



# Vaswani Industries Limited

## NOTICE OF ANNUAL GENERAL MEETING

The **TENTH ANNUAL GENERAL MEETING** of Vaswani Industries Limited will be held at 03:00 P. M. on Monday, the 26<sup>th</sup> August, 2013 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 the Audited Balance Sheet of the Company as on 31st March, 2013 and Profit & Loss Accounts of the Company for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
- 2: To appoint a director in place of Shri Sanjay Jadhvani, Director of the Company, who retires by rotation and is eligible for re-appointment.
- 3: To appoint a director in place of Shri Yashwant Vaswani, Whole time Director of the Company, who retires by rotation and is eligible for re-appointment.
- 4: To appoint M/s Sunil Johri & Associates, Chartered Accountants, Statutory Auditors for holding the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

5: To consider and if thought fit to pass, with or without modification, the following Resolutions as Special Resolutions:

"RESOLVED THAT pursuant to the provisions of Section 17 and other applicable provisions, if any, of the Companies Act, 1956, the Other Objects Clause of the Memorandum of Association of the Company be altered by adding the following new sub-clauses 83 after the existing sub-clause 82 of Clause III-C (Other Objects), the altered clause is as under:

#### ADDITION OF NEW CLAUSE UNDER "OTHER OBJECTS" IN MOA

83. To do business in India and abroad as traders, importers, exporters, commission agents, stockiest, brokers, cargo handling, logistics, dealers, whole sale merchants, consultants, advisors, warehousing, facilitators, representatives and other trade relations in the fields of agriculture, all kinds of merchandise goods, real estates, transportation, freight handling, medicines, engineering goods, trademarks, intellectual properties, ferrying, tourism, food and catering, industrial purchases, publications, textiles, furniture, furnishings, cosmetics, chemicals, oils, lubricants, alcohol, plantations, cements, sports, music, films, cinema, drama, stocks and shares, car and horse races of all kinds.

"RESOLVED THAT pursuant to the provisions of section 149(2A) of the Companies Act, 1956, the consent of the Board of the company be and is hereby accorded subject to the consent of the shareholder and other regulatory authorities, to carry on the business activities as covered under the Other Objects Clause No. III (C) 83 of the memorandum of association of the company.

FURTHER RESOLVED THAT the Board of directors of the company be and is hereby authorized to take all such effective steps to implement the decision of the members of the company as they may consider appropriate in the interest of the company and to do all such acts, deeds and things from time to time for and on behalf of the company."

6: To consider and if thought fit to pass, with or without modification, the following Resolutions as Special Resolutions:

"RESOLVED that pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or enactments thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the Listing Agreement entered into by the Company with the Stock Exchange, where the shares of the Company are listed and in accordance with the applicable guidelines issued by Securities and Exchange Board of India ("SEBI"), or any other authority and clarifications issued thereon from time to time, if any, and subject to all such statutory, regulatory and government

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approvals, permissions or sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board") and/ or duly authorized Committee of the Board of Directors of the Company, the consent of the Board be and is hereby accorded to issue of equity shares on preferential basis as enumerated below and the Board/Committee of the Board be and is hereby authorized to offer, issue and allot on a preferential basis as enumerated below:

SN	Promoter Name	Equity Shares
1	JUHI VASWANI	545800
2	SUDHA VASWANI	614025
3	MANISHA VASWANI	204675
TOTAL		1364500

The Equity shares of face value Rs 10 each, shall be allotted at a par value of Rs 10 per share. The price is calculated in accordance with the SEBI (ICDR) Regulations 2009.

Further Resolved that the above equity shares will be allotted within 15 days from the date of the Annual General Meeting, if approval by any regulatory body for allotment is pending, the fifteen days shall be counted from the date of such approval.

Further Resolved that the full application money for the equity shares shall be received from the promoters before the allotment.

Further Resolved that the Board/Committee of the Board be and is hereby authorized to apply for and get the equity shares listed on the Stock Exchange, where the equity shares of the Company are listed and the equity shares so allotted shall rank pari-passu in all respect with the existing equity shares of the Company.

Further Resolved that for the purpose of giving effect to the above resolution, the Board/Committee of the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer/ issue, allotment, listing and utilization of the proceeds and to finalize and execute all deeds, documents and writings as may be necessary, proper, desirable or expedient as it may deem fit without being required to seek any further consent or approval of the shareholders of the Company to the intent that the shareholders shall be deemed to have given their approval thereto by the authority of this resolution.

Further Resolved that the Board/Committee of the Board be and is hereby authorized to accept any amendments, modifications, variations and alterations as the regulatory authority may stipulate.

Further Resolved that the Board/Committee of the Board be and is hereby authorized to delegate such powers to executives of the Company and/or others as it may deem fit and proper to give effect to the above said resolution."

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

Place: Raipur (C.G.)  
Date: 26/06/2013

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. Relevant Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of special business as set out above annexed hereto.

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3. A Corporate Member shall be deemed to be personally present only if it is represented in accordance with Section 187 of the Companies Act, 1956, i.e. only if the Corporate Member sends certified true copy of the Board Resolution authorizing the representative to attend and vote the Annual General Meeting.
4. Register of Members and Share Transfer Book of the Company will remain closed from; 19.08.2013 to 26.08.2013 (both days inclusive).
5. Members are requested to kindly notify the Company immediately any change of address:
  - a. To their Depository Participants (DPs) in respect of their electronic share accounts, and
  - b. To the Company at its Registered Office in their physical shares so as to enable the Company to address the future communications at their correct addresses.
6. 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.
7. 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.
8. 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.
9. Members will not be distributed any gift, compliment or kinds of such nature at the ensuing 10<sup>th</sup> Annual General Meeting of your Company.

## **Explanatory Statement**

### FOR ITEM 1 & 2:

Your Board has to consider from time to time proposals for diversification into areas which would be profitable for the company as part of diversification plans. For the purpose of the objects clause of the company which is presently very restricted in scope, requires to be so made out as to cover a wide range of activities to enable your company to consider embarking upon new projects and activities considered to be convenient, advantageous and feasible for the company's business.

The Board of directors had, in their meeting held on 26th June, 2013 decided to expand its activities further to stride in diversified field and to increase profit. Accordingly, it has been found desirable that the Other Objects Clause of the Memorandum of Association of the Company be amended suitably so as to include the said objects therein. As per the provisions of Section 17 of the Companies Act 1956, it has been made mandatory to get the approval of shareholders by passing Special Resolution before initiating any change in the existing Other Object Clause. Certain incidental powers are also being added for the convenience of the Company's operations.

Similarly Section 149(2A) of the Act requires prior approval of shareholders by passing Special Resolution for commencement of any business covered under Other Objects Clause of the Memorandum of Association.

The draft copy of altered Memorandum of association of the company is available for inspection at the registered office of the company on any working day during business hours. The amendment shall be effective upon the registration of the resolution with the Registrar of Companies, Madhya Pradesh & Chhattisgarh.

Your Directors recommend that the special resolution be passed. None of the Directors of the Company is interested or concerned in the said resolution.

### FOR ITEM 3:

Offer, issue and allot 1364500 equity shares to the promoters on preferential basis.

#### 1. Object of the issue:

The iron industry is going through a financial crisis. As the company has reported cash losses during the previous financial year, there is a need for additional working capital infusement, therefore proposed that the requirement be funded through preferential allotment of equity shares to the promoters. The aggregate amount brought in by the promoters through the preferential issue will be Rs 136.45 lacs

2. The proposal of the promoters /directors / key management persons to subscribe to the offer:  
The present promoters of the Company will subscribe to this preferential allotment as enumerated below:

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2	SUDHA VASWANI	614025
3	MANISHA VASWANI	204675
	TOTAL	1364500

None of the other Directors / other Key Management Personnel intend to subscribe to this offer.

