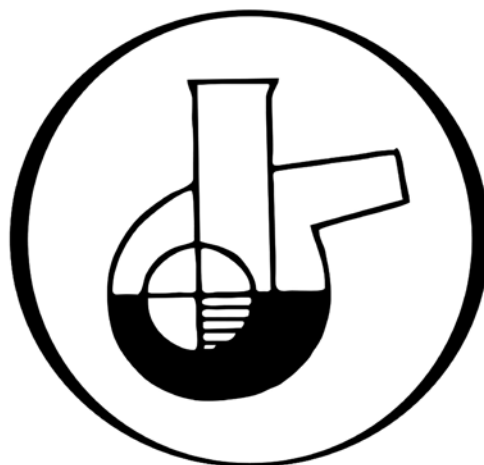


VIVID GLOBAL INDUSTRIES LIMITED



**30th
Annual Report 2016-17**

30th Annual Report 2016-17

BOARD OF DIRECTORS:

SHRI. SUMISH S. MODY	MANAGING DIRECTOR
SMT. ASHA S. MODY	EXECUTIVE DIRECTOR
SHRI. MITEN S. MODY	WHOLE-TIME DIRECTOR
SHRI. DHARMESH D. CHOKSI	INDEPENDENT DIRECTOR
SMT. ALKA PAREKH HIMANSHU	INDEPENDENT DIRECTOR

CHIEF FINANCIAL OFFICER

SHRI. SUDHIR M. MODY

COMPANY SECRETARY:

SMT. NILAM PRADEEP BAJORIA

BANKERS:

BANK OF BARODA,
BACKBAY RECLAMATION BRANCH,
MUMBAI – 400020.

AUDITORS:

M/s. K.M.KAPADIA & ASSOCIATES,
SHOP NO. 49, 1ST FLOOR,
ASHOKA SHOPPING CENTRE,
L. T. MARG, MUMBAI – 400001.

INTERNAL AUDITOR:

SMT. AMISHA M. MODY

SECRETARIAL AUDITOR:

PANKAJ & ASSOCIATES,
COMPANY SECRETARY IN PRACTICE.

REGISTERED OFFICE:

D-21/1, M.I.D.C., TARAPUR,
VIA BOISAR, DIST. PALGHAR, MAHARASHTRA - 401506

ADMINISTRATIVE OFFICE:

C/o. SUMICHEM CORPORATION,
1-D, DHANNUR BUILDING,
SIR. P.M.ROAD, FORT,
MUMBAI – 400 001

EMAIL ID : info@vividglobalinds.com

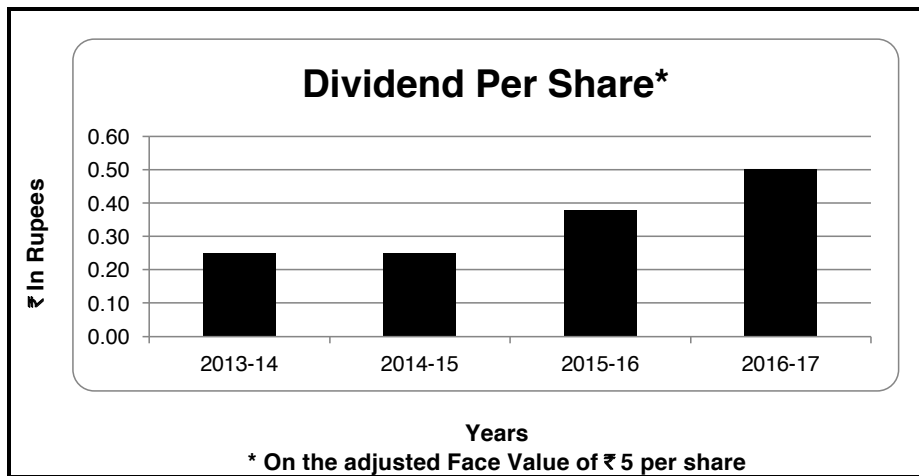
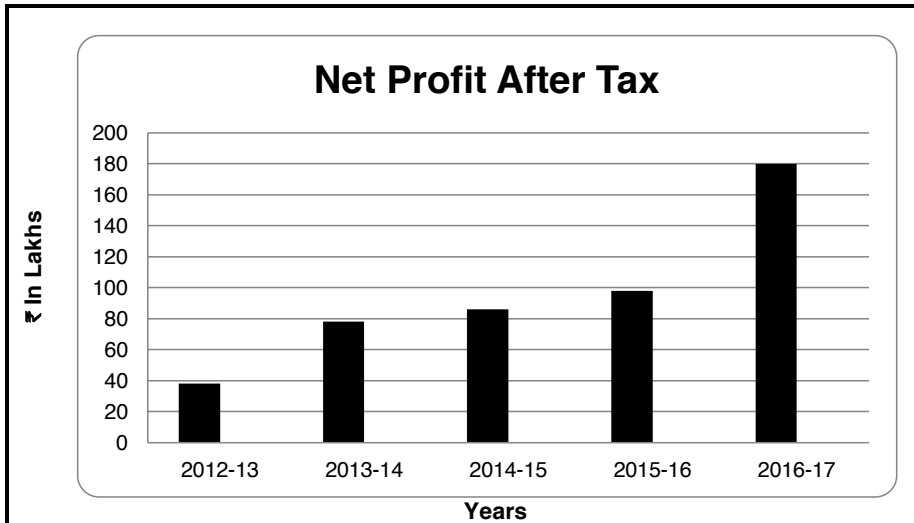
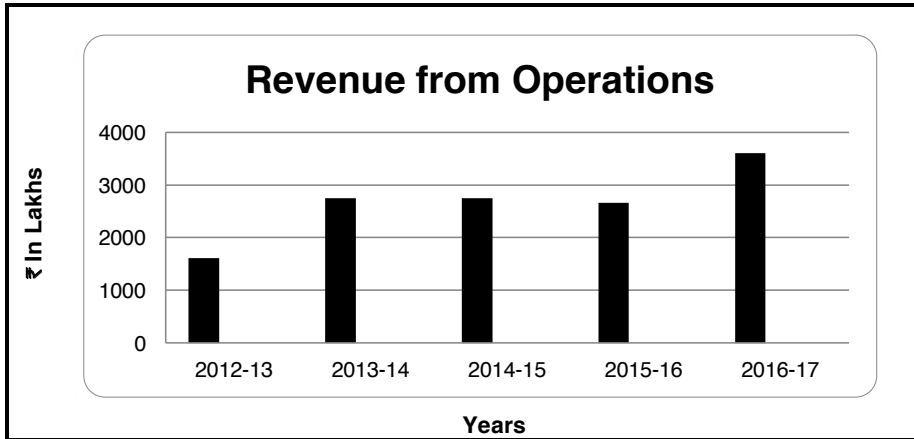
WEBSITE URL : www.vividglobalinds.com

REGISTRAR & SHARE TRANSFER AGENTS:

REGD. OFFICE & INVESTOR RELATION CENTRE:

SHAREX DYNAMIC (INDIA) PVT. LTD.
UNIT NO.1, LUTHRA IND.PREMISES,
SAFED POOL, ANDHERI KURLA ROAD,
ANDHERI (EAST), MUMBAI – 400072.

PERFORMANCE HIGHLIGHTS



NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of the members of Vivid Global Industries Limited will be held on Wednesday, the 27th September, 2017 at 11.00 a.m. at Banquet Hall of Hotel Sarovar Residency, P-180-Tarapur MIDC Area, Near Hotel Sarovar, Chitralaya, Boisar (W), Dist. Palghar, Maharashtra- 401506, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2017 and Profit and Loss Account for the Year ended on that date together with the Reports of Directors' and Auditors' thereon.
2. To appoint Director in place of Shri. Sumish S. Mody (DIN: 00318652) who retires by rotation and being eligible offers himself for re-appointment.
3. To declare Dividend for the Financial Year 2016-17 on Equity Shares.

"RESOLVED THAT in terms of recommendation of Board of Directors of the Company, the approval of the members of the Company be and is hereby granted for payment of dividend @ ₹ 0.50 per share (i.e. 10%) on the fully paid up equity shares of ₹ 5/- each of the Company for the year 2016-17 and same be paid to all the members whose names appear in the register of members and in case of the shares held in the electronic mode to those members whose names appear in the records of the depository participant as on 19th September, 2017."

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 first proviso to Section 139(1) of the Companies Act, 2013, read with the first proviso to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the appointment of M/s. Saumil J. Kapadia & Co., Mumbai, (Firm Reg. No. 135970W) as the auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Thirty Fifth (35th) Annual General Meeting of the Company, subject to ratification by Members every year on a remuneration (including terms of payment) to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, plus service tax and such other tax(es), as may be applicable, and reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company for the years ending March 31, 2018 upto March 31, 2022."

SPECIAL BUSINESS:

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

"RESOLVED THAT in partial modification of earlier Resolutions passed at the Twenty Ninth Annual General Meetings of the Company held on 29th September, 2016 and pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification (s) or reenactment thereof, for the time being in force), read with Schedule V to the Companies Act, 2013 and in terms of recommendations of the "Nomination & Remuneration Committee" and as approved by the Board of Directors, approval of Members of the Company be and is hereby accorded to revise remuneration of Shri. Sumish S. Mody, Managing Director (DIN: 00318652) from 1st April, 2017 as set out in the Explanatory Statement.

RESOLVED FURTHER THAT notwithstanding anything contained hereinabove, where, during the term of employment of the Managing Director, if in any financial year, the Company has no profits or its profits are inadequate, unless otherwise approved by any Statutory Authority, as may be required, the remuneration payable to the Managing Director including salary, perquisites and any other allowances shall be governed and be subject to the conditions and ceiling provided under the provisions of Schedule V of Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all necessary steps for the aforesaid purpose and matters incidental thereto."

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification (s) or reenactment thereof, for the time being in force), read with Schedule V to the Companies Act, 2013 and in terms of recommendations of the “Nomination & Remuneration Committee” and as approved by the Board of Directors, approval of Members of the Company be and is hereby accorded to revise remuneration of Smt. Asha S. Mody, Executive Director (DIN: 00221440) from 1stApril, 2017 as set out in the Explanatory Statement.

RESOLVED FURTHER THAT notwithstanding anything contained hereinabove, where, during the term of employment of the Executive Director, if in any financial year, the Company has no profits or its profits are inadequate, unless otherwise approved by any Statutory Authority, as may be required, the remuneration payable to the Executive Director including salary, perquisites and any other allowances shall be governed and be subject to the conditions and ceiling provided under the provisions of Schedule V of Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all necessary steps for the aforesaid purpose and matters incidental thereto.”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification (s) or reenactment thereof, for the time being in force), read with Schedule V to the Companies Act, 2013 and in terms of recommendations of the “Nomination & Remuneration Committee” and as approved by the Board of Directors, approval of Members of the Company be and is hereby accorded to revise remuneration of Shri. Miten S. Mody, Whole-Time Director (DIN: 02422219) from 1stApril, 2017 as set out in the Explanatory Statement.

RESOLVED FURTHER THAT notwithstanding anything contained hereinabove, where, during the term of employment of the Whole-Time Director, if in any financial year, the Company has no profits or its profits are inadequate, unless otherwise approved by any Statutory Authority, as may be required, the remuneration payable to the Executive Director including salary, perquisites and any other allowances shall be governed and be subject to the conditions and ceiling provided under the provisions of Schedule V of Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all necessary steps for the aforesaid purpose and matters incidental thereto.”

REGISTERED OFFICE

D-21/1 M.I.D.C., Tarapur,
Via Boisar, Dist. Palghar,
Maharashtra - 401506

Dated: 28.07.2017

For and on behalf of the Board

**Sd/-
SUMISH S. MODY
MANAGING DIRECTOR
DIN: 00318652**

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. 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.**

A person can act as proxy on behalf of members not exceeding 50 (fifty) in number and holding in the aggregate not more than 10% of the total issued and paid up share capital of the Company. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable. A member holding more than 10% of the total issued and paid up share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

2. An Explanatory Statement as required under Section 102 of the Companies Act, 2013, is annexed hereto.
3. The Register of Members and Transfer Books of the company will remain closed from 20.09.2017 to 27.09.2017 (Both days inclusive).
4. The dividend for the year ended 31st March, 2017 as recommended by the Board, will be paid to those members whose names appear on the Company's Register of Members on 19.09.2017. In respect of shares held in demat form; the dividend will be paid to the beneficial owners of shares as per details furnished by the Depositories for the purpose. The dividend, if approved, at the Annual General Meeting, will be paid within 30 days thereof.
5. Members desiring to seek any further information or clarification on the Annual Accounts or operations of the Company at the meeting are requested to send their queries so as to reach the Registered Office at least 10 days in advance of the date of meeting to enable the management to keep the information ready.
6. The Members are requested to bring their copies of the Annual Report to the meeting.
7. Members are requested to notify immediately any change in their address to the Companies Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd., Unit No.1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400072.
8. (a) Members desirous of receiving Notices and/or documents from the Company through the electronic mode are urged to update their email addresses with their Depository Participants, where shares are held in electronic form and to the Share department of the Company / Share Transfer Agents where shares are held in physical form.

(b) Email Addresses of Members are advised to the Share Department of the Company / Share Transfer Agents where shares are held in physical mode or registered with Depositories where shares are held in the electronic mode will be deemed to be the Member's registered Email address for serving Company documents/notices as per provisions of the Act and the instructions of the Ministry of Corporate Affairs. Members intending to refresh/update their email addresses should do so as soon as possible.
9. Members holding shares, in physical form, in identical order of names in more than one Folio, are requested to write to the Share Department of the Company / Share Transfer Agents enclosing the relevant Share Certificates requesting consolidation of such folios into one folio.
10. As per the provisions of the Act, the facility for making nominations is available to individuals holding shares in the company. The Nomination Form - 2B, prescribed by the Government for the purpose, can be obtained from the Share Department of the Company / Share Transfer Agent.
11. Voting through Electronic Means(E-Voting):
 1. In compliance with the 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 the members with facility to exercise their right to vote at the 30th Annual General Meeting by electronic means and the business may be transacted through e-Voting services as provided by National Securities Depository Limited (NSDL):

The instruction for e-voting is as under:

- A. In case a Member receives an email from NSDL {for members whose email IDs are registered with the Company/ Depository Participant(s)}:
- i) Open email and open PDF file 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 digital 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 Vivid Global Industries 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 the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email to shirdipankaj@hotmail.com with a copy marked to evoting@nsdl.co.in
- 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 Participant(s) or requesting physical copy]:
- i) Initial password will be provided separately:
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.
2. 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
 3. 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.
 4. 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).

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5. The E-voting period shall commence from Sunday the 24.09.2017 and ends on Tuesday the 26.09.2017. The voting by electronic means shall not be allowed beyond 5.00 p.m. on 26.09.2017. During the e-voting period, Members of the Company, holding shares either in physical or dematerialized form, as on end of the day of business hours 19.09.2017 will be eligible to cast their vote electronically. Once the vote on a resolution is cast by the shareholder, it cannot be changed subsequently.
6. The voting rights of shareholders shall be in proportion to their shares of the paid up equity capital of the Company as on the cut-off date (record date) of 19.09.2017.
7. Mr. Pankaj S. Desai, B.Com(Hons), A.C.S, A.C.A has been appointed as Scrutinizer having their office at 5/14, Malad C.H.S., Opp. Saraf Hall, Poddar Park, Malad (East), Mumbai – 400097, to scrutinize the e-voting process in a fair and transparent manner.
8. 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.
9. The Results shall be declared within forty eight hours from the conclusion of the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website vividglobalinds.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited (BSE) accordingly.

