



VYAPAR INDUSTRIES LIMITED

CIN No. L65990MH1983PLC029875

ANNUAL REPORT (2014-2015)

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
Shabana Mistry	- Director (C.F.O.)

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, 2015

DAY

Wednesday

TIME

3.00 p.m

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 30th Annual General Meeting of the members of VYAPAR INDUSTRIES LIMITED will be held at 145, S. V. Road, Khar (West), Mumbai - 400 052 on Wednesday, September 30, 2015 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, 2015 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. Akil A. Rassai (DIN: 00021329) who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Hussain A. Rassai (DIN: 00021454) 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 Ms. Shabana Mistry (DIN: 07151253) as Whole Time Director of the Company designated as Chief Financial Officer of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 196, 197, 203 and other applicable provisions of the Companies Act, 2013, (The Act) and the Companies (Appointment and qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment) thereof for the time being in force, and pursuant to the provisions of Clause 49 of the Listing Agreement, including any modification or amendment thereof, Ms. Shabana Mistry (DIN: 07151253) who was the appointed by the board of directors as an Additional Director with effect from March 24, 2015 pursuant to the provision 161(1) of the Act and the Articles of Association of the Company, and who holds office upto the date of this annual general meeting, and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director, be and is hereby appointed as Whole Time Director of the Company designated as Chief Financial Officer of the Company, liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. Reappointment of Mr. Akil A. Rassai (DIN: 00021329) as Managing Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 read with Schedule V and other applicable provisions of the Companies Act, 2013, including any Statutory modification or re-enactment thereof, for the time being in force, the Company in general meeting hereby approves the re-appointment and remuneration of Mr. Akil A. Rassai (DIN: 00021329) as Managing Director of the Company for period of five years with effect from September 01, 2015 on the same terms and conditions of remuneration as were paid to him earlier, which are set out in the explanatory statement annexed to this Notice."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. Reappointment of Mr. Hussain A. Rassai (DIN: 00021454) as Whole Time Director of the Company designated as Joint Chairman of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 read with Schedule V and other applicable provisions of the Companies Act, 2013, including any Statutory modification or re-enactment thereof, for the time being in force, the Company in general meeting hereby approves the re-appointment and remuneration of Mr. Hussain A. Rassai (DIN: 00021454) as Whole Time Director of the Company designated as Joint Chairman for period of five years with effect from September 01, 2015 on the same terms and conditions of remuneration as were paid to him earlier, which are set out in the explanatory statement annexed to this Notice."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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 Thursday, September 24, 2015 to Wednesday, September 30, 2015 (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.
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 September 23rd, 2015 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
 - (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 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"> 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. 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
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 strongly 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.
 - (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 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 Saturday, September 26, 2015 at 9.00 a.m. and ends on Tuesday, September 29, 2015 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 September 23, 2015, 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 under help section or write an email to 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, 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 25, 2015

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

Item 5 (Special Resolution)

Ms. Shabana Mistry is Chief Financial Officer of the w.e.f. April 1, 2014 and is looking after and assisting the Board in the day-to-day financial affairs of the Company. She is Post Graduate in Commerce (M.Com). Therefore, considering her qualification and experience and requirement of Women Director, the Board of Directors as well as remuneration committee of Directors at its meeting held on March 24, 2015 has appointed her as Whole Time Director of the Company for a period of five years w.e.f. March 24, 2015, on the terms of remuneration and other conditions as mentioned below:

1. Ms. Shabana Mistry, the Chief Financial Officer of the Company shall perform his duties subject to the superintendence, control and direction of the Board of Directors of the Company.
2. Period of appointment: For Five years, i.e. from March 24, 2015 to March 23, 2020.
3. In consideration of the performance of his duties, the Chief Financial Officer (Women Director) shall be entitled to receive remuneration as stated herein below:

I. Basic Salary :

In the scale of Rs 10.,650/- to Rs.50,000/- per month. The Remuneration Committee / Board of Directors will determine the amount of salary payable to the **Chief Financial Officer (Women Director)** and the amount of increments payable every year depending on the performance of the **Chief Financial Officer (Women Director)**, profitability of the Company and other relevant factors.

The basic salary approved for 2015-16 is Rs.10,650/- per month.

The terms and conditions will be as follows:

I. Remuneration : Rs.10,650/- to 50,000/- per month. Present Salary is Rs.10,650/- per month (Rupees Ten Thousand Six Hundred And Fifty Only).

