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Important Communication to Members

Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with Link Intime India Private Limited. The Company is providing e-voting facility to all members to enable them to cast vote electronically to all resolutions set forth in the notice. This is pursuant to sec 108 of the Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting are annexed to the notice.

Annual General Meeting will be held at 3.00 p.m. on Monday, the 14th September, 2015 at MIG-4, Indravati Colony, Raipur, Chhattisgarh. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting. Visit us at : www.vaswaniindustries.com, E-mail : info@vaswaniindustries.com • Tel.: +91 771 4226000 • Fax : +91 771 4226000

CORPORATE INFORMATION

Performance Highlights 2014-2015

Financial

(Rs. in Lacs)

Total Revenue	25481.33
Profit Before Tax	109.09
Profit After Tax refund adjustment	115.06
Earning Price Per Share (EPS) - Basic & Diluted	0.40

Operational

Particulars	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Installed capacity					
Sponge Iron MT	90000	90000	90000	90000	90000
Steel Billets/Ingots MT	36000	36000	36000	36000	36000
Power MW	11.5	11.5	11.5	11.5	11.5
Production					
Sponge Iron MT	59943.09	50266.00	50832.73	58543.81	58637.57
Steel Billets/Ingots MT	47524.40	44104.030	37596.705	33231.655	865.585
Power in UNITS	65208200	65372200	64213200	70555900	74753378

CORPORATE PROFILE**CIN: L28939CT2003PLC015964****BOARD OF DIRECTORS**

Mr. Ravi Vaswani	Chairman & Managing Director (CMD)
Mr. Pramod Vaswani	Whole Time Director (WTD)
Mr. Yashwant Vaswani	Whole Time Director (WTD)
Mrs. Sudha Vaswani	Additional Director
Mr. Lekhu Thadharam Mulchandani	Non- Executive & Independent Director
Mr. Ashok Suri	Non- Executive & Independent Director
Mr. Sanjay Jadwani	Non- Executive & Independent Director

COMMITTEES OF THE BOARD

I . AUDIT RISK MANAGEMENT AND VIGIL COMMITTEE	
Mr. Lekhu Thadharam Mulchandani – Independent Director	Chairman
Mr. Pramod Vaswani – Whole-time Director	Member
Mr. Ashok Suri - Independent Director	Member
II. NOMINATION & REMUNERATION COMMITTEE	
Mr. Lekhu Thadharam Mulchandani – Independent Director	Chairman
Mr. Yashwant Vaswani – Whole-time Director	Member
Mr. Ashok Suri – Independent Director	Member
III. STAKEHOLDERS RELATIONSHIP COMMITTEE	
Mr. Lekhu Thadharam Mulchandani – Independent Director	Chairman
Mr. Pramod Vaswani – Whole-time Director	Member
Mr. Sanjay Jadwani – Independent Director	Member

COMPANY SECRETARY & COMPLIANCE OFFICER**Ms. Ritu Hardeep Lamba****INDEPENDENT AUDITORS****COST AUDITORS****SECRETARIAL AUDITORS**

Sunil Johri & Associates Chartered Accountants Nathani Building, Shastri Chowk, G.E. Road, Raipur – 492 001	Sanat Joshi & Associates Cost Accountants " Prem Poon", Pt. Din Dayal Upadhyay Nagar, Akash Gas Godown Road, P.O. Gudhiary, Raipur – 492 011	SATISH BATRA & ASSOCIATES, Company Secretaries, C-501, Ashoka Ratan, PO Shankar Nagar, Raipur (C. G.) 492 007
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BANKERS

State Bank of India (SBI), Raipur	Union Bank of India (UBI), Raipur	IDBI Bank Limited (IDBI), Raipur
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LISTED IN STOCK EXCHANGES**REGISTRAR & SHARE TRANSFER AGENTS**

NATIONAL STOCK EXCHANGE, MUMBAI BOMBAY STOCK EXCHANGE, MUMBAI	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound LBS Marg, Bhandup (w) Mumbai – 400 078
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REGISTERED OFFICE

MIG – 4, Indrawati Colony,
Raipur – 492 001, Chhattisgarh

CHAIRMAN'S STATEMENT

I am delighted to write to you once again to update you on the performance of VASWANI INDUSTRIES LIMITED. The year started on a good note, but we faced some headwinds during the second half of the year. Vaswani Industries Limited (VIL) has earned a remarkable profit this year and it gives me immense satisfaction.

The Company has already focused on enhancing production capacities, diversifying activities and strengthening our core capabilities - raw material security, technology leadership and retail brand visibility - to leverage opportunities. The fundamentals of our business remain strong, and therefore we are confident that we will continue to play a significant role in the industry in the years ahead.

The growth impetus has emanated despite several hurdles in the economies in sharp contrast to previous years, when developing economies put up a better performance. Such a scenario will create potential and other business opportunities for developing economies like India to grow. We are investing significant resources to strengthen our market position in existing regions, as well as establishing footprints in newer and attractive geographies.

I am fully confident that we will take our products to greater heights because we have the quality and required man-skills, has experience in handling both scale and complexity, and is fully aligned with core competency values.

Our achievements so far have only been possible due to the outstanding teams at your company that I am proud to lead. They continuously challenge themselves to innovate and to deliver the best results for all our stakeholders.

Finally, I thank all our stakeholders for your goodwill and support.

RAVI VASWANI

CHAIRMAN

OUR COMPETITIVE STRENGTHS

<p><i>Management Expertise</i></p> <p>Our Promoters have been engaged in trading & steel manufacturing business for more than two decades. Our promoters, over the years, have gained experience in setting up and operating integrated steel plants. The established position of the Company and the Group Companies in the local markets has also resulted in an established customer base and a supplier network in Uttaranchal, Chhattisgarh, Maharashtra, and Madhya Pradesh. In addition to our Promoters, we have a professionally managed team with technical experts in respective fields.</p>	<p><i>Business Strategy</i></p> <p>The key components of our strategy to drive profitable growth and to maximize value are to continuously enhance customer satisfaction, attract & retain qualified employees, maintain stringent standards of environmental safety and corporate responsibility. Keeping in view the above, our Company has devised certain strategies to take the advantage of the growing Iron & Steel Industry, as described below:</p>						
<table border="1"> <tr> <td data-bbox="129 449 321 659">Mr. Ravi Vaswani</td> <td data-bbox="321 449 760 659">is the Managing Director of our company. He is a Commerce Graduate by qualification and is a founder of Vaswani Group. He belongs to a family which is engaged in the steel business for more than 2 decades. Hence, he entered this Industry at an early age and has been engaged in the manufacturing of C.I. Castings and Trading of Pig Iron & Scrap for over Two decades. He has achieved extensive knowledge in trading and marketing of sponge iron and steel billets/ingots</td> </tr> <tr> <td data-bbox="129 665 321 896">Mr. Pramod Vaswani</td> <td data-bbox="321 665 760 896">is the Whole Time Director of our company. He completed Master in Commerce. He is also a founder of Vaswani Group. He has widespread experience in trading of Iron & steel and has been instrumental in the establishment of the Sponge Iron unit. In the process, he gained extensive knowledge of setting up of such unit. Further, he has been engaged in the trading business of C. I. Scrap & Core Veneer for last 16 years. He is responsible for the day to day operations of our company.</td> </tr> <tr> <td data-bbox="129 903 321 1094">Mr. Yashwant Vaswani</td> <td data-bbox="321 903 760 1094">is the Whole Time Director of our company. He is an under graduate (Commerce) by qualification. He entered the family business with his father Mr. Ravi Vaswani in his proprietorship firm named M/s Kwalty Foundry Industries. Further, being involved with the Sponge Iron plant from the conception stage and onwards, he has gained hands-on experience in the day-to-day operation of the same.</td> </tr> </table>	Mr. Ravi Vaswani	is the Managing Director of our company. He is a Commerce Graduate by qualification and is a founder of Vaswani Group. He belongs to a family which is engaged in the steel business for more than 2 decades. Hence, he entered this Industry at an early age and has been engaged in the manufacturing of C.I. Castings and Trading of Pig Iron & Scrap for over Two decades. He has achieved extensive knowledge in trading and marketing of sponge iron and steel billets/ingots	Mr. Pramod Vaswani	is the Whole Time Director of our company. He completed Master in Commerce. He is also a founder of Vaswani Group. He has widespread experience in trading of Iron & steel and has been instrumental in the establishment of the Sponge Iron unit. In the process, he gained extensive knowledge of setting up of such unit. Further, he has been engaged in the trading business of C. I. Scrap & Core Veneer for last 16 years. He is responsible for the day to day operations of our company.	Mr. Yashwant Vaswani	is the Whole Time Director of our company. He is an under graduate (Commerce) by qualification. He entered the family business with his father Mr. Ravi Vaswani in his proprietorship firm named M/s Kwalty Foundry Industries. Further, being involved with the Sponge Iron plant from the conception stage and onwards, he has gained hands-on experience in the day-to-day operation of the same.	<p><i>Sales and Marketing</i></p> <p>The sales and marketing strategy is based on building upon strengths and results already achieved. Accordingly, our strategy is to consolidate our position in Chhattisgarh and penetrate in other Northern, Western and Eastern parts of the country. In parallel, we would also strive to build credible partnerships as an entry strategy and build on the same for a full-scale penetration in future.</p> <p><i>Continued focus on consistently meeting quality standards</i></p> <p>We have created a reputation with our suppliers, as one who can consistently supply quantity without compromising on the quality and delivery schedules. We intend to continue to focus on this.</p> <p><i>Mix of Organic and Inorganic Models of Growth</i></p> <p>Our strategy so far had been organic growth. At this stage of our business, we believe that a combination of organic and inorganic models will help us continue to grow. Strategic acquisitions would help us in leveraging complementary skills to capture market opportunities as well as reduce time-to-market and accelerate growth.</p> <p><i>Training and Motivating Our Work Force</i></p> <p>Our Company will continue the policy of training of the work force with adequate product knowledge, market knowledge and above all the application of knowledge to the Industry. Our Company shall always focus on narrowing the hierarchy for free and transparent two-way communication between management and employees for better exchange of ideas, views and opinions for maintaining good competitive work atmosphere at all levels.</p>
Mr. Ravi Vaswani	is the Managing Director of our company. He is a Commerce Graduate by qualification and is a founder of Vaswani Group. He belongs to a family which is engaged in the steel business for more than 2 decades. Hence, he entered this Industry at an early age and has been engaged in the manufacturing of C.I. Castings and Trading of Pig Iron & Scrap for over Two decades. He has achieved extensive knowledge in trading and marketing of sponge iron and steel billets/ingots						
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Mr. Yashwant Vaswani	is the Whole Time Director of our company. He is an under graduate (Commerce) by qualification. He entered the family business with his father Mr. Ravi Vaswani in his proprietorship firm named M/s Kwalty Foundry Industries. Further, being involved with the Sponge Iron plant from the conception stage and onwards, he has gained hands-on experience in the day-to-day operation of the same.						
<p><i>Cordial Relationship between management and labour</i></p> <p>We enjoy cordial relations with our employees and there has been no union of employees. Further, there have been no strikes, lock-out or any labour protest in our Company since the incorporation.</p>	<p><i>Our Vision</i></p> <p>Our vision is to make VIL a trusted brand name by creating a distinct status for ourselves in the Integrated Steel business. Driving growth through both organic & inorganic initiatives. Keeping shareholders' interests at the core of business and put customer satisfaction on top of the agenda.</p>						
<p><i>Expected High Operating Efficiency</i></p> <p>The Company's steel plant is fully integrated. The sponge iron manufactured by us is used as raw material to manufacture Mild Steel Billets/Ingots. Thus, the finished product of one unit acts as a raw material for the other unit. The current power capacity is feeding the power requirement of our Company and as well as the surplus is being sold to the private power companies as well as State Electricity Board. Due to integration, our company as a whole can reduce its cost of production and achieve better profitability. Our company can sustain/absorb adverse market situation during cyclical recession. The steel industry is highly power-intensive and captive power generation plant, which has low cost per unit, is leading to significant cost saving.</p> <p><i>Captive Power Plant</i></p> <p>Power is an important factor in every manufacturing facility. Considering the power requirements of our existing manufacturing facilities, our Company has increased the generation capacity from 7.5 MW to 12 MW from Waste Heat Recovery Boiler to meet the present requirement of power as well as to sale the surplus through private power companies and SEB. Captive power plant will give us the stable and uninterrupted power supply which is very crucial in manufacturing of our products. Uninterrupted power supply helps to avoid any delays in manufacturing process thereby ensuring complete utilization of our capacities.</p>	<p><i>Business Model</i></p> <ul style="list-style-type: none"> ❖ Key Activities: Mild Steel Billets/ Ingots manufacturer ❖ Key Resources: Sponge Iron, Captive Power Plant ❖ Customers Relationship: Product excellence, on time delivery and customer services ❖ Channels: Government authorities, Semi-government authorities ❖ Cost structure: Based on Government Rules and Regulations 						

NOTICE OF ANNUAL GENERAL MEETING

The **TWELFTH ANNUAL GENERAL MEETING** of Vaswani Industries Limited [CIN: L28939CT2003PLC015964] will be held at 03:00 P. M. on Monday, the 14th September, 2015 at Registered Office of the Company situated at MIG-4, Indrawati Colony, Raipur, Chhattisgarh to transact the following business:

ORDINARY BUSINESS:

- 1: To receive, consider and adopt audited Statement of Profit and Loss for the year 2014-15, Balance Sheet as at that date, the Directors' Report for the year ended 31st March 2015, and the Report of the Independent Auditors thereon.
- 2: To re-appoint Shri Yashwant Vaswani, Whole-time Director of the Company, in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for reappointment.
- 3: To appoint Auditors who shall hold office for the financial year 2015-16 from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors, M/s Sunil Johri & Associates, Chartered Accountants are eligible for re-appointment and have given a written certificate as per Section 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014.

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

"RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Sunil Johri & Associates, Chartered Accountants (Firm Registration no. 005960C), be and are hereby re-appointed as Auditors of the Company to hold office from conclusion of this Annual General Meeting till the conclusion of second consecutive Annual General Meeting to be held for Financial Year 2016-17 (subject to ratification of their appointment at every Annual General Meeting), at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mrs. Satyawati Parashar (DIN NO.00761009) to be proposed as Non-executive Independent women director and who has submitted a declaration that she meets the criteria of Independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the company has received a notice in writing from a Member proposing his candidature for the office of Director, pursuant to Section 160 be and is hereby appointed as Independent Director of the Company to hold office for two consecutive years with effect from the conclusion of the ensuing Annual General Meeting and shall not be liable to retire by rotation.

5. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Sanjay Jadwani (DIN NO.05139093) (already an Independent Director as per previous listing agreement and appointed as a Director retiring by rotation at the 10th Annual General Meeting of the Company) who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the company has received a notice in writing from a Member proposing his candidature for the office of Director, pursuant to Section 160 be and is hereby appointed as Independent Director of the Company to hold office for Five consecutive years with effect from the date of this ensuing annual general meeting, not liable to retire by rotation.

6. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions if any 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), the remuneration up to Rs. 35,000/- (Rupees Thirty Five Thousand Only) plus reimbursement of out of pocket expenses on actual basis as approved by the Board of Directors of the Company, to be paid to M/s. Sanat Joshi & Associates Cost Accountants, for the conduct of cost audit of the Company as may be prescribed by the Central Government for Financial Year ended 31 March 2015 be and is hereby ratified and confirmed."

7. 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 164, 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Articles 164, 165, 166 and 167 of the Articles of Association of the Company and subject to such approvals as may be necessary, approval of the members of the company be and is hereby accorded to the appointment of Shri Ravi Vaswani [DIN: 00308616] as the Managing Director of the company for a period of five years with effect from 1st March, 2015 upon the terms and conditions including remuneration as set out in the agreement to be entered into between the company and Shri Ravi Vaswani, on the remuneration and other terms, set out below:

BASIC SALARY: Rs. 15,00,000/- (Rupees Fifteen Lacs Only) per annum.

PERQUISITES:

In addition to the aforesaid salary, Shri Ravi Vaswani as the Managing Director shall be entitled to the following perquisites:

- a) In lieu of fully furnished residential accommodation, house rent allowance of Rs 3,60,000/- per annum be paid. Additionally, expenses on furnishings up to Rs 15,000/- per month and gas, electricity, water and other utilities and repairs shall be borne by the Company on actual basis.
- b) Reimbursement of all medical expenses incurred for self and family.
- c) Leave travel assistance for self and family up to the limit of Rs 5,00,000/- per annum .
- d) Fees of clubs, subject to a maximum of two clubs, which will include admission fee but will not include life membership fees.
- e) Personal accident insurance, premium whereof does not exceed Rs. 25,000 per annum.
- f) A car with driver.
- g) Telephone and fax facilities at residence.
- h) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.

- i) Gratuity at the rate of 30 days' salary for each completed year of service as the Managing Director
- j) Leave at the rate of one month for every eleven months of service. Leave not availed of may be paid at the end of the tenure, and "Family" for the above purpose means wife, dependent children and dependent parents of the Managing Director.

Perquisites shall be evaluated as per the provisions of the Income tax Rules.

COMMISSION:

Commission shall be decided by the Board of Directors based on the net profits of the Company each year subject to the condition that the aggregate remuneration of the Joint Managing Director shall not exceed the limit laid down under Section 197 including rules made there under, Schedule V and other applicable provisions, if any of the Companies Act, 2013

MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits in any financial year during the currency of his tenure as the Managing Director, remuneration by way of salary, perquisites and other allowances shall be in accordance with the ceiling prescribed in Schedule V to the Companies Act, 2013 or any statutory modification thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to revise from time to time during the term of the present appointment of Shri Ravi Vaswani, the remuneration payable to him as the Managing Director, subject to the ceiling laid down in Section 197 including rules made there under and under Section II Part II of Schedule V of the Companies Act, 2013 based on the effective capital of the Company and in accordance with the approval of the Nomination and Remuneration Committee at the relevant point of time, without further approval of the members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

RESOLVED FURTHER THAT Shri Ravi Vaswani will be a Director not liable to retire by rotation."

8. 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 164, 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Articles 164, 165, 166 and 167 of the Articles of Association of the Company and subject to such approvals as may be necessary, approval of the members of the company be and is hereby accorded to the appointment of Shri Pramod Vaswani [DIN: 01627359] as the Whole-time Director of the company for a period of five years with effect from 1st March, 2015 upon the terms and conditions including remuneration as set out in the agreement to be entered into between the company and Shri Pramod Vaswani, on the remuneration and other terms, set out below:

BASIC SALARY: Rs. 10,00,000/- (Rupees Ten Lacs Only) per annum.