REGISTERED OFFICE

D-21/1 M.I.D.C., Tarapur,
Via Boisar, Dist. Palghar,
Maharashtra - 401506

Dated: 28.07.2017

For and on behalf of the Board

**Sd/-
SUMISH S. MODY
MANAGING DIRECTOR
DIN: 00318652**

Details of Directors seeking appointment/re- appointment at the Annual general Meeting [Pursuant to Regulation 36(3) of the Listing Regulation], are as follows:

1.	Name of the Director	Shri. Sumish Sudhir Mody
2.	DIN	00318652
3.	Date of Birth	09/06/1972
4.	Date of Original Appointment	01/01/2009
5.	Experience in specific Areas	He is looking after Production, Marketing, Finance, Exports, Imports, Trading activities, Banking, etc.
6.	Qualifications	M.B.A. (Finance & Marketing) from Rider University, U.S.A.
7.	Directorships in other Companies	Vivid Intermediates Pvt. Ltd. Shlokee Builders And Developers Pvt. Ltd.
8.	Membership / Chairmanship of Committees other than Vivid Global Industries Limited	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 4

The term of office of M/s. K.M. KAPADIA & ASSOCIATES, Chartered Accountants (Firm Reg. No. 104777W) who were appointed as the Statutory Auditors of the Company, expires upon conclusion of the ensuing Annual General Meeting of the Company.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Saumil J. Kapadia & Co., Mumbai, (Firm Reg. No. 135970W) are proposed to be appointed as Statutory Auditors of the Company. They have signified their assent and confirmed their eligibility to be appointed as Auditors in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

The Board on the recommendations of the Audit Committee have resolved to place the proposal of Appointment of M/s.Saumil J. Kapadia & Co., Chartered Accountants, as Statutory Auditors for a term of five consecutive years i.e. from the conclusion of ensuing AGM until the conclusion of AGM of the Company to be held in the year 2022 subject to the ratification of their appointment by the shareholders at each AGM held after this AGM.

Item No. 5

Shri. Sumish S. Mody has played a key role in the growth of the Company's business and has substantially contributed in taking the Organization to the current position. He has been instrumental in the acquisition of quality projects added over the past few years resulting in accelerated pace of growth and optimization of stakeholders' return and total remuneration of ₹ 65,000/- per month was being paid by the Company for his services as Managing Director. Keeping in view, the additional roles and responsibilities borne by the Managing Director, Subject to necessary approval by the Members at the ensuing Annual General Meeting and on recommendation of the Nomination & Remuneration Committee in its meeting held on 28th July, 2017 and approval of the Board of Directors in its meeting held on 28th July, 2017, revised remuneration payable to Shri. Sumish S. Mody as Managing Director from 1st April, 2017 is Basic: ₹ 1,15,000 /-per month

Save and except as indicated hereinabove, other terms of appointment of Shri. Sumish S. Mody, Managing Director, remains the same.

This Explanatory Statement be treated as a written memorandum under Section 190 of the Companies Act, 2013, of the Agreement between the Company and Shri. Sumish S. Mody.

In compliance with the applicable provisions of the Companies Act, 2013, an Ordinary Resolution as per the terms set out in Item No. 5 of the accompanying Notice is being placed before the members in the Annual General Meeting.

Except Shri. Sumish S. Mody, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the resolution set out in Item no. 5.

The Board of Directors recommends the resolution for approval by the members.

Item No. 6

Smt. Asha S. Mody is Executive Director of the Company and from past eleven years, she has been one of the key person to taking the Organization to the current position. Total remuneration of ₹ 17,360/- per month was being paid by the Company for her services as Executive Director. Therefore, need has arisen to revise her remuneration. Accordingly, on recommendation of the Nomination & Remuneration Committee in its meeting held on 28th July, 2017 and approval of the Board of Directors in its meeting held on 28th July, 2017, Subject to necessary approval by the Members at the ensuing Annual General Meeting, revised remuneration payable to Smt. Asha S. Mody as Executive Director from 1st April, 2017 is Basic: ₹ 20,000/-per month.

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Save and except as indicated hereinabove, other terms of appointment of Smt. Asha S. Mody as Executive Director, remains the same.

This Explanatory Statement be treated as a written memorandum under Section 190 of the Companies Act, 2013, of the Agreement between the Company and Smt. Asha S. Mody.

In compliance with the applicable provisions of the Companies Act, 2013, an Ordinary Resolution as per the terms set out in Item No. 5 of the accompanying Notice is being placed before the members in the Annual General Meeting.

Except Smt. Asha S. Mody, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the resolution set out in Item no. 6.

The Board of Directors recommends the resolution for approval by the members.

Item No. 7

Shri. Miten S. Mody is Whole-time Director of the Company. He has been giving full time attention to the business of the Company. Total remuneration of ₹ 60,200/- per month was being paid by the Company for his services as Executive Director. Therefore, need has arisen to revise his remuneration. Accordingly, on recommendation of the Nomination & Remuneration Committee in its meeting held on 28th July, 2017 and approval of the Board of Directors in its meeting held on 28th July, 2017, Subject to necessary approval by the Members at the ensuing Annual General Meeting, revised remuneration payable to Shri. Miten S. Mody as Whole-time Director from 1st April, 2017 is Basic: ₹ 67,700/- per month.

Save and except as indicated hereinabove, other terms of appointment of Shri. Miten S. Mody, Whole-time Director, remains the same.

This Explanatory Statement be treated as a written memorandum under Section 190 of the Companies Act, 2013, of the Agreement between the Company and Shri. Miten S. Mody.

In compliance with the applicable provisions of the Companies Act, 2013, an Ordinary Resolution as per the terms set out in Item No. 7 of the accompanying Notice is being placed before the members in the Annual General Meeting.

Except Shri. Miten S. Mody, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the resolution set out in Item no. 7.

The Board of Directors recommends the resolution for approval by the members.

REGISTERED OFFICE

D-21/1 M.I.D.C., Tarapur,
Via Boisar, Dist. Palghar,
Maharashtra - 401506

Dated: 28.07.2017

For and on behalf of the Board

**Sd/-
SUMISH S. MODY
MANAGING DIRECTOR
DIN: 00318652**

DIRECTORS' REPORT

To The Members,

Your directors have pleasure in presenting the Thirtieth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2017.

1. FINANCIAL STATEMENTS & RESULTS**a. FINANCIAL SUMMARY :**

Financial summary and performance highlights of your Company, for the financial year ended 31 March, 2017 are as follows:

(₹ in Lakhs)

Particulars	31 st March, 2017	31 st March, 2016
Income from Operations & Other income excluding Excise & Sales Tax	3625.89	2688.75
Profit/(Loss) before Depreciation & Interest	289.83	164.55
Less: Depreciation & Interest	48.09	15.82
Net Profit / (Loss) before Exceptional items and Tax	241.74	148.73
Add/Less: Prior years adjustments, Deferred tax etc.	60.30	51.00
Less: Exceptional items/Prior Period Items	0.66	(0.07)
Net Profit / (loss) after tax	180.78	97.80
Net Profits after Dividends	125.03	56.53
Add / Less: Profit/(Loss) Brought forward	(80.26)	(136.79)
Balance carried to Balance Sheet	44.77	(80.26)

b. OPERATIONS:

During the year under review, the Company has recorded the higher total income of ₹ 3625.89 Lakhs as compared to ₹ 2688.75 Lakhs for the previous year and increased net Profits after tax of ₹ 180.78 Lakhs for the year as compared to the profits of ₹ 97.74 Lakhs in the previous year.

c. FUTURE PROSPECTS:

The Board of Directors are pleased to announce that the Company was successful in introducing Tobias Acid for pigment grade whose main application is for Paint Industry. The Company has started getting the export orders of this product from Taiwan, Huntsman, Europe and Japanese markets and also is in the process of developing new market potential in Korea, China & USA.

The Company expects to increase the Plant capacity from current 80 MT to 100 MT per month which would be commissioned by December 2017 beginning, leading to increase in more turnover and profitability for the quarter and year ended 31.03.2018.

d. DIVIDEND:

Your Directors are pleased to recommend a dividend of ₹ 0.50 per Equity Share of ₹ 5/- each (i.e. 10%) for the year ended March 31, 2017 (previous year ₹ 0.38 per Equity Share). The dividend, if approved by the shareholders, will be paid out of the profits of the Company for the year to all those equity shareholders whose name appears on the Register of Members of the Company as on the record date.

e. CHANGE IN SHARE CAPITAL:

The Paid-up Share Capital of the Company as on 31st March, 2017 was ₹ 4.56 Crores comprising of 91,28,870 Shares of ₹ 5/- each. The Board of Directors of your company during the year under review, has dropped the proposal to allot Equity shares on preferential basis to Mrs. Meena S. Mody, one of the promoter of the Company, as was approved by the shareholders twice in the Annual General Meeting held on 29th September, 2016 and by Postal Ballot conducted on 31st December, 2016.

The company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

f. DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

g. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report as required under the Listing Regulations, which form an integral part of this Report, is set out as separate "Annexure D".

h. FINANCE:

Cash and cash equivalents as at March 31, 2017 was ₹ 2,61,29,392/-. The company continues to focus on judicious management of its working capital, Receivables, inventories and other working capital parameters which were kept under strict check through continuous monitoring.

i. SUBSIDIARY COMPANIES:

The Company does not have any subsidiary.

j. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are some materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. The disclosure of material Related Party Transaction in FORM AOC-2 is given in "Annexure A" to this report.

k. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company are given in the notes to the financial statements.

2. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per the provisions of the Companies Act, 2013, Shri. Sumish S. Mody, retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

On recommendation of the Nomination & Remuneration Committee in its meeting held on 28th July, 2017 and approval of the Board of Directors in its meeting held on 28th July, 2017, revised remuneration payable to Shri. Sumish S. Mody as Managing Director, Smt. Asha S. Mody as Executive Director and Shri. Miten S. Mody from 1st April, 2017.

The necessary resolutions for the appointment/revision in remuneration are also being placed before the members for their consideration at the forthcoming Annual General Meeting.

- **DECLARATION BY INDEPENDENT DIRECTORS :**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and SEBI Listing Regulations and the relevant rules. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and Rules made thereunder and are independent of the Management.

- **BOARD EFFECTIVENESS :**

- i. Familiarization Programme For Independent Directors**

Pursuant to requirements of the Listing Regulations, the Company has a familiarization programme for Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The Board Members are provided with all necessary documents/ reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board constituted Committee Meetings pertaining to business and performance updates of the Company, global business environment, business strategies and risks involved. Directors attend training programmes/ conferences on relevant subject matters and keep themselves abreast of the latest corporate, regulatory and industry developments.

The same has been posted on website of the Company viz; www.vividglobalinds.com

- ii. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, 2015, the evaluation of the performance of the Board as well as of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee has been carried out. The performance evaluation of the Independent Directors was carried out by the entire Board and the performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

- a. BOARD MEETINGS:**

During the year 5 (five) Board Meetings and 4 (four) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

- b. DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134(3)(c) and 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.
- iii) The directors have 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.
- iv) The directors have prepared the annual accounts on a going concern basis.

- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

c. NOMINATION AND REMUNERATION COMMITTEE:

The details pertaining to the composition of the Nomination and Remuneration Committee are included in the Report on Corporate Governance, which forms part of this Report.

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

The Committee at its meeting held on 28th July, 2017, recommended revision in remuneration payable to Shri. Sumish S. Mody as Managing Director of the Company and the necessary resolutions for the said revision in remuneration is also being placed before the members for their consideration at the forthcoming Annual General Meeting.

d. AUDIT COMMITTEE:

The details pertaining to the composition of the Audit Committee are included in the Report on Corporate Governance, which forms part of this Report.

During the year under review, there was no instance wherein the Board had not accepted any recommendation of the Audit Committee.

e. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Fraud Risk and Management Policy to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

f. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman of the Company. The Internal Auditor appointed by the Company viz. Smt. Amisha Mody, monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. The Audit Committee of the Board addresses significant issues raised by both the Internal Auditors and Statutory Auditors.

g. BUSINESS RISK MANAGEMENT :

Integrated enterprise risk management framework is in existence under which the common prevailing risks in the

Company are identified, the risks so identified are reviewed on periodic basis by the Audit Committee and the management's actions to mitigate the risk exposure in a timely manner are assessed.

A risk management policy under the above said enterprise risk management framework as approved by the Board has been adopted by the Company and being reviewed on yearly basis.

At present the company has not identified any element of risk which may threaten the existence of the company.

h. REMUNERATION DETAILS PURSUANT TO COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND OTHER APPLICABLE PROVISIONS :

- Information pursuant to Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:-
 - i. The percentage of increase in remuneration of each Director, Chief Financial Officer and Company during the financial year 2016-17, ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2016-17 and the comparison of remuneration of each KMP against the performance of the company are as under:

Sr. No.	Name of the Director/ KMP and designation	Remuneration of the Director/ KMP for the financial year 2016-17	% increase in remuneration in the financial year 2016-17	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of employees
1.	Shri. Sumish S. Mody – Managing Director	780000	-	4.36:1	The remuneration of the Directors & KMPs is well within the industry limits and in tandem with the performance of the company
2.	Smt. Asha S. Mody - Director	208320	0.90%	1.17 : 1	
3.	Shri. Miten S Mody - Wholetime Director	722400	19.92%	4.04 : 1	
4.	Shri. Sudhir M.Mody – CFO	134000	-	0.75 : 1	
5.	Smt. Nilam P. Bajoria - Company Secretary	112320	-	0.63 : 1	

- ii. The median remuneration of employees of the Company during the financial year was ₹ 1.79 Lakhs;
- iii. In the financial year, there was no change in the median remuneration of employees;
- iv. There were 48 permanent employees on the rolls of Company as on 31st March, 2017;
- v. Relationship between average increase/ decrease in remuneration and company performance:

The Profit before Tax for the financial year ended 31st March, 2017 stood at ₹ 2.41 crores from the profit of ₹ 1.48 crores posted in the same period last year. There was no change in the median remuneration. The average increase in median remuneration was in line with the performance of the Company.
- vi. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

The total remuneration of Key Managerial Personnel was not increased in FY 2016-17, whereas profit before tax stood at ₹ 2.41 crores in FY 2016-17 from profit of ₹ 1.48 crores posted in the same period last year.

- vii. a) Variations in the market capitalization of the Company: The market capitalization as on 31st March, 2017 was ₹ 3581.23 Lakhs (₹ 739.43 Lakhs as on 31st March, 2016).
- b) Earnings ratio of the Company was 19.81 as at 31st March, 2017 and was 15 as at 31st March, 2016.
- viii. No Increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17.
- ix. 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 the Nomination and Remuneration Committee as per the Remuneration Policy of the Company.
- x. During the year ended 31st March, 2017, there was no employee, who is not a Director of the Company and received remuneration in excess of highest paid Director of the Company.
- xi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.
 - Information pursuant to Rule 5(2) and (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:- There was no employee, who is paid in excess of the limit as specified in the rule.

4. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017:

There are no qualifications, reservation or adverse remark or disclaimer made by statutory auditor in his report. The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2017 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

b. SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31ST MARCH, 2017:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Pankaj & Associates, a firm of company Secretaries in practice, to undertake the Secretarial Audit of the Company. The Secretarial Audit report of the Company for the financial year ended 31st March, 2017 in the prescribed form MR-3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "Annexure B".

c. STATUTORY AUDITORS:

The term of office of M/s. K.M. KAPADIA & ASSOCIATES, Chartered Accountants (Firm Reg. No. 104777W) who were appointed as the Statutory Auditors of the Company, expires upon conclusion of the ensuing Annual General Meeting of the Company.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Saamil J. Kapadia & Co., Mumbai, (Firm Reg. No. 135970W) are proposed to be appointed as Statutory Auditors of the Company. They have signified their assent and confirmed their eligibility to be appointed as Auditors in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

The Board on the recommendations of the Audit Committee have resolved to place the proposal of Appointment of M/s. Saumil J. Kapadia & Co., Chartered Accountants, as Statutory Auditors for a term of five consecutive years i.e. from the conclusion of ensuing AGM until the conclusion of AGM of the Company to be held in the year 2022 subject to the ratification of their appointment by the shareholders at each AGM held after this AGM.

d. INTERNAL AUDIT:

Smt. Amisha Mody, Internal Auditors of the Company have carried out audit on various expense heads of the Company and site and inventory management. The findings of the Internal Auditors are discussed on an ongoing basis in the meetings of the Audit Committee and corrective actions are taken as per the directions of the Audit Committee.

5. OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March 2017 made under the provisions of Section 92(3) of the Act is attached as "Annexure C" which forms part of this Report.

b. CONSERVATION OF ENERGY:

- i. Though the Company's manufacturing operations do not involve substantial energy consumption, the Company has taken adequate steps to improve energy utilization wherever possible.
- ii. Additional investments and proposals for reduction of consumption of energy- No additional investments made during the year.
- iii. Impact of the above measures: Nil
- iv. Total energy consumption and energy consumption per unit of production: "FORM – A" Not Applicable.

c. TECHNICAL ABSORPTION, ADAPTION AND INNOVATION:

- i. The Company is having in-house R&D facilities for all its products and doing continuous research for its improvement.
- ii. The Company is examining possibilities of new technology to improve the quality and yield of the products development by in-house technical personnel.
- iii. Imported Technology: No technology was imported by the Company during the year under review.

d. INDUSTRIAL RELATIONS:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

e. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- i. Activities relating to export, initiative taken to increase exports, development of new export markets for products and services. During the current year, the Company has exported its products to Far East Countries. Efforts are being made to develop new markets and the Company expects substantial increase in exports during the current year.

ii. Total Foreign Exchange.

- Outgo- ₹ 13,49,58,515/-
- Earned- ₹ 15,26,85,338/-

f. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of business of the Company.

g. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

h. MATERIAL CHANGES AND COMMITMENTS:

There are no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year 31 March, 2017 to which the financial statements relates and the date of signing of this report.

i. CORPORATE GOVERNANCE:

The Corporate Governance, which form an integral part of this Report, are set out as separate Annexure E, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Listing Regulations.

j. PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE:

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has adopted a policy for prevention of sexual harassment at work place and has constituted an Internal Complaints Committee. During the year, the Company has not received any complaints on sexual harassment under the said Act.

k. REPORTING OF FRAUD:

The Auditors of the Company have not reported any fraud as specified under the second provision of Section 143(12) of the Act.

l. HUMAN RESOURCES (HR):

The Company's HR policies and procedures are designed to recruit and retain the best talent to support the operations of your Company and to align the interests of all employees with the long term organizational goals.

6. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. Details relating to deposits covered under Chapter V of the Act.
- b. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- c. Issue of sweat equity shares to employees of the Company under any scheme.

- d. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- e. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- f. No revision of Financial Statements has been done during the year under review.

7. LISTING OF SHARES

Your Company's shares are listed on the Bombay Stock Exchange Limited. Listing fees of BSE Limited has been paid within the stipulated time period.

8. ACKNOWLEDGEMENTS AND APPRECIATION:

The Board of Directors wishes to express its gratitude and record its sincere appreciation for the commitment and dedicated efforts put in by all the employees. Your Director take this opportunity to express their grateful appreciation for the encouragement, co-operation and support received by the Company from the local authorities, bankers, customers, suppliers and business associates. The Directors are thankful to the esteemed shareholders for their continued support and the confidence reposed in the Company and its management.

Place: MUMBAI
Date: 28.07.2017

For and on behalf of the Board of Directors

Sd/-
ASHA S. MODY
DIRECTOR
DIN: 00221440

Sd/-
SUMISH S. MODY
MANAGING DIRECTOR
DIN: 00318652

ANNEXURE-A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

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

(a) Name(s) of the related party and nature of relationship:

1. Vivid Intermediates Pvt. Ltd. - Associate Company

2. Sumichem Corporation- Partnership Firm (Enterprises over which Key Management Persons have significant influence)

3. Vivid Chemical- Partnership Firm (Enterprises over which Key Management Persons have significant influence).

(b) Nature of transactions: Salaries, Rent, Electricity Charges & Professional Fees Paid

(c) Duration of the transactions: April 16 - March 17

(d) Salient terms of the transactions including the value, if any: Salaries, Electricity Charges Paid, Rent Paid, Professional fees Paid etc. at arm's length basis. (for details of transactions during the year refer Note No. II (6) of Financial Statement)

(e) Date(s) of approval by the Board, if any: 30/05/2016

(f) Amount paid as advances, if any: NIL

For and on behalf of the Board of Directors

**Sd/-
ASHA S. MODY
DIRECTOR
DIN: 00221440**

**Sd/-
SUMISH S. MODY
MANAGING DIRECTOR
DIN: 00318652.**

ANNEXURE-B

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2017

To,
The Members,
Vivid Global Industries Limited,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vivid Global 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 our opinion thereon.

Based on our verification of the Vivid Global Industries Limited's 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, 2017 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 Vivid Global Industries Limited ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rule and regulations made thereunder. There was no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 5) 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - d) 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;
 - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, **(No instances for compliance requirements during the year);**
 - g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(No instances for compliance requirements during the year);**

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- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, **(No instances for compliance requirements during the year)**; and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, **(No instances for compliance requirements during the year)**;

We have also examined compliance with the applicable clauses of the Listing Obligations entered into by the Company with Bombay Stock Exchange (BSE Limited);

6) Other laws applicable specifically to the Company

- a) Factory Act, 1948;
- b) The Export and Import Policy of India;
- c) Hazardous Waste (Management and Handling) Rules, 1989 amended 2000 and 2003;
- d) Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 amended 2000;
- e) Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996;
- f) Public Liability Insurance Act, 1991 amended 1992 and Rules;
- g) The Gas Cylinder Rules, 2004;
- h) The Static and Mobile Pressure Vessels (Unfired) Rules, 1981;
- i) The Merchant Shipping Act, 1958 and amendments;
- j) Labour Laws and other incidental Laws related to the employees appointed by the Company either on its payroll or on the contractual basis as related to the wages, provident fund, Gratuity, ESIC, Compensation etc;
- k) Foreign Exchange Management Act, 1999 / Foreign Direct Investment Policy;
- l) Consumer Protection Act, 1986;
- m) Acts Specified under the Direct and the Indirect tax;
- n) Acts prescribed under the Environmental Protection, 15 Acts prescribed under the prevention and control of the pollution;
- o) General Clauses Act, 1897.

We have relied on the representation made by the Company and its Officers for the system and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in **Annexure II**.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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.

We also report that as regards the provisions of notices of board meeting, sending of agenda papers, holding of board meetings as laid down in the Act, are concerned, they are not strictly and properly followed by the company.

Majority decisions are 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.

We further report that during the audit period, there were no major specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. Except:

During the audit period, the company had passed a special resolution by way of Postal Ballot dated 31.12.2016 for issue & allotment of equity shares on preferential basis to Mrs. Meena Mody, one of the Promoter of the Company, but the proposed allotment was dropped later on.

SD/-

Pankaj S. Desai

Practicing Company Secretary:

ACS No.: 3398

C.P.No.: 4098

Place:- Mumbai

Date:- 28.07.2017

This report is to be read with our letter of even date which is annexed as **Annexure I** and forms an integral part of this report.

Annexure I (Integral part of Secretarial Audit Report)

To,
The Members,
Vivid Global Industries Limited,

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

SD/-

Pankaj S. Desai

Practicing Company Secretary:

ACS No.: 3398

C.P.No.: 4098

Place:- Mumbai

Date:- 28.07.2017

Annexure II

Other General Laws Applicable

- 1) Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- 2) Professional Tax Act, 1975 and Rules
- 3) Payment of Gratuity Act, 1972
- 4) Contract Labour (R&A) Act, 1970
- 5) Employees State Insurance Act, 1948
- 6) Equal Remuneration Act, 1976
- 7) Minimum Wages Act, 1948
- 8) Payment of Bonus Act, 1965
- 9) Shop and Establishment Act, 1948
- 10) Income Tax Act, 1961
- 11) Central Excise Act, 1944

ANNEXURE-C
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2017
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:	L24100MH1987PLC043911
ii	Registration Date:	26/09/1987
iii	Name of the Company:	VIVID GLOBAL INDUSTRIES LIMITED
iv	Category/Sub-category of the Company :	Company limited by shares/ Indian Non-Government Company
v	Address of the Registered office:	D-21/1, MIDC Tarapur VIA Boisar, Palghar-401506.
vi	Telephone:	02525-271483
vii	Email Address:	info@vividglobalinds.com
viii	Website :	http://www.vividglobalinds.com
	Whether listed company:	YES
	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Sharex Dynamic (India) Pvt. Ltd: Unit No.1, Luthra Ind.Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400072; Tele: 2851 5606/ 5644/ 6338; Web: http://www.sharexindia.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	N.M.J	-	39
2	PH J.Acid	-	29
3	Sulpho Tobias Acid	-	17

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Vivid Intermediates Private limited	U24110MH1973PTC016578	ASSOCIATE	6.23	2(6)

VIVID GLOBAL INDUSTRIES LIMITED

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2016				No. of Shares held at the end of the year i.e. 31.03.2017				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3982744	0	3982744	43.628	3992422	0	3992422	43.730	2.922
b) Central Govt.or State Govt.	0	0	0	0.000	0	0	0	0.000	0.000
c) Bodies Corporates	588568	0	588568	6.447	588568	0	588568	6.450	0.000
d) Bank/FI	0	0	0	0.000	0	0	0	0.000	0.000
e) Any other	0	0	0	0.000	0	0	0	0.000	0.000
SUB TOTAL:(A) (1)	4571312		4571312	50.075	4580990	0	4580990	50.181	0.106
(2) Foreign									
a) NRI- Individuals	0	0	0	0.000	0	0	0	0.000	0.000
b) Other Individuals	0	0	0	0.000	0	0	0	0.000	0.000
c) Bodies Corp.	0	0	0	0.000	0	0	0	0.000	0.000
d) Banks/FI	0	0	0	0.000	0	0	0	0.000	0.000
e) Any other...	0	0	0	0.000	0	0	0	0.000	0.000
SUB TOTAL (A) (2)	0	0	0	0.000	0	0	0	0.000	0.000
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	4571312	0	4571312	50.075	4580990	0	4580990	50.181	0.106
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.000	0	0	0	0.000	0.000
b) Banks/FI	0	0	0	0.000	0	0	0	0.000	0.000
c) Cenntal govt	0	0	0	0.000	0	0	0	0.000	0.000
d) State Govt.	0	0	0	0.000	0	0	0	0.000	0.000
e) Venture Capital Fund	0	0	0	0.000	0	0	0	0.000	0.000
f) Insurance Companies	0	0	0	0.000	0	0	0	0.000	0.000
g) FIIS	0	0	0	0.000	0	0	0	0.000	0.000
h) Foreign Venture Capital Funds	0	0	0	0.000	0	0	0	0.000	0.000
i) Others (specify)	0	0	0	0.000	0	0	0	0.000	0.000
SUB TOTAL (B)(1):	0	0	0	0.000	0	0	0	0.000	0.000

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Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2016				No. of Shares held at the end of the year i.e. 31.03.2017				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
a) Bodies corporates									
i) Indian	201352	34800	236152	2.587	173803	34800	208603	2.285	-0.302
ii) Overseas	0	0	0	0.000	0	0	0	0.000	0.000
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	1626219	1294270	2920489	31.992	1757701	1156240	2913941	31.920	-0.072
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	1046647	347870	1394517	15.276	1052482	60800	1113282	12.195	-5.897
c) Others (specify)	0	0	0	0.000	0	0	0	0.000	
i) Non Resident Individuals	5200	1200	6400	0.070	184384	58400	242784	2.660	2.590
SUB TOTAL (B)(2):	2879418	1678140	4557558	49.925	3237640	1310240	4547880	49.819	-2.922
Total Public Shareholding (B)= (B)(1)+(B)(2)	2879418	1678140	4557558	49.925	3237640	1310240	4547880	49.819	-2.922
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.000	0	0	0	0.000	
Grand Total (A+B+C)	7450730	1678140	9128870	100.000	7818630	1310240	9128870	100.000	

(ii) SHARE HOLDING OF PROMOTERS

SI No.	Shareholders Name	Shareholding at the beginning of the year i.e. 01.04.2016			Shareholding at the end of the year i.e. 31.03.2017			% 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	SUMISH S MODY	971660	10.64	0	971660	10.64	0	0
2	MEENA SUMISH MODY	789440	8.64	0	803178	8.80	0	0.16
3	ASHA SUDHIR MODY	745064	8.16	0	746004	8.17	0	0.01

VIVID GLOBAL INDUSTRIES LIMITED

Sl No.	Shareholders Name	Shareholding at the beginning of the year i.e. 01.04.2016			Shareholding at the end of the year i.e. 31.03.2017			% 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	
4	VIVID INTERMEDIATES PVT LTD	568568	6.23	0	568568	6.23	0	0.00
5	AMISHA MITEN MODY	565860	6.20	0	565860	6.20	0	0
6	MITEN MODY	525320	5.75	0	525320	5.75	0	0
7	SUDHIR M MODY	270200	2.96	0	270200	2.96	0	0
8	ANSUYA PANKAJ MODY	57800	0.63	0	57800	0.63	0	0
9	SHLOKEE BUILDERS AND DEVELOPERS PVT LTD	20000	0.22	0	20000	0.22	0	0.00
10	RUPALI A MODI	20000	0.22	0	15000	0.16	0	-0.055
11	PANKAJ MULJIBHAI MODY	18800	0.21	0	18800	0.21	0	0
12	PRATIMA D MODI	13600	0.15	0	13600	0.15	0	0
13	DEEPAK	5000	0.06	0	5000	0.06	0	0
	Total	4571312	50.07	0	4580990	50.18	0	0.11

(iii) CHANGE IN PROMOTERS' SHAREHOLDING-

Sl. No.	Name of Promoter & Particulars	Shareholding at the Beginning of the Year i.e. 01.04.2016			Shareholding at the end of the Year i.e. 31.03.2017			% of total Shares of the company
		No. of Shares at the beginning/end of the Year	% of the Shares of the company	Date	Increasing/Decreasing in shareholding	Reason	No. of shares	
1)	MEENA SUMISH MODY	789440	8.64	01-04-2016				
				28-10-2016	999.00	Buy	790439.00	8.66
				10-02-2017	6639.00	Buy	797078.00	8.73
				17-03-2017	6100.00	Buy	803178.00	8.80
	-Closing Balance			31-03-2017			803178.00	8.80
2)	ASHA SUDHIR MODY	745064.00	8.16	01-04-2016				
				24-03-2017	940.00	Buy	746004.00	8.17
	-Closing Balance			31-03-2017			746004.00	8.17
3)	RUPALI A MODI	20000.00	0.22	01-04-2016				
				31-03-2017	-5000.00	Sold	15000.00	0.16

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(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 beginning of the year i.e. 01.04.2016		Change in Shareholdings (No. of Shares)		Shareholding at the end of the year i.e. 31.03.2017	
		No. of shares	% of total shares of the company	Increase	Decrease	No. of shares	% of total shares of the company
1	CHARU VIJAY SURA	272154	2.980	0	92015	180139	1.973
2	DEEPAK NAGJI PATEL	170714	1.870	760	0	171474	1.878
3	ADITI ASHISH TRIVEDI	100000	1.095	0	0	100000	1.095
4	DHEERAJ KUMAR LOHIA	114734	1.250	0	19164	95570	1.047
5	MAHESHKUMAR RAMDAS KANKAREJ	0	0.000	95000	0	95000	1.041
6	HEMANT GUPTA	0	0.000	75509	0	75509	0.827
7	SEAHORSE INDIA PRIVATE LIMITED	62400	0.680	0	0	62400	0.684
8	GYAN CHAND MUTHA	49600	0.540	0	0	49600	0.543
9	PARESH CHANDRKUMAR CHOKSHI	29904	0.328	19615	0	49519	0.542
10	SHRI PARASRAM HOLDINGS PVT.LTD	58421	0.640	0	17234	41187	0.451
	Total	857927	9.383	190884	128413	920398	10.081

