERATING AND FINANCIAL REVIEW**

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Sales	39,00,77,785	57,11,65,147
Other Income	83,56,717	3,25,77,130
Total Expenditure	39,17,50,452	58,62,67,036
Depreciation	5,58,003	6,66,804
Profit before exceptional items	61,26,046	1,68,08,437
Exceptional Items	—	—
Profit before Tax	61,26,046	1,68,08,437
<b>Provision for Taxes</b>		
Current	11,67,300	33,63,000
Deferred	(40,698)	23,36,717
MAT	3,53,937	—
Profit (Loss) after Taxes	46,45,507	1,11,08,720
Opening Balance (surplus)	(10,41,847)	(1,21,50,567)
Add Profit for the year	46,45,507	1,11,08,720
	36,03,660	(10,41,847)
<b>Appropriation</b>		
IT Refund A.Y. 2008-09	(25,273)	—
Short Provision for Tax for A.Y. 2008-09	27,590	—
MAT Credit Entitlement	(56,60,882)	—
Short Provision for Tax for A/Y 2010-11	1,51,697	—
Short Provision for Tax for A/Y 2011-12	1,79,772	—
Total	89,30,756	—
Balance Carried to Reserves & Surplus	65,21,80,756	64,22,08,153

Note- Sales figures mentioned above are presented after making adjustment in exchange difference.

**DIVIDEND**

With view to conserve the resources of the Company, the Board of Directors of the Company has not recommended any dividend for the year 2013-14.

**CAPITAL**

The company's present paid up capital stands at Rs. 10,89,50,000 comprising of 1,08,95,000 equity shares of Rs.10/- each.

## **OPERATIONS**

During the year under review the sales turnover registered fall from Rs. 57,11,65,147 to Rs. 39,00,77,785. The existing business has been effected by adverse market conditions prevailing in the market. The Company imports yarn from China as well as purchase from importers and sells it in local market. The Company is getting most of its yarn air spliced which makes its knot less. This is value addition for the Company's product, to be well accepted in local market. Company has posted a profit before tax of Rs. 61,26,046/- during the year in comparison to profit of Rs. 1,68,08,437/- in the last year.

Yarn & Thread will be the thrust areas of business for the Company in the coming years. The Company's Yarn and Thread products are very well accepted due to the ISO certification, quality improvement and timely delivery policy. The company has concentrated on its goals of consolidating and strengthening its marketing network, delivering quality products and cutting cost wherever possible.

Various organization development initiatives were undertaken during the year. These are expected to help create a robust organization based on strong values, uniform and systematic business processes and people empowerment.

The Management Discussion and Analysis Report deals with the operations of your Company in detail and forms part of this Annual Report.

Your directors are hopeful of better results for the company in the current year.

## **LISTING OF EQUITY SHARES**

The Company's equity shares are listed on the Bombay Stock Exchange and the listing fee for the year 2014-15 has been paid.

## **PUBLIC DEPOSITS**

The Company has not invited and / or accepted any deposits, during the year.

## **CASH FLOW STATEMENT**

Cash flow statement pursuant to Clause 32 of the listing agreement is attached herewith.

## **DIRECTORS**

Mr. Parvez Master & Mr. Hussain M. Cementwala, Directors of the Company retires at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Board of Directors recommend their re-appointment.

The Company has appointed Mr. Ramesh W. Lalwaney, Mr. Parvez Master & Mr. Hussain M. Cementwala as Non-Executive Directors, liable to retire by rotation. They are also the Independent Directors pursuant to the provisions of Clause 49 of the Listing Agreement entered into with Stock Exchange.

## **AUDIT COMMITTEE**

The Audit Committee, constituted pursuant to the provisions of the Companies Act and listing agreement, has reviewed the Accounts for the year ended March 31, 2014. The members of the Audit Committee are Mr. Parvez Master, Mr. Ramesh W. Lalwaney & Mr. Hussain M. Cementwala, all Independent Directors.

## **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors, based on the representations received from the Management and after due enquiry, confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) they have, in the selection of the accounting policies, consulted the statutory auditors and these have been applied consistently and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the profit of the Company for the year ended on that date;