PERQUISITES:

In addition to the aforesaid salary, Shri Pramod Vaswani as the Whole-time Director shall be entitled to the following perquisites:

- a) In lieu of fully furnished residential accommodation, house rent allowance of Rs 3,00,000/- per annum be paid. Additionally, expenses on furnishings up to Rs 10,000/- per month and gas, electricity, water and other utilities and repairs shall be borne by the Company on actual basis.
- b) Reimbursement of all medical expenses incurred for self and family.
- c) Leave travel assistance for self and family up to the limit of Rs 3,00,000/- per annum .
- d) Fees of clubs, subject to a maximum of two clubs, which will include admission fee but will not include life membership fees.
- e) Personal accident insurance, premium whereof does not exceed Rs. 20,000 per annum.
- f) A car with driver.
- g) Telephone and fax facilities at residence.
- h) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.

- i) Gratuity at the rate of 30 days' salary for each completed year of service as the Managing Director
- j) Leave at the rate of one month for every eleven months of service. Leave not availed of may be paid at the end of the tenure, and "Family" for the above purpose means wife, dependent children and dependent parents of the Whole-time Director.

Perquisites shall be evaluated as per the provisions of the Income tax Rules.

COMMISSION:

Commission shall be decided by the Board of Directors based on the net profits of the Company each year subject to the condition that the aggregate remuneration of the Joint Managing Director shall not exceed the limit laid down under Section 197 including rules made there under, Schedule V and other applicable provisions, if any of the Companies Act, 2013

MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits in any financial year during the currency of his tenure as the Whole-time Director, remuneration by way of salary, perquisites and other allowances shall be in accordance with the ceiling prescribed in Schedule V to the Companies Act, 2013 or any statutory modification thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to revise from time to time during the term of the present appointment of Shri Pramod Vaswani, the remuneration payable to him as the Whole-time Director, subject to the ceiling laid down in Section 197 including rules made there under and under Section II Part II of Schedule V of the Companies Act, 2013 based on the effective capital of the Company and in accordance with the approval of the Nomination and Remuneration Committee at the relevant point of time, without further approval of the members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

RESOLVED FURTHER THAT Shri Pramod Vaswani will be a Director liable to retire by rotation and his re- appointment as such Director shall not be deemed to constitute a break in his appointment as the Whole-time Director."

9. 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 164, 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Articles 164, 165, 166 and 167 of the Articles of Association of the Company and subject to such approvals as may be necessary, approval of the members of

the company be and is hereby accorded to the appointment of Shri Yashwant Vaswani [DIN: 01627408] as the Whole-time Director of the company for a period of five years with effect from 1st March, 2015 upon the terms and conditions including remuneration as set out in the agreement to be entered into between the company and Shri Yashwant Vaswani, on the remuneration and other terms, set out below:

BASIC SALARY: Rs. 7,00,000/- (Rupees Seven Lacs Only) per annum.

PERQUISITES:

In addition to the aforesaid salary, Shri Yashwant Vaswani as the Whole-time Director shall be entitled to the following perquisites:

- a) In lieu of fully furnished residential accommodation, house rent allowance of Rs 2,40,000/- per annum be paid. Additionally, expenses on furnishings up to Rs 10,000/- per month and gas, electricity, water and other utilities and repairs shall be borne by the Company on actual basis.
- b) Reimbursement of all medical expenses incurred for self and family.
- c) Leave travel assistance for self and family up to the limit of Rs 3,00,000/- per annum .
- d) Fees of clubs, subject to a maximum of two clubs, which will include admission fee but will not include life membership fees.
- e) Personal accident insurance, premium whereof does not exceed Rs. 20,000 per annum.
- f) A car with driver.
- g) Telephone and fax facilities at residence.
- h) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
- i) Gratuity at the rate of 30 days' salary for each completed year of service as the Managing Director
- j) Leave at the rate of one month for every eleven months of service. Leave not availed of may be paid at the end of the tenure, and "Family" for the above purpose means wife, dependent children and dependent parents of the Whole-time Director.

Perquisites shall be evaluated as per the provisions of the Income tax Rules.

COMMISSION:

Commission shall be decided by the Board of Directors based on the net profits of the Company each year subject to the condition that the aggregate remuneration of the Joint Managing Director shall not exceed the limit laid down under Section 197 including rules made there under, Schedule V and other applicable provisions, if any of the Companies Act, 2013

MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits in any financial year during the currency of his tenure as the Whole-time Director, remuneration by way of salary, perquisites and other allowances shall be in accordance with the ceiling prescribed in Schedule V to the Companies Act, 2013 or any statutory modification thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to revise from time to time during the term of the present appointment of Shri Yashwant Vaswani, the remuneration payable to him as the Whole-time Director, subject to the ceiling laid down in Section 197 including rules made there under and under Section II Part II of Schedule V of the Companies Act, 2013 based on the effective capital of the Company and in accordance with the approval of the Nomination and Remuneration Committee at the relevant point of time, without further approval of the members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

RESOLVED FURTHER THAT Shri Yashwant Vaswani will be a Director liable to retire by rotation and his re- appointment as such Director shall not be deemed to constitute a break in his appointment as the Whole-time Director."

By order of the Board of Directors
For **Vaswani Industries Limited**
SD/-
Ravi Vaswani
(Chairman & Managing Director)

Place: Raipur (C.G.)

Date: 12/08/2015

Notes:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 2) Register of Members and Share Transfer Book of the Company will remain closed from; 07.09.2015 to 14.09.2015 (both days inclusive).
- 3) Members who are holding Equity shares in identical order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
- 4) Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
- 5) Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting venue. However, entry to attend the Meeting will be strictly on the basis of the entry slip available at the counters at the venue and to be exchanged with attendance slip.
- 6) Members will not be distributed any gift, compliment or kinds of such nature at the ensuing 12th Annual General Meeting of your Company.
- 7) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- 8) 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. Members holding shares in physical form can submit their PAN details to the Company.
- 9) Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
- 10) Electronic copy of the Annual Report for 2015 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(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 Annual Report for 2015 is being sent in the permitted mode.
- 11) Electronic copy of the Notice of the 12th 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 Participants(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 12th 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.
- 12) Members may also note that the Notice of the 12th Annual General Meeting and the Annual Report for 2015 will also be available on the Company's website www.vaswaniindustries.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Raipur 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: complianceofficer@vaswaniindustries.com.
- 13) Voting through electronic means.
 1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 12th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):
The instructions for e-voting are as under:
A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
(i) Open email and open PDF file viz; "Vaswani Industries Limited e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 (iii) Click on Shareholder - Login
 (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 (vii) Select "EVEN" of Vaswani Industries Limited Limited.
 (viii) Now you are ready for e-voting as Cast Vote page opens.
 (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 (x) Upon confirmation, the message "Vote cast successfully" will be displayed
 (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
 (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to complianceofficer@vaswanindustries.com with a copy marked to satishbatra6@gmail.com.
 B. In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)
 (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :
 EVEN (E Voting Event Number) USER ID PASSWORD/PIN
 (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
 II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
 III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
 IV. 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).
 V. The e-voting period commences on 10th September, 2015 (9:00 am) and ends on 14th September, 2015(5:00 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 10th April, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 10th April, 2015.
 VII. Mr. Satish Batra, Pract. Company Secretary (Membership No. 2875) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 VIII. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock 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.

By order of the Board of Directors
 For **Vaswani Industries Limited**

Ravi Vaswani
 (Chairman & Managing Director)

Place: Raipur (C.G.)
 Date: 12/08/2015

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4 & 5:

The Board of Directors of the Company ('the Board') at the meeting held on 12th August, 2015 on the recommendation of the Nomination & Compensation Committee, recommended for the approval of the Members, the appointment of Mrs. Satyawati Parashar and Mr. Sanjay Jadwani as Independent Directors of the Company in terms of Section 149 read with Schedule IV of the Companies Act, 2013('the Act') and any amendments thereto or modification thereof, as set out in the Resolutions to their respective appointment.

Mrs. Satyawati Parashar

She is a successful Businesswoman and Independent Director of Natura Hue Chem Limited. The Board considers that her association would be of fruitful to the Company and is desirable to avail the services of Mrs. Satyawati Parashar as an independent Director. As, she fulfills the conditions specified in the Companies Act, 2013 for appointment as an Independent Director, therefore the Board recommends the passing of the Ordinary Resolution as set out in the Item no. 4 of the Notice.

Except Mrs. Satyawati Parashar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

Mr. Sanjay Jadwani

He is a successful Businessman. The Board considers that his continued association would be of immense benefit to the Company and is desirable to continuously avail the services of Mr. Sanjay Jadwani as an independent Director. As, he fulfills the conditions specified in the Companies Act, 2013 for appointment as an Independent Director, therefore the Board, recommends the passing of the Ordinary Resolution as set out in the Item no. 5 of the Notice.

Except Mr. Sanjay Jadwani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

ITEM NO. 6:

Mr. Ravi Vaswani, aged 53 yrs is the Managing Director of the company. He is a Commerce Graduate by qualification and is a founder of Vaswani Group. He belongs to a family which is engaged in the steel business for more than 2 decades. Hence, he entered this Industry at an early age and has been engaged in the manufacturing of C.I. Castings and Trading of Pig Iron & Scrap for over Two decades. He has achieved extensive knowledge in trading and marketing of sponge iron and steel billets/ingots.

Taking into consideration of the valuable services rendered by him during the past twelve years for the growth of the company and subject to the approval of the members of the Company in General Meeting and in terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have, at their meeting held on 12th August 2015, re-appointed him as Managing Director of the Company for a further period of five years with effect from March 01, 2015

A copy of the agreement containing the terms and conditions of re-appointment of Mr. Ravi Vaswani, Chairman & Managing Director is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day upto and including the date of the Annual General Meeting.

Mr. Ravi Vaswani, holds 39,42,300 shares of Re.10/- each face value amounting to 13.76% of the paid-up share capital of the Company. The re-appointment and the remuneration proposed fulfill the conditions stipulated in Schedule V of the Companies Act, 2013 and hence approval of the Government of India is not required.

Mr. Ravi Vaswani, Chairman & Managing Director holds directorships in the following companies:

Name of companies/firms	Nature of Interest/Change in interest or concern	Name of companies/firms	Nature of Interest/Change in interest or concern
Vaswani Energy Ltd.	Director/ Shareholder	Cosmos Castings (India) Ltd.	Director/ Shareholder
Vaswani Ispat Ltd.	Director/ Shareholder	C.G. Sponge Manufacturers Consortium Coal Fields Pvt. Ltd.	Director/ Shareholder
Vaswani Cement Ltd.	Director/ Shareholder	R.V. Energy And Minerals Pvt. Ltd.	Director/ Shareholder
Kwality Iron Foundry India Ltd.	Director/ Shareholder	Deavnara Coal Fields Pvt. Ltd.	Director/ Shareholder
C.G. Ispat Pvt. Ltd.	Director/ Shareholder	Shubh Infrastructure Ltd.	Director/ Shareholder

None of the Directors and Key managerial Personnel and their relative except Mr. Ravi Vaswani, Mr. Pramod Vaswani, Mr. Yashwant Vaswani and their relatives may be deemed to be concerned or interested in the Resolution. The Board of Directors recommends the resolution for your approval.

The notice together with this Statement may be regarded as a disclosure under Clause 49 of the Listing Agreement.

ITEM NO. 7:

Mr. Pramod Vaswani, aged 45 yrs., is the Whole Time Director of our company. He completed Master in Commerce. He is also a founder of Vaswani Group. He has widespread experience in trading of Iron & steel and has been instrumental in the establishment of the Sponge Iron unit. In the process, he gained extensive knowledge of setting up of such unit. Further, he has been engaged in the trading business of C. I. Scrap & Core Veneer for last 16 years. He is responsible for the day to day operations of our company.

Taking into consideration of the valuable services rendered by him during the past twelve years for the growth of the company and subject to the approval of the members of the Company in General Meeting and in terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have, at their meeting held on 12th August 2015, re-appointed him as Whole-time Director of the Company for a further period of five years with effect from March 01, 2015.

Mr. Pramod Vaswani, holds 39,69,860 shares of Re.10/- each face value amounting to 13.85% of the paid-up share capital of the Company. The re-appointment and the remuneration proposed fulfill the conditions stipulated in Schedule V of the Companies Act, 2013 and hence approval of the Government of India is not required.

A copy of the agreement containing the terms and conditions of re-appointment of Mr. Pramod Vaswani, Whole-time Director is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day upto and including the date of the Annual General Meeting.

Mr. Pramod Vaswani, Whole-time Director holds directorships in the following companies:

Name of companies/firms	Nature of Interest/Change in interest or concern	Name of companies/firms	Nature of Interest/Change in interest or concern
Vaswani Industries Ltd.	Director/ Shareholder	C.G. Ispat Pvt. Ltd.	Director/ Shareholder
Vaswani Energy Ltd.	Director/ Shareholder	Shubh Infrastructures Ltd.	Director/ Shareholder
Vaswani Ispat Ltd.	Director/ Shareholder	Kwality Iron Foundry India ltd.	Director/ Shareholder
Vaswani Cement Ltd.	Director/ Shareholder		

None of the Directors and Key managerial Personnel and their relative except Mr. Pramod Vaswani, Mr. Ravi Vaswani & Mr. Yashwant Vaswani and their relatives may be deemed to be concerned or interested in the Resolution. The Board of Directors recommends the resolution for your approval.

The notice together with this Statement may be regarded as a disclosure under Clause 49 of the Listing Agreement.

ITEM NO. 8:

Mr. Yashwant Vaswani, aged 31yrs., is the Whole Time Director of our company. He is an under graduate (Commerce) by qualification. He entered the family business with his father Mr. Ravi Vaswani in his proprietorship firm named M/s Kwality Foundry Industries. Further, being involved with the Sponge Iron plant from the conception stage and onwards, he has gained hands-on experience in the day-to-day operation of the same.

Taking into consideration of the valuable services rendered by him during the past twelve years for the growth of the company and subject to the approval of the members of the Company in General Meeting and in terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have, at their meeting held on 12th August 2015, re-appointed him as Whole-time Director of the Company for a further period of five years with effect from March 01, 2015.

Mr. Yashwant Vaswani, holds 21,90,840 shares of Re.10/- each face value amounting to 07.65% of the paid-up share capital of the Company. The re-appointment and the remuneration proposed fulfill the conditions stipulated in Schedule V of the Companies Act, 2013 and hence approval of the Government of India is not required.

A copy of the agreement containing the terms and conditions of re-appointment of Mr. Yashwant Vaswani, Whole-time Director is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day upto and including the date of the Annual General Meeting.

Mr. Yashwant Vaswani, Whole-time Director holds directorships in the following companies

Name of companies/firms	Nature of Interest/Change in interest or concern	Name of companies/firms	Nature of Interest/Change in interest or concern
Vaswani Industries Ltd.	Director/ Shareholder	C.G. Ispat Pvt. Ltd.	Director/ Shareholder
Vaswani Energy Ltd.	Director/ Shareholder	Kwality Iron Foundry India ltd.	Director/ Shareholder
Vaswani Ispat Ltd.	Director/ Shareholder		

None of the Directors and Key managerial Personnel and their relative except Mr. Yashwant Vaswani, Mr. Ravi Vaswani & Mr. Pramod Vaswani and their relatives may be deemed to be concerned or interested in the Resolution. The Board of Directors recommends the resolution for your approval.

The notice together with this Statement may be regarded as a disclosure under Clause 49 of the Listing Agreement.

Information required under Section II, Part II of Schedule V of the Companies Act, 2013 for item no 7,8 & 9.