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding during 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)	SUMISH S MODY				
	At the beginning of the year i.e. 01.04.2016	971660	10.95	971660	10.95
	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)	N.A.		N.A.	
	At the end of the year i.e. 31.03.2017	971660	10.64	971660	10.64
2)	ASHA S MODY				
	At the beginning of the year i.e. 01.04.2016	745064	8.16	745064	8.16
	Increase in Shareholding due to purchase of Shares on 24-03-2017	940.00	0.01	940.00	0.01
	At the end of the year i.e. 31.03.2017	746004	8.17	746004	8.17
3)	MITEN MODY				
	At the beginning of the year i.e. 01.04.2016	525320	5.75	525320	5.75
	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)	N.A.		N.A.	
	At the end of the year i.e. 31.03.2017	525320	5.75	525320	5.75
4)	SUDHIR M MODY				
	At the beginning of the year i.e. 01.04.2016	270200	3.05	270200	3.05
	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)	N.A.		N.A.	
	At the end of the year i.e. 31.03.2017	270200	2.96	270200	2.96

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	12414375	0	0	12414375
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	12414375	0	0	12414375
Change in Indebtedness during the financial year				
Additions	4614983	0	0	4614983
Reduction	0	0	0	0
Net Change	4614983	0	0	4614983
Indebtedness at the end of the financial year				
i) Principal Amount	17029358	0	0	17029358
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	17029358	0	0	17029358

Sl. No	Particulars of Remuneration	Name of the WTD	Managing Director	Total Amount
1	Gross salary	MR. MITEN SUDHIR MODY	MR. SUMISH SUDHIR MODY	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	722400	780000	1502400
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0		0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0		0
2	Stock option	0		0
3	Sweat Equity	0		0
4	Commission as % of profit others, specify	0		0
5	Others, please specify	0		0
	Total (A)	722400	780000	1502400

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors	Total Amount
1	Other Executive Directors	MRS. ASHA SUDHIR MODY	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	208320	208320
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0

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Sl.No	Particulars of Remuneration	Name of the Directors	Total Amount
	Stock option		
	Sweat Equity	0	0
	Commission as % of profit others, specify	0	0
	Others, please specify	0	0
	Total (1)	208320	208320

2	Independent Directors/Non Executive Directors	MR. DHARMESH DHIRENDRA CHOKSI	MRS. ALKA PAREKH HIMANSHU	Total
		Independent Non-Executive Directors	Independent Non-Executive Directors	
	(a) Fee for attending board committee meetings	0	0	0
	(b) Commission	0	0	0
	(c) Others, please specify.	0	0	0
	Total (2)	0	0	0
	Total (B)=(1+2)	0	0	0
	Total Managerial Remuneration	0	0	0

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS	Total
1	Gross Salary			
		MR. SUDHIR MULJIBHAI MODY	MRS.NILAM PRADEEP BAJORIA	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	134000	120000	254000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as % of profit others, specify	0	0	0
5	Others, please specify	0	0	0
	Total	134000	120000	254000

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					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
B. DIRECTORS					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
C. OTHER OFFICERS IN DEFAULT					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0

ANNEXURE-D

MANAGEMENT DISCUSSION AND ANALYSIS:

A. Industry Structure and Development

The Company is engaged in the business of production of dye intermediates particularly in N-Methyl J. Acid, derivatives of J. Acid, Tobias Acid, Tobias Acid purified Grade & Sulpho Tobias Acid. Further the Company undertakes job work of various dye industries. The main raw material J. Acid is imported from China.

B. Opportunities and Threats

The Company is finding a good market for its range of products and exporting to twenty countries of the World. One of the main threats faced by the Company are the availability of comparable products from China.

C. Segment-wise Performance

The Company has only one business segment viz dye intermediates and dyes and hence product-wise performance is not provided.

D. Outlook

The outlook for the Company's business is very bright because the products are used in leather, paper, jute and textile industries and paint industries. Recent times have seen a reversal of trends from synthetic to cotton fabrics and with the increase in demand for cotton, the Company has a tremendous potential for growth and further the leather and paper industries also demand company's products regularly.

E. Risk and Concerns

Globalized competitive scenario in Dyes and raw materials and dumping of low price products from the Chinese markets are the major areas of risk and concern for your Company. Any unfavorable trends in the import tariffs on key raw materials may have adverse impact on the cost and selling prices thereby putting pressure on the margins.

F. Internal Control Systems and their Adequacy

The Company has satisfactory internal control system, the adequacy of which has been mentioned in the Auditors-Report.

G. Human Resources

In the field of Human Resources, the Company has developed speedily water/air/land pollution control departments and hired qualified people for the same.

ANNEXURE-E **REPORT ON CORPORATE GOVERNANCE**

In accordance with the Listing Agreements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the 'Listing Regulations') with BSE the report containing the details of the corporate governance systems and processes at Vivid Global Industries Limited is as follows:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to benchmarking itself with the best in all areas including Corporate Governance. The Company's philosophy of Corporate Governance is aimed at strengthening the confidence among shareholders, customers, employees and ensuring a long term relationship of trust by maintaining transparency and disclosures. The Company is aiming at efficient conduct of the business in meeting its obligations to the shareholders.

The Company has adopted a Code of Conduct as required under Listing Regulations with the stock Exchanges. The Directors have confirmed compliance with the code of conduct for the year ended 31st March, 2017.

The relevant standards of Corporate Governance have been fully complied by the Company.

2. BOARD OF DIRECTORS

a. Composition and size of the Board:

The present strength of the Board is 5 (five). The Board comprises of 1 (one) Managing Director & 2 (two) Executive Directors and the remaining are Independent Directors.

The size and composition of the Board confirms with the requirements of Corporate Governance under the Listing Regulations and applicable laws. The Independent Non Executive Directors of the Company do not have any other material or pecuniary relationship or transaction with the Company, its promoters, its management or its subsidiaries, which in the judgment of the Board may affect independence of judgments of the Directors. Non-Executive Directors are not paid any remuneration.

The particulars of Directors, Category, their attendance at the Board Meetings and Annual General Meeting, other Directorships and Memberships / Chairmanships in committees of other Companies as on 31st March, 2017 are as under:

Directors	Category	Shares Held	Attendance Particular		No. of other Directorship and Committee Membership/Chairmanship held		
			Board Meeting	Last AGM	Director ships**	Committee Memberships***	Committee Chairmanship
Shri. Sumish S. Mody	MD	971660	5	Yes	3	1	-
Smt. Asha S. Mody	ED	746004	5	Yes	3	1	-
Shri. Miten S. Mody	WTD	525320	5	Yes	2	1	-
Shri. Dharmesh D. Choksi	NED	Nil	5	Yes	1	3	3
Smt. Alka H. Parekh	NED	Nil	2	No	1	3	-

** Including Directorships in Vivid Global Industries Limited

*** Committees considered are Stakeholders Relationship Committee., Audit committee, Nomination and Remuneration Committee in Vivid Global Industries Limited

C: Chairman; MD: Managing Director; WTD: Whole Time Director; NED: Non – Executive Director; Directors who are Chairperson of the Committee have been included in list of members as well.

The Board periodically reviews compliance reports of all laws applicable to the company as well as steps taken by the Company to rectify instances of non compliances, if any.

None of the Directors is a Director in more than 20 Companies and member of more than 10 Committees or acts as Chairman of more than 5 Committees. None of the Independent Directors serves as an Independent Director in more than seven listed companies.

b. Board Meetings, AGM and Attendance of Directors:

The Company's Board of Directors plays primary role in ensuring good governance functioning of the Company. The Board meets at least once in a quarter to consider amongst other business the performance of the Company and financial results.

During the year ended 31 March, 2017, the Board met 5 times. The Board Meetings were held on 30.05.2016, 03.08.2016, 03.11.2016, 21.11.2016 and 03.02.2017. The Annual General Meeting for the financial year 2015-16 was held on 29th September, 2016.

3. BOARD COMMITTEES

To enable better and more focused attention on the affairs of the Company, the Board delegates specific matters to Committees of the Board set up for the purpose. The Committees prepare the groundwork for decision making and report at the subsequent meeting of the Board of Directors.

Currently, the Board has three Committees viz. Audit Committee, Nomination & Remuneration Committee and Stakeholder's Relationship Committee. The Board is responsible for the constitution, co-opting and fixing the terms of reference for the said Committees.

a. AUDIT COMMITTEE

Terms of Reference, Composition:

The term of reference of this committee covers the matters specified for Audit Committee under Regulation 18 of the Listing Regulations. The Chairman of Audit Committee is Shri. Dharmesh Choksi of the Company

The terms of reference of the Audit Committee include:

- i. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.

- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

- **Details of Composition of the Committee**

The Composition of Audit Committee and attendance at its meetings is given hereunder:

Sr. No.	Name of the Member	Position
1	Shri. Dharmesh D. Choksi	Chairman
1	Smt. Alka Himanshu Parekh	Member
2	Shri. Sumish Sudhir Mody	Member

- **Details of Committee Meetings and Attendance**

During the Financial Year 2016-17, 4 (Four) meetings of the Audit Committee were held i.e. on 30.05.2016, 03.08.2016, 03.11.2016 and 03.02.2017.

The table hereunder gives the attendance record of the Audit Committee members.

Name of the Members	Number of Meetings Convened	Number of Meetings Attended
Shri. Dharmesh D. Choksi	4	4
Smt. Alka Himanshu Parekh	4	4
Shri. Sumish Sudhir Mody	4	4

Managing Director, Chief Financial Officer, Internal Auditors and Statutory Auditors were invitees to the meeting.

b. NOMINATION AND REMUNERATION COMMITTEE:

The Broad terms of reference of the Nomination & Remuneration Committee is to ensure that the remuneration practices of the Company in respect of the Senior Executives including the Whole time Directors are competitive keeping in view prevalent compensation packages so as to recruit and retain suitable individual(s) in such capacity.

The Listing Regulations provide that a Company may appoint a Committee for recommending managerial remuneration payable to the Directors and KMPs which is approved by the Board of Directors and where necessary further approved by the shareholders through ordinary or special resolution as applicable. The Company has setup a remuneration committee for the said purpose. The main function of the Committee is to determine the remuneration payable to the Directors and KMP. The remuneration committee has met once during the year.

i. Terms of Reference:

- Formulate criteria for determining qualifications, positive attributes and independence of directors and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel, and other personnel.
- Identifying and assessing potential individuals with reference to their expertise, skills, qualifications, attributes and personal and professional standing for appointment / reappointment as Directors/Key managerial Personnel in the Company.
- Support the Board of Directors for formulating policies for evaluation of performance of directors.
- Recommend compensation payable to the Executive Directors, Directors and Senior Managerial Personnel.

ii. Appointment and Remuneration Policy:

The Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors, Key Managerial Personnel and their remuneration. This Policy is accordingly derived from the said Charter.

Criteria of selection of Non Executive Directors:

The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independence nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its functions and duties effectively.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

iii. Composition of the Committee:

The Nomination & Remuneration Committee comprised of the following members as on 31st March, 2017.

Sr. No.	Name of the Member	Position
1.	Shri. Dharmesh D. Choksi	Chairman
2.	Smt. Alka Himanshu Parekh	Member
3.	Shri. Miten Sudhir Mody	Member

iv. Nomination Remuneration Policy:

Details of Remuneration paid to Directors and Key Managerial Personnel of the Company are as follows:

The remuneration of the Whole time Directors is recommended by the remuneration committee based on factors such as industry benchmarks, the Company's performance etc. Shri. Sumish Sudhir Mody, Managing Director of the Company, draws remuneration of ₹ 7,80,000/- during the year. Other than above, Shri. Miten Sudhir Mody draws remuneration of ₹ 7,22,400/-, Smt. Asha Sudhir Mody draws remuneration of ₹ 2,08,320/- and Shri. Sudhir Muljibhai Mody draws remuneration of ₹ 1,34,000/-.

Non Executive Directors:

The Company currently does not pay any compensation and sitting fees to Non-Executive Directors.

c. STAKEHOLDERS RELATIONSHIP COMMITTEE

i. Scope of the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee specifically looks into shareholders' complaints, if any and to redress the same expeditiously. The Committee deals with various matters like share transfers, transmissions, issue of duplicate share certificates, approve the remat requests, request for consolidation of shares as and when received, and to generally deal with all investors related matters and redress the grievances of investors if any.

ii. Composition of the Committee:

Stakeholders' Relationship Committee consists of three Directors out of which, one Director is Executive Director and two Directors are Non-Executive Independent Director

The Stakeholders' Relationship Committee comprised of the following members as on 31 March, 2017:

Sr. No.	Name of the Member	Position
1.	Shri. Dharmesh D. Choksi	Chairman
2.	Smt. Alka Himanshu Parekh	Member
3.	Smt. Asha Sudhir Mody	Member

Shri. Sudhir Mody is the Compliance Officer of the Company.

There are no complaints that have remained un-redressed. The brief terms of reference of Stakeholders Relationship Committee are as under:

- To oversee the share transfer process.
- To monitor the redressal of stakeholders' grievances.
- To consider and approve issue of share certificates on requests for duplicate certificates, consolidation of folios etc.
- To do all such acts, deeds, matters and things as may be necessary or expedient for performing any of the above acts.

d. Meeting of Independent Directors

During the year under review, the independent Directors of the Company met on 21.03.2017 interalia, to discuss:

- Evaluation of performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- Evaluation of performance of the Chairman of the Company, taking into views of Executive and Non Executive Directors.

4. DETAILS OF GENERAL BODY MEETINGS

i. Annual General Meeting (AGM):

Financial Year	Day and Date	Time
2015-2016	Thursday, 29/09/2016	11.00 a.m.
2014-2015	Wednesday, 30/09/2015	11.00 a.m.
2013-2014	Tuesday, 30/09/2014	11.00 a.m.

ii. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise

During the year, the Company sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated 21.11.2016 for allotment of Equity Shares to Mrs. Meena Mody, one of the promoter of the Company, the results of which were announced on 31st December, 2016. Mr. Pankaj S. Desai (Membership No. 3398) of M/s. Pankaj and Associates, Practicing Company Secretaries was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

Special Resolution	Approval of Preferential Allotment of 90,000 (Ninety Thousand) fully paid Equity Shares of ₹ 5/- each of the Company to Smt. Meena S. Mody							
	whether Promoter/ Promoter group are interested in the agenda/ resolution : YES							
	Mode of Voting	No. of Shares Held	No. of Votes Polled*	% of Votes Polled on Outstanding Shares	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled	% of Votes against on votes polled
Members	E-voting / Postal Ballot	3453727	3453727	-	3452677	1050	99.97	0.03

5. LOCATION:

All the above General Meetings were held at the Company's Registered Office at D-21/1, M.I.D.C., Tarapur, Via Boisar, Dist. Palghar (upto 28th Annual General Meeting), except the 29th Annual General Meeting which was held at Banquet Hall of Hotel Sarovar Residency, P-180-Tarapur MIDC Area, Near Hotel Sarovar, Chitralaya, Boisar (W), Dist. Palghar, Maharashtra - 401506

6. MEANS OF COMMUNICATION:

- i. The financial results of the Company are published in widely circulating National dailies such as Business Standard and Mumbai Lakshadweep. These are not sent individually to the shareholder.
- ii. The Company's results or official news are displayed on the Company's website. There were no presentations made to the institutional investors or to the analysts.
- iii. The Management Discussion and Analysis Report forms a part of this Annual Report.

7. OTHER DISCLOSURES:

- i. There are no related party transactions made by the Company with its promoters, Directors or Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its approval. The transactions with the related parties are disclosed in the notes to accounts in the Annual Report.
- ii. During the last three years, there were no strictures or penalties imposed either by Securities and Exchange Board of India. The Company's shares are now regularly traded on the BSE.
- iii. Code of Conduct:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website www.vividglobalinds.com

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

- iv. CEO / CFO Certification:

As required under Regulation 17 of Listing Regulations, the Managing Director and CFO of the Company have certified to the Board regarding their review on the Financial Statements, Cash Flow Statements and matters related to internal control etc. in the prescribed format for the year ended 31st March, 2017.

- v. Prevention Of Insider Trading:

The Company has adopted a Policy for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Rules requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company

and during the period when the Trading Window is closed. The Board is responsible for implementation of the Policy. The Board of Directors and the designated employees have confirmed compliance with the Policy.

The same has been posted on website of the Company viz; www.vividglobalinds.com

8. General Shareholder Information:

a. AGM Day, Date, Time, Venue :	Wednesday, 27th September, 2017 at 11.00 a.m at Banquet Hall of Hotel Sarovar Residency, P-180-Tarapur MIDC Area, Near Hotel Sarovar, Chitralaya, Boisar (W), Dist. Palghar, Maharashtra – 401506.
b. Financial Calendar :	01.04.2016 to 31.03.2017
c. Unaudited Financial Results :	1 st Quarter - 03.08.2016
	2 nd Quarter -03.11.2016
	3 rd Quarter -03.02.2016
	4 th Quarter -26.05.2017
d. Book Closure Period :	20.09.2017 to 27.09.2017
e. Dividend Payment Date :	The Dividends will be paid within 30 days from the date of AGM.

f. The Shares of the Company are traded frequently on the Stock Exchange. High, Low, Market Price of Vivid Global Industries Limited on The Stock Exchange, Mumbai during each month between April,2016 to March, 2017 (face value ₹ 5/- per share) are as under:

Month	High (₹)	Low (₹)	BSE INDEX High	BSE INDEX Low
April, 2016	12.32	12.32	25755.43	25424.03
May, 2016	12.60	12.60	26837.2	26561.58
June, 2016	12.97	12.97	27069.23	26872.59
July, 2016	17.63	17.63	28233.47	28037.87
August, 2016	22.80	22.80	28532.25	28363.1
September, 2016	34.95	30.55	27955.21	27716.78
October, 2016	55.65	49.20	28095.71	27890.14
November, 2016	38.15	38.15	26680.55	26395.5
December, 2016	40.80	39.50	26678.6	26406.53
January, 2017	44.85	42.75	27867.92	27624.54
February, 2017	54.45	51.60	28876.54	28721.12
March, 2017	40.90	38.20	29687.64	29552.61

g. Listing on Stock Exchange at:

The Equity Shares of the Company are listed at the following Stock Exchanges:

The Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.

The Ahmedabad Stock Exchange, Opp.Sahajanand College, Panjarapole, Ahmedabad-380015.

h. Stock/ Company/ Security/ Common Code:

The Stock Exchange, Mumbai

BSE Code: 524576

i. Registrar and Transfer Agents:

In Compliance with the SEBI Directive for all listed companies to have a common agency to handle physical and electronic share registry work, the Company has appointed Sharex Dynamic (India) Pvt. Ltd. as the Registrar and Transfer Agent. Accordingly all documents, transfer deeds, Demat requests and other communications in relation thereto should be addressed to the R & T at its offices at Unit no.1, Luthra Ind .Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400072.

Share Transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respect.

j. Distribution of Shareholding as on 31st March, 2017

Distribution of Shares	Number of Shareholders	% to total no.	Number of Shares	% to total
Upto 100	360	9.69	17407	0.19
101 To 200	1107	29.79	218638	2.40
201 To 500	1023	27.53	405990	4.45
501 To 1000	630	16.95	501101	5.49
1001 To 5000	457	12.30	986138	10.80
5001 To 10000	62	1.67	464249	5.09
10001 To 100000	68	1.83	1732944	18.98
100001 & Above	9	0.24	4802403	52.61
Total	3716	100.00	9128870	100.00

k. Shareholding Pattern of the Company as on 31st March, 2017

Sr. No.	Holders	Physical Forms	Electronic Form	Total No. of Shares	% of total
1.	Promoter & Promoter Group	0	4580990	4580990	50.181
2.	Public	1310240	3237640	4547880	49.82
	TOTAL	1310240	7818630	9128870	100

l. Dematerialization of Shares & Liquidity

85.65% of the Company's share capital is dematerialized as on 31st March, 2017. The Company's shares are regularly traded on the BSE.

Address for Correspondence:

Vivid Global Industries Limited
C/o. Sumichem Corporation,
1-D, Dhannur Building,
Sir P.M. Road, Fort,
Mumbai – 400001.

Place: Mumbai
Date: 28.07.2017

For and On behalf of the Board of Directors

Sd/-
ASHA S. MODY
DIRECTOR

Sd/-
SUMISH S. MODY
MANAGING DIRECTOR

CERTIFICATE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ON CORPORATE GOVERNANCE

The Board of Directors
M/s. Vivid Global Industries Limited

We have reviewed the financial statements and the cash flow statement of Vivid Global Industries Limited for the financial year 2016-17 and certify that:

These statements to the best of our knowledge and belief:

Do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading.

Present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

To the best of our knowledge and belief, there are no transactions entered into by the Directors and Senior Management Personnel during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.

We have also indicated to the Auditors and the Audit Committee.

Significant changes in Internal Controls with respect to financial reporting during the year. Significant changes in accounting policies during the Year and these have been disclosed in the notes to the financial statements.

To the best of our knowledge and belief, there are no instances of significant fraud involving either the management or employees having a significant role in the Company's internal control systems with respect to financial reporting.

FOR VIVID GLOBAL INDUSTRIES LIMITED

SUDHIR MULJIBHAI MODY
CHIEF FINANCIAL OFFICER

Place: Mumbai
Date: 28.07.2017

INDEPENDENT AUDITOR'S REPORT

To the Members of
M/s VIVID GLOBAL INDUSTRIES LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of M/s VIVID GLOBAL INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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 of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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 standalone Ind AS 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 Ind AS financial statements based on our audit.

In conducting 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 thereunder.

We conducted our audit of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 standalone Ind AS financial statements.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in

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conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its Profit, total comprehensive income, its cash Flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act we report, to the extent applicable that :
 - a. 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.
 - b. 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.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive income, the Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For K. M. Kapadia & Associates
(Chartered Accountants)
Firm Reg. No. 104777W

Place: Mumbai
Dated: 24th May, 2017.

(Kamlesh M Kapadia)
Membership No.: 039707

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date) Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of M/s VIVID GLOBAL INDUSTRIES LIMITED (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the

company are being made only in accordance with authorisations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For K. M. Kapadia & Associates
(Chartered Accountants)
Firm Reg. No. 104777W**

Place: Mumbai
Dated: 24th May, 2017.

**(Kamlesh M Kapadia)
Membership No.: 039707**

“Annexure B” to the Independent Auditors’ Report

(Referred to in paragraph 2 under ‘Report on Other Legal & Regulatory Requirements’ section of our report of even date)

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification of Fixed assets to cover all the items in a phased manner over have been physically verified by the management in a phased manner, designed to cover all the item over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds, transfer deeds, mutation of title papers, property tax papers and conveyance deeds provided to us, we report that the title deeds, comprising all the immovable properties in respect of land and buildings which are freehold, are held in the name of the company as at the balance sheet date.
 - (ii) As explained to us, inventories of finished and semi-finished goods and raw materials were physically verified during the year by the Management. In respect of inventories of stores and spare parts and stocks at, the Company has a programme of verification of stocks over a three year period. In our opinion and according to the information and explanations given to us, the inventories have been verified by the management at reasonable intervals in relation to size of the Company and nature of business and no material discrepancies were noticed on physical verification.
 - (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company’s interest. - Not Applicable
 - (b) The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and interest have been regular as per stipulations. – Not Applicable
 - (c) Amounts referred to (b) above have been overdue for more than 90 days and, as explained to us, the Management has taken reasonable steps for recovery of the principal amounts and interest thereon. –Not Applicable
 - (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
 - (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
 - (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. The Company has however not registered itself as required under the Gratuity Act and have informed us that they are in process of obtaining the same at the earliest.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable, except for the following:
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, term loans taken have been applied by the Company during the year for the purposes for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company has been noticed or reported during the year.

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- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its sister concerns or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

**For K. M. Kapadia & Associates
(Chartered Accountants)
Firm Reg. No. 104777W**

Place: Mumbai
Dated: 24th May, 2017.

**(Kamlesh M Kapadia)
Membership No.: 039707**

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30th Annual Report 2016-17

Balance Sheet as at 31st March 2017

Particulars	Note No.	As at	As at
		31 March 2017	31 March 2016
		₹	₹
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	4,56,44,350	4,56,44,350
(b) Reserves and surplus	2	1,76,40,110	51,36,861
(c) Money received against share warrants		-	-
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings	3	43,26,764	9,97,127
(b) Deferred tax liabilities (Net)		19,14,134	32,12,362
(c) Other Long term liabilities	4	7,90,750	7,55,000
(d) Long-term provisions	5	-	-
4 Current liabilities			
(a) Short-term borrowings	6	1,27,02,594	1,14,17,247
(b) Trade payables		9,04,01,082	7,33,53,102
(c) Other current liabilities	7	11,78,495	4,63,219
(d) Short-term provisions	8	1,82,95,201	90,53,672
TOTAL		19,28,93,480	15,00,32,941
II. ASSETS			
Non-current assets			
1 (a) Fixed assets	9		
(i) Tangible assets		6,09,46,736	4,04,63,949
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	10	4,07,800	4,07,800
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	11	20,00,680	19,08,180
(e) Other non-current assets	12	-	-
2 Current assets			
(a) Current investments	13	-	-
(b) Inventories	14	3,65,50,241	3,43,62,754
(c) Trade receivables	15	4,89,50,589	4,67,22,127
(d) Cash and cash equivalents	16	2,61,29,392	1,63,74,853
(e) Short-term loans and advances	17	1,78,60,524	97,45,633
(f) Other current assets	18	47,518	47,645
TOTAL		19,28,93,480	15,00,32,941
Contingent Liabilities	19	6,33,675	3,33,675

As per our report of even date

For **K. M. Kapadia & Associates**

Chartered Accountants
(FRN 104777 W)

CA. Kamlesh Kapadia

M. No. 39707

Place: Mumbai

Date: 24/05/2017

VIVID GLOBAL INDUSTRIES LIMITED

Sd/-

Sumish Sudhir Mody
Managing Director

(DIN:00318652)

Sd/-

Sudhir Muljibhai Mody
CFO

Sd/-

Asha Sudhir Mody
Director

(DIN:00221440)

Sd/-

Miten Sudhir Mody
Whole-time Director

(DIN:02422219)

Profit and loss statement for the year ended 31st March 2017

Particulars	Refer Note No.	For the year ended on 31st March 2017	For the year ended on 31st March 2016
		₹	₹
I. Revenue from operations	20	36,01,11,316	26,62,07,473
II. Other income	21	24,77,988	26,67,511
III. Total Revenue (I + II)		36,25,89,304	26,88,74,984
IV. Expenses:			
Cost of materials consumed			
Purchases of Material	22	27,36,07,689	18,68,75,534
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	23	-21,87,487	2,83,07,753
Employee benefits expense	24	1,13,45,103	68,06,193
Finance costs	25	22,24,483	46,98,417
Depreciation and amortization expense	26	36,08,466	12,97,102
Other expenses	27	4,98,17,467	2,60,16,510
Total expenses		33,84,15,721	25,40,01,510
V. Profit before exceptional and extraordinary items and tax (III-IV)		2,41,73,583	1,48,73,474
VI. Prior Period Items	28	66,029	-7,614
VII. Exceptional items			
VIII. Profit before extraordinary items and tax (V - VI)		2,41,07,554	1,48,81,088
IX. Extraordinary Items		-	-
X Profit before tax (VII- VIII)		2,41,07,554	1,48,81,088
XI Tax expense:			
(1) Current tax		-	-
MAT		-	-
(-) MAT Credit		-	-
(2) Deferred tax		-12,98,228	5,67,747
(3) Provision for Tax		73,27,882	45,04,828
(3) Short provision for earlier year Taxes			35,560
XI Profit (Loss) for the period from continuing operations (VII-VIII)		1,80,77,900	97,72,953
XII Profit/(loss) from discontinuing operations		-	-
Profit Available For Appropriation		1,80,77,900	97,72,953
Proposed Dividend		45,64,435	34,23,326
Dividend Distribution Tax		9,55,245	6,96,909
XV Profit (Loss) for the period trf to Reserves & Surplus(XI + XIV)		1,25,58,220	56,52,718
XVI Earnings per equity share Before Dividend:			
(1) Basic		1.98	0.54
(2) Diluted		1.98	0.54
XVII Earnings per equity share After Dividend:			
(1) Basic		1.38	0.31
(2) Diluted		1.38	0.31

As per our report of even date

For **K. M. Kapadia & Associates**

Chartered Accountants
(FRN 104777 W)

CA.Kamlesh Kapadia
M. No. 39707

Place: Mumbai
Date: 24/05/2017

VIVID GLOBAL INDUSTRIES LIMITED

Sd/-
Sumish Sudhir Mody
Managing Director
(DIN:00318652)

Sd/-
Sudhir Muljibhai Mody
CFO

Sd/-
Asha Sudhir Mody
Director
(DIN:00221440)

Sd/-
Miten Sudhir Mody
Whole-time Director
(DIN:02422219)

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Cash Flow Statement for the year ended 31st March 2016 :-

Sr. No.	Particulars	2016-17		2015-16	
		₹	₹	₹	₹
I	CASH INFLOWS				
	(1) From Operating activities				
	(a) Profit/Loss as per Profit & Loss Account after Tax		1,80,77,899.85		97,72,952.03
	Adjustments:				
	Depreciation and amortization	36,08,466.00		12,97,102.26	
	Shares Compensation expenses				
	(Gain)/Loss on sale of fixed assets				
	Finance Cost	22,24,483.23		42,25,346.07	
	Sundry Balances written off				
	Provision/ (Reversal) for doubtful debts and advances				
	Other Provisions: DTL	-12,98,228.19	45,34,721.04	5,67,747.14	60,90,195.47
	(b) Working capital changes:				
	Decrease in inventories				
	Decrease in trade receivables			2,83,07,753.00	
	Decrease in short-term loans and advances			62,92,424.00	
	Decrease in other current assets	127.00			
	Increase in trade payables	1,70,47,979.72		35,33,642.56	
	Increase in other current liabilities	7,15,276.00		3,69,231.70	
	Increase in short term provisions	92,41,528.87	2,70,04,911.59	28,86,159.53	4,13,89,210.79
	Total of (1)		4,96,17,532.48		5,72,52,358.29
	(2) From Investing activities				
	(a) Proceeds from sale of fixed assets				
	(b) Proceeds from sale of investments				
	(c) Realisation of long-term loans and advances from subsidiaries/ associates/ business ventures				
	(d) Decrease in other long-term loans and advances				
	(e) Decrease in other non-current assets				
	(f) Dividend received				
	(g) Interest received		-		-
	(h) Other income				
	Total of (2)		-		-
	(3) From Financing activities				
	(a) Proceeds from issue of share capital				12,85,350.00
	Proceeds on Account of Security Premium				7,14,655.00
	(b) Share application money pending allotment				
	(c) Proceeds from long-term borrowings		33,29,636.74		
	Proceeds from Other long-term liabilities		35,750.00		
	(d) Proceeds from short-term borrowings		12,85,346.72		2,29,378.32
	Total of (3)		46,50,733.46		22,29,383.32
	Total cash inflows(1+2+3)		5,42,68,265.95		5,94,81,741.61
II	CASH OUTFLOWS				
	(1) From Operating activities				
	(a) Profit/Loss from operating activities				
	Adjustments:				
	Depreciation and amortization				
	Share Compensation expenses (Loss)/Gain on sale of fixed assets				
	Assets written off				
	(Provision)/Reversal for doubtful debts and advances				
	Other Provisions				
	Prior Period Expenses				