II. Performance Linked Variable Remuneration (PLVR) : As per Companies policy.

III. Loans:

This clause will be applicable as per section 185 of the Companies Act, 2013 which provides that:

a) the company can give a loan to a Whole Time Director as follows:

- i. as a part of the conditions of service extended by the company to all its employees; or
 - ii. pursuant to any scheme approved by the members by a special resolution;
- (b) Continuation of Loans, if any, already availed. The loans, if any, already availed shall be continued on the same terms and conditions unless Board of Directors changes the conditions, which shall be binding on the Whole Time Director.

Notes :

- a) Unless otherwise stipulated, for the purpose of the above, the perquisites shall be evaluated as per Income Tax Rules wherever actual cost cannot be determined.
- b) In the event of any re-enactment or re-codification of the Companies Act, 2013 or the Income Tax Act, 1961 or amendments thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Companies Act, 1956 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued thereunder.
- c) If at any time the Whole Time Director ceases to be in the employment of the Company for any cause whatsoever, she shall cease to be the Whole Time Director of the Company.

- d) The Whole Time Director is appointed by virtue of his employment in the Company and the appointment is subject to the provisions of Section 196 of the Companies Act, 2013 while at the same time the Whole Time Director is liable be re-appointed as per the section 196 (2) of the Companies Act, 2013. The appointment is terminable by giving one months' notice in writing on either side.
7. The Whole Time Director shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to whomsoever or make any use whatsoever, whether for her own or for any other purpose other than that of the Company, any information or knowledge obtained by him during her employment to the business or affairs or other matters whatsoever of the Company and the Whole Time Director shall, during the continuance of her employment hereunder, also use her best endeavour to prevent any other person from disclosing the aforesaid information.
8. If the Whole Time Director be guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with his duties as Whole Time Director or any breach of these terms, as in the opinion of all other Directors renders his retirement from the office of the Whole Time Director desirable, the opinion of such other Directors shall be final, conclusive and binding on the Whole Time Director and the Company may by giving thirty days notice in writing to the Whole Time Director determine these terms and she shall cease to be a Director and Whole Time Director of the Company, upon expiration of such notice.
9. These terms and conditions are subject to such alterations/ variations as may be mutually agreed upon between the Company and the Whole Time Director.

Your Directors seek your approval by way of a Special resolution for the reappointment of Ms. Shabana Mistry as Whole Time Director of the Company and to the terms of her appointment as proposed under item no.5 of the notice read with this explanatory statement.

None of the Directors may be deemed to be concerned or interested in the aforesaid appointment of the Whole Time Director.

Item 6 (Special Resolution)

Mr. Akil A. Rassai is a Managing Director of the Company w.e.f September 01, 2015 and is looking after and assisting the Board in the day-to-day affairs of the Company. He is actively involved in the implementation of business plans of the Company. He has vast experience in Finance, Accounting, Legal, Taxation matters. Therefore, considering his qualification and experience, the Board of Directors as well as remuneration committee of Directors at its meeting held on May 25, 2015 has reappointed him as Managing Director of the Company for a period of five years w.e.f. September 1, 2015, on the terms of remuneration and other conditions as mentioned below:

1. Mr. Akil A. Rassai, the Managing Director of the Company shall perform his duties subject to the superintendence, control and direction of the Board of Directors of the Company.
2. Period of appointment: For Five years, i.e. from September 1, 2015 to August 31, 2020.
3. In consideration of the performance of his duties, the Managing Director shall be entitled to receive remuneration as stated herein below:

I. Basic Salary :

In the scale of Rs.23,750/- to Rs.3,00,000/- per month. The Remuneration Committee / Board of Directors will determine the amount of salary payable to the Managing Director and the amount of increments payable every year depending on the performance of the Managing Director, profitability of the Company and other relevant factors.

The basic salary approved for 2015-16 is Rs.23,750/- per month.

II. Performance Linked Variable Remuneration:

Performance Linked Variable Remuneration according to the Scheme of the Company that may be in

vogue for working Directors, under which the amount payable to the Managing Director will be decided by the Remuneration Committee/Board of Directors of the Company for each of the financial years, based on the Economic Value Added in the business and other relevant factors and having regard to the performance of Managing Director subject to a ceiling of 36 months' average basic salary, for each year.

III. Perquisites and other matters:

Classified into four categories A, B, C and D as detailed below:

Category A

Benefits of the Company's Hosing facilities and/House Rent Allowance, Medical Reimbursement Scheme, Leave Travel Concession, Reimbursement of Club Fees and Education Allowance in accordance with and subject to the ceiling specified under the Rules framed by the Company from time to time for its Managing Directors.

(1) Housing

A. Unfurnished residential accommodation, and House Rent Allowance equivalent to 30% of Basic salary.

OR

House rent allowance equivalent to 60 % of the Basic salary.