I. General Information			
Nature of Industry		Steel & Iron Industry	
Date or expected date of commencement of commercial production		Obtained Certificate of Business Commencement on February 10, 2004	
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus		Not applicable	
Financial performance based on given indicators		The details of financial performance of the Company for the years 2013-14 and 2014-15 are provided in the Annual Report 2015 which accompanies this Notice.	
Foreign Investments or collaborations, if any		The Company has not entered into any material Foreign collaboration and no direct capital investment has been made in the company. Foreign Investors, mainly comprising NRIs, FIIs and/or Foreign Nationals are investors in the Company on account of past issuances of securities/secondary market purchases. The Company has no subsidiaries as on 31.03.2015.	
II. Information about the appointee			
Background details	Mr. Ravi Vaswani is the Chairman and Managing Director of the Company since inception.	Mr. Pramod Vaswani is Whole-time Director of the Company since inception.	Mr. Yashwant Vaswani is the Whole-time Director of the Company since 16 th April 2004.
Past remuneration	Details of past remuneration are available in the Annual Report 2015 reported at the appropriate notes to accounts.	Details of past remuneration are available in the Annual Report 2015 reported at the appropriate notes to accounts.	Details of past remuneration are available in the Annual Report 2015 reported at the appropriate notes to accounts.
Recognition and awards	Under the leadership of Mr. Ravi Vaswani, your Company is recognized as the Best Manufacturer Supplier of steel ingots & billets in the Chhattisgarh State.	Under the leadership of Mr. Pramod Vaswani, your Company is recognized as the Best Manufacturer Supplier of steel ingots & billets in the Chhattisgarh State.	Under the leadership of Mr. Yashwant Vaswani, your Company is recognized as the Best Manufacturer Supplier of steel ingots & billets in the Chhattisgarh State.
Job Profile and his suitability	Mr. Ravi Vaswani, aged 52 yrs is the	Mr. Pramod Vaswani, aged 45 yrs., is	Mr. Yashwant Vaswani, aged 31yrs.,

	Managing Director of our company. He is a Commerce Graduate by qualification and is a founder of Vaswani Group. He belongs to a family which is engaged in the steel business for more than 2 decades. Hence, he entered this industry at an early age and has been engaged in the manufacturing of C.I. Castings and Trading of Pig Iron & Scrap for over Two decades. He has achieved extensive knowledge in trading and marketing of sponge iron and steel billets/ingots.	the Whole Time Director of our company. He completed Master in Commerce. He is also a founder of Vaswani Group. He has widespread experience in trading of Iron & steel and has been instrumental in the establishment of the Sponge Iron unit. In the process, he gained extensive knowledge of setting up of such unit. Further, he has been engaged in the trading business of C. I. Scrap & Core Veneer for last 16 years. He is responsible for the day to day operations of our company.	is the Whole Time Director of our company. He is an under graduate (Commerce) by qualification. He entered the family business with his father Mr. Ravi Vaswani in his proprietorship firm named M/s Kwaliti Foundry Industries. Further, being involved with the Sponge Iron plant from the conception stage and onwards, he has gained hands-on experience in the day-to-day operation of the same.
Remuneration proposed	Details of proposed remuneration are presented above	Details of proposed remuneration are presented above	Details of proposed remuneration are presented above
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the Country of his origin)	The remuneration is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of CEO/MD/CMD levels of similar sized Steel related Companies in India.	The remuneration is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of WTD levels of similar sized Steel related Companies in India.	The remuneration is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of WTD levels of similar sized Steel related Companies in India.
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel if any	Mr. Ravi Vaswani holds 39,42,300 shares of Re.10/- each face value amounting to 13.76% of the paid-up share capital of the Company. The details of shareholding of the promoters & their relatives mentioned below in Auditors Report.	Mr. Pramod Vaswani holds 39,69,860 shares of Re.10/- each face value amounting to 13.85% of the paid-up share capital of the Company. The details of shareholding of the promoters & their relatives mentioned below in Auditors Report.	Mr. Yashwant Vaswani holds 21,90,840 shares of Re.10/- each face value amounting to 07.65% of the paid-up share capital of the Company. The details of shareholding of the promoters & their relatives mentioned below in Auditors Report.
III. Other information			
Reasons of loss or inadequate profits	Increase in the price & shortage of raw materials and other inputs.		
Steps taken or proposed to be taken for improvement	Demand in domestic market to which the company do business, hence as long as the market is strong, your company expects to meet all targets in the coming years.		
Expected increase in productivity and profits in measurable terms	The aforesaid steps taken/to be taken by the Company are expected to improve further the Company's performance and profitability in the future.		
IV. Disclosure : As required, the information is provided under Corporate Governance Section of the Annual Report, 2015			
As required, the information is provided under Corporate Governance Section of the Annual Report, 2015			

ADDITIONAL DISCLOSURE AS PER CLAUSE 49 OF LISTING AGREEMENT

Name of the Director	Mrs. Satyawati Parashar	Mr. Sanjay Jadwani	Mr. Ravi Vaswani	Mr. Pramod Vaswani	Mr. Yashwant Vaswani
DIN No.	00761009	05139093	00308616	01627359	01627408
Date of Birth	31.12.1977	02.07.1969	07.10.1962	01.03.1969	14.11.1985
Type of appointment	Independent Director	Independent Director	Chairman & Managing Director	Whole-time Director	Whole-time Director
Date of Appointment/ Reappointment	14 th September 2015	14 th September 2015	14 th September 2015	14 th September 2015	14 th September 2015
Areas of Specialization	Businesswoman	Businessperson	Entrepreneur, Management, trading and marketing of sponge iron and steel billets/ingots	Management, trading and marketing of sponge iron and steel billets/ingots	Trading and marketing of sponge iron and steel billets/ingots
Qualifications	MA (Hindi)	Commerce Graduate	Commerce Graduate	Commerce Graduate	Under Commerce Graduate
No. of Shares Held in the Company	Nil	Nil	3942300	3969860	2190840
List of Directorship held in other Companies	Natura Hue Chem Limited – Independent Director	Nil	Mentioned above	Mentioned above	Nil
Chairman/member of the Committee of the Board of Directors of this Company	Nil	Audit & Shareholder/ Investor Grievance Committee - Member	Nil	Audit & Shareholder/ Investor Grievance Committee - Member	Nomination & Remuneration Committee - Chairman
Chairman/member of the Committee of the Board of Directors of other Companies	Nil	Nil	Nil	Nil	Nil
Relation with Key Managerial Personnel and Directors	Nil	Nil	Brother of Mr. Pramod Vaswani & father of Mr. Yashwant Vaswani	Brother of Mr. Ravi Vaswani	Son of Mr. Ravi Vaswani
Justification for appointment	Statutory Requirement as per Companies Act, 2013	Statutory Requirement as per Companies Act, 2013	Entrepreneur and Promoter	Promoter with Trading & Marketing Skills	Trading & Marketing Skills

By order of the Board of Directors
For **Vaswani Industries Limited**

Ravi Vaswani
(Chairman & Managing Director)

Place: Raipur (C.G.)
Date: 12/08/2015

DIRECTORS' REPORT

The Directors take pleasure in presenting the Twelfth Annual Report on the business and operations of the company and its financial results for the year ended 31st March, 2015.

FINANCIAL RESULTS

Financial Results of the Company for the financial year ending 31st March 2014 are summarized below for your consideration: (Rs. in Lacs)

PARTICULARS	31-03-2015	31-03-2014
REVENUE FROM OPERATIONS	25481.33	22637.98
PROFIT BEFORE INTEREST AND DEPRECIATION	2092.66	1713.29
INTEREST	1053.77	1073.20
DEPRECIATION	648.39	548.78
PROFIT BEFORE TAX & PRIOR PERIOD ADJ.	109.09	91.30
PRIOR PERIOD ADJUSTMENT	0.00	0.00
NET PROFIT BEFORE TAX	109.09	91.30
PROVISION FOR TAXES	(5.97)	88.37
NET PROFIT AFTER TAX	115.06	2.94
TRANSFER TO GENERAL RESERVE	0.00	0.00
TRANSFER TO PROFIT & LOSS ACCOUNT	115.06	2.94

PERFORMANCE REVIEW

During the year under review, our Company has achieved sales revenue of Rs. 1197.63 lacs as thereby registering a marginal increase of 5.29% over the previous year. However, the company has gained profit in the recent year due to increase in sales volume and minimized the cost of the raw material, stores and consumables, fuel and power cost. It is significant to note that the directors have fulfilled their assurance given in the last year's report of improving the situation and bring the profit in the current year.

FUTURE PROSPECTS

Barring any unforeseen circumstances, the company hopes not only to maintain its current level of operations but to make a significant improvement thereon.

SAFETY

The company continues to adopt safety measures to protect the health of workers. Company has complied with the measures to be taken regarding hazards or risks to safety and health from the production of iron and steel, including appropriate standards, codes and guidelines as prescribed, approved or recognized by the competent authority.

Company is properly maintaining its workplaces, plant, equipment, tools and machinery, and also organizes work in such a manner so as to eliminate and control hazards and risks in the production of iron and steel, which is in consistent with national laws and regulations.

Company in consultation with workers and their representatives, looks after:

- (i) assessment of the hazards and risks to the safety and health of workers arising from the production of iron and steel,
- (ii) effective use of the information provided by the supplier of equipment or materials and from other reasonably available sources; and
- (iii) measures to reduce exposure to eliminate or control risks to safety and health identified in the above risk assessment.

POLLUTION CONTROL MEASURES

The company has installed Waste Heat Recovery Boilers (WHRB) equipped with 3 kilns 100 X 3 MT per day capacity, which helps to generate 12 Mw power/hour preventing the waste, heat and fumes to dilute in the atmosphere. Emission Stream Pre-treatment (ESP) machines are implemented to filter the gases from the all the chimneys of the industry. Plantation is a vivacious step taken by the company to cover most of the area near the industry.

DIVIDEND

With a view to conserve the liquid resources and to strengthen the financial position of the Company, we have decided not to recommend the dividend for the financial year ended 31st March 2015.

LISTING

The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The company is duly complying with Listing Agreement from time to time.

CONSERVATION OF ENERGY & TECHNICAL ABSORPTION & FOREIGN EXCHANGE EARNING OUTGO

In accordance with the requirements of section 134 (3) (m) of the Companies Act, 2013 read with the companies (Disclosure of Particulars in Report of Board of Directors) Rules 1988, a statement showing the information relating to the Conservation of Energy, Research and Development, Technology absorption and foreign exchange earnings and is enclosed in Form- A and should be treated as a part of this report.

PROVISION FOR TAX

Liability of tax have been determined on the basis of Accounting Standard - 22 which is accounting for taxes on income and accordingly, the tax expenses comprising of deferred tax liability have been calculated.

PERSONNEL

No employee was in receipts of remuneration exceeding the limits set out under Section 134 of the Companies Act, 2013.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Company has been practicing good Corporate Governance over the time. In addition to basic governance issue the board lays strong emphasis on transparency, accountability and integrity for building investor confidence, improving investor's protection and maximizing long-term shareholder value.

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, the followings form part of this Annual Report:

- (i) Managing Director's declaration regarding compliance of Code of Conduct by Board Members and Senior Management personnel;
- (ii) Management Discussion and Analysis;
- (iii) Report on the Corporate Governance;
- (iv) Auditors' Certificate regarding compliance of conditions of Corporate Governance.

INDUSTRIAL RELATIONS:

Industrial relations in the company during the year were peaceful, cordial and healthy. Company had been able to maintain peaceful industrial atmosphere and mutual trust between the management and the employees.

PUBLIC DEPOSITS

The Company has not accepted Public Deposit within the meaning of Section 73 of the Companies Act, 2013 after complying necessary formalities. There are no overdue or unclaimed deposits.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement Under Section 134 (5) of the Companies Act 2013, with respect to Directors, Responsibility Statement, it is hereby confirmed that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL AUDIT

Secretarial Audit Report as per Section 204 of Companies Act 2013 is placed as annexure to this report. No adverse comments have been made in the said report by the Practising Company Secretary.

ANNUAL RETURN

The Extract of Annual Return in form No. MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014 duly certified by the Practising Company Secretary is annexed hereto and forms part of this report.

Further the Disclosure in the Board Report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014 is also annexed hereto and forms part of this report.

COST AUDIT COMPLIANCE

Pursuant to Sec. 209 (1)(d) of the Companies Act, 1956, Cost Audit Report for the financial year ended 31/03/2014 was submitted to the Central Government on 30/09/2014 Extracts of Annual Return and other disclosures under Companies (appointment & Remuneration) Rules, 2014.

DECLARATION ON INDEPENDENT DIRECTORS

The Board of Directors declare that the Independent Directors Mr. Lekhu T Mulchandani, Mr. Ashok Suri & Mr. Sanjay Jadwani are :

- (a) in the opinion of the Board, are persons of integrity and possesses relevant expertise and experience;
- (b) (i) who were or were not a promoter of the company or its holding, subsidiary or associate company
- (ii) who are not related to promoters or directors in the company, its holding, subsidiary or associate Company;
- (c) Who have or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year;
- (d) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company or their promoters, or directors, amounting to two percent or more of its gross turnover of total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) Who, either himself nor any of his relatives -
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial year immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or propriety or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of -
 - (A) a firm of auditors/company secretaries in practice or cost auditors or the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
 - (iii) holds together with his relative two per cent, or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
- (f) who possesses such other qualification as may be prescribed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your company has not directly or indirectly

- a) given any loan to any person or other body corporate other than usual advances envisaged in a contract of supply of materials if any,
- b) given any guarantee or provide security in connection with a loan to any other body corporate or person and
- c) acquired by way of subscription purchase or otherwise, the securities of any other body corporate exceeding sixty percent, of its paid-up share capital, free reserve and securities premium account or one hundred percent of its free reserves and securities premium account whichever is more.

RELATED PARTY TRANSACTIONS

A detailed report on contracts and arrangements made during the year 2014-15, being arm's length transactions have been mentioned in form AOC-2 annexed hereto in this report.

RISK MANAGEMENT POLICY IMPLEMENTATION

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes. The Risk Management Policy is being displayed on our website www.vaswaniindustries.com.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Discharging Corporate Social Responsibility (CSR) is now statutorily recognized in India. Section 135 of companies Act, 2013 specifies that:

Every company having net worth of Rs 500 crore or more, or turnover of Rs 1000 crore or more, or net profit of Rs 5 crore or more during any of the three preceding financial years (as per circular no. 21/2014 dated June 18, 2014) should spend, in every financial year, at least 2 per cent of the average net profits of the company made during the three immediately preceding financial years. Here our company is not covered by the condition mentioned above.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has been employing about 6 women employees in various cadres within the factory premises. The Company has in place an Anti harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee are set up at shop floor level to redress complaints received regularly and are monitored by women line supervisors who directly report to the Chairman & Managing Director. All employees (permanent, contractual, temporary, trainees) are covered under the policy. There was no complaint received from any employee during the financial year 2014-15 and hence no complaint is outstanding as on 31.03.2015 for redressal.

DIRECTORS

In accordance with the Companies Act, 2013, Mr. Yashwant Vaswani retires by rotation and being eligible offers himself for reappointment. Mr. Sanjay Jadwani was appointed as Independent Directors as per provisions of Companies Act, 2013, though he was already Independent Directors under listing agreement. Your Directors recommend the appointment of Mrs. Saraswati Parashar as Independent Directors for a period of two years w.e.f 04.09.2015. Mr. Ravi Vaswani, Chairman & Managing Director whose term ends on 01.03.2015 and your Directors recommend Mr. Ravi Vaswani's re-appointment for a further period of five years upto 03.09.2020, in order to comply with the provisions of the Companies Act, 2013. Your company recommends appointment of Mr. Pramod Vaswani, Whole-time Director whose term ends on 01.03.2015 and your Directors recommend Mr. Pramod Vaswani's re-appointment for a further period of five years upto 03.09.2020 subject to retirement by rotation. Your company recommends appointment of Mr. Yashwant

Vaswani, Whole-time Director whose term ends on 01.03.2015 and your Directors recommend Mr. Yashwant Vaswani's re-appointment for a further period of five years upto 03.09.2020 subject to retirement by rotation.

AUDITORS

The Auditors, M/s Sunil Johri & Associates, Chartered Accountants, Raipur will retire at the conclusion of the ensuing Annual General Meeting and they being eligible, have offered themselves for reappointment.

The Company has received letter from the auditor to the effect that their re-appointment, if made, would be within the prescribed limits under Section 139 & 142 of the Companies Act, 2013 and that they are not disqualified for re-appointment within the meaning of Section 141 of the said Act.

During the year, the Central Government prescribed the Cost Accounting Records to be maintained by the Company and also mandated that Cost Audit of eligible products/services be carried out. Therefore, the Board had appointed M/s. Sanat Joshi & Associates, Raipur as Cost Auditors for the year 2015-2016 pursuant to Section 148 of the Companies Act 2013.

The Company has received letter from the Cost Auditor to the effect that their appointment and re-appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment within the meaning of Section 148 read with section 139 and section 141 of the said Act.

AUDITORS QUALIFYING REMARKS

The notes to the accounts are self explanatory in respect of remarks of the auditors appearing in their report.

INTERNAL AUDITORS

Under Section 138 read with the Rule 13 of the Companies (Accounts) Rule, 2014, Mr. Pawan Kumar Jha is appointed as internal auditor of the company for five consecutive years with effect from the date of ensuing Annual General Meeting. Mr. Pawan Kumar Jha, Costs & Woks Accountant, being employee of the company is responsible for the internal audit and related work.

ACKNOWLEDGEMENT

The Board takes this opportunity to sincerely thank all its stakeholders namely, shareholders, customers, suppliers/contractors, bankers, employees, government agencies, local authorities, and the immediate society for their un-stinted support and co-operation during the year.

For and on behalf of the Board of Directors

Raipur, 30th May 2015

Ravi Vaswani
(Chairman & Managing Director)

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. I confirm that the Company has in respect of the financial year ended March 31, 2015, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them. The code of conduct is displayed in our website www.vaswaniindustries.com

For and on behalf of the Board of Directors

Raipur, 30th May 2015

Ravi Vaswani
(Chairman & Managing Director)

ANNEXURE TO THE DIRECTOR'S REPORT

Statement as required under section 134 of the companies Act, 2013 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988.

As per Companies (Particulars of Employees) Amendment Rules, 2011 no employee is drawing Rs. 60 Lacs p.a or Rs. 5 lacs pm.

Information as per Companies [Disclosure of particulars in the report of Board of Directors] Rules, 1988

A. CONSERVATION OF ENERGY

The company is making all efforts to minimize the energy consumption. Details of total energy consumption and energy consumption per unit of production as per Form – A are given hereunder:-

Particulars	31.03.2015	31.03.2014
1) POWER & FUEL CONSUMPTION:		
1. Electricity		
a. Purchased		
Total units	7611800	6568868
Total Amount (In Rs.)	28163660	24261112
Rate / Unit (In Rs.)	3.70	3.70
b. Own Generation		
Through Diesel Generation (Ltrs)	0	0
Unit per Ltrs of Diesel Oil	0	0
Rate / Unit per Ltrs (in Rs.)	0	0
2. Coal (Specify quantity and where used)		
Quantity (In MT)	88985.876	82259.950

Total Cost (In Rs.)	305393843	227650387
Average Rate (In Rs.)	3431.94	2767.45
II) CONSUMPTION PER UNIT OF PRODUCTION		
Production of Sponge Iron (In MT.)	59943.090	50266.000
Electricity (In Unit)	126.98	130.68
Coal (In MT)	1.48	1.64

B TECHNOLOGY ABSORPTION

1.	Efforts made in brief towards Technology Absorption, Adaption and Innovation	Fully Indigenous
2.	Benefits derived as result of above efforts. eg: product development etc.	Quality improvement
3.	In case of imported technology (imported during last 5 years reckoned from the beginning of the financial year) Following information may be furnished: a) Technology imported b) Year of import c) Technology has been fully absorbed and if not absorbed areas where this has not taken place reasons thereof and future.	NIL } NOT APPLICABLE

C FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year 2011, the Company has acquired a Foreign Currency Term Loan of \$20 lacs on which interest of Rs. 7120480 is paid which is charged in Profit & Loss A/c.

For and on behalf of the Board of Directors

Ravi Vaswani
(Chairman & Managing Director)

Raipur, 30th May 2015

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

India's economic growth is contingent upon the growth of core sectors which include the Indian steel industry. Consumption of steel is taken to be an indicator of economic development. While steel continues to have a stronghold in traditional sectors such as construction, housing and ground transportation, special steels are increasingly used in engineering industries such as power generation, petrochemicals and fertilizers.

Our company is engaged in integrated business of manufacture of Sponge Iron, Steel Billets & Ingots and power generation, the production facilities are currently located in Sondra village, Raipur.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

Growth in the steel demand has strong correlation with growth in GDP of nation. The Indian economy was expected to grow at a spectacular growth rate of 9% of GDP; but unfortunately the same did not happen. As a result, the steel demand is unlikely to grow at the expected pace. The demand for sponge iron in medium term shall be at healthy level due to closure of many sponge iron plants for want of iron ore. Steel through induction furnace route is set to reduce. Consequently merchant sponge iron suppliers will be under pressure on account of market demand. The company therefore has vision to shift focus to steel making from present sponge making only.

The important policy measures which have been taken over the years for the growth and development of the Indian iron and steel sector are as under:-

(i) Currently, the import duty on steel items from existing 5% to 10%. The import duty on raw materials like melting scrap, coking coal, met coke is NIL and between 2 to 5 percent for other raw materials such as Zinc, Iron Ore and Ferro Alloys. There is no export duty on any steel item. However, Government has imposed ad-valorem export duty of 30 per cent on iron ore lumps in order to conserve the mineral for long term requirement of the domestic steel industry.

(i) Excise duty for steel is currently at 12 per cent.

(iii) To ensure sufficient domestic availability and curb the rising price of hot-rolled coils in the domestic market, its imports have been freed by the government.

(iv) The National Steel Policy 2005 is being updated to provide a roadmap for Indian Steel Industry's long term growth prospects in view of fast-changing nature of operations, structure and dynamics.

(v) For ensuring quality of steel several items have been brought under a quality control order issued by the Government. The matter to bring more steel items under this order is under examination.

(vi) In order to obtain full picture of the pattern of rural steel consumption in the country, an all India survey was commissioned by the Ministry of Steel. The survey work was coordinated by Joint Plant Committee, Kolkata and the field work was carried out by IMRB International, a leading market research organization. The study report was examined by a high-level Committee appointed by the Ministry of Steel for devising roadmap for implementation of the recommendations of the study, which have submitted its report to Ministry of Steel. Further action as per recommendations of this committee is being taken.

THREATS

Cost of Iron ore and coal i.e. the basic raw material has a direct impact on the profitability. Iron ore prices has increased substantially and availability of the required grade has suffered to a great extent due to various restrictions imposed by the authorities. Coal India's new coal distribution policy and consequent Fuel Supply Agreement has disrupted coal linkages forcing producers to procure more e-auction coal. Coal India has also increased the price of coal substantially.

The cost of iron ore and coal constitute more than 80% of cost of production. Therefore the profitability of the company depends on market price of these raw materials vis-à-vis price of sponge iron. The only way to substantially reduce the cost of iron ore and coal is to have captive mines for these raw materials. The coal block which is under development will meet most of the coal requirements. Delay in starting the mining operations is only due to external factors. Further, the coal linkage has been discontinued forcing the company to procure the required coal through e-auctions of coal India and overseas markets at high cost. The company does not have any iron ore mine.

SEGMENT-WISE PERFORMANCE

The company has three segment iron & steel, power and real estate. The necessary disclosures have been made as per accounting standard 17 on segment reporting in the notes to accounts.

OUTLOOK

The outlook of the company is broadly described in Vision and Mission statements of the Company. Options of shifting focus to steel making, separate power plant at pit head of coal block etc. are being examined to optimize the revenue in future.

OVERVIEW OF THE COMPANY AND ITS PROJECT

Vaswani Industries Ltd. was incorporated under the Companies Act, 1956 on July 22, 2003 with the Registrar of Companies, Madhya Pradesh and Chhattisgarh and obtained Certificate of Business Commencement on February 10, 2004. The company was established with the object of manufacturing of Sponge Iron, Steel Billets and captive Power Generation. We are presently engaged in integrated business of manufacturing Sponge Iron, Steel Billets & Ingots and power generation.

Our company belongs to Vaswani Group of companies which has interest in iron & steel since past two decades. The developments of the Company are as under:

(i) Our company has manufacturing facilities in an industrial area at Sondra village, 14 km from Raipur railway station. Our company installed first kiln of 1x100 TPD sponge iron in the year 2004-05 and over the period of time enhanced the total capacity of sponge iron to 3 x 100 TPD.

(ii) Has installed three Induction Furnaces with a capacity of 36000 MT for manufacturing of Steel Billets & Ingots utilizing in-house production of Sponge Iron.

(iii) Commenced power generation of 7.5 MW in the year 2007-08 (5 MW from Waste Heat Recovery Boiler (WHRB) and 2.5 MW from Coal) for captive consumption. Our power generation capacity was enhanced to 11.5 MW (9 MW from WHRB and 2.50 MW from Coal) during the year 2010-2011. In the year 2009, our company started selling surplus power generated to private power companies namely M/s Lanco Electric Utility Limited and others as well as State Electricity Board namely Chhattisgarh State Electricity Board.

Since inception, Vaswani Industries Limited, under the guidance of experienced promoters, has responded to changing economic conditions and new market opportunities through vertical integration and periodic restructuring. Company's management firmly believes in benchmark product quality, customer centric approach, people focus, ethical business practices and good corporate citizenship. Company draw its strength from an age old tradition of reliable customer service and quality products.

FINANCIAL PERFORMANCE OF THE COMPANY

- **Sales**
The total sales of current year 2014 - 2015 is Rs. 25481.33 lacs as compared to Rs. 22637.98 Lacs in previous year 2013-14, company has registered a increment of 12.56%.
- **Consumed Material Cost**
The material cost during the current year 2014 - 2015 is Rs 16690.29 Lacs as compared to Rs. 15322.02 Lacs 2013-14. The raw material consumption has increased by 8.93%.
- **Manufacturing Expenses**
Manufacturing expenses during the current year 2014 - 2015 is Rs. 3120.44 Lacs where as during the previous year 2013-14 is Rs. 2401.23 Lacs. These expenses have increased by 29.95% as compared to last year.
- **Employees Remuneration & Benefits**
Employees Remuneration & benefits during the current year 2014 - 2015 is Rs. 311.53 Lacs as compared to Rs. 341.50 Lacs in previous year 2013-14. These expenses have increased by 8.76% as compared to last year.
- **Administrative & Other Expenses**
Administrative & Other Expenses during the current year 2014 - 2015 is Rs. 380.06 Lacs as compared to Rs. 729.20 Lacs in previous year 2013-14. These expenses have decreased by 47.88% as compared to 2013-14.
- **Depreciation**
Depreciation during the current year 2014 - 2015 was Rs.648.39 Lacs as compared to Rs. 548.77 lacs the previous year 2013-14. During the current year it increased by 18.15%.
- **Profit after tax**
The current year has Profit after tax Rs. 115.06 Lacs as compared to previous year 2013-14 Rs. 2.93 Lacs. During the current year there is immense growth in profit.

COMPETITION

The Company faces stiff competition from medium and larger well-established players. The Company is smaller in size compared to the market leaders. However with capital expenditure in the project of the company it intends to make it good and face competition more confidently.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly, applicable statutes, the Code of Conduct and Corporate policies are duly complied with. The Company has an Audit Committee with majority of Independent Directors as members to maintain the objectivity. The Internal Audit Program is designed in consultation with the Statutory Auditors to ensure accuracy and reliability of accounting data and is monitored by the Audit Committee. Audit observations and recommendations are reported to the Audit Committee, which monitors the implementation of the said recommendations. The Company's internal audit team also carries out extensive audits throughout the year, across all functional areas.

PERSONNEL

Human wealth is the ultimate wealth in for any industry. The Company recognizes this fact and understands that employees are one of the most important sources for sustained growth of any business. Quality personnel delivering their optimum potential for the organization is the key differentiator. The Company maintained good relations with its employees and there was no unrest in the Company.

CAUTIONARY STATEMENT

Statements made herein describing the Company's expectations or predictions are "forward-looking statements". The actual results may differ from those expected or predicted. Prime factors that may make a difference to the Company's performance include market conditions, input costs, govt. regulations, economic development within/outside country etc.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015

i) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. For this purpose the company continuously strives to improve its level of overall efficiency through good corporate governance, which envisages transparency, professionalism and accountability in all its operations. We at Vaswani Industries Limited, are committed to good corporate governance and its adherence to the best practices of true spirits at all times.

ii) BOARD OF DIRECTORS

As on 31st March, 2015, the Company's Board consists of Six Directors having considerable professional experience in their respective fields. Out of them two are Independent Directors two are Non- Executive Directors, One executive Woman Director and the Chairman and Managing Director is the promoter and executive Director of the Company. The Composition of the Board is in Conformity with clause 49 of Listing Agreements with Stock Exchanges and as per Companies Act,2013 which is effective as on 31st March, 2015.

None of the Directors on the Board is a Member of more than 10 committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below in Table - 1, Table - 2, Table - 3 and Table - 4 :

TABLE 1

SNo	NAME OF DIRECTOR	CATEGORY	Number of shares	As on March 31, 2015			
				NO. OF OTHER DIRECTORSHIP		NO. OF OTHER COMMITTEE MEMBERSHIP/ CHAIRMANSHIP HELD*	
1	Mr. Ravi Vaswani	Chairman & Managing Director	3942300	9	4	-	-
2	Mr. Pramod Vaswani	Whole Time Director	3969860	5	1	-	-
3	Mr. Yashwant Vaswani	Whole Time Director	2190840	4	1	-	-
4	Mr. Lekhu Thadaram Mulchandani	Independent Director	Nil	1	-	-	-
5	Mr. Ashok Suri	Independent Director	Nil	-	1	-	-
6	Mr. Sanjay Jadwani	Independent Director	Nil	-	1	-	-
7	Mrs. Sudha Vaswani	Additional Director	1855225	-	-	-	-

TABLE 2

Number of Board Meetings held

The dates on which Meetings of the Board of Directors were held and the number of Directors presents in each meeting are given in table below:

S. no.	Date of Meeting	Board Strength	No. of Directors present
1.	30.05.2014	6	6
2.	05.08.2014	6	6
3.	14.08.2014	6	6
4.	15.11.2014	6	6
5.	14.02.2015	6	5
6.	27.03.2015	7	6

The maximum time gap between any two meetings was not more than 3 (three) calendar months.

TABLE 3

As on March 31, 2015

Attendance of directors at (i) Board Meeting and (ii) Annual General Meeting

S. No.	Name Of Directors	No. Of Board Meetings Attended	Attendance At The Last AGM
1	Mr. Ravi Vaswani	6	YES
2	Mr. Pramod Vaswani	6	YES
3	Mr. Yashwant Vaswani	6	YES
4	Mr. Lekhu Thadaram Mulchandani	5	YES
5	Mr. Ashok Suri	5	YES
6	Mr. Sanjay Jadwani	6	YES
7	Mrs. Sudha Vaswani	1	NO

Independent Directors Meeting

Sr.No.	Dates of Meeting	Committee Strength	No. of members Present
1	27.03.2015	3	3

iii) ROLE OF DIRECTORS

Your Company's Board of Directors plays primary role in ensuring good governance, smooth functioning of the Company and in the creating of shareholder value. The Board's role, functions, responsibility and accountability are clearly defined. As part of its function, your Board periodically reviews all the relevant information which is required to be placed before it pursuant to Clause 49 of the Listing Agreement and in particular reviews and approves corporate strategies, business plans, annual budgets, projects and capital expenditure. Your Board not only monitors the Company's overall corporate performance it also set standards of corporate behaviour, ensures transparency in corporate dealing and compliance with the laws and regulations.

Agenda of the Board Meeting and Notes on Agenda are circulated to the Directors as far as possible well in advance of each Board Meeting. At the Board meeting elaborate presentations are made to the Board. The members discuss each agenda item freely in detail.

iv) OTHER COMMITTEES AT BOARD LEVEL

a) Audit Risk Management & Vigil Committee

The Audit Committee at the Board level of your Company acts as a link between the Independent Auditors, Internal Auditors, the Management and the Board of Directors and oversees the financial reporting process. The Audit committee interacts with the Internal Auditors, Independent Auditors, Secretarial Auditors and Cost Auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively.

In general the Audit Committee reviews the Audit and internal control procedures, accounting policies and the Company's financial reporting process and ensure that the financial statements are correct, sufficient and credible and exercises the powers as recommended from time to time by SEBI, Stock Exchanges and/or under the Companies Act, 2013. Further your Audit Committee also reviews the following information mandatorily:

1. Management discussion and analysis of financial conditions and results of operations;
2. Statement of significant related party transactions submitted by the management;
3. Management letters/letters of internal control weaknesses if any issued by the statutory auditors;
4. Internal Audit report relating to internal control weaknesses, if any and implementation of action points arising there from and
5. The appointment, removal and terms of remuneration of the Internal Auditors
6. Quarterly and annual financial statements and
7. Risk assessment and minimization procedures

Composition – The Audit Committee of the Board of Directors is presently comprised of one executive Director and two Independent Directors. The Audit Committee comprises of following Directors:

Name of Members	Designation	Nature of directorship
Mr. Lekhu T Mulchandani	Chairman Independent	Non-Executive Director
Mr. Sanjay Jadwani	Member Independent	Non-Executive Director
Mr. Pramod Vaswani	Member	Executive Director

The committee met five times during the year 2014-2015 and the attendance of the members at these meetings was as follows:

SN	Date of Meeting	Committee Strength	No. of members present
1	30.05.2014	3	3
2	05.08.2014	3	3
3	14.08.2014	3	3
4	15.11.2014	3	3
5	14.02.2015	3	3

The Functioning and terms of reference of the Audit Committee the role, powers and duties, quorum for meeting and frequency of meetings, have been devised keeping in view the requirements of Section 177 of the Companies Act, 2013 and Listing Agreements with the Stock Exchanges as are in force/ applicable from time to time.

b) Nomination and Remuneration Committee

In compliance of Section 178 of Companies Act, 2013 the Board renamed the Remuneration committee as "Nomination and Remuneration Committee". Your Board has re-constituted the Nomination and Remuneration Committee which now comprises of Mr. Lekhu T Mulchandani, Independent Director as Chairman, Mr. Ashok Suri, Independent Director and Mr. Yashwant Vaswani, Whole-time Director as members. The terms of reference of the committee inter alia include succession planning for Board of Directors and Senior Management Employees, identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria, identifying potential individuals for appointment of Key Managerial personnel and other senior managerial position and review the performance of the Board of Directors and Senior Management personnel including Key managerial personnel based on certain criteria approved by the Board. While reviewing the performance, the committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talents, remuneration commensurate with the performance of individual and group and also maintains a balance between fixed and incentive pay reflecting both short and long term objectives of the company.

The Committee met on 05/08/2014, 15/11/2014 and 14/02/2015 and reviewed the performance of the Directors both Non- Executive and Executive Directors and also the senior managerial personnel including Key Managerial personnel during the year.

c) Stakeholders Relationship Committee

In compliance with the provisions of Listing agreement and Section 178 of Companies Act, 2013, your company re-constituted this committee as "Stakeholders Relationship Committee". This committee of the Board of your Company looks into various issues relating to

shareholders/investors including transfer and transmission of shares held by shareholders in physical format as well as non-receipt of dividend, Annual Report, shares after transfer and delays in transfer of shares. The committee also looks into issues including status of dematerialization/rematerialization of shares and issue of duplicate share certificates and tracks investor complaints and suggests measures for improvement from time to time.

The Committee comprises of Mr. Pramod Vaswani, Whole-time Director as Chairman and Mr. Ravi Vaswani, Chairman & Managing Director as member. During the year under review the committee met once on 14/02/2015 on various matters referred above. Ms. Ritu Hardeep Lamba, Company Secretary, being Compliance Officer acts as Secretary to the Committee to discharge the function of the Committee and to place a report at each Board meeting on matters dealt by the committee each quarter. During the year three Complaints were received out of which all seven complaints were disposed off to the satisfaction of the Shareholders. As on 31st March, 2015 no complaints remained unattended/pending more than thirty days. The company has no share transfers/transmission pending as on 31st March, 2015.

d) Risk Management Committee

Evaluation of Business Risk and managing the risk has always been an ongoing process in your Company. The Company has set up a robust risk management framework to identify, monitor and minimize risk and also to identify business opportunities. The Audit Committee also functions as the Risk Management Committee. The objectives and scope of the BRM committee comprises of an oversight of risk management performed by the executive management, review BRM policy and framework in line with local legal framework and SEBI guidelines and defining framework in identification, assessment, monitoring, mitigation and reporting risks.

REMUNERATION OF NON- EXECUTIVE / EXECUTIVE DIRECTORS

Name of the Director	Business relationship with the Company	Salary, benefits, bonus etc paid during the year 2014-15	Commission Due/ paid/payable for 2014-15	Sitting fess(for Board and its committees)
Ravi Vaswani	Chairman & Director	Rs. 11.40 Lacs	-	-
Pramod Vaswani	Whole-time Director	Rs. 7.60 Lacs	-	-
Yashwant Vaswani	Whole-time Director	Rs. 4.56 Lacs	-	-
Lekhu T Mulchandani	Independent Director	-	-	-
Ashok Suri	Independent Director	-	-	-
Sanjay Jadwani	Independent Director	-	-	-
Sudha Vaswani	Additional Director	-	-	-

v) CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board members and senior management of the Company. All the Board members and senior management personnel have affirmed compliance with the Code of Conduct. The term senior management means personnel of the company who are members of its core management team excluding Board of Directors. Normally this would comprise all members of management one level below the executive directors, including all functional heads.

The code has been circulated to all members of the Board and senior management and the compliance of the same has been affirmed by them. The code of conduct is uploaded in our website vaswaniindustries.com.

Mr. Ravi Vaswani, Chairman & Managing Director and Mr. Pramod Vaswani, Whole-time Director & CFO of the Company have certified to the Board that :

(a) They have reviewed the Financial Statements and the Cash Flow statement for the year and that to the best of their knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading; and

ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of their knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

(c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the company pertaining to the financial report and they have disclosed to the auditors and the Audit Committee deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

(d) They have indicated to the auditors and the Audit Committee:

i) significant changes in internal control over financial reporting during the year;

ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting

We hereby confirm that:

"The company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for directors and senior management in respect of the financial year 2014-15"

RAVI VASWANI - MANAGING DIRECTOR
PRAMOD VASWANI - WHOLE TIME DIRECTOR
RAIPUR, 30th MAY 2015

VI) GENERAL MEETINGS:

Location, date, time & place of last three year Annual General Meeting and Extra Ordinary General Meeting are given below:

Annual General Meeting (AGM):				
For the year ended	Location	Date	Time	Details of Resolution passed
31.03.2014	MIG-4, Indrawati Colony, Raipur (C.G.)	12.09.2014	3.00 PM	Ordinary & Special
31.03.2013	MIG-4, Indrawati Colony, Raipur (C.G.)	26.08.2013	3.00 PM	Ordinary & Special
31.03.2012	MIG-4, Indrawati Colony, Raipur (C.G.)	28.11.2012	3.00 PM	Ordinary & Special
Extra Ordinary General Meeting (EGM): NONE				
During the year ended March 31,2015, there have been no resolutions passed by the Company's Shareholders by postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to pass by postal ballot				

VII) DISCLOSURES

1. Disclosures on materially significant related party transactions i.e., transactions of the company of material nature, with its promoter, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large. All transactions with related parties were in the ordinary course of business and at arm's length. The company has not entered into any transaction of a material nature with any of the related parties which are in conflict with the interest of the company. The details of related party transactions are disclosed in Note No. 32(b) attached to and forming part of the accounts. Details of RPT in form AOC 2 attached to Board Report may also be referred to.

2. Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years. -- None

3. Compliance with Accounting Standards - In the preparation of financial statements there is no deviation from the prescribed Accounting Standards.

4. Compliance Certificate from the auditors - Certificate from the auditors of the company confirming compliance with the mandatory requirements under clause 49 of the listing agreement is annexed to this report. This certificate has also been forwarded to the Stock Exchanges where the shares of company are listed.

5. Adoption of non mandatory requirements under clause 49 and as applicable under Companies Act, 2013

The company complies with the following non-mandatory requirements under clause 49 with reference to Companies Act, 2013 relating to Audit Committee.

6. The company has no subsidiaries.

7. Compliances: There have been no instances of non-compliance by the company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the company by the Stock Exchanges or SEBI or any other statutory authority on such matters.

8. No significant changes in Accounting Treatment.

9. Remuneration Committee

The Board has constituted a remuneration committee consisting of three director's majority of who are non executive independent directors, the chairman of the committee being an independent director. The remuneration committee recommends/reviews remuneration of the Directors. The Nomination & Remuneration Policy is uploaded in our website vaswaniindustries.com.

10. Whistle blower policy

The company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the audit committee. It is affirmed that no person has been denied access to the audit committee in this respect.

The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice. The Whistle Blower Policy is uploaded in our website vaswaniindustries.com.

11. Risk Management

Your Company has a comprehensive risk management policy. You Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls the risks through properly defined framework.

The Audit Committee, has been designated by the Board for reviewing the adequacy of the risk management framework of the Company, the key risks associated with the businesses of the Company and the measures are taken in place to minimize the same and thereafter the details are presented to and discussed at the Board meeting. The Risk Management Policy is uploaded in our website vaswaniindustries.com.

12. Corporate Social Responsibility (CSR)

Discharging Corporate Social Responsibility (CSR) is now statutorily recognized in India. Section 135 of companies Act, 2013 specifies that - Every company having net worth of Rs 500 crore or more, or turnover of Rs 1000 crore or more, or net profit of Rs 5 crore or more during any of the three preceding financial years (as per circular no. 21/2014 dated June 18, 2014) should spend, in every financial year, at least 2 per cent of the average net profits of the company made during the three immediately preceding financial years. Here our company does not satisfy the condition mentioned above hence CSR is not discharged.

VIII) MEANS OF COMMUNICATION:

a. Financial Results: The quarterly, half yearly and annual results are issued electronically in the stock exchange and posted in its website and are displayed on the website of the Company www.vaswaniindustries.com.

b. Website: The Company's website "www.vaswaniindustries.com" contains a separate dedicated section "Investors" where shareholders information is available. The Annual Report of the Company is also available on the website in a downloadable form.

IX) GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting Date	14 th September, 2015 at 3.00 p.m.				
Venue	MIG-4, Indrawati Colony, Raipur (C.G.) (492001)				
Financial Year	01 April 2014 to 31st March 2015				
Book Closure Date	Monday, 07 th September, 2015 to 14 th September, 2015 (both days inclusive)				
Listed on stock exchange	National Stock Exchange & Bombay Stock Exchange				
Listing Date & Commencement of Trading Date	20th September, 2011 & 24th October, 2011				
Annual Listing fees	Annual Listing fees for the year 2015-16 were duly paid to the above stock exchanges.				
Stock Code	NSE: VASWANI & BSE: 533576				
ISIN	INE590L01019				
Dividend	No dividend recommended by Board of Directors.				
Market price data and performance of the share price of the Company in comparison to BSE Sensex and NSE nifty. The monthly high and low quotations of shares traded on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited	Month	BSE		NSE	
		High	Low	High	Low
	April, 2014	2.84	1.71	2.40	1.80
	May, 2014	3.69	2.52	2.65	2.20
	June, 2014	4.45	3.20	4.05	2.60
	July, 2014	4.69	3.53	4.20	3.50
	August, 2014	4.15	3.35	4.05	3.20
	September, 2014	5.45	3.51	5.45	3.40
	October, 2014	4.30	3.40	4.05	2.90
	November, 2014	4.30	3.10	4.20	3.05
	December, 2014	5.63	3.52	5.35	3.65
	January, 2015	4.25	3.55	4.00	3.55
	February, 2015	3.83	3.02	3.90	2.95
	March, 2015	3.97	2.70	4.05	2.65

X) PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES: NOT APPLICABLE

XI) SHARE TRANSFER PROCEDURE:

Shareholders / Investors Grievance & Share Transfer Committee is empowered to approve transfer. All the transactions related to share transfer, change of address, dividend, share certificate etc., should be addressed to R&T Agent of the Company at the address mentioned in this Annual Report. Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, the Company obtained a certificate from a Practicing Company Secretary on half yearly basis, for compliance of share transfer formalities.

XII) DISTRIBUTION OF SHAREHOLDING

i) Shareholding Pattern Category wise as on 31st March, 2015

Category	No. of Shares held	% of holding
Promoters	16154700	56.38
FII's	5970	0.02
Other Corporate Bodies	3606781	12.59
Indian Public	8765790	30.59
Clearing Member	63929	0.22
Foreign Nationals	57030	0.20
Total	28654700	100.00

ii) Distribution of Shareholding as on March 31, 2015

SR.NO.	SHAREHOLDING OF SHARES	SHAREHOLDER	PERCENTAGE OF TOTAL	TOTALSHARES	PERCENTAGE OF TOTAL
1	1 to 500	2278	64.2777	416020	1.4518
2	501 to 1000	428	12.0767	371288	1.2957
3	1001 to 2000	301	8.4932	470604	1.6423
4	2001 to 3000	92	2.5959	241653	0.8433
5	3001 to 4000	159	4.4865	530443	1.8512
6	4001 to 5000	65	1.8341	312738	1.0914
7	5001 to 10000	85	2.3984	600006	2.0939
8	10001 to Above	136	3.8375	25711948	89.7303
	Total	3544	100.000	28654700	100.00

XIII) DEMATERIALIZATION OF EQUITY SHARES AND LIQUIDITY:

The Company's shares are compulsorily traded in dematerialized form. The dematerialization facility is available from both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 99.99% of the share capital are dematerialized as on 31st March, 2015. The Company's shares are regularly traded on the 'Bombay Stock Exchange Limited' and 'National Stock Exchange of India Limited' in dematerialized form.

XIV) REGISTRAR & TRANSFER AGENTS:

For transfer/dematerialization of shares, change of address of members and other queries.

LINK INTIME INDIA PVT LTD - C-13, Pannalal Silk Mills Compound L.B.S Marg Bhandup(W), Mumbai-400078
 Phone: 022-2596 3838 Fax: 022-25946969 Email: mumbai@linkintime.co.in Website: www.linkintime.co.in

XV) ADDRESS OF CORRESPONDENCE:

Company Secretary & Compliance Officer, Vaswani Industries Ltd., Regd. Off.: MIG-4, Indrawati Colony, Raipur (C.G.), Phone: 0771-4226000 Fax: 0771-4226000, email: complianceofficer@vaswaniindustries.com, Website: www.vaswaniindustries.com

XVI) REQUEST TO INVESTORS

Shareholders are requested to follow the general safeguards/procedures as detailed hereunder in order to avoid risks while dealing in the securities of the company. Shareholders holding shares in physical form should communicate the change of address, if any, directly to the Registrars and Share Transfer Agent of the company. It has become mandatory for transferees to furnish a copy of Permanent Account Number for registration of transfer of shares held in physical mode. Shareholders holding shares in physical form who have not availed nomination facility and would like to do so are requested to avail the same, by submitting the nomination in Form 2B. The form will be made available on request. Those holding shares in electronic form are advised to contact their DPs.

XVII) RECONCILIATION OF SHARE CAPITAL AUDIT

A quarterly audit was conducted by a practicing company secretary, reconciling the issued and listed capital of the company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on 31st March 2015 there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. No paid up equity capital have been dematerialized as on 31st March 2015.

XVIII) INFORMATION TO SHAREHOLDERS

A brief resume of the director reappointed together with the nature of his experience and details of the other directorships held by him is annexed to the Notice convening the Annual General Meeting.

RAVI VASWANI - MANAGING DIRECTOR
PRAMOD VASWANI - WHOLE TIME DIRECTOR
RAIPUR, 30th MAY 2015

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Vaswani Industries Limited
MIG-4, INDRAVATI COLONY,
RAIPUR, CG - 492001

1. We have examined the compliance of conditions of Corporate Governance by Vaswani Industries Limited for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.
2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the further viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, **SUNIL JOHRI & ASSOCIATES**
CHARTERED ACCOUNTANTS
FIRM REG. NO. 005960C

PLACE: RAIPUR (C.G.)
DATED: 30.05.2015

SUMIT BANERJEE
PARTNER
MEMBERSHIP NO: 411114

CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by **Vaswani Industries Limited** for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

For **Satish Batra & Associates,**
Company Secretaries,

PLACE: RAIPUR (C. G.)
DATED: 30.05.2015

Satish Batra
Proprietor
M. No. - FCS 1316
C.P. No. 2875

CEO/CFO CERTIFICATION

We, Ravi Vaswani, Managing Director, and Pramod Vaswani, Whole-time Director of the Company do here by certify to the Board that:

- a. They we have reviewed financial statements and the cash flow statement for the year ending 31st March, 2015 and that to the best of their knowledge and belief :
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
- i. significant changes in internal control over financial reporting during the year;
- ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

RAVI VASWANI - MANAGING DIRECTOR

**PRAMOD VASWANI - WHOLE TIME DIRECTOR
RAIPUR, 30th MAY 2015**

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Board of Directors
VASWANI INDUSTRIES LIMITED,
MIG-4, INDRAVATI COLONY,
RAIPUR, CG - 492001

Dear Sir,

I undertake to comply with the conditions laid down in Sub-Clause of Clause 49 read with section 149 and schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that up to the date of this certificate, I did not have any material pecuniary relationship or transactions with the Company, its promoters, its directors, its senior management or its holding Company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/ transaction. However, if and when I intend to enter into any such relationships/ transactions, whether material or non-material I shall seek prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship / transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the board level or at one level below the board and also have not been an executive of the Company in the immediately preceding three financial years.

(c) I was not a partner or an executive or was also not partner or an executive during the preceding three years, of any of the following: (i) the statutory audit firm or the internal audit firm that is associated with the Company, and (ii) the legal firm(s) and consulting firm(s) that have a material association with the Company.

(d) I have not been a material supplier, service provider or customer or a lessor or lessee of the Company, which may affect independence of the director; and was not a substantial shareholder of the Company i.e. owning two percent or more of the block of voting shares.

Lekhu T Mulchandani – Independent Director DIN - 02801146 Date : 01/04/2015 Place : Raipur	Ashok Suri – Independent Director DIN - 00291897 Date : 01/04/2015 Place : Raipur	Sanjay Jadwani – Independent Director DIN - 05139093 Date : 01/04/2015 Place : Raipur
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FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L28939CT2003PLC015964
ii	Registration Date	22/07/2003
iii	Name of the Company	VASWANI INDUSTRIES LIMITED
iv	Category/Sub-category of the Company	Public Company / Limited by shares
v	Address of the Registered office & contact details	MIG-4, Indravati Colony, Raipur
vi	Whether listed company	YES
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (w) Mumbai - 78

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	SPONGE IRON	72011000	23.77%
2	MS BILLET	72011000	61.06%
3	POWER	82061000	08.92%
4	INGOTS	72011000	06.25%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	C G Ispat Pvt Ltd	U27104CT2004PTC016909	ASSOCIATE	43.50	2(6)
2	Cosmos Castings India Limited	U27106CT1995PLC009927	ASSOCIATE	NIL	2(6)
3	Kwality Iron Foundry India Ltd	U27100CT2010PLC021967	ASSOCIATE	NIL	2(6)
4	Vaswani Ispat Limited	U27100CT2008PLC020905	ASSOCIATE	10.00	2(6)
5	Vaswani Cement Limited	U26940CT2009PLC021069	ASSOCIATE	NIL	2(6)
6	Vaswani Energy Limited	U40100CT2008PLC020905	ASSOCIATE	NIL	2(6)

IV

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	16154700	0	16154700	56.38	16154700	0	16154700	56.38	0
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0
e) Any other	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL:(A) (1)	16154700	0	16154700	56.38	16154700	0	16154700	56.38	0
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0
e) Any other...	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	16154700	0	16154700	56.38	16154700	0	16154700	56.38	0
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0
c) Central govt	0	0	0	0.00	0	0	0	0.00	0
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0
g) FIIS	5970	0	5970	0.02	5970	0	5970	0.02	0
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL (B)(1):	5970	0	5970	0.02	5970	0	5970	0.02	0
(2) Non Institutions									
a) Bodies Corporate									
i) Indian	3606781	0	3606781	12.59	3606781	0	3606781	12.59	0
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	2684960	20	2684980	9.37	2684960	20	2684980	9.37	-17.06
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	6080810	0	6080810	21.22	6080810	0	6080810	21.22	0
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0
Non Resident Indians (Repat)	56730	0	56730	0.20	56730	0	56730	0.20	0

Non Resident Indians (Non Repat)	300	0	300	0.00	300	0	300	0.00	0
Clearing Member	63929	0	63929	0.22	63929	0	63929	0.22	0
TRUSTS	500	0	500	0.00	500	0	500	0.00	0
SUB TOTAL (B)(2):	12494010	20	12494030	43.60	12494010	20	12494030	43.60	-17.06
Total Public Shareholding (B) = (B)(1)+(B)(2)	12499980	20	12500000	43.62	12499980	20	12500000	43.62	-17.06
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0
Grand Total (A+B+C)	28654680	20	28654700	100.00	28654680	20	28654700	100.00	-17.06

(ii) **SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	PRAMOD VASWANI	3969860	13.85	0	3969860	13.85	0	0
2	RAVI VASWANI	3942300	13.76	0	3942300	13.76	0	0
3	YASHWANT RAVI VASWANI	2190840	7.65	0	2190840	7.65	0	0
4	JUHI VASWANI	2108300	7.36	0	2108300	7.36	0	0
5	MANISHA VASWANI	1922175	6.71	0	1922175	6.71	0	0
6	SUDHA VASWANI	1855225	6.47	0	1855225	6.47	0	0
7	KRITIKA VASWANI	105000	0.37	0	105000	0.37	0	0
8	RAVI KUMAR VASWANI	60000	0.21	0	60000	0.21	0	0
9	SATISH KUMAR VASWANI	1000	0.00	0	1000	0.00	0	0
	Total	16154700	56.38	0	16154700	56.38	0	0

(iii) **CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

Sl. No.	Particulars	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year	16154700	56.38	16154700	56.38
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL	NIL	NIL	NIL
3	At the end of the year	16154700	56.38	16154700	56.38

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1)	Ajit Roongta				
1	At the beginning of the year	369240	1.29%	1107720	3.87%
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	Date ; 12.09.2014 Decrease - Market sell	1.29%	1107720	3.87%
3	At the end of the year (or on the date of separation, if separated during the year)	369240	1.29%	1107720	3.87%
2)	Narendrakumar L Shah				
1	At the beginning of the year	338520	1.18%	1015560	3.54%
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	Date ; 12.09.2014 Decrease - Market sell	1.18%	1015560	3.54%
3	At the end of the year (or on the date of separation, if separated during the year)	338520	1.18%	1015560	3.54%
3)	PRADIPKUMAR L. SHAH - No change	Nil	Nil	Nil	Nil
4)	PRITI PARAKH - No change	Nil	Nil	Nil	Nil
5)	RISHAB NAHATA - No change	Nil	Nil	Nil	Nil
6)	GANESHVANI INFRABUILD PRIVATE LIMITED - No change	Nil	Nil	Nil	Nil
7)	BRIJDHARA DEVELOPERS PRIVATE LIMITED - No change	Nil	Nil	Nil	Nil
8)	RAGA TRADECON PRIVATE LIMITED - No change	Nil	Nil	Nil	Nil
9)	DISHA VINTRADE PRIVATE LIMITED - No change	Nil	Nil	Nil	Nil
10)	ASHOK INVESTORS TRUST LIMITED - No change	Nil	Nil	Nil	Nil

(v) **Shareholding of Directors & KMP - NO CHANGE**

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	11958225	41.73	11958225	41.73
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL	NIL	NIL	NIL
	At the end of the year	11958225	41.73	11958225	41.73

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	431823387	34001650	0	465825037
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0

Total (i+ii+iii)	431823387	34001650		465825037
Change in Indebtedness during the financial year				
Additions	0	0	0	0
Reduction	67587459	3839035	0	71426494
Net Change	(67587459)	(3839035)	0	(71426494)
Indebtedness at the end of the financial year				
i) Principal Amount	364235928	30162615	0	394398543
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		Ravi Vaswani	Pramod Vaswani	Yashwant Vaswani	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	900000	600000	360000	1860000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	239976	159984	95988	495948
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission as % of profit	0	0	0	0
	others (specify)	0	0	0	0
5	Others, please specify	0	0	0	0
	Total (A)	1139976	759984	455988	2355948
	Ceiling as per the Act	4200000	4200000	4200000	12600000

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors	Total Amount
1	Independent Directors	No remuneration is paid to Independent Directors	
	(a) Fee for attending board committee meetings		0
	(b) Commission		0
	(c) Others, please specify		0
	Total (1)		0
	Other Non Executive Directors		
	(a) Fee for attending board committee meetings		0
	(b) Commission		0
	(c) Others, please specify.		0
	Total (2)		0
	Total (B)=(1+2)		0
	Total Managerial Remuneration		0
	Overall Ceiling as per the Act.		0

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Gross Salary	Key Managerial Personnel			Total
		CEO	CS	CFO	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	0	396000	0	396000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
	Stock Option	0	0	0	0
	Sweat Equity		0		0
	Commission as % of profit	0	0	0	0
	others, specify	0	0	0	0
	Others, please specify	0	0	0	0
	Total	0	0	0	0

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY NOT APPLICABLE					
Penalty					
Punishment					
Compounding					
B. DIRECTORS NOT APPLICABLE					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT NOT APPLICABLE					
Penalty					
Punishment					
Compounding					

RAVI VASWANI - MANAGING DIRECTOR

PRAMOD VASWANI - WHOLE TIME DIRECTOR
RAIPUR, 30th MAY 2015

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Ravi Vaswani 5.64	Mr. Pramod Vaswani 3.76	Mr. Yashwant Vaswani 2.26
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	5%		
(iii) the percentage increase in the median remuneration of employees in the financial year;	2%		
(iv) the number of permanent employees on the rolls of company;	154		
(v) the explanation on the relationship between average increase in remuneration and company performance;	The average increase in median remuneration was in line with the performance of the Company		
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	The remuneration was in line with the performance of the Company		
(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	Market capitalization for the financial year 2014-2015 is Rs 80,80,625 and for the financial year 2013-2014 is Rs. 48,99,954. Price earning ratio for the financial year 2014-2015 is 0.41 and for the financial year 2013-2014 is 0.01. Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year- The Company had come out with initial public offer (IPO) in 2011. An amount of Rs. 49 price per share including Rs.39 as premium & there is decrease of 94% i.e. Rs.2.82 based on the market closing price as on 31 st March, 2015.		
(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	There is no increment in Managerial remuneration.		
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 4.66 %.		
(x) the key parameters for any variable component of remuneration availed by the directors;	The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.		
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	None		
(xii) affirmation that the remuneration is as per the remuneration policy of the company.	It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.		

* Details not given as **Mrs. Sudha Vaswani** was a not a Director in the financial year 2013-14.

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY: Employed throughout the Financial Year 2014-15

DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT 2013

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The board's report shall include a statement showing the name of every employee of the company, who-

(i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;	NOT APPLICABLE
(ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;	NOT APPLICABLE
(iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.	The employee whose remuneration is in excess of one of Whole-time Director i.e Mr. Yashwant Vaswani is as under and none owns 2% of the equity shares of the company; Pawan Kumar Jha – Accounts Manager, exp – 30y SPA 462500 Q-CWA DOJ-01.04.2005 PE- None N – Permanent, Mr. M.Rama Rao - Gen. Mngr Exp – 35 y SPA 719000 Q – Dip.in Mechanical Engg DOJ- 26.06.2010 PE- M/s Popuri Plant Tech(p) Ltd.Hyderabad N – Permanent, Mr. H. K. Suryavanshi - Sr. Mang. Exp – 18 y SPA 628487 Q – BE(Mech) BOE DOJ - 01.06.2012 PE – M/s INDSYNERGY LIMITED, Raigarh N – Permanent, Mr. Ashwini Kumar Sahu – DMG exp – 21 y SPA 710000 Q – Dip. In Electrical Engg. DOJ 01.06.2012 PE – HEG Ltd. (Bhilwara Group) Durg N – Permanent, Mrs.M.Sai Kumari – Admin exp – 25y SPA 494000 Q – 8th Pass DOJ – 01.12.2010 PQ – None N - Permanent Mr. Mahesh Prasad Tiwari – DGM SMS exp – 25y SPA 612400 Q – BSC DOJ – 10.07.2011 PE – M/S Om Kiran Ispat Udyog, Raipur N - Permanent Mr. V.N.Nadendla - Mech.Incharge exp – 28 y SPA 456000 Q – BE DOJ – PE - Singhal Enterprises Ltd,Hyderabad N - Permanent

* Exp – experience, SPA - Salary per annum, Q - Qualification, DOJ – Date of Joining PE – Previous Employer N = Nature of employment

RAVI VASWANI - MANAGING DIRECTOR

**PRAMOD VASWANI - WHOLE TIME DIRECTOR
RAIPUR, 30th MAY 2015**

FORM NO. AOC.2 – FOR FINANCIAL YEAR 2014-2015

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis – NOT APPLICABLE

2. Details of material contracts or arrangement or transactions at arm's length basis –

Name(s) of the related party and nature of relationship	Nature of contracts /arrangements /transactions	Duration of the contracts /arrangements /transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Ravi Vaswani	Remuneration	5 years	On prevailing cash prices as per Contract u/s 196, 269, 309 of companies Act 1956 read with sch XIII value pertaining Rs. 11.40 Lacs	20 th February 2010	Nil
	Unsecured Loan received	-	Rs.60 lacs	-	Nil
Pramod Vaswani	Remuneration	5 years	On prevailing cash prices as per Contract u/s 196, 269, 309 of companies Act 1956 read with sch XIII value pertaining Rs. 7.60 lacs	20 th February 2010	Nil
	Unsecured Loan received	-	Rs.124.50 lacs	-	Nil
Yashwant Vaswani	Remuneration	5 years	On prevailing cash prices as per Contract u/s 196, 269, 309 of companies Act 1956 read with sch XIII value pertaining Rs. 4.56 lacs	20 th February 2010	Nil
	Unsecured Loan received	-	Rs. 144.40 lacs	-	Nil
Kwality Foundry Industries	Sale of goods	-	On prevailing cash prices Rs.416.68 lacs	30 th May 2014	Nil
	Purchase of Goods	-	On prevailing cash prices Rs.569.54 lacs	30 th May 2014	Nil
	Rent Received	-	On prevailing cash prices Rs. 0.60 lacs	30 th May 2014	Nil
					Nil
C G Ispat Pvt Ltd	Sale of goods	-	On prevailing cash prices Rs.8339.14 lacs	30 th May 2014	Nil
	Purchase of Goods	-	On prevailing cash prices Rs. 892.93 lacs	30 th May 2014	Nil
	Rent Received	-	On prevailing cash prices Rs. 1.20 lacs	30 th May 2014	Nil
Sudha Vaswani	Unsecured Loan received	-	Rs. 93 lacs	-	Nil
Kushal Vaswani	Unsecured Loan received	-	Rs. 40 lacs	-	Nil
Shubh Infrastructure Ltd	Loan Given (Railway Siding)	-	Rs. 4.75 lacs	30 th May 2014	Nil

RAVI VASWANI - MANAGING DIRECTOR

**PRAMOD VASWANI - WHOLE TIME DIRECTOR
RAIPUR, 30th MAY 2015**

**Form No. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Vaswani Industries Limited
MIG-4, Indravati Colony,
Raipur, CG

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vaswani Industries Limited, hereinafter called the company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Vaswani Industries Limited, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Vaswani Industries Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 1956 and the Rules made there under as well the Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) As informed to me the following other Laws specifically applicable to the Company as under:
 - 1. The Air (Prevention and Control of Pollution) Act, 1981
 - 2. The Environment (Protection) Act, 1986
 - 3. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
 - 4. Employees' State Insurance Act, 1948
 - 5. The Factories Act, 1948
 - 6. The Industrial Employment (Standing Orders) Act, 1946
 - 7. The Minimum Wages Act, 1948
 - 8. The Payment of Wages Act, 1936
 - 9. The Negotiable Instruments Act, 1881
 - 10. The Water (Prevention and Control of Pollution) Act, 1974
 - 11. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above with the following observations that the company has also complied with the following:

- Chapter VII of SEBI (Issue of Capital and Disclosure Requirement), Regulation 2009 ("the Regulations")
- Section 81(1A) of the Companies Act, 1956
- SEBI (ICDR) Regulations 2009

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

(Give details of specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above).

For example:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc. - N/A
- (ii) Redemption / buy-back of securities - NA
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013 - NA
- (iv) Merger/ amalgamation / reconstruction, etc. - NA
- (v) Foreign technical collaborations - NA

Satish Kumar Batra
Proprietor
Satish Batra & Associates
FCS No. 1316 C P No. 2875

Place: Raipur Dated:30.05.2015

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF VASWANI INDUSTRIES LIMITED Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Vaswani Industries Ltd ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the notes to the financial statements:-

Note No.30 to the financial statements which describes regarding certain disclosure relating to Micro / Small / Medium Enterprises.

Note No.31 to the financial statements which describe gratuity calculation is not as prescribed in AS 15.

Our opinion is not qualified / modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

In our opinion the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014::

The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no 36 to the financial statements

The Company did not have any long-term contracts including derivative contracts including derivative contracts for which there were any material foreseeable losses

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For SUNIL JOHRI & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 005960C

RAIPUR, 30th May, 2015

(SUMIT BANERJEE)
PARTNER

Membership No. 411114

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March' 2015, we report that :

- i)
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The major assets have been physically verified by the management on a sample basis during the year and in our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. As informed to us, no material discrepancies noticed on such verification.
- ii)
 - a) The inventory has been physically verified by the management during the year and in our opinion, the frequency of verification is reasonable.
 - b) In our Opinion and according to the Information and explanations given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) In our opinion the company has maintained proper records of inventory. The discrepancies noticed on verification between physical stocks and book records were not material in relation to the operations of the company and have been properly dealt with in the books of accounts.
- iii) The Company has granted unsecured loan to one company covered in the register maintained under section 189 of the Companies Act, 2013.
 - a) The Loan granted is Interest Free and repayable on demand.
 - b) Since the loan granted is repayable on demand, hence question of overdue does not arise.
- iv) In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchase of inventory, fixed assets and with regard to the sale of goods & services. Further, on the basis of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have we been informed of any instances of major weakness in the aforesaid internal control procedures.
- v) Based on our scrutiny of the company's records and according to the information and explanation provided by the management, in our opinion, the Company has not accepted any loans or deposits which are 'deposits' within the meaning of Rule 2(b) of Companies (Acceptance of Deposit's) Rules,2014.
- vi) We have broadly reviewed the records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- vii)
 - a) On the basis of our examination of records and according to the information and explanation given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, vat, cess and other statutory dues with the appropriate authorities, except in certain cases where dues have been deposited after due date along with Interest charged thereon and there are no undisputed statutory dues as above which are outstanding as at the last day of the financial year concerned for a period of six months from the date they become payable except wealth tax amounting to Rs 0.20 Lacs.
 - b) However as per records and according to the information and explanation given to us, the following dues of sales tax, wealth tax, custom duty, excise duty, vat have not been deposited by the company with the concerned authorities on account of dispute :-

Name of the statute	Nature of the dues	Amount (Rs. In Lacs)	Period to which the amounts relate	Forum where pending
Central Excise Laws	Excise Duty	44.16	2005-06 & 2006-07	Additional Commissioner, Central Excise ,Raipur (C.G)
Central Excise Laws	Excise Duty	139.64	2005-06 & 2006-07	Appellate Tribunal Delhi (CESTAT)
Central Excise Laws	Excise Duty	49.72	2004-09	Appellate Tribunal Delhi CESTAT)
Central Excise Laws	Excise Duty	2.58	2008-09 & 2009-10	Appellate Tribunal Delhi (CESTAT)
Central Excise Laws	Excise Duty	1.56 0.53	2012-13 & 2013-14	Asst. Commissioner, Central Excise ,Raipur (C.G)
Central Excise Laws	Excise Duty	33.27 13.96 9.13	2008-09 to 2012-13	Additional Commissioner, Central Excise ,Raipur (C.G)
Central Custom Laws	Custom Duty	86.02	2012-13	Appellate Tribunal Bangalore (CESTAT)
Sales tax	Entry tax, CST,& VAT	0.57 42.72 6.30	2007-08	Commissioner Appeal Sales tax Raipur.
Sales tax	Entry tax, CST,& VAT	9.71 16.23	2008-09	Commissioner Appeal Sales tax Raipur

- c) According to information and explanation provided by the management, there was no amount required to be transferred to investor education and protection fund in accordance with relevant provisions of the Companies Act,1956(1of 1956) and rules made there under. The Company has neither accumulated losses as at the end of the financial year nor it has any cash loss either during the current financial year or in the immediately preceding financial year.

In our opinion and according to the information and explanations given to us and as per the books and records examined by us, the company has not defaulted in repayment of dues to a financial institution or bank.

As informed to us by the Management of the Company, the company has not given any guarantee for loans taken by others from banks or financial institutions.

The term loans obtained by the company have been applied for the purpose for which they were raised.

During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed and reported during the year, nor have we been informed of such case by the Management.

For, **SUNIL JOHRI & ASSOCIATES**
CHARTERED ACCOUNTANTS
FIRM REG. NO. 005960C

PLACE: RAIPUR (C.G.)
DATED: 30.05.2015

SUMIT BANERJEE
PARTNER
MEMBERSHIP NO: 411114

**BALANCE SHEET & PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31ST MARCH 2015**

(Rs. in Lacs)

PARTICULARS	NOTE NO.	AS AT 31.03.2015	AS AT 31.03.2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	2865.47	2865.47
(b) Reserves and Surplus	2	5409.29	5459.78
(c) Money received against share warrants		-	-
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term Borrowings	3	762.06	1193.86
(b) Deferred tax liabilities (Net)	4	275.41	281.37
(c) Other Long term liabilities		0.00	0.00
(d) Long term provisions	5	7.90	6.88
(4) Current Liabilities			
(a) Short-term borrowings	6	3642.36	4318.23
(b) Trade payables	7	2534.74	2690.20
(c) Other current liabilities	8	584.56	566.85
(d) Short-term provisions	9	60.06	50.71
TOTAL- EQUITY AND LIABILITIES		16141.85	17433.35
II.Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	6585.54	7176.32
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	11	740.46	740.46
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	12	552.24	859.31
(e) Other non-current assets	13	282.81	396.52
(2) Current assets			
(a) Current investments			
(b) Inventories	14	2733.20	3125.77
(c) Trade receivables	15	2868.54	3000.36
(d) Cash and Bank Balances	16	438.10	379.90
(e) Short-term loans and advances	17	1912.10	1717.26
(f) Other current assets	18	28.86	37.45
TOTAL- ASSETS		16141.85	17433.35

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS (1 TO 38). THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS AS PER OUR REPORT OF EVEN DATE.

FOR **SUNIL JOHRI AND ASSOCIATES**

CHARTERED ACCOUNTANTS

SUMIT BANERJEE
PARTNER
M.No. 411114

FOR **VASWANI INDUSTRIES LIMITED**

(RAVI VASWANI)
MANAGING DIRECTOR

(PRAMOD VAWANI)
WHOLE TIME DIRECTOR

RAIPUR, 30th May'2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. in Lacs)

Particulars	NOTE NO.	AS AT 31.03.2015	AS AT 31.03.2014
I. Revenue from operations (gross)	19	28038.87	24863.23
Less:- Excise Duty		(2557.54)	(2225.26)
		25481.33	22637.98
II. Other Income	20	53.56	196.67
III. Total Revenue (I +II)		25534.89	22834.65
IV. Expenses:			
Cost of materials consumed	21	16690.29	15322.02
Cost of Purchase		2651.44	2620.44
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	546.44	(293.04)
Employee benefit expense	23	334.96	341.51
Financial costs	24	1053.77	1073.20
Depreciation and amortization expense		648.39	548.78
Other expenses	25	3500.49	3130.43
Total Expenses		25425.80	22743.34
V. Profit before exceptional items and tax (III - IV)		109.10	91.30
VI. Exceptional Items		0.00	0.00
VII. Prior Period Items		0.00	0.00
VIII. Profit before tax (V - VI)		109.10	91.30
IX. Tax expense:			
(1) Current tax		21.46	0.00
Less :- MAT Credit		-21.46	0.00
(2) Deferred tax		-5.97	88.37
(3) Tax in respect of earlier years		-	-
		-5.97	88.37
X. Profit(Loss) for the year	(VII-VIII)	115.06	2.94
XI. Transfer to General Reserve (10%)		-	-
XII. Transfer to Profit & Loss A/c.		115.06	2.94
XIII. Earning per equity share of Rs.10 Each Basic & Diluted	26	0.41	0.01
Weighted average no. of equity share outstanding		28049086.30	28049086.30

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS (1 TO 38). THE NOTES FORM AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS AS PER OUR REPORT OF EVEN DATE.

FOR **SUNIL JOHRI AND ASSOCIATES**

CHARTERED ACCOUNTANTS
FIRM REG. NO. 005960C

FOR **VASWANI INDUSTRIES LIMITED**

(RAVI VASWANI) (PRAMOD VAWANI)
MANAGING DIRECTOR WHOLE-TIME DIRECTOR

SUMIT BANERJEE
PARTNER
M.No. 411114

RAIPUR, 30th May' 2015

CASH FLOWS FOR THE FINANCIAL YEAR 2014-2015

Particulars	Year 2014-2015	Year 2013-14	
A) Cash Flow From Operating Activities :-			
1. Net Profit/(Loss) before Taxes and Exceptional Items	109.09	91.30	
<u>Adjustments for:-</u>			
Depreciation	648.39	548.78	
Interest Charged to P & L A/c	1053.78	1073.20	
(Profit)/Loss on sale of Investment	0.00	0.00	
(Profit)/Loss on sale of Fixed assets (net)	11.14	1.00	
Other Non Cash Charges/ Preliminary Expenses written off	121.14	15.78	
2. Operating Profit before Working Capital Changes	1933.51	1730.06	
<u>Adjustments for:-</u>			
Trade & other Receivable	378.96	(1415.62)	
Inventories	392.57	(257.67)	
Trade Payables & other Liabilities	(261.14)	610.08	
Cash generated from Operations		666.85	
Direct Taxes Paid			
Net Cash from Operating Activity (A)	2443.91		666.85
B) Cash Flow From Investing Activities :-			
Purchase of Fixed Assets	(243.63)	(51.44)	
Sale of Fixed Assets	19.36	0.15	
Decrease / (increase) in Capital Work in Progress	0.00	0.00	
Payment for Misc . Assets	0.00	0.00	
Misc. Expenses Capitalised (IPO Exp.)	0.00	(0.00)	
Purchase of Investment	0.00	0.00	
Dividend Received	0.00	0.00	
Sale of Investment	0.00	70.42	
Net Cash from Investing Activity (B)	(224.27)	19.13	19.13
C) Cash Flow From Financing Activities :-			
Proceeds from Unsecured Loans (Net)	(38.39)	340.02	
Proceed from Bank Borrowing (Net)	(1069.28)	(372.52)	
Monies received towards Share Capital & application	0.00	136.45	
Monies received towards Share Premium	0.00	0.00	
Interest Paid	(1053.78)	(1073.20)	
Proposed dividend paid	0.00	0.00	
Corporate Dividend Tax Paid on Equity dividend	0.00	0.00	
Net Cash From Financing Activities (C)	(2161.45)		(969.25)
D) Net Increase / (Decrease) in Cash & Cash Equivalents ((A)+(B)+(C))	58.20		(283.27)
E) Cash and Cash Equivalent at beginning of the Year	379.90	663.17	
F) Cash and Cash Equivalent at end of the Year (D+E)	438.10	379.90	

Note: 1. The above cash flows statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS) - 3.
2. Previous year figures have been re-grouped / recast wherever necessary.

NOTE ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. in Lacs)

NOTE-1	31.03.2015	31.03.2014
AUTHORISED SHARE CAPITAL		
29750000 EQUITY SHARES OF 10 EACH (24750000)	2,975.00	2,975.00
250000 NON CUMMULATIVE PREFERENCE SHARES OF Rs. 10/- EACH (250000)	25.00	25.00
	3,000.00	3,000.00
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
28654700 (P.Y. 27290200) EQUITY SHARES OF Rs.10/- EACH	2865.47	2865.47
TOTAL	2865.47	2865.47

The Company has only one class of equity shares having a par value of Rs.10 Each. Each shareholder is eligible for 1 vote per share. Out of Issued, Subscribed and Paid Up Capital 2500000 shares is issued as bonus share in the year 2011-12.

Details of Shares held by shareholders holding more than 5% of the in aggregate shares the company-

Name of the Shareholder	31.03.2015			31.03.2014		
	No. of Shares	%	No. of Shares	%	No. of Shares	%
PRAMOD VASWANI	3969860	13.85	3969860	13.85	3969860	13.85
RAVI VASWANI	3942300	13.76	3942300	13.76	3942300	13.76
YASHWANT RAVI VASWANI	2190840	7.65	2190840	7.65	2190840	7.65
MANISHA VASWANI	1922175	6.71	1922175	6.71	1922175	6.71
JUHI VASWANI	2108300	7.36	2108300	7.36	2108300	7.36
SUDHA VASWANI	1855225	6.47	1855225	6.47	1855225	6.47

The Reconciliation of the no. of shares outstanding is said below:-

Particulars	31.03.2015	31.03.2014
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	27290200	27290200
Add:- Shares Issued during the year as Public Issue	-	-
Add:- shares issued to promoter during the year	1364500	1364500
Add:- Shares Issued as Bonus Shares	-	-
Equity Shares at the end of the year	28654700	28654700

NOTE-2	31.03.2015	31.03.2014
RESERVE AND SURPLUS		
SECURITIES PREMIUM		
Opening Balance	4864.77	4864.77
Add :- Received from General Public	0	0
Add :- Received from Promoter	0	0
Less :- Utilised for Bonus Issue	0	0
Less :- Adjusted for IPO Expenses	0	0
Closing Balance	4,864.77	4,864.77
GENERAL RESERVE		
Opening Balance	181.83	181.83
Less:Dep. On Nil Life	165.55	
Add:- 10% out of C.Y Profit	0	0
Closing Balance	16.28	181.83
PROFIT AND LOSS A/C		
Opening Balance	413.18	410.25
Add:- Transfer from P& L Account	115.06	2.94
Closing Balance	528.24	413.19
TOTAL	5,409.29	5,459.78

NOTE-3	31.03.2015	31.03.2014
LONG TERM BORROWINGS SECURED		
TERM LOAN FROM BANK	460.44	853.84
TOTAL	460.44	853.84
UNSECURED LOAN		
Pramod Vaswani	11.48	11.48
Kushal Vaswani	0.00	40.00
Ravi Vaswani	154.65	156.65
Sudha Vaswani	0.00	13.09
Yashwant Vaswani	118.88	118.80
Indusind Bank (Wheel Loader)	16.62	0.00
TOTAL	301.63	340.02
TOTAL	762.07	1193.86

Nature of Security and Terms of Repayment for Long Term Secured Borrowings :-

Nature of Security

Terms of Repayment

Term Loan amounting to Rs. 1499.53 lacs (March 31'2012: Rs. 1801.82 lacs) is secured by Sole charge on Immovable Property, any Interest on Immovable Property, Book Debts, Movable Property (not being pledge) and floating charge including first Charge over Our Company's entire fixed assets including constructions of Land with a total area of 29.468 hectare located at Sondra, Tehsil-Siltara and Bahesar,Raipur, Chhattisgarh India	Term Loan with State Bank of India The amount will be repaid across 75 month from January 2011 up to March 2017*. Repayable with SBAR i.e. 11.75% per annum subject to changes as prescribed by SBI/ RBI from time to time at the time of sanction.
Loan amounting to Rs. 213.00 lacs (March 31'2012: Rs. 317.00 lacs) is (i) secured by a first pari passu mortgage and charge on all fixed assets whether movable or immovable, both present and future; (ii) An irrevocable and unconditional personal guarantee by Shri Ravi Vaswani, Shri Pramod Vaswani and Shri Yashwant Ravi Vaswani.	Loan with IDBI Bank The amount will be repaid across 16 equal quarters from April, 2011 i. e. after a moratorium of 6 months from the date of first disbursement. Interest rate at 12.50% per annum or at the prevailing rate at the time of disbursement whichever is higher at the time of sanction.
Vehicle Loan amounting to Rs.9.34 lacs (March 31'2012: Rs. Nil) is secured by respective vehicles.	Vehicle Loan with Indusind Bank Repayable in 17 equal installment of Rs.159500 starting from may 2012 rate of interest Rate 5.62 % flat
No security is provided for Unsecured Loan taken from promoters and their relative has been given by company	

NOTE-4	31.03.2015	31.03.2014
DEFERRED TAX LIABILITIES		
DEFERRED TAX LIABILITY ON ACCOUNT OF DEPRECIATION AND REVERSAL OF ASSETS	932.69	942.68
DEFERRED TAX ASSETS ON ACCOUNT OF UNABSORBED DEP./LOSS AND DISALLOWANCES UNDER INCOME TAX ACT'1961	(657.28)	(661.31)
TOTAL	275.41	281.37

NOTE-5	31.03.2015	31.03.2014
LONG TERM PROVISIONS		
PROVISION FOR EMPLOYEE BENEFITS	7.90	6.88
TOTAL	7.90	6.88

NOTE-6	31.03.2015	31.03.2014
SHORT TERM BORROWINGS		
SECURED		
WORKING CAPITAL LOAN FROM BANK	3642.36	4318.24
	3642.36	4318.24
UNSECURED		
WORKING CAPITAL LOAN FROM BANK	0.00	0.00
	0.00	0.00
TOTAL	3642.36	4318.24

Nature of Security and Terms of Repayment for Short Term Secured Borrowings:-

Nature of Security

Terms of Repayment

SBI Working Capital Loan amounting to Rs. 2540.9 lacs (March 31'2012: Rs. 508.40lacs) is secured by Hypothecation charge on Company's entire stocks i.e. raw material, stocks in progress, finished goods and receivables at Company's premises located at Sondra, Tehsil-Siltara and Bahesar,Raipur including stocks-in-transit,book debts, including those	Repayable on Demand. Interest Rate SBAR i.e. 11.75% per annum subject to changes as prescribed by SBI/ RBI from time to time.
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purchase / discounted with other consortium member banks, securing Working Capital Limits.	
IDBI Working Capital Loan amounting to Rs. 999.24 lacs (March 31'2012: Rs. 998.52 lacs) is secured by all current assets of the company.	Repayable on Demand. Interest rate is BBR + 3% (i.e. present effective 11.50% per annum) payable monthly.
BOB Working Capital Loan amounting to Rs. 695.90 lacs (March 31'2012: Rs. NIL lacs) is secured by 1st pari passu charge on entire current assets of the company.	Repayable on Demand. Interest rate is Base Rate + 3.25% with monthly rest. Margin 25% RM& FG, 40%of book debts and advance to RM.

NOTE-7	31.03.2015	31.03.2014
TRADE PAYABLES		
CREDITOR FOR RAW MATERIAL	2149.85	2321.34
CREDITOR FOR EXPENSES & SERVICES	197.25	128.78
CREDITOR FOR CAPITAL GOODS	0.00	0.00
CREDITOR FOR STEEL DIVISION	133.69	193.82
CREDITOR FOR POWER DIVISION	53.95	46.26
CREDITOR FOR KILN-03	0.00	0.00
CREDITOR FOR OFFICE BUILDING	0.00	0.02
TOTAL	2534.74	2690.22

NOTE-8	31.03.2015	31.03.2014
OTHER CURRENT LIABILITIES		
CURRENT MATURITIES OF LONG TERM DEBT	324.00	428.00
PAYABLES	230.07	123.00
ADVANCE FROM CUSTOMERS	30.50	15.85
TOTAL	584.57	625.43

NOTE-9	31.03.2015	31.03.2014
SHORT TERM PROVISIONS		
PROVISION FOR EMPLOYEE BENEFITS	38.59	33.00
OTHER PROVISIONS	21.46	17.71
TOTAL	60.05	50.71

NOTE-11	31.03.2015	31.03.2014
NON CURRENT INVESTMENTS		
QUOTED TRADE		
26 (17+9) EQUITY SHARES OF RELIANCE POWER LTD (MARKET VALUE AS ON 30.03.2012 WAS RS. 116.90 PER SHARE)	0.07	0.07
UNQUOTED TRADE		
VASWANI ISPAT LTD (5000 EQUITY SHARES OF RS.10 EACH)	0.50	0.50
VIMLA INFRASTRUCTURE (I) PVT LTD (510 EQUITY SHARES OF RS.100 EACH)	0.51	0.51
SHUBH INFRASTRUCTURES LTD (7134 EQUITY SHARES OF RS.10 EACH)	0.71	0.71
CG SPONGE MFG CONSORTIUM COAL FIELDS PVT LTD (10691 EQUITY SHARES OF RS.10 EACH)	78.13	78.13
CG SPONGE MFG CONSORTIUM COAL FIELDS PVT LTD (SHARE APPLICATION MONEY PENDING ALLOTMENT)	39.41	39.41
CG ISPAT PRIVATE LIMITED (2077250 EQ. SHARES OF RS.10 EACH)	621.11	621.11
TOTAL	740.46	740.46
AGGREGATE AMOUNT OF QUOTED TRADE INVESTMENT	0.07	0.07
MARKET VALUE OF QUOTED TRADE INVESTMENT	0.02	0.02
AGGREGATE AMOUNT OF UNQUOTED TRADE INVESTMENT	740.38	740.38

NOTE-12	31.03.2015	31.03.2014
LONG TERM LOANS & ADVANCES		
CAPITAL ADVANCE	0.00	2.00
LOANS & ADVANCES TO RELATED PARTIES (REFER NOTE NO.33)	4.75	4.75
DEPOSITS	365.70	365.70
MAT CREDIT AVAILABLE	286.99	286.99
P. Under Protest	0.00	199.88
N. Ap Dowpayment	0.00	0.00
TOTAL	552.24	859.31

NOTE-13	31.03.2015	31.03.2014
OTHER NON CURRENT ASSETS		
PRELIMINARY & PREOPERATIVE EXP.	140.85	0.28
TRADE RECEIVABLES MORE THAN 1YEAR		
UNSECURED CONSIDERED GOOD	92.02	346.30
UNSECURED CONSIDERED DOUBTFUL	49.95	49.95
TOTAL	282.81	396.52

Site Development	52640	-	-	52640	11371	41269	-	-	52640	-	41269
Computer & Software	120181	-	-	120181	111408	8773	-	-	120181	-	8773
CAR											
Alto Car 1	314994	-	-	314994	96990	-	51776	-	148766	166228	218004
Alto Car 2	314995	-	-	314995	96991	-	51776	-	148767	166228	218004
Office Equipment	28000	1131	-	29131	2034	25966	269	-	28269	862	25966
TOTAL	126380850	1260887	-	127641737	30055804	76008	8391797	-	38523609	89118128	96325046
PREVIOUS YR TOTAL	89909901	36470949	-	126380850	23923067	-	6132737	-	30055804	96325046	65986834
Office Building											
Building & Civil Work	11728392	-	-	11728392	1390660	-	392834	-	1783494	9944898	10337732
Electrical Installation	1874744	-	-	1874744	473164	-	266300	-	739464	1135280	1401580
Office Equipment	1858418	35035	-	1893453	485331	1296041	76724	-	1858096	35357	1373087
Furniture & Fixtures	2589145	-	-	2589145	558277	-	382718	-	940995	1648150	2030868
TOTAL	18050699	35035	-	18085734	2907432	1296041	1118576	-	5322049	12763685	15143267
PREVIOUS YR TOTAL	18050700	-	-	18050700	2087877	-	819555	-	2907432	15143268	15962823
GRAND TOTAL	1028605897	24363146	2879973	1050089070	310973542	1655096	64839114	832236	391535516	658553554	717632355
PREVIOUS YR GRAND TOTAL	970341485	58492935	228523	1028605897	256209543	-	54877842	113843	310973542	717632356	714131943

NOTE-14	31.03.2014	31.03.2013
INVENTORY		
RAW MATERIAL	667.61	680.49
RAW MATERIAL IN TRANSIT	309.21	368.39
FINISHED GOODS	384.39	231.94
STOCK IN TRADE	1474.56	1333.97
STORES & SPARES	290.00	253.30
TOTAL	3125.77	2868.10

NOTE-15	31.03.2015	31.03.2014
TRADE RECEIVABLES		
OVER SIX MONTHS		
UNSECURED, CONSIDERED GOOD	00.00	00.00
UNSECURED, CONSIDERED DOUBTFUL LESS THAN SIX MONTHS	0.00	0.00
UNSECURED, CONSIDERED GOOD	2868.54	3000.36
UNSECURED, CONSIDERED DOUBTFUL	0.00	0.00
TOTAL	2868.54	3000.36

NOTE-16	31.03.2015	31.03.2014
A. CASH AND CASH EQUIVALENTS		
CASH IN HAND	10.44	1.88
BALANCES WITH BANKS CURRENT ACCOUNT	105.39	5.47
TOTAL A	115.83	7.36
B. OTHER BANK BALANCES		
BALANCES WITH BANK TO EXTENT HELD AS MARGIN MONEY		
FIXED DEPOSIT WITH ORIGINAL MATURITY UPTO 3 MONTHS	0.00	23.95
FIXED DEPOSIT WITH ORIGINAL MATURITY MORE THAN 3 MONTHS BUT LESS THAN 12 MONTHS	322.27	348.60
TOTAL B	322.27	372.55
TOTAL	438.10	379.90

NOTE-17	31.03.2015	31.03.2014
SHORT TERM LOANS AND ADVANCES		
LOANS & ADVANCES TO RELATED PARTIES (REFER NOTE NO. 33)	0.00	0.00
SECURITY DEPOSITS	28.00	27.10
ADVANCES TO EMPLOYEES	15.05	19.35
SUPPLIER ADVANCES (CONSIDERED GOOD)	1296.13	1183.79
SUPPLIER ADVANCES (CONSIDERED DOUBTFUL)	0.00	0.00
OTHER ADVANCES	0.00	0.00
PREPAID EXPENSES	1.88	8.10
BALANCES WITH GOVT. AUTHORITIES	571.05	491.53
INTEREST RECEIVABLE	0.00	(12.60)
TOTAL	1912.10	1717.26

NOTE-18	31.03.2015	31.03.2014
OTHER CURRENT ASSETS		
INTEREST ACCURED BUT NOT DUE	23.36	20.25
TCS RECEIVABLE	0.87	1.35
TDS RECEIVABLE	4.64	15.86
TOTAL	28.86	37.45

NOTE-19	31.03.2015	31.03.2014
REVENUE FROM OPERATIONS		
SALE OF PRODUCTS		
MANUFACTURED GOODS	21624.51	17762.76

TRADED GOODS	3786.76	4779.64
OTHER OPERATING REVENUES	62.24	95.58
ADD :- EXCISE DUTY	2557.54	2225.26
TOTAL	28038.87	24863.23

NOTE-19.1	31.03.2015	31.03.2014
REVENUE FROM OPERATIONS		
SALE OF PRODUCTS		
MANUFACTURED GOODS		
SPONGE IRON	5139.64	3021.09
LESS:QUALITY DIFFERENCE	0.00	3.12
LESS: SALES RETURN	0.00	0.00
	5139.64	3017.97
BILLET	13203.90	11606.35
LESS:- DISCOUNT	0.00	0.00
LESS:- QUALITY DIFF. & OTHERS	0.00	(8.14)
	13203.90	11598.21
INGOTS SALES	1352.45	1232.31
POWER	1928.52	1914.27
LESS:- REBATE (CSEB)	0.00	0.00
	1928.52	1914.27
SALE OF MANUFACTURED GOODS TOTAL	21624.51	17762.76
TRADED GOODS		
IRON ORE FINES	1186.76	577.17
COAL	337.34	137.61
SCRAP	335.57	1297.23
PIG IRON	308.28	758.52
SILICO MANGNESE	8.79	4.60
FERRO SILICON	0.03	1.54
CPC	0.10	0.31
OTHERS	357.28	1869.23
TRADING DIVISION SALES	21.61	133.43
SALES FROM BRANCH	1231.00	0.00
TRADED GOODS TOTAL	3786.76	4779.64

OTHER OPERATING REVENUES	31.03.2015	31.03.2014
CHAR & DOLOCHAR (NET OF RATE DIFF.)	19.28	15.18
SLAGE	24.70	39.43
B.F DUST	0.00	0.36
MILL SCALE	11.46	31.29
END CUTTING	0.00	0.00
FLY ASH	6.78	9.32
TOTAL	62.24	95.58

NOTE-20	31.03.2015	31.03.2014
OTHER INCOME		
INTEREST INCOME	47.45	185.52
INTEREST INCOME (POWER)	0.00	0.00
RENT INCOME	5.94	6.21
OTHER MISC. INCOME	0.18	4.94
TOTAL	53.57	196.67

NOTE-21	31.03.2015	31.03.2014
COST OF MATERIALS CONSUMED		
OPENING STOCK	957.61	933.79
PURCHASE & INCIDENTAL EXPENSES & OTHERS	20213.00	18909.79
TOTAL	21170.61	19843.58
LESS: COST OF TRADING PURCHASE / TRANSFER	3102.54	3563.95
LESS: CLOSING STOCK	1377.78	957.61
TOTAL	16690.29	15322.02
IMPORTED AND INDIGENOUS MATERIALS CONSUMED		
IMPORTED	0.00	0.00
INDIGENOUS	0.00	0.00
TOTAL	0.00	0.00
DETAILS OF MATERIALS CONSUMED		
IRON ORE	6668.38	6241.69
COAL	4162.23	3508.19
DOLOMITE	47.39	65.39
MS SCRAP	2222.92	2260.22
PIG IRON	1928.47	1990.74
FERRO SILICON	22.65	18.73
SPONGE IRON	418.02	183.75
SILICO MAGNESE	373.75	345.45
PETRO COKE	42.73	69.31
STORES & SPARES	797.44	638.00
TOTAL	16690.29	15322.02