VIVID GLOBAL INDUSTRIES LIMITED

Sr. No.	Particulars	2016-17		2015-16	
		₹	₹	₹	₹
	(b) Working capital changes:				
	Increase in inventories	21,87,487.00			
	Increase in trade receivables	22,28,462.15			1,99,21,254.13
	Increase in short-term loans and advances	81,14,891.00			
	Increase in other current assets				20,86,908.00
	Decrease in trade payables			-	
	Decrease in other current liabilities			-	
	Decrease in short term provisions		1,25,30,840.15	-	-
	(c) Direct taxes paid (Net of refunds)				
	Total of (1)		1,25,30,840.15		2,20,08,162.13
	(2) From Investing activities				
	(a) Purchase of tangible assets/capital work-in-progress		2,40,91,252.73		2,13,26,119.69
	(b) Purchase of intangible assets/assets under development				
	(c) Purchase of investments				3,84,000.00
	(d) Investment in subsidiaries/associates/ business ventures				
	(e) Payment of long-term loans and advances to subsidiaries/associates/business ventures				
	(f) Increase in other long-term loans and advances		92,500.00		7,18,465.00
	(g) Increase in other non-current assets		-		-
	Total of (2)		2,41,83,752.73		2,24,28,584.69
	(3) From Financing activities				
	(a) Repayment of long-term borrowings				86,17,247.28
	Repayment of Other long-term liabilities				70,000.00
	(b) Repayment of short-term borrowings				
	(c) Dividends paid (including distribution tax)		55,74,650.96		41,20,234.93
	(d) Interest and other finance costs		22,24,483.23		42,25,346.07
	(e) Share issue expenses				
	Total of (3)		77,99,134.19		1,70,32,828.28
	Total cash outflows (1+2+3)		4,45,13,727.07		6,14,69,575.10
	III Net (decrease)/increase in cash and cash equivalents				
	(a) From Operating activities	3,70,86,692.33		3,52,44,196.16	
	(b) From Investing activities	-2,41,83,752.73		-2,24,28,584.69	
	(c) From Financing activities	-31,48,400.72		-1,48,03,444.96	
	Total (A)		97,54,538.88		-19,87,833.49
	Add: Cash and cash equivalents at the beginning of the period (B)		1,63,74,853.01		1,83,62,685.50
	Cash and cash equivalents at the end of the period (A+B)		2,61,29,391.89		1,63,74,852.01

As per our report of even date
For **K. M. Kapadia & Associates**
Chartered Accountants
(FRN 104777 W)

CA. Kamlesh Kapadia
M. No. 39707

Place: Mumbai
Date: 24/05/2017

VIVID GLOBAL INDUSTRIES LIMITED

Sd/- Sumish Sudhir Mody Managing Director (DIN:00318652)	Sd/- Asha Sudhir Mody Director (DIN:00221440)
--	---

Sd/-
Sudhir Muljibhai Mody
CFO

Sd/-
Miten Sudhir Mody
Whole-time Director
(DIN:02422219)

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Note 1

Share Capital	As at 31 March 2017		As at 31 March 2016	
	Number	₹	Number	₹
Authorised				
___% preference shares of ₹___ each				
Equity Shares of ₹ 5/- each	1,20,00,000	6,00,00,000	1,20,00,000	6,00,00,000
Equity Shares of ₹ 10/- each	-	-		
Issued				
___% preference shares of ₹___ each				
Equity Shares of ₹ 5/- each	91,28,870	4,56,44,350	91,28,870	4,56,44,350
Equity Shares of ₹ 10/- each				
Subscribed & Paid up				
___% preference shares of ₹___ each				
Equity Shares of ₹ 5/- each	91,28,870	4,56,44,350	91,28,870	4,56,44,350
Equity Shares of ₹ 10/- each				
Subscribed but not fully Paid up				
___ % preference shares of ₹___each, not fully paid up				
Equity Shares of ₹___ each, not fully paid up				
Total	91,28,870	4,56,44,350	91,28,870	4,56,44,350

Note 2

(Following disclosure should be made for each class of Shares)

Particulars	Equity Shares		Preference Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	-1,82,57,740	-9,12,88,700	-	-
Shares Issued during the year		-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	-1,82,57,740	-9,12,88,700	-	-

Note 3

___ Equity Shares (Previous year) are held by ____, the holding company.

Above disclosure is required for each class of Shares held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate.

Note 4

(if more than 5%)

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
ASHA S MODY	7,46,004	8.17	7,45,064	8.16
MITEN S MODY	5,25,320	5.75	5,25,320	5.75
SUMISH S MODY	9,71,660	10.64	9,71,660	10.64
VIVID INTERMEDIATES PVT. LTD.	5,68,568	6.23	5,68,568	6.23
AMISHA MITEN MODY	5,65,860	6.20	5,65,860	6.20
MEENA S MODY	8,03,178	8.80	7,89,440	8.65

Note 5

(Following disclosure should be made for each class of Shares)

Particulars	Year (Aggregate No. of Shares)				
	2016-17	2015-16	2014-15	2013-14	2012-13
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-
Preference Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

Note 6

Unpaid Calls	₹
By Directors	-
By Officers	-

Note 7

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Note 2

	Reserves & Surplus	As at 31 March 2017	As at 31 March 2016
		₹	₹
a. Capital Reserves			
Cash Subsidy			
Opening Balance		25,00,000	25,00,000
(+) Current Year Transfer			
(-) Written Back in Current Year			
Closing Balance		25,00,000	25,00,000
b. Revaluation Reserve			
Opening Balance		99,48,563	99,48,563
(+) Current Year Transfer			
(-) Written Back in Current Year			
Closing Balance		99,48,563	99,48,563
c. Security Premium Account			
Opening Balance		7,14,655	-
(+) Current Year Transfer			7,14,655
(-) Written Back in Current Year			
Closing Balance		7,14,655	7,14,655
c. Surplus			
Opening balance		-80,26,357	-1,36,79,075
(+) Net Profit/(Net Loss) For the current year		1,80,77,900	97,72,953
(+) Transfer from Reserves			
(-) Proposed Dividends (incl. DDT)		55,19,680	41,20,235
(-) Interim Dividends			
(-) Transfer to Reserves			
(-) Difference in Proposed Dividend and Final Dividend for F.Y.15-16		54,971	
Closing Balance		44,76,892	-80,26,357
Total		1,76,40,110	51,36,861

Note 3

Long Term Borrowings	As at 31 March 2017	As at 31 March 2016
	₹	₹
Secured		
(a) Other loans and advances (specify nature)		
Bank Current Account - Packing credit Loan (Secured against DP Notes, Lodgment of LC's/Confirmed Export Orders, Export Trust Receipts Terms of Repayment _____)	-	-
(b) Car Loan	12,20,312	9,97,127
(c) Term Loan	31,06,452	
	43,26,764	9,97,127
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) & (g)		
1. Period of default	-	-
2. Amount	-	-
Unsecured		
From Directors	-	-
Unsecured Loan from Group Company	-	-
Total	43,26,764	9,97,127

Note 4

Other Long Term Liabilities	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Deposits towards Rent	7,90,750	7,55,000
(b) Other	-	-
Total	7,90,750	7,55,000

Note 5

Long Term Provisions	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Provision for employee benefits		
Superannuation (unfunded)	-	-
Gratuity (unfunded)	-	-
Leave Encashment (unfunded)	-	-
ESOP / ESOS	-	-
(b) Others	-	-
Total	-	-

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Note 6

Short Term Borrowings	As at 31 March 2017	As at 31 March 2016
	₹	₹
Secured		
(a) Other loans and advances (specify nature)		
Bank Current Account - Packing credit Loan (Secured against DP Notes, Lodgment of LC's/Confirmed Export Orders, Export Trust Receipts)	1,18,11,756	1,08,00,000
b) Car Loans Payable	8,90,838	6,17,247
Unsecured	-	-
Total	1,27,02,594	1,14,17,247

Note 7

Other Current Liabilities	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Duties & Taxes	11,59,973	4,63,219
(b) Others	18,522	-
Total	11,78,495	4,63,219

Note 8

Short Term Provisions	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Proposed Dividend & Tax thereon	55,19,680	41,20,235
(b) Provision for Income Tax	1,18,32,710	45,04,828
(c) Provision for Expenses	9,42,811	4,28,609
Total	1,82,95,201	90,53,672

Note 9

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block			
	Balance as at 1 April 2016	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31 March 2017	Balance as at 1 April 2016	Depreciation charge for the year	Retained Earnings Effect	Adjustment due to revaluations	On disposals	Balance as at 31 March 2017	Balance as at 31 March 2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
a Tangible Assets												
Land under lease	75,10,168				75,10,168	-					75,10,168	75,10,168
Buildings	1,17,86,593	55,05,636			1,72,92,229	49,38,111	4,18,760				1,19,35,338	68,48,482
Plant and Equipment (Not Utilised for Production) (Fully Depreciated in Earlier Years)	31,47,223				31,47,223	31,47,223					-0	-0
Plant and Equipment (Fully Depreciated in Earlier Years)	3,02,13,025				3,02,13,025	3,02,13,025						
Plant and Equipment	1,93,44,714	1,61,70,492			3,55,15,206	8,98,538	23,21,263				3,22,95,405	1,84,46,176
Furniture and Fixtures	3,73,872				3,73,872	3,73,872					3,73,872	0
Vehicles (Fully Depreciated)	15,94,138				15,94,138	15,94,138					15,94,138	-
Vehicles (Utilising during the year)	57,75,507	16,39,487			74,14,994	13,83,759	5,02,836				55,28,399	43,91,748
Office equipment (Fully Depreciated)	6,80,209				6,80,209	6,80,209					-	-
Computers (Fully Depreciated)	21,025				21,025	19,974					1,051	1,051
Computers	48,700	53,100			1,01,800	13,402	21,917				35,319	35,298
Electrical Installations and Equipment	23,06,199	5,57,390			28,63,589	22,327	2,44,563				25,96,679	22,83,872
Laboratory Equipment	9,67,131	1,65,148			11,32,279	19,978	99,086				10,13,214	9,47,153
Total	8,37,68,904.11	2,40,91,252.73	-	-	10,78,59,756.84	4,33,04,555.23	36,08,465.94	-	-	-	6,09,46,735.67	4,04,63,948.88
b Intangible Assets												
Total	-	-	-	-	-	-	-	-	-	-	-	-
c Capital Work In Progress												
Total	-	-	-	-	-	-	-	-	-	-	-	-
d Intangible assets under Development												
Total	-	-	-	-	-	-	-	-	-	-	-	-

Note 2

The following disclosure should be made for each class of asset as required

Particulars	Year			
	2016-17	2015-16	2014-15	2012-13
	₹	₹	₹	₹
Asset details:				
Balance as at 1 April	6,09,46,735.67	4,04,63,948.88	2,04,34,931.46	1,19,98,406.70
Impairment/ Revaluation				
Balance as at 31 March	6,09,46,735.67	4,04,63,948.88	2,04,34,931.46	1,19,98,406.70

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Note 10

Particulars		As at 31 March 2017	As at 31 March 2016
		₹	₹
A	Trade Investments (Refer A below)		
	(a) Investment Properties		
	(b) Investment in Equity instruments		
	(c) Investments in preference shares		
	(d) Investments in Government or Trust securities		
	(e) Investments in debentures or bonds		
	(f) Investments in Mutual Funds		
	(g) Investments in partnership firms*		
	(h) Other non-current investments (specify nature)		
	Total (A)	-	-
B	Other investments (Refer B below)		
	(a) Investment Properties		
	(b) Investment in Equity instruments	7,42,000	7,42,000
	(c) Investments in preference shares		
	(d) Investments in Government or Trust securities		
	(e) Investments in debentures or bonds		
	(f) Investments in Mutual Funds		
	(g) Investments in partnership firms*		
	(h) Other non-current investments (specify nature)	-	-
	Total (B)	7,42,000	7,42,000
	Grand Total (A + B)	7,42,000	7,42,000
	Less : Provision for dimunition in the value of Investments (VIPL)	3,34,200	3,34,200
	Total	4,07,800	4,07,800

Particulars		2017	2016
		₹	₹
	Aggregate amount of quoted investments (Market value of ₹__ (Previous Year ₹__)	-	-
	Aggregate amount of unquoted investments (Previous Year ₹__)	4,07,800	4,07,800

B. Details of Other Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuation
			2017	2016			2017	2016	2017	2016		
-1	-2	-3	-4	-5	-6	-7	-8	-9	-10	-11	-12	-13
(a)	Investment Properties											
(b)	Investment in Equity Instruments											
	VIPL	OTHER	3,800	3,800	Unquoted	Fully Paid	2.53	2.53	3,38,000	3,38,000	NO	Value is after adjusting provision for diminishing value
	Tarapur Environment Protection Society	OTHER	2,422	2,422	Unquoted	Fully Paid	Not Available	Not Available	3,84,000	3,84,000	No	It is including premium on shares.
(c)	Investments in Preference Shares											
(d)	Investments in Government or Trust securities											
(e)	Investments in Debentures or Bonds											
(f)	Investments in Mutual Funds											
(g)	Investments in partnership firms*											
(h)	Other non-current investments (specify nature)											
	TIMA CEPT CO-OP SOC. SHARES	OTHER	200	200	UNQUOTED				20,000	20,000	Yes	
	Total								7,42,000	7,42,000		

*** G. Investment in _____ (Name of the Firm)**

Name of the Partners	Share of Capital
Partner 1	
Partner 2	
Total Capital	-

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Note 11

Long Term Loans and Advances	As at 31 March 2017		As at 31 March 2016	
	₹	₹	₹	₹
a. Capital Advances				
Secured, considered good				
Unsecured, considered good				
Doubtful				
Less: Provision for doubtful advances				
		-		-
b. Security Deposits				
Secured, considered good				
Unsecured, considered good		20,00,680		19,08,180
Doubtful				
Less: Provision for doubtful deposits				
		20,00,680		19,08,180
c. Loans and advances to related parties (refer Note 2)				
Secured, considered good				
Unsecured, considered good				
Doubtful				
Less: Provision for doubtful loans and advances				
		-		-
d. Other loans and advances (specify nature)				
Secured, considered good				
Unsecured, considered good				
Doubtful				
Less: Provision for _____				
		-		-
		20,00,680		19,08,180

Note 2

	As at	As at
	31 March 2017	31 March 2016
	₹	₹
Directors *		
Other officers of the Company *		
Firm in which director is a partner *		
Private Company in which director is a member		
	-	-

Note 12 Disclosure pursuant to Note no.M (i),(ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

		As at 31 March 2017		As at 31 March 2016	
		₹	₹	₹	₹
a. Long term trade receivables (including trade receivables on deferred credit terms)					
Secured, considered good					
Unsecured, considered good					
Doubtful					
Less: Provision for doubtful debts					
			-		-
b. Others (specify nature)					
Secured, considered good					
Unsecured, considered good					
Doubtful					
Less: Provision for _____					
			-		-
c. Debts due by related parties (refer note 2)					
Secured, considered good					
Unsecured, considered good					
Doubtful					
Less: Provision for doubtful debts					
			-		-
			-		-

Note 2

	As at 31 March 2017	As at 31 March 2016
	₹	₹
Directors *		
Other officers of the Company *		
Firm in which director is a partner *		
Private Company in which director is a member		
	-	-

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Note 13

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
(a) Investment in Equity instruments		
(b) Investments in preference shares		
(c) Investments in Government or Trust securities		
(d) Investments in Debentures or Bonds		
(e) Investments in Mutual Funds		
(f) Investments in partnership firms*		
(g) Other non-current investments (specify nature)		-
Total (A)	-	-
Less : Provision for diminution in the value of Investments	-	-
Total	-	-

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
Aggregate amount of quoted investments (Market value of ₹__ (Previous Year ₹__)		
Aggregate amount of unquoted investments (Previous Year ₹__)		

Note 14

Inventories		As at 31 March 2017		As at 31 March 2016	
		₹	₹	₹	₹
a.	Raw Materials and components (Valued at Cost or Market Price whichever is less)	1,77,24,857		1,29,24,301	
	Goods-in transit	1,06,83,260		1,66,85,011	
		2,84,08,117	2,84,08,117	2,96,09,312	2,96,09,312
b.	Work-in-progress (Valued at Cost or Market Price whichever is less)	39,58,878		38,76,392	
	Goods-in transit	-		-	
		39,58,878	39,58,878	38,76,392	38,76,392
c.	Finished goods (Valued at Cost or Market Price whichever is less)	37,87,096		4,80,900	
	Goods-in transit	-		-	
		37,87,096	37,87,096	4,80,900	4,80,900
d.	Stock-in-trade (Valued at Cost or Market Price whichever is less)			-	
	Goods-in transit			-	
		-	-	-	-

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Inventories		As at 31 March 2017		As at 31 March 2016	
		₹	₹	₹	₹
e.	Stores and spares (Valued at Cost or Market Price whichever is less)	3,96,150		3,96,150	
	Goods-in transit	-		-	
		3,96,150	3,96,150	3,96,150	3,96,150
f.	Loose Tools (Valued at Cost or Market Price whichever is less)				
	Goods-in transit	-	-	-	-
g.	Others (Specify nature)	-	-	-	-
Total			3,65,50,241		3,43,62,754

Note 14 a (i) Quantitative details in respect of opening, closing stock and sale of finished goods :

In view of the complexities of the business, the details provided hereunder could not be verified by us during the course of our audit and hence the following information provided is as certified by the management.

Particulars	2016-17		2015-16	
	Kgs.	₹	Kgs.	₹
Opening Stock:				
N.M.J.Acid	0.00		15,163	1,19,80,589
PHENYL J	400.00	156900.00	9,249	58,09,700
DI.J ACID	500.00	324000.00	3,800	28,51,519
SM2P				
	900	4,80,900	28,212	2,06,41,808

Note 14 a (ii)

	2016-17		2015-16	
	Kgs.	₹	Kgs.	₹
Sales:				
J. Acid	8,159.21	46,39,954.00	10,576.15	56,09,437.00
N.M.J	1,32,362.54	12,08,73,672.00	91,524.21	8,95,30,356.00
PH J.Acid	1,27,763.17	9,08,64,411.75	1,16,291.48	8,53,85,913.05
Di J.Acid	15,183.45	1,53,96,087.00	23,473.56	2,46,08,490.00
J. Acid Urea			3,867.50	32,36,101.00
Tobias Acid	1,01,700.00	2,37,18,050.00	18,375.00	37,14,375.00
HCL	1,68,870.00	16,887.00	-	-
Sulpho Tobias Acid	2,19,369.04	5,40,82,774.00	-	-
BENZOYL J ACID	3,534.37	27,39,137.00	5,618.75	43,22,088.00
	7,76,941.78	31,23,30,972.75	2,69,726.65	21,64,06,760.05

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Note 14 a (iii)

	2016-17		2015-16	
	Kgs.	₹	Kgs.	₹
Closing Stock:				
N.M.J.Acid	2070.00	1108485.00	0.00	0.00
PH J.Acid	1600.00	6,87,600.00	400.00	1,56,900.00
Di J.Acid	1140.00	6,13,035.00	500.00	3,24,000.00
Sulpho Tobias Acid	8197.66	8,44,943.00		
Tobias Acid	7107.10	5,33,032.50		
	20,114.76	37,87,096	900.00	480,900

Note 14 b (i) Quantitative details of principal items of raw materials and packing materials consumed:

In view of the complexities of the business, the details provided hereunder could not be verified by us during the course of our audit and hence the following information provided is as certified by the management.

	2017		2016	
	Kgs.	₹	Kgs.	₹
J Acid Import	2,23,443.61	10,45,58,355.04	1,54,096.74	7,93,34,773.20
J Acid Local	73,448.60	3,57,58,264.96	22,020.18	1,30,79,011.46
C.S. Flakes	-	-	52,100.00	16,28,007.80
Soda Ash	1,60,950.00	39,03,696.50	1,25,300.00	30,50,940.00
Sulphuric Acid	3,61,560.00	20,09,826.30	1,09,955.00	6,08,645.48
Mono Methyl Amine	2,09,280.00	62,60,527.80	1,17,740.00	36,66,160.80
HCL	2,12,220.00	1,70,582.60	97,760.00	23,01,475.00
SBS Powder	31,050.00	9,56,850.00	28,130.00	9,36,103.00
Formic Acid	2,145.00	1,26,470.35	1,162.00	69,933.75
Aniline Oil (LOCAL)	35,500.00	30,78,420.85	22,920.00	14,17,060.00
Aniline Oil (IMPORT)	21,960.00	17,53,200.00	33,240.00	25,10,880.00
J Acid Urea	-	-	4,392.50	32,87,445.00
Tobias Acid (IMPORT)	2,020.00	3,73,700.00	74,980.00	1,70,98,945.00
Tobias Acid (LOCAL)	-	-	3,050.00	3,71,933.00
Caustic Potash Flakes	-	-	2,765.00	4,43,630.95
J Acid Semi Finished	-	-	57,341.08	4,12,33,897.72
Others (Including Packing Material)	1,58,565.00	27,06,670.75	7,03,953.00	68,58,825.85
	14,92,142.21	16,16,56,565	16,10,905.50	17,78,97,668

While valuing Principal Raw material under note 14 b (i) Company has valued goods as mentioned below

Imported goods(@CIF Value)=(Foreign Currency * LC Opening rate) + custome duty+ Bank Charges + Clearing & Forwarding expences + Transportation

Local goods = Purchased Price + Transportation

Note 14 b (ii)

	2016-17		2015-16	
	Kgs.	₹	Kgs.	₹
Purchase of traded goods:				
Dyes	1,17,475.00	3,34,38,716.00	1,50,559.15	3,63,92,745.00
CIF value of Imports:				
Raw Material	4,50,107.00	13,54,33,680.34	3,85,567.30	10,28,83,058.00

Note 14 b (iii) Value of imported and indigenous goods consumed :

	Rupees 2016-17	Percentage of total consumption 2016-17	Rupees 2015-16	Percentage of total consumption 2015-16
Raw materials & packing materials:				
Imported	13,49,58,515	83.48%	10,14,70,740	57.04%
Indigenous	2,66,98,050	16.52%	7,64,26,928	42.96%
	16,16,56,565	100%	17,78,97,668	100%
Add : Freight Inward / Clearing & Forwarding	22,10,897		20,88,718	
	16,38,67,462		17,99,86,386	
Stores & Spares:	-		-	
Indigenous	-		-	
	16,38,67,462		17,99,86,386	

While valuing Imported goods in Note 14 b (iii) Company has valued imported goods on LC opening rate.

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Note 15

Trade Receivables	As at 31 March 2017	As at 31 March 2016
	₹	₹
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good		
Unsecured, considered good	4,89,50,589	4,67,22,127
Unsecured, considered doubtful		-
Less: Provision for doubtful debts		-
	4,89,50,589	4,67,22,127
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good		
Unsecured, considered good		
Unsecured, considered doubtful	53,456	-
Less: Provision for doubtful debts	-53,456	-
	-	-
Total	4,89,50,589	4,67,22,127

The Confirmation of the Trade Receivables have not been provided as at the time of completion of the Audit and hence the Debtors have been considered as certified by the Management.

Trade Receivable stated above include debts due by:

Particulars	As at 31 March 2017	As at 31 March 2016
	₹	₹
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member		
	-	-

* Either severally or jointly

Note 16

Cash and cash equivalents		As at 31 March 2017		As at 31 March 2016	
		₹	₹	₹	₹
a.	Balances with banks*				
	This includes:				
	Bank Balances	90,39,140		20,90,205	
	Margin money	1,66,48,233		1,42,35,419	
	Security against borrowings				
	Guarantees				
	Other Commitments				
	Bank deposits with more than 12 months maturity		2,56,87,373		1,63,25,624
b.	Cheques, drafts on hand				
c.	Cash on hand*		4,42,019		49,230
d.	Others (specify nature)		-		-
			2,61,29,392		1,63,74,853

* Repatriation restrictions, if any, in respect of cash and bank balances shall be separately stated.

Note 17

Short-term loans and advances		As at 31 March 2017		As at 31 March 2016	
		₹	₹	₹	₹
a.	Loans and advances to related parties (refer note 2)				
	Secured, considered good				
	Unsecured, considered good	-			
	Doubtful				
	Less: Provision for doubtful loans and advances				
			-		-
b.	Others				
	Duties & Taxes	1,61,68,678		97,45,633	
	Others	16,91,846		-	
			1,78,60,524		97,45,633
			1,78,60,524		97,45,633

Note 17a

	As at 31 March 2017	As at 31 March 2016
	₹	₹
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
	-	-

* Either severally or jointly

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Note 18

Sr.	Other current assets (specify nature)	As at 31 March 2017	As at 31 March 2016
		₹	₹
1	Interest Receivable	47,518	47,645
Total		47,518	47,645

This is an all-inclusive heading, which incorporates current assets that do not fit into any other asset categories.

Note 19

Contingent liabilities and commitments (to the extent not provided for)		As at 31 March 2017	As at 31 March 2016
		₹	₹
(i) Contingent Liabilities			
	The company is facing court cases With Central Excise department in respect of Modvat credit claimed for F.Y. 1994-95 The company has preferred an appeal against the said order and is confident of succeeding in the said appeal. (The liability disclosed above is net of predeposit of ₹ 50,000)	64,000	64,000
	Guarantee Given	5,69,675	2,69,675
		6,33,675	3,33,675
(ii) Commitments		-	-
		6,33,675	3,33,675

Note 20

Particulars	For the year ended 31 March 2017		For the year ended 31 March 2016	
	₹		₹	
Sale of products				
Export Sales	15,26,85,338		11,09,94,919	
Domestic Sales	19,31,16,325	34,58,01,663	14,54,35,470	25,64,30,389
Sale of services				
Other operating revenues		1,43,09,653		97,77,084
Less:				
Excise duty				
Total		36,01,11,316		26,62,07,473

Note 21

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
Interest Income (in case of a company other than a finance company)	52,797	61,943
Miscellaneous Income		14,876
Rent	21,69,971	24,06,842
Commission Income	2,55,220	
Sundry Balances W/off		1,83,850
Total	24,77,988	26,67,511

Note 22

Particulars	For the year ended 31 March 2017		For the year ended 31 March 2016	
	₹	₹	₹	₹
Purchases of Material				
Import Purchase				
Purchase (Import)		13,49,58,515		10,14,70,740
Domestic Purchase				
Purchase - Job Work Labour	21,97,698		7,65,921	
OGS Purchase	2,03,50,743		58,78,136	
Purchase Trading Goods	11,52,50,999		7,83,54,795	
VAT Reduction	8,49,734	13,86,49,174	4,05,942	8,54,04,794
		27,36,07,689		18,68,75,534

Note 23

Particulars	For the year ended 31 March 2017		For the year ended 31 March 2016	
	₹	₹	₹	₹
Changes in inventories of finished goods work-in-progress and Stock-in-Trade				
Opening Stock		3,43,62,754		6,26,70,507
Less: Closing Stock		3,65,50,241		3,43,62,754
		-21,87,487		2,83,07,753

Note 24

Particulars	For the year ended 31 March 2017		For the year ended 31 March 2016	
	₹	₹	₹	₹
Employee benefits expense				
Salary Expnses	86,92,230		49,84,677	
Contribution to Provident Fund(Employer)	4,48,802		3,05,469	
Contribution to ESIC	1,22,558		91,746	
Staff welfare	1,19,122		33,901	
Other	2,28,671			
Directors Sitting Fees	23,000		8,000	
Directors Remuneration	17,10,720	1,13,45,103	13,82,400	68,06,193
		1,13,45,103		68,06,193

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Note 25

Particulars	For the year ended 31 March 2017		For the year ended 31 March 2016	
	₹	₹	₹	₹
Finance costs				
Interest expense	12,01,301		2,85,153	
Other borrowing costs	33,46,192		39,40,193	
Applicable net gain/loss on foreign currency transactions and translation	-23,23,010	22,24,483	4,73,071	46,98,417
		22,24,483		46,98,417

Note 26

Particulars	For the year ended 31 March 2017		For the year ended 31 March 2016	
	₹	₹	₹	₹
Depreciation and amortization expense				
Depreciation	36,08,466		12,97,102	
Amortization expense	-	36,08,466	-	12,97,102
		36,08,466		12,97,102

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Note 27

Particulars	For the year ended 31 March 2017		For the year ended 31 March 2016	
	₹	₹	₹	₹
Other expenses				
Direct Expenses				
Import Expenses	51,54,205		38,01,067	
Pollution Board Exp	5,00,727		3,45,000	
Electricity Expense	1,11,94,809		27,52,426	
Testing & Analysis Charges	5,11,035		6,19,537	
Transportation Charges	37,07,708		12,75,801	
Water Exps	3,65,896		3,11,012	
Other Exps	-	2,14,34,380	34,865	91,39,708
Indirect Expenses				
Repairs & Maintenance- Factory	87,35,061		43,44,596	
Repairs & Maintenance- Others	1,56,436		1,48,152	
Advertisement Expenses	2,94,895		1,58,482	
Export Expenses	24,08,294		17,82,515	
Commission on Sale	56,20,909		40,33,701	
Insurance Exp	2,68,132		2,33,506	
Audit Fees	4,00,558		3,87,808	
Bad Debts	22,33,035			
Rent Paid	10,42,000		7,28,000	
Legal & Professional Charges	7,87,070		8,30,089	
Travelling Exp	34,11,904		20,79,993	
Communication Exp	2,74,740		59,783	
Other Expenses	27,50,054		20,90,177	
		2,83,83,087		1,68,76,802
		4,98,17,467		2,60,16,510

Note 28

Particulars	For the year ended 31 March 2017		For the year ended 31 March 2016	
	₹	₹	₹	₹
Exceptional Items				
Prior Period Expenses	66,029		3,886	
Prior Period Income	-	66,029	-11,500	-7,614
		66,029		-7,614

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Note 1

Employee Benefits Expense	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
(a) Salaries and incentives (incl. of Directors Remuneration)	1,04,02,950	63,75,077
(b) Contributions to -		
(i) Provident fund & ESIC		
(ii) Superannuation scheme	5,71,360	3,97,215
(c) Gratuity fund contributions	-	-
(d) Social security and other benefit plans for overseas employees	-	-
(e) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP),	-	-
(f) Staff welfare expenses	1,19,122	33,901
Total	1,10,93,432	68,06,193

Note 2

Payments to the auditor as	For the year ended 31 March 2017	For the year ended 31 March 2016
	₹	₹
a. auditor	3,92,250	3,87,808
b. for taxation matters		
c. for company law matters		
d. for management services		
e. for other services		
f. for reimbursement of expenses	8,308	
Total	4,00,558	3,87,808

1 Significant Accounting Policies:

i. Basis of Accounting:

The financial statements are prepared under historical cost convention on an accrual basis.

ii. Inventories

Inventories are valued as under:

Raw Material and Packing Material	:	At cost or net realisable value, whichever is lower
Work-In-Process	:	At cost or net realisable value, whichever is lower
Finished goods	:	At cost or net realisable value, whichever is lower
Stores & spares	:	At cost
By products/Scrap	:	At Net Realisable Value
Fuel	:	At cost

Cost of Raw Material and Packing Material is determined on First in First out basis.

Cost of Finished goods and work-in-process include costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

iii. Fixed Assets and Depreciation :

Fixed assets are stated at historical cost less accumulated depreciation.

Depreciation has been provided for by the straight line method at the rates specified in revised Schedule II of the Companies Act, 2013.

The difference in the Opening Written Down Balances of the Assets held as on 01st April 2014 as per the old method of Depreciation and now prescribed Method of Depreciation, has been adjusted from the retained earnings of the Company for the Year ended on 31/03/2015.

Depreciation on additions during the year is charged on pro rata basis.