B. Furnishing at residence subject to a ceiling of Rs. 2,00,000/- for a period of 5 years in accordance with the Company's Scheme.

(2) Medical Reimbursement :

Reimbursement of domiciliary medical expenses incurred/insurance premium for the Managing Directors and their family (excluding hospitalisation, nursing home and surgical charges), as per the scheme of the Company and value of such benefit in any financial year can be accumulated according to the Company's Rules.

(3) Leave Travel Concession :

Leave Travel Concession (for the Managing Director and their family once in a financial year incurred in accordance with the Rules specified by the Company) subject to a ceiling of 10% of average basic salary in a financial year, subject to a maximum of Rs.3,60,000/- in a financial year.

(4) Education Allowance:

Reimbursement of Education Allowance @ Rs.2,000/- per month.

For the purposes of medical reimbursements and leave travel concession under Category A, 'family' means the spouse and dependent children and dependent parents of the Managing Director.

Category B

(1) Company's contributions towards Provident Fund (or compensation in lieu thereof), Superannuation Fund or Annuity Fund as per the Rules framed under the Company's relevant Scheme. These shall be subject to a ceiling of the amount up to which the said contributions are either singly or put together not taxable, under the Income Tax Act, 1961.

(2) Gratuity not exceeding 50% of average basic salary drawn in the last year of service for each completed year of service as per the Company's rules. Such gratuity shall be payable according to the rules of the Company. If the Managing Director is re-appointed, gratuity will be paid at the end of their tenure with the Company.

(3) Earned/privilege leave, on full pay and allowance, not exceeding 30 days in a financial year. Encashment of leave will be permissible in accordance with the Rules specified by the Company. Casual/Sick leave as per the rules of the Company.

Category C

The following shall not be included in the computation of perquisites :-

- (1) Provision for use of Company's cars for official use.
- (2) Provision of free telephone facilities or reimbursement of telephone expenses at residence, including payment of local calls and long distance official calls.

Category D - Loans

Granting of loans according to Company's Scheme subject to Central Government's approval, if applicable.

4. The Managing Director shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to whomsoever or make any use whatsoever, whether for his own or for any other purpose other than that of the Company, any information or knowledge obtained by him during his employment to the business or affairs or other matters whatsoever of the Company and the Managing Director shall, during the continuance of his employment hereunder, also use his best endeavour to prevent any other from disclosing the aforesaid information.
5. If the Managing Director be guilty of such inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with his duties as Managing Director or any breach of this Agreement, as in the opinion of all other Directors renders his retirement from the office of the Managing Director desirable, the opinion of such other Directors shall be final, conclusive and binding on the Chairman and the Company may by giving thirty days notice in writing to the Managing Director determine this Agreement and he shall cease to be Director and Managing Director of the Company, upon expiration of such notice.

Mr. Akil A. Rassai, aged about 45 years has vast experience in Finance, Accounting, Legal, Taxation matters and Business Management. He has handled various assignments successfully during his service with the Company.

Your Directors seek your approval by way of a special resolution for the reappointment of Mr. Akil A. Rassai as Managing Director of the Company and to the terms of his reappointment as proposed under item no. 6 of the notice read with this explanatory statement. The draft of the agreement to be entered in to between the Company and Mr. Akil A. Rassai in this regard is available for inspection of the members during any working day between 11:00 a.m. to 1:00 p.m. and during the tenure of the meeting.

Mr. Abbas A. Rassai, Mr. Hussain A. Rassai and Mr. Akil A. Rassai Directors may be deemed to be concerned or interested in the aforesaid appointment of the Managing Director & decision of the terms of remuneration and therefore are interested in the proposed resolution, besides them no other Director is any way concerned or interested in the said resolution.

Item 6 (Special Resolution)

Mr. Hussain A. Rassai is Executive Joint Chairman of the w.e.f. September 1, 2007 and is looking after and assisting the Board in the day-to-day affairs of the Company. He is actively involved in the implementation of business plans of the Company. He has got vast experience in field of textiles. He is a Science Graduate and has also done his Bachelors in Architecture from the J. J. College of Architecture. Therefore, considering his qualification and experience, the Board of Directors as well as remuneration committee of Directors at its meeting held on May 25, 2015 has reappointed him as Joint chairman of the Company for a period of five years w.e.f. September 1, 2015, on the terms of remuneration and other conditions as mentioned below:

1. Mr. Hussain A. Rassai, the Executive Joint Chairman of the Company shall perform his duties subject to the superintendence, control and direction of the Board of Directors of the Company.
2. Period of appointment: For Five years, i.e. from September 1, 2015 to August 31, 2020.
3. In consideration of the performance of his duties, the Joint Chairman shall be entitled to receive remuneration as stated herein below: