



Aviva Industries Limited
(CIN: L51100MH1984PLC034190)

Annual Report – F.Y. 2016-17

CORPORATE INFORMATION

Board of Directors

Mr. Bharvinbhai S. Patel-Chairman & Managing Director

Ms. Shetna B. Patel-Non-executive director

Mr. Saurin M. Shah-Independent director

Mr. Chetan R. Gandhi-Additional director (w.e.f. January 31, 2017)

Company Secretary

Mr. Hitesh Lachhwani

Registered Office

4th Floor, Jaya Talkies, S.V.Road, Opp. Indraprastha, Borivalli (W),
Mumbai – 400 092.

Corporate Office

C-3/1001, Anushruti Tower,
Nr. Jain Derasar, Opp. New York Tower,
Nr. Thaltej Cross Road, S. G. Highway,
Ahmedabad – 380 054

Registrars and Share Transfer Agent

Link Intime India Private Limited

506-508, Amarnath Business Centre-1
(ABC-1), Besides Gala Business Centre
Near XT Xavier's College Corner
Off C G Road , Ellisebridge
Ahmedabad – 380 006

Statutory Auditors

M/s Vishves A. Shah & Co.,

316, Abhishek Plaza, B/H Nav Gujarat College, Income Tax, Ashram
Road, Ahmedabad – 380 014.

Secretarial Auditors

Mr. AnandLavingia

Practicing Company Secretary
415-416, "Pushpam" Complex, Opp. Seema Hall, Anandnagar Road,
Satellite, Ahmedabad – 380 051

NOTICE

Notice is hereby given that the Thirty Third Annual General Meeting of the company will be held on Thursday, August 24, 2017 at 10:30 a.m. at the Lifestyle Lounge, G-10 IVY Center, Ground Floor, Prabhat Nagar, Patel Estate Road, Next to Amboli Police Station, Jogeshwari West, Mumbai, 400102 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended on 31st March, 2017 with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bharvin Patel (DIN: 01962391), who retires by rotation and being eligible, offer himself for re-appointment.

3. To appoint the Statutory Auditors of the Company and to fix their remuneration:

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

"RESOLVED THAT, pursuant to Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee of the Board, M/s. Shridhar Shah & Co., Chartered Accountants (FRN: 134411W) be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors M/s. Vishves A. Shah & Co., Chartered Accountants (FRN: 121356W), who shall hold office from the conclusion of this 33rd Annual General Meeting for term of consecutive three years till conclusion of the 36th Annual General Meeting (subject to ratification of the appointment by the members at every subsequent Annual General Meeting held after this Annual General Meeting till 36th Annual General Meeting) and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company including its Committee thereof be and are hereby severally authorized to do all such acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

Special Business:

4. Appointment of Mr. Chetan Gandhi (DIN: 00821794) as Non-Executive Independent Director:

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 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modifications or re-enactment thereof for the time being in force), Mr. Chetan Gandhi (DIN: 00821794) who was appointed as an Additional (Non-Executive Independent) Director of the Company with effect from January 31, 2017 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Act and who has submitted declaration under Section 149(7) of the act to the effect that he fulfilled the conditions mentioned in Section 149(6) of the act and under Section 164(2) of the act to the effect that he is not disqualified to become Director of the Company and in respect of whom the Company has received a notice in writing from himself proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company to hold the office for a term of five consecutive years i.e. up to January 30, 2022.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

5. To re-appoint Mr. Bharvin Patel (DIN: 01962391) as a Chairman and Managing Director of the Company.

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the relevant section of the Companies Act, 2013 and the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and on recommendation of Nomination and Remuneration Committee and as agreed by the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Bharvin Patel (DIN: 01962391) as a Chairman and Managing Director of the Company for a period of 5 (Five) years with effect from October 1, 2017, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to vary, alter and modify the terms and conditions of reappointment including as to designation and remuneration/ remuneration structure of Mr. Bharvin Patel within the limits prescribed in the explanatory statement to this resolution and to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

For, **Aviva Industries Limited**

Date: July 29, 2017
Place: Ahmedabad

Bharvin Patel
Chairman and Managing Director
DIN: 01962391

NOTES:

1. The relevant details, as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director under Item No. 2, 4 and 5 of the Notice is also annexed herewith.