### 3. Shareholding pattern of the company before and after the proposed issue of equity shares:

Category	Pre Issue Holding		Allotment of equity shares in preferential issue No. of shares to be issued	Post-issue holding	
	No. of shares held	%		No. of shares held	%
Promoters	14790200	54.20	1364500	16154700	56.38
Mutual Funds	0		0	0	
Financial Inst/ Banks	0		0	0	
Foreign Institutional Investor	0		0	0	
Bodies Corporate	3931187	14.41	0	3931187	13.72
Individual shareholding nominal value of share capital upto Rs 1 lacs	2404425	08.81	0	2404425	08.39
Individual shareholding nominal value of share capital excess of Rs 1 lacs	5070406	18.58	0	5070406	17.69
Others	1093982	4.00	0	1093982	03.82
Total	27290200	100.00	1364500	28654700	100.00

Notes with respect to share holding pattern: (a) The above shareholding pattern is prepared on the basis of 31.03.2013. (b) Post-allotment pattern has been arrived on the assumption that the non-promoters proportion of holding remains the same.

### 4. Proposed time within which allotment will be completed

The Company will complete the allotment of equity shares within a period of 15 days from the date of passing of the special resolution by the shareholders in the Annual General Meeting excluding the time taken in obtaining the necessary approvals, if any, or within such further period as may be prescribed or allowed by the SEBI, Stock Exchange or other concerned authorities.

5. The identity of the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue

#### Details of proposed allottees:

Proposed Allottees	Pre-issue equity holding	% of pre issue	Number of shares to be issued	Post issue holding	% of post issue
JUHI VASWANI	1562500	5.73	545800	2108300	7.36
SUDHA VASWANI	1241200	4.55	614025	1855225	6.47
MANISHA VASWANI	1717500	6.29	204675	1922175	6.71
TOTAL	4521200	16.57	1364500	5885700	20.54

In terms with SEBI (ICDR) Regulations, the company has obtained PAN details from the proposed allottees.

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Change in control:

There is no change in the management of the Company pursuant to the preferential issue.

6. Undertaking:

In terms of Regulation 73(1)(f) and (g) of SEBI(ICDR) Regulations, the company undertakes to: (i) re-compute the price of the specified securities (if required) as per the regulations and (ii) if the amount payable on account of re-computation of price is not paid as per regulation, the specified securities shall remain locked-in till the time such amount is paid.

7. Certificate from auditors:

M/s. Sunil Johri & Associates, Chartered Accountants, the Statutory Auditors of the Company, have certified that the said preferential issue is in accordance with the requirements contained in the Guidelines and the said Certificate will be placed before the Annual General Meeting. The Memorandum & Articles of Association of the Company, Auditors Certificate and other documents referred to in the proposed resolution and in the Explanatory Statement are open for inspection at the Registered Office of the Company on any working day except Public Holidays and Sundays between 9.00 a m and 5.30 p m up to the date of the Annual General Meeting and will also be placed before the Annual General Meeting.

8. Lock-in

The pre-preferential and post preferential allotment shall be locked in terms with the SEBI (ICDR) Regulations

9. Pricing of preferential issue:

The issue price of equity shares as per Regulation 76 of ICDR Guidelines will be at a price not less than the higher of the following:

- The average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months preceding the relevant date; or
- The average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date;
- At par value of shares, i.e. Rs.10/- per equity share.

Explanation: "Relevant date" as per Regulation 71 of ICDR Guidelines for the purpose of this clause means, the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue.

10. Allotment and Terms of payment:

The equity shares will be allotted within 15 days from the date of the Annual General Meeting. The full consideration for the equity shares shall be received from the promoters before the allotment.

Hence, the resolution is placed before the shareholders. The Directors recommend the resolution for your approval. None of the directors (other than those issued equity shares under this resolution) are, in any way, concerned or interested in this resolution.

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

SD/-  
Ravi Vaswani  
(Chairman & Managing Director)

Place: Raipur (C.G.)  
Date: 26/06/2013

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