The amortization of the value of the Leasehold Premises has not been provided for. The Company does not follow the procedure of amortizing its leasehold assets over the period of the lease.

iv. Revenue Recognition :

Sales are recognised when the goods are invoiced or despatched to the customers and are recorded exclusive of excise duty and net of trade discount and sales tax.

Export sales are recognised on the date of Shipping bill.

Duty Drawback is accounted in the year in which it is received.

v. Long Term investments are valued at cost.

vi. Foreign currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. All foreign currency assets and liabilities (except those towards fixed assets) are translated at year end exchange rate and related exchange gain/loss is recognised in Profit and Loss Account.

Adjustment in respect of liabilities incurred for acquisition of fixed assets are adjusted in the carrying amount of fixed assets.

II) The following are the observations during the course of Audit under review and brought to the notice of the members of the Company :-

- 1) Due to the complexities of business the value of the Inventory has been considered as has been verified, valued and certified by the Management.
- 2) Balances of Sundry Debtors and Sundry Creditors as on 31/03/2017 are recorded at realisable value. The Management has been able to produce some confirmations of balances due from Debtors as well as the Balances Payable to the Creditors. However the value of these Debtors and Creditors for the Balance Sheet purpose has been taken as certified by the Management.

3) Expenditure in foreign currency	Rupees	Rupees
	2016-17	2015-16
a. Travelling expenses		
b. Commission paid/payable	22,30,877	7,88,965
	2,17,795	209,415

4) Earnings in foreign exchange : C.I.F. value of exports	Rupees	Rupees
	2016-17	2015-16
Percentage to Total Turnover	15,26,85,338	110,994,919
	44.15%	43.28%

CIF Value of Exports have been reported based on the working submitted by the management and it has been explained that wherever the Insurance and Freight has been recovered from the customers, the same has been included in the value shown above and in absence of the same, the Insurance & Freight has been claimed as expenditure.

5) Particulars of Licensed Capacity, Installed Capacity and Actual Production:

a. Installed Capacity:

	2016-17 (Kgs)	2015-16 (Kgs)
Dye Intermediates equivalent	14,00,000	14,00,000

Installed capacity is as certified by the Management and not verified by the auditors. It denotes estimated production of a product, if the entire plant & machinery is operated on triple shift basis during the year and is exclusively utilised for its production. However, the plant and machinery is common for the production of various dye-intermediates and hence the installed capacity may vary depending upon the product mix adopted by the company.

During the year under consideration the Company has opted to major expansion of their Production Capacity and hence have installed new Plant & Machinery in their Factory Premises at Tarapur (Maharashtra). Due to this expansion the Installed Capacity of the Company has risen from 720 MT to 1,400 MT per annum

6) Related Party transactions :

I Names of Related Parties and nature of relationship.

A. Associates

- 1 Vivid Intermediates Private limited
- 2 M/s Sumichem Corporation

B. Enterprises over which Key Management Persons Have significant influence and Enterprises having Key Management Person in common.

- 1 Vivid Chemical (FIRM)

C. Key Management Persons and Relatives

- 1 Mr. Sudhir Mody
- 2 Mr. Sumish S. Mody
- 3 Mr. Miten S. Mody
- 4 Mrs. Asha S. Mody
- 5 Mrs. Meena S.Mody
- 6 Mrs. Amisha M Mody

II Transactions with related Parties

Sr. No.	Particulars	Amount	Associates	Enterprises over which Key
				Management Persons Have significant influence and Enterprises having Key Management Person in common
1	Rent Paid	8,40,000 1,68,000	Vivid Intermediates Pvt. Ltd. Vivid Chemical (FIRM)	
2	Salaries Paid	1,34,000 2,08,320 5,66,400 7,80,000 7,22,400	Sudhir Mody Asha S. Mody Meena S. Mody Sumish S Mody Miten S Mody	
3	Electricity Charges paid	59,499	Sumichem Corporation	
4	Labour Supplied	1,86,000 2,18,000 2,76,000	Sumichem Corporation Vivid Chemical (FIRM) Vivid Intermediates Pvt. Ltd.	
5	Professional fees	20,000	Amisha M Mody	
		41,78,619		

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7) Details of payments to Key Management Personnel:

Particulars	2017 Amount (₹)	2016 Amount (₹)
Director Remuneration	17,10,720	13,82,400
Total...	17,10,720	13,82,400

Computation of Net Profit in accordance with Section 197 and Section 198 of the companies Act, 2013

		Year Ended 31st March 2017
A	Net Profit as per Profit and Loss Account	1,80,77,899.85
	Add : Provision for Income tax (Net of MAT Credit)	73,27,881.89
	Provision for Deferred Tax	-12,98,228.19
	Section 198 of the companies Act, 2013	2,41,07,553.55
	Add : Managerial Remuneration	17,10,720.00
	Depreciation as per accounts	36,08,466.00
	Provision for bad and doubtful debts	
	Less : Depreciation as per Section 350 of the Companies Act, 1956	36,08,466.00
	Section 198 of the companies Act, 2013	2,58,18,273.55
B	Details of Managerial Remuneration under Section 198 of the Companies Act, 1956	
	Salaries, Remuneration and Allowances	17,10,720
	Total	17,10,720.00
		6.63%

8) Segment Reporting :

- 1 Primary Segment Information
Geographical Segments

Sr. No.	Particulars	Current year (2016-17)	Previous year (2015-16)
1	SEGMENT REVENUE		
	Local	1931.16	1,109.95
	Export	1,526.85	1,454.35
	Other Income	167.88	124.45
	TOTAL	3,625.89	2,688.75
2	SEGMENT RESULTS (Profit before Interest & Tax)		
	Local	73.45	42.82
	Export	58.37	36.77
	Other Income	167.88	124.45
	Profit before Interest & Tax	299.70	204.04
	Less: Finance Cost	22.24	42.25
	Less: Depreciation	36.08	12.97
	Profit Before Tax	241.37	148.81
	Less: Prov. For Tax	60.30	51.08
	Profit After Tax	181.07	97.73

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4	SEGMENT CAPITAL EMPLOYED		
	Local	353.42	219.80
	Export	279.43	288.01
	TOTAL	632.84	507.81

a) In Segment Reporting of the Company the Unallocable Expenses & Capital Employed figure of each segment is calculated on the proportion of Export Sales to Total Sales for the corresponding period.

2 Secondary segment:

Since company deals in one line of product only ie. Chemicals , it does not satisfy the criteria of reportable Secondary Segments; hence the Secondary Segment is not reported.

9) Current Tax :

Provision for Tax has been made on the basis of the Income Tax Act 1961. However as the company is entitled to set off their Current Tax Liability against the Brought Forward Minimum Alternate Tax (MAT) of ₹5,12,207/- the Provision of Current Tax has been ascertained at ₹73,27,882/- (incl. of Surcharge & Cess). As on the date of this Balance Sheet there is no allowable brought forward losses or Depreciation which can be carried forward for the subsequent years.

10) Earning Per Share :

Particulars	2016-17	2015-16
a) Profit Before Distribution of Dividend & DDT	1,80,77,900	97,72,953
No. of Shares	91,28,870	91,28,870
EPS Before Dividend	1.98	1.07
b) Profit After Distribution of Dividend & DDT	1,25,58,220	56,52,718
No. of Shares	91,28,870	91,28,870
EPS After Dividend	1.38	0.62

Note a):

The Face Value of Shares of Company has been split to ₹5 from ₹10 (w.e.f 3rd December, 2015).

b) The Board of Directors have proposed to declare the Dividend @ 10% (P/Y 7.5%) on the Paid Up Equity Share Capital of the Company.

11) Deferred Tax Adjustment :

For the company, the deferred tax adjustment as required by AS-22 consists only on account of Difference in the Rate of Depreciation under the Income Tax Act and the Companies Act.

The Profit & Loss Account has been credited with the Deffered Tax Liability of ₹12,98,228/-.

12) In accordance with the requirement for disclosure of amounts due to SSI units, the company has not compiled the list of its sundry creditors who satisfy this criteria.

Subject to this, the information relating to payment overdue to SSI units cannot be computed.

13) Previous years figures have been regrouped wherever necessary in order to confirm to current years presentation.

14) Company has defaulted in recognising Gratuity Liability in the Financials.

For K. M. Kapadia & Associates

Chartered Accountants
(FRN 104777 W)

CA. Kamlesh Kapadia
M. No. 39707

Place: Mumbai
Date: 24/05/2017

VIVID GLOBAL INDUSTRIES LIMITED

Sd/-	Sd/-
Sumish Sudhir Mody	Asha Sudhir Mody
Managing Director	Director
(DIN:00318652)	(DIN:00221440)

Sd/-	Sd/-
Sudhir Muljibhai Mody	Miten Sudhir Mody
CFO	Whole-time Director
	(DIN:02422219)

ATTENDANCE SLIP

VIVID GLOBAL INDUSTRIES LIMITED

(CIN: L24100MH1987PLC043911)

Registered Office: D-21/1, M.I.D.C. Tarapur via Boisar, Palghar – 401506

30th Annual General Meeting – 27th September, 2017

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall.

Name of the Shareholder/Proxy (s): _____ Folio No

Address: _____ DP ID*

No. of Shares held: _____

I/We hereby record my/our presence at the 30th ANNUAL GENERAL MEETING of the Company at Banquet Hall of Hotel Sarovar Residency, P-180-Tarapur MIDC Area, Near Hotel Sarovar, Chitralaya, Boisar (W), Dist. Palghar, Maharashtra – 401506 on Wednesday, the 27th September, 2017 at 11.00 a.m.

* To be used for shares held in electronic form

SIGNATURE OF THE SHAREHOLDER / PROXY

VIVID GLOBAL INDUSTRIES LIMITED

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

VIVID GLOBAL INDUSTRIES LIMITED

(CIN: L24100MH1987PLC043911)

Regd. Office: D-21/1, M.I.D.C Tarapur, Via. Boisar, Dist. Palghar – 401506.

Corporate Office: C/o.Sumichem Corporation, 1-D, Dhannur Bldg, Sir P.M.Road, Fort,mumbai-400001.

Email: info@vividglobalinds.com, Website: www.vividglobalinds.com

Name of the Member (s):

Registered Address:

Email Id:

Folio / DP ID – Client ID No :

I/We being the member (s) of _____ shares of the above named Company hereby appoint:

1. Name _____

Address _____

Email Id _____ Signature _____ or falling him;

2. Name _____

Address _____

Email Id _____ Signature _____ or falling him;

3. Name _____

Address _____

Email Id _____ Signature _____ or falling him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on Wednesday, the 27th September, 2017 at 11.00 a.m. at Banquet Hall of Hotel Sarovar Residency, P-180-Tarapur MIDC Area, Near Hotel Sarovar, Chitralaya, Boisar (W), Dist. Palghar, Maharashtra – 401506 and at any adjournment thereof in respect of such resolutions as are indicated below:

30th Annual Report 2016-17

Resolutions			Optional*
Sr.No.	ORDINARY BUSINESS	For	Against
1.	Adoption of Financial Statements for the year ended 31st March, 2017, Reports of the Directors and Auditors.		
2.	To appoint a Director in place of Shri. Sumish S. Mody (DIN: 00318652), who retires by rotation and being eligible, offers himself for re-appointment.		
3.	To declare dividend for the year ended March 31, 2017 amounting ₹ 0.50 per share.		
4.	To appoint M/s. Saumil J. Kapadia & Co., Mumbai, (Firm Reg. No. 135970W) as Statutory Auditors of the Company and fix their remuneration for the period of 5 Years.		
SPECIAL BUSINESS			
5.	To approve the revision in the remuneration terms of Shri. Sumish S. Mody, Managing Director.		
6.	To approve the revision in the remuneration terms of Smt. Asha S. Mody, Director.		
7.	To approve the revision in the remuneration terms of Shri. Miten S. Mody, Whole-Time Director.		

Signed this _____ day of _____, 2017

Signature of Shareholder _____

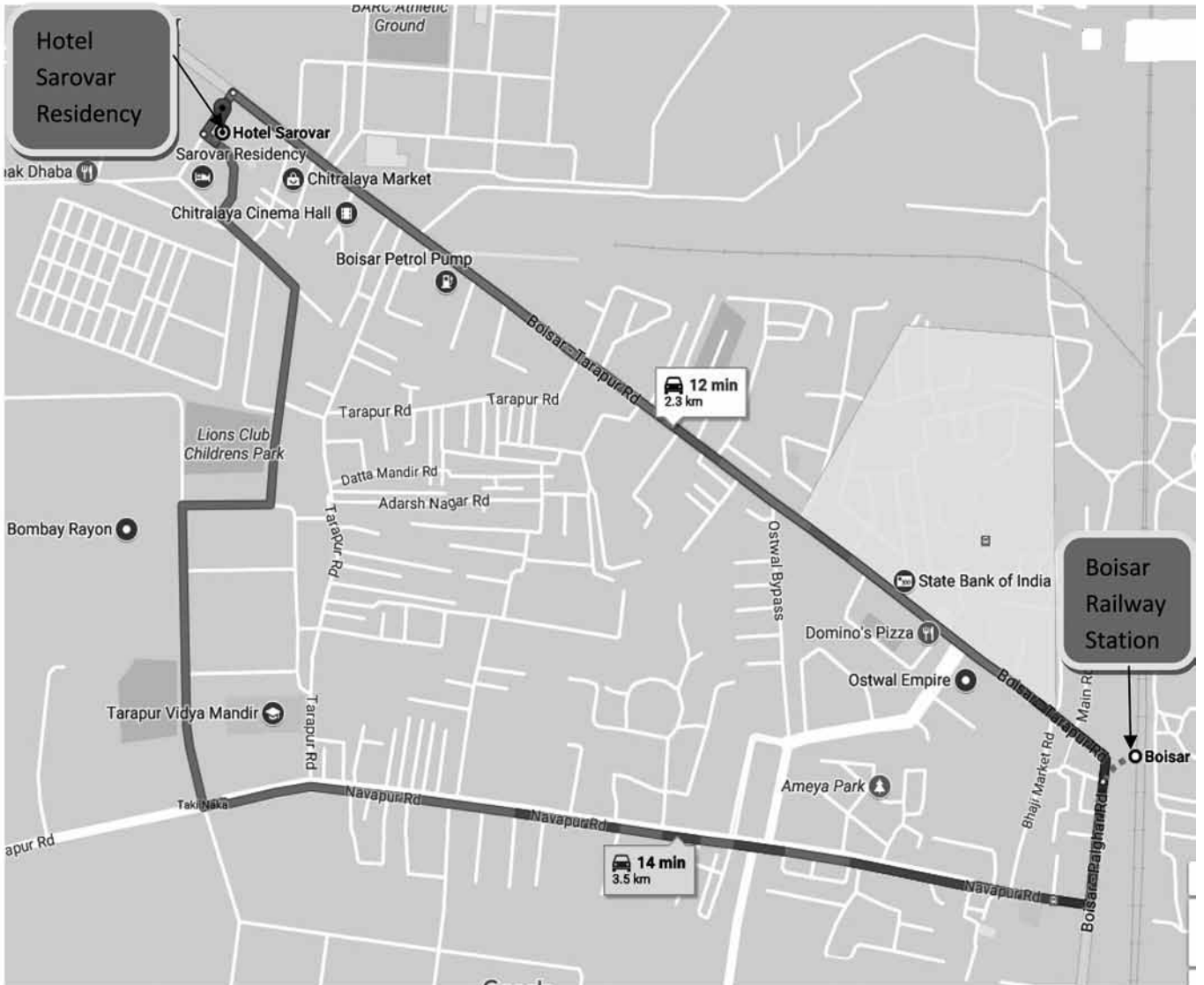
Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of 30th Annual General Meeting.
3. *It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in the above box before submission.

Route Map – AGM Venue – Banquet Hall of Hotel Sarovar Residency, P-180-Tarapur MIDC Area, Near Hotel Sarovar, Chitralaya, Boisar (W), Dist. Palghar, Maharashtra– 401506.



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