Name of Director	Mr. Bharvin Patel	Mr. Chetan Gandhi
Date of Birth	30 th October, 1973	07 th July, 1972
Date of appointment	30 th April, 2010	31 st January, 2017
Expertise in specific functional areas	Experience of more than one decade in mosaic tile manufacturing and about 7 years' experience in manufacturing of construction chemicals.	He has vast expertise in the Business of Medicines.
List of Public Company in which Directorship held	Specific Glass Mosaic India Limited	N.A.
*Chairman/ Member of the Committees of the Board of Directors of the Co.	Member – Audit Committee Member – Stakeholders Relationship Committee	Member – Audit Committee
*Chairman/ Member of the committees of Directors of other Co.	N.A.	N.A.
Relationship with other Directors	He is the Husband of Mrs. Shetna Patel, Director of the Company.	N.A.
No. of Shares held as at June 30, 2017	9,29,376	Nil

*Chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee has been considered.

2. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.**

A person can act as proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member

holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than 48 (Forty-Eight) Hours before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable.

During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the company.

3. Members/Proxies should bring their Attendance slip duly completed for attending the meeting. The signature of the attendance slip should match with the signature(s) registered with the Company. Members holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. In case of joint holders attending the meeting together, only holder whose name appearing first will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will be closed from Friday, August 18, 2017 to Thursday, August 24, 2017 and same will be re-opened from August 25, 2017 onwards.
7. The route map showing directions to reach the venue of the Thirty Third AGM is provided at the end of notice and also uploaded on the Website of the Company.
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long period of time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
9. The members who holds shares of the Company in Physical form are informed that the company is in process of updating records of the shareholders in order to reduce the physical documentation as far as possible. In line with new BSE listing agreement, it is mandatory for all the investors including transferors to complete their KYC information. Hence, members are requested to update and intimate their PAN, phone no., e-mail id and such other information to the Company's Registrars and Transfer Agents, Link Intime (India) Private Limited (LI IPL). Members further requested to update their current signature in LI IPL system. The Performa of updation of Shareholder information is provided at the end of this annual report.
10. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents to provide efficient and better services.
11. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to LI IPL.
12. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact LI IPL for assistance in this regard.
13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to LI IPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The Nomination Form can be obtained from the LI IPL. Members holding shares in physical form may submit the same to LI IPL. Members holding shares in electronic form may submit the same to their respective depository participant.
15. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request every member to update their email address with concerned Depository Participant and LI IPL to enable us to send you the communications via email.
16. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a

physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2016-17 will also be available on the Company's website viz. www.avivaindustries.com.

17. The Company has no unpaid or unclaimed amount lying on its account.
18. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
19. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
20. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Annual General Meeting.
21. In compliance with the provisions of Section 108 of the Act and the Rules framed there under, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by National Securities Depository Limited ("NSDL") on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting and voting at the AGM is/are deemed to have been passed as if they have been passed at the AGM.
22. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Thursday, August 17, 2017.
23. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Thursday, August 17, 2017 may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
24. The remote e-voting period commences on Monday, August 21, 2017 (9:00 am) and ends on Wednesday, August 23, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, August 17, 2017 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
25. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
26. The facility for voting through polling paper shall be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
27. The Board of Directors has appointed Mr. Anand Lavingia, Practicing Company Secretary (COP No: 11410) as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM and in a fair and transparent manner.
28. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
29. The results of Remote E-voting and voting at the AGM shall be declared within 48 (Forty Eight) hours of conclusion of Annual General Meeting. The results declared along with the Scrutinizer's Report, beside be communicated to the BSE Limited, shall be placed on the Company's website at www.avivaindustries.com and on the website of E-voting agency i.e. NSDL at www.evoting.nsdl.com within 48 hours of conclusion of AGM of the Company.
30. **The process and manner for remote e-voting are as under**
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:**
 - (i) Open email and open PDF file viz; "Aviva.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

- (vii) Select "EVEN - 106644" of "Aviva Industries Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to krishivadvisory@gmail.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 Participants(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN	User Id	Password
106644		

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

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

Item No. 3

The Statutory Auditors, M/s. Vishves A. Shah & Co., Chartered Accountants (FRN: 121356W) who have completed their term of appointment in terms of Section 139(2) of the Companies Act, 2013 and are due to retire at the forthcoming Annual General Meeting, have expressed their unwillingness to be re-appointed as the Auditors of the Company. A special notice under the provisions of Section 140(4)(i) read with Section 115 of the Companies Act, 2013 has been received from a Member proposing the appointment of M/s. Shridhar Shah & Co., Chartered Accountants (FRN: 134411W) as the Statutory Auditors in place of the retiring Auditors, M/s. Vishves A. Shah & Co., Chartered Accountants (FRN: 121356W). A copy of the special notice has been sent to M/s. Vishves A. Shah & Co., Chartered Accountants (FRN: 121356W).

M/s. Shridhar Shah & Co., Chartered Accountants (FRN: 134411W) has confirmed that the appointment, if made, would be acceptable to them and would be in compliance with the statutory requirements under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The Audit Committee has recommended to the Board of Directors, the appointment of M/s. Shridhar Shah & Co., Chartered Accountants (FRN: 134411W) as the Statutory Auditors as their qualifications and experience have been found to be commensurate with the size and requirements of the Company.

The Board of Directors considered the matter and has recommended the appointment of M/s. Shridhar Shah & Co., Chartered Accountants (FRN: 134411W) as the Statutory Auditors in place of the retiring Auditors, M/s. Vishves A. Shah & Co., Chartered Accountants (FRN: 121356W).

The Directors recommend the Resolution for the approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested in this Resolution.

Item No. 4

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on January 31, 2017, had appointed Mr. Chetan Rajnikant Gandhi as an Additional (Non-Executive Independent) Director on the Board of the Company under Section 161 read with Section 149 of the Act and applicable Articles of the Company's Articles of Association.

Pursuant to provisions of Section 161 of the Companies Act, 2013, Mr. Chetan Rajnikant Gandhi holds office up to the date of ensuing Annual General Meeting of the Company. A notice has been received from him along with deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for appointment as a Non-Executive Independent Director of the Company.

Mr. Chetan Rajnikant Gandhi is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013. Further, Mr. Chetan Rajnikant Gandhi has also given a declaration to the Board that he meets the criteria of Independence as provided under of Section 149(6) of the Act. In the opinion of the Board, Mr. Chetan Rajnikant Gandhi fulfills the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

Brief resume of Mr. Chetan Gandhi, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se, are provided in the note no. 1 of the Notice of 33rd Annual General Meeting.

In the opinion of the Board, Mr. Chetan Gandhi, proposed to be appointed as an Independent Director, fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder. The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives other than Mr. Chetan Gandhi is in any way concerned or interested, financial or otherwise, in the said Resolution.

Item No. 5

Mr. Bharvin Patel (DIN: 01962391) was re-appointed as a Chairman and Managing Director of the Company for a period of 3 years w.e.f. 01st October, 2014 on the remuneration and other terms and conditions as approved by the members of the Company in the 30th Annual General Meeting held on 30th September,

2014. As the existing tenure of Mr. Bharvin Patel as Chairman and Managing Director of the Company is expiring on 30th September, 2017, the Board of Directors of the Company has, on recommendation of Nomination and Remuneration Committee, in its meeting held on July 29, 2017 subject to the approval of members, re-appointed him as a Chairman and Managing Director of the Company for a further period of five years w.e.f. 1st October, 2017, on the remuneration and terms and conditions, as detailed hereunder.

Terms and Conditions of appointment of Mr. Bharvin Patel as Chairman and Managing Director are as follows;

- Salary: Rs. 20,000/- per month with the power of Board of Directors to alter the remuneration up to Rs. 50,000/- per month without seeking further approval of the Members.

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of Mr. Bharvin Patel, Chairman and Managing Director, the Company has no profits or inadequate profits, the Company will pay remuneration by way of salary, perquisites and allowances as provided above to him subject to compliance with the applicable provisions of Schedule V of the Companies Act, 2013 and if necessary, with the approval of Central Government.

Nature of duties:

- a) The Chairman and Managing Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or subsidiaries or any other executive body or any committee of such a company.
- b) The Chairman and Managing Director shall not exceed the powers so delegated by the Board pursuant to Clause (a) above.
- c) The Chairman and Managing Director undertakes to employ the best of his skill and ability to make his utmost endeavors to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.

Mr. Bharvin Patel satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under subsection (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief resume of Mr. Bharvin Patel and other details, as required to be given pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are detailed in the note no. 1 of the Notice of the 33rd Annual General Meeting

Mr. Bharvin Patel and Mrs. Shetna Patel and their relatives are deemed to be concerned or interested (financially or otherwise) in this resolution. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution. The Board recommends the Resolution set out at Item no. 5 of the Notice for approval of the Members.

For, **Aviva Industries Limited**

Date: July 29, 2017
Place: Ahmedabad

Bharvin Patel
Chairman and Managing Director
DIN: 01962391

Route Map to the Venue of Annual General Meeting