NOTE -22	31.03.2015	31.03.2014
CHANGE IN FINISHED GOODS /TRADED GOODS		
OPENING STOCK		
FINISHED GOODS	384.39	231.94

TRADED GOODS	1474.56	1333.97
	1858.95	1565.91
CLOSING STOCK		
FINISHED GOODS	248.54	384.39
TRADED GOODS	1063.97	1474.56
	1312.51	1858.95
TOTAL	546.44	(293.04)

NOTE - 23	31.03.2015	31.03.2014
EMPLOYEE BENEFITS EXPENSES (REFER NOTE NO. 32)		
SALARIES	311.53	320.14
CONTRIBUTION TO PF, ESIC AND OTHERS	14.91	9.19
STAFF WELFARE EXP.	8.51	12.18
TOTAL	334.96	341.51

NOTE -24	31.03.2015	31.03.2014
FINANCIAL COSTS		
INTEREST EXPENSE	922.11	972.07
OTHER BORROWING COST	131.67	101.14
TOTAL	1053.78	1073.20

NOTE -25	31.03.2015	31.03.2014
OTHER EXPENSES		
MANUFACTURING EXPENSES		
ELECTRIC POWER, FUEL AND WATER	2682.68	1909.18
FREIGHT	13.54	12.69
REPAIRS & MAINTENANCE	168.80	222.17
LABOUR CHARGES	241.50	223.76
OTHER MANUFACTURING EXPENSES	13.91	33.43
	3120.44	2401.23
ADMINISTRATIVE EXPENSES		
COMMISSION	33.65	26.19
TRAVELLING & CONVEYANCE EXPENSES	16.93	10.60
RENT, RATES & TAXES	14.49	40.21
INSURANCE	8.91	8.81
LEGAL & PROFESSIONAL CHARGES	16.80	21.24
REPAIR & MAINTENANCE	1.60	15.75
TELEPHONE, PRINTING & STATIONARY AND POSTAGE	9.32	5.20
FREIGHT	30.34	22.01
MISC. EXPENSES	246.70	35.06
ADVERTISEMENT & PUBLICITY	0.00	0.02
LAND (REAL ESTATE DIVISION)	0.00	540.57
LOSS ON SALE OF FIXED ASSETS	1.11	1.00
CHARITY AND DONATION	0.21	2.56
	380.06	729.20
TOTAL	3500.50	3130.43

NOTE -25.1	31.03.2015	31.03.2014
PAYMENT TO AUDITORS (INCLUDED IN LEGAL & PROFESSIONAL CHARGES)		
STATUTORY AUDIT FEES	4.50	4.50
TAX AUDIT FEES	0.50	0.50
COMPANY LAW MATTERS/CERTIFICATION FEES/IT CONSULTANCY	0.00	0.09
TOTAL	5.00	5.09

NOTES ON FINANCIAL STATEMENTS

26. Computation of basic and diluted earnings per share:

Particulars	Current Year	Previous Year
Net Profit after tax (in lacs)	115.06	2.94
Weighted average number of Equity Share	28654700	28049086
Nominal Value per share	10.00	10.00
Basic and Diluted Earnings Per share	0.40	0.01

27. The figures of the previous year have been regrouped wherever considered necessary to confirm with current year's presentation. The figures have been rounded off in Rs. in Lacs.
28. Balance under sundry debtors, other current assets, sundry creditors, and loans & advances are subject to confirmation and reconciliation if any.
29. In the opinion of the Management, Current Assets, Loans & Advances have the value at which they are stated in the balance sheet if realized in the ordinary course of the business except the balance of "Suvikash alloys and Steel Pvt. Ltd, Cement Corporation of India Ltd. and Bhadramaruti concast private limited". No Provision has been made as matter is under court proceedings.
30. In respect of Micro / Small / Medium Enterprises Development Act, 2006, certain disclosure is required to made relating to Micro / Small / Medium Enterprises. The company could not get relevant information from its supplier about their coverage under the Act since the relevant information is not readily available, no disclosure have been made in the account. Hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said act have not been made.
31. Details of Employee benefits are given below:-
(a) Defined Contribution Plans:-
During the year the company has recognized the following amount in the profit & loss Accounts (included in Contribution to provident & other funds):-

(Rs. in Lacs)

Particular	Current year	Previous Year
Contribution to Provident Fund	8.42	2.71
Contribution to Employees State Insurances	5.47	5.94

(b) Defined Benefit Plan:-

Rs.7.90 Lacs (Cumulative figure) has been provided for Gratuity on the basis of the formula given in point no.16 of Significant Accounting Policies, only for those employees who have completed continuous five year service in the enterprise.

Above policy is not matched with calculation prescribed in AS-15

32. Related Party Disclosures :

a. Name of the related parties -

Group Companies/ Associates	Key Management Personnel	Relatives of Key management Personnel
M/S Kwality Foundry Industries C.G.Ispat Pvt. Ltd. Cosmos Castings (India) Limited Vaswani Ispat Ltd. Vaswani Cement Ltd. Vaswani Energy Ltd. Shubh Infrastructure Ltd.	Shri Ravi Vaswani Shri Pramod Vaswani Shri Yaswant Vaswani	1.Smt. Sudha Vaswani 2.Smt. Juhi Vaswani 3.Smt. Manisha Vaswani

b. Following are the transaction with related parties as defined under Accounting Standard-18 on "Related Party Disclosures " as notified under the Companies (accounting Standard) Rules , 2006.

(Rs. In Lacs)

Name	Relationship	Nature of Transaction	Amount of transaction in 2014-15 (2013-14)	Amount Outstanding as at 31/03/2015 (31/03/2014)
Ravi Vaswani	Chairman & M.D.	Remuneration	11.40 (11.40)	4.82 (4.82)
		Unsecured loan received	60.00 (255.65)	154.65 (156.65)
Pramod Vaswani	Whole Time Director	Remuneration	7.60 (7.60)	1.52 (1.52)
		Unsecured loan received	124.50 (56.48)	11.48 (11.48)
Yashwant Vaswani	Whole Time Director	Remuneration	4.56 (4.56)	3.95 (3.95)
		Unsecured loan received	144.40 (124.80)	118.80 (118.80)
M/s Kwality Foundry Industries	Proprietorship Firm in which Director has Significant influence	Sale of Goods	416.68 (826.14)	Nil (17.52 Cr)
		Purchase of Goods	569.54 (658.66)	
		Rent Received	0.60 (0.60)	Nil (Nil)
Cosmos Castings (India) Limited	Group Companies	Sale of Goods	Nil (Nil)	5.18 (5.18)
		Purchase of Goods	Nil (5.99)	
		Rent Received	Nil (0.21)	Nil Nil
C.G. Ispat Private Limited	Group Companies	Sale of Goods	8339.14 (5994.13)	1625.92 (1625.92)
		Purchase /Services	892.93 (785.00)	
		Interest Received	Nil (119.70)	
		Rent Received	1.20 (1.20)	Nil Nil
		Investment made	Nil (Nil)	621.11 Dr. (621.11 Dr.)
Sudha Vaswani	Relative of KMP	Amount for Preferential allotment /promoter contribution	Nil (61.40)	Nil (Nil)
		Unsecured loan received	93.00 (13.08)	Nil (13.08)
Manisha Vaswani	Relative of KMP	Amount for Preferential allotment /promoter contribution	Nil (20.47)	Nil (Nil)
Kritika Vaswani	Relative of KMP	Amount for Preferential allotment /promoter contribution	Nil (Nil)	Nil (Nil)
Shubh Infrastructure Ltd.	Related Concern	Loan Given (for railway siding)	4.75 (4.75)	4.75 (4.75)
Juhi Vaswani	Relative of KMP	Amount for Preferential allotment /promoter contribution	Nil (54.58)	Nil (Nil)
Kushal Vaswani	Relative of KMP	Unsecured loan received	40.00 (40.00)	Nil (40.00)

Notes: Related party relationship in terms of Accounting Standard 18 as given above is pointed out by the management and relied upon by the Auditors.

33. Valuation & Consumption of inventories has been taken as valued and certified by the management.

34. There were no employee at any time during the year drawing Rs. 500000/- or more per month.

35. Segment Reporting as required by Accounting Standard (AS-17) issued by the Institute of Chartered Accountants of India:-

(A) Business Segment:-

(Rs. In Lacs)

PARTICULARS	Current year (2014-15)	Previous year (2013-14)
1. Segment Revenue		
Iron & Steel	22009.87	19040.17
Power	1936.74	1925.24
Real Estate	357.28	1869.23
Fabrics	1231.00	0.00
Sub - total	25534.89	22834.64
Less: Inter- Segment Revenue	(1866.78)	(1770.68)
Net Segment Revenue	23668.11	21063.96
2. Segment Result (Profit /Loss before Tax and interest from each segment)		
Iron & Steel	935.90	(285.19)

Power	(699.73)	(19.56)
Real Estate	216.69	1469.25
Fabrics	710.01	0.00
Sub - total	1162.87	1164.51
Less: Financial Costs	(1053.78)	(1073.20)
Profit before Tax	109.09	91.30
Provision For Tax		
-- Income tax (net)	0.00	0.00
-- Deferred Tax	5.97	88.37
Profit After Tax	115.06	2.94
3. Other Information		
I Segment Assets		
Iron & Steel	9775.41	9920.76
Power	3189.42	3684.13
Real Estate	1081.63	2395.43
Fabrics Division	712.65	0.00
Un- allocated Assets	1382.73	1128.85
Total Assets	16141.85	17129.17
II Segment Liabilities		
Iron & Steel	3295.72	3833.18
Power	58.95	50.32
Real Estate	0.00	0.00
Fabrics	0.00	0.00
Un- allocated Liabilities	4210.98	4921.55
Total Liabilities	7565.66	8805.05
III Capital Expenditure (Including work In progress)		
Iron & Steel	243.18	584.02
Power	0.45	0.91
Total	243.63	584.93
IV Depreciation		
Iron & Steel	293.03	265.97
Power	355.36	282.81
Total	648.39	548.78
V Non Cash Expenditure other than depreciation		
Other (Preliminary Exp. W/o)	35.14	15.78
Total	35.14	15.78

(B) Geographical Segment: - The Company sale its products within India. The condition prevailing in India being uniform, no separate geographical segment disclosure is considered necessary.

36. Contingent liabilities & Commitments not provided for in respect of:

(a) Claims against the Company not acknowledged as debt: - (Rs. in Lacs)

Particular	2014-15	2013-14
- Sales Tax	75.53	75.53
- Excise Duty	294.55	236.10
- Customs Duty	86.02	0.00

(b) Guarantees:-

Particular	2014-15	2013-14
Letter of Credit	2572.93	2306.49

(c) Law Suit: South Eastern Coalfields Ltd has lodged case against the company of which outcome of law suit is unquantifiable, hence no provision accounted in books.

37. Since the company is engaged in the generation of power from A.Y 2008-09, So the company is entitled to claim the deduction under section -80IA of Income tax act & the quantum of deduction is 100% of profit & gains derived from such business for 10 consecutive assessment years out of 15 years beginning with the year in which enterprises begins to generate Power. Hence the company is decided to claim the deduction from A.Y.2013-14.

38. Details of Foreign Earnings:

S.No.	Particulars	2014-15	2013-14
1	CIF Value of Import	Nil	14.54
2	Expenditure in foreign exchange (No direct payment by company in foreign currency)	Nil	Nil
3	Earning in foreign exchange	Nil	Nil
4	Remittance in foreign currency for dividend	Nil	Nil

Signature to Note 1 to 38

As Per Our Report of Even Date Attached

<p>For SUNIL JOHRI & ASSOCIATES CHARTERED ACCOUNTANTS FIRM REG. NO. 005960C</p> <p>SUMIT BANERJEE PARTNER M.No. 411114</p> <p>RAIPUR, 30th MAY 2015</p>	<p style="text-align: center;">For and on behalf of the Board of Directors</p> <p style="text-align: center;">RAVI VASWANI - MANAGING DIRECTOR PRAMOD VASWANI - WHOLE TIME DIRECTOR</p> <p style="text-align: right;">RAIPUR, 30th MAY 2015</p>
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ANNEXURE -1

SIGNIFICANT ACCOUNTING POLICIES FOR THE PERIOD ENDED 31.03.2015

a. Basis of Accounting

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.
The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupees.

b. Use of Estimates

The presentation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumption to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

c. Fixed Assets

Tangible assets are stated at cost of acquisition (inclusive of freight) or construction net of Cenvat /Tax credit, less accumulated depreciation and impairment loss, if any. All costs, including financial costs till commencement of commercial production and adjustment arising from exchange rate variations attributable to the fixed assets are capitalized.

d. Capital Work- in- progress

Project under commissioning and other capital work-in- progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest

e. Depreciation

a) Depreciation on fixed assets has been provided on Straight Line Method Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

b) Depreciation on addition to / deduction from fixed assets is being provided on pro-rata basis from/ to the date of acquisition/ disposal.

f. Inventories

Inventories i.e. stores consumables are valued at cost (exclusive of excise). By Products are valued at estimated realizable value. Raw Materials are valued at cost plus freight using Weighted Average Cost (WAC) method. Finished Goods are valued at cost or net realizable value (NRV) whichever is lower. Finished goods include cost of conversion and other cost for bringing it in the present location and condition including depreciation.

g. Revenue Recognition

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services and excise duty.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

However, where the amount is immaterial / negligible and/or establishment of accruals / determination of amount are not possible no entries are made for the accrual.

h. Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is normally charged to Profit & Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount

i. Investments

Long term investments are carried out at cost less any other temporary diminution in value, determined on the specific identification basis.

Current investments are carried at the lower of cost and fair value. Profit & Loss on sale of investment is determined on specific identification basis.

j. Other income

Interest income is accounted on an accrual basis. Dividend income is accounted for when the right to receive income is established.

k. Borrowing Cost

The Borrowing costs that are attributable to the acquisition or construction or production of the qualifying assets are capitalized as per the cost of such assets up to the date when such assets are ready for its intended use. All other borrowing costs are charged to the Profit & Loss A/c.

l. Accounting for Taxes on Income

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences that result between taxable profit and the profit as per the financial statement. Deferred tax assets & liabilities are measured using the tax rates and the tax laws enacted or substantially enacted as on the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty for its realization.

The taxable income of the company being lower than the book profits under the provision of the income tax act 1961. The company is liable to pay Minimum Alternate tax (MAT) on its income. Considering the future profitability & taxable position in the subsequent years the company has recognized MAT Credit as an assets by crediting the provision for income tax & including the same under Loans & advances in accordance with the Guidance note on "Accounting for Credit available in respect of MAT under Income Tax Act 1961" issued by the Institute of Chartered Accountant of India.

m. Cash Flow Statement

The cash flow statement is prepared as per the Indirect method prescribed under "Accounting Standard – 3" Cash Flow Statement issued by the Institute of Chartered Accountants of India.

n. Foreign Currency Transaction

Transactions in foreign currency are recorded in Rupees by applying the exchange rate prevailing on the date of transaction. Transactions remaining unsettled are translated at the rate of exchange ruling at the end of the year. Exchange gain or loss arising on settlement shall be adjusted in the carrying amount of the respective fixed assets in case of loans acquired for acquisition of fixed assets.

o. Provision and Contingencies

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statement.

p. Employee Benefits:-

a. Provident Fund is a defined contribution scheme and the contributions are charged to the Profit & Loss A/c of the year when the contributions to the Government Funds is due.

b. Gratuity Liability is defined benefit obligations and is provided for on the basis of following formula:-
= Last drawn Salary * 15/26 * No. of Completed year of Services

The above calculation is done only for those employees who have completed continuous five year of services. However, the above calculation of Gratuity is not as per Actuary Valuation.

c. Short Term Compensated absences are provided for based on estimates. Long Term compensated absences are provided for based on actuarial valuation.

d. Actuarial gains / losses are immediate taken to the profit & loss account and are not deferred.

q. Segment Reporting:-

Business Segment: - The accounting policies adopted for segment reporting are in the line with the accounting policies of the company. Segment Revenue, Segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, Expenses, Assets, Liabilities which relates to the company as whole and not allocable to segment on reasonable basis have been included under "Unallocated revenue/ expenses/ assets/ liabilities".

Geographical Segment: - The Company sells its products within India. The condition prevailing in India being uniform. So no separate geographical segment disclosure is considered necessary.

r. Research & Development Expenditure:-

Revenue expenditure pertaining to research is charged to the Profit and Loss Statement. Development costs of products are charged to the Profit and Loss Statement unless a product's technological feasibility has been established, in which case such expenditure is capitalized.


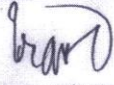
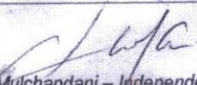
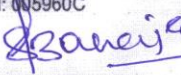
s. Intangible assets:-

Cost incurred on intangible assets, resulting in future economic benefits are capitalized as intangible assets and amortized on equated basis over the estimated useful life of such assets.

FORM B

(Clause 31(a) of Listing Agreement)

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	VASWANI INDUSTRIES LIMITED
2.	Annual financial statements for the year ended	31st March 2015
3.	Type of Audit observation	QUALIFIED
4.	Frequency of observation	
5.	Draw attention to relevant notes in the annual financial statements THIS IS THE SIXTH YEAR OF OBSERVATION	Note No. 31 of notes to account- regarding certain disclosures relating to Micro/Small/Medium Enterprises.
	THIS IS THE SECOND YEAR OF OBSERVATION	Note no 32 of notes of accounts- regarding Non compliance of AS-15.
6.	Management response to the qualification in the directors report:	The notes to the accounts are self explanatory in respect of remarks of the auditors appearing in their report.
7.	Additional comments from the board/audit committee chair:	AS PER THE DISCLOSURE MADE IN THE REPORT
8.	To be signed by-	
	CEO/Managing Director•	
	CFO•	
	AUDIT COMMITTEE CHAIRMAN•	
	AUDITOR OF THE COMPANY•	L T. Mulchandani – Independent Director For, SUNIL JOHRI & ASSOCIATES Chartered Accountants FRN: 005960C  SUMIT BANERJEE Partner Membership No: 411114 