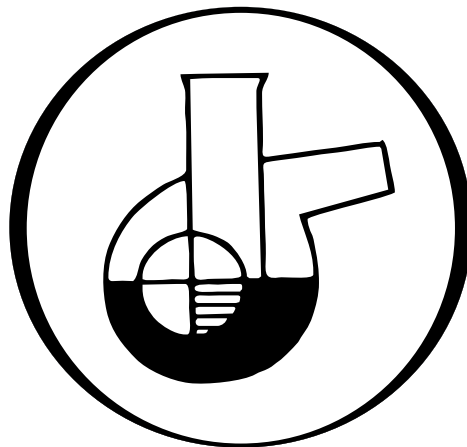


VIVID GLOBAL INDUSTRIES LIMITED



**27th
Annual Report 2013 – 2014**

BOARD OF DIRECTORS :

SHRI. SUMISH S.MODY

SMT. ASHA S. MODY

SHRI. MITEN MODY

SHRI. DHARMESH D. CHOKSI

SHRI. MANOJ KUMAR CHAUHAN

MANAGING DIRECTOR

DIRECTOR

ADDITIONAL DIRECTOR (w.e.f 11/08/2014)

DIRECTOR

DIRECTOR

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 – 400 001.

REGISTERED OFFICE:

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

ADMINISTRATIVE OFFICE:

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

EMAIL ID: vividglobalind@yahoo.com

URL: vividglobalinds.com

REGISTRAR & SHARE TRANSFER AGENTS:

Regd. Office:

SHAREPRO SERVICES (INDIA) PVT. LTD.
13AB, SAMHITA WAREHOUSING COMPLEX,
SECOND FLOOR, SAKINAKA,
TELEPHONE EXCHANGE LANE,
OFF. ANDHERI KURLA ROAD, SAKINAKA,
ANDHERI (EAST), MUMBAI – 400072.

Investor Relation Centre:

Sharepro Services (India) Pvt. Ltd.
912, Raheja Centre,
Free Press Journal Road,
Nariman Point,
Mumbai – 400 021.

NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting of the members of Vivid Global Industries Limited will be held on Tuesday, the 30th September, 2014 at 11.00 a.m. at Plot No. D-21/1, M.I.D.C., Tarapur 401506, via Boisar, Dist. Thane to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014 and Profit and Loss Account for the Year ended on that date together with the Reports of Directors' and Auditors' thereon.
2. To declare dividend.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Miten Sudhir Mody (DIN 02422219) who was appointed as an Additional Director w.e.f. 11th August, 2014 by the Board of Directors of the Company at its meeting held on 11th August, 2014 and who holds office upto the date of this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956 (corresponding to Section 161(1) of the Companies Act, 2013) and in respect of whom the Company has received under Section 160 of the Companies Act, 2013 (erstwhile Section 257 of the Companies Act, 1956), a notice in writing from a member proposing his candidature for the office of Directorship of the Company, be and is hereby appointed a Director of the Company."

5. To Appoint Mr. Miten Mody as an Executive Director of the Company:

To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 197, 200, 203 and all other applicable provisions, if any, of the Companies Act, 2013, and sanctions as may be necessary, the company hereby accords its approval for appointment of Mr. Miten Mody as an Executive Director of the Company w.e.f. 11th August, 2014 upon the terms and conditions including remuneration as set out in the draft agreement submitted to the meeting and initialed by the Chairman, for the purpose of identification, which draft agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter any terms and conditions of the said appointment and/or the agreement so as not to exceed the limits of Schedule V to the Companies Act, 2013 or any amendments thereto, as may be agreed to between the Directors and Mr. Miten Mody."

"RESOLVED FURTHER THAT in the event of their being loss or inadequacy of profits for any financial year, the remuneration and perquisite as applicable shall be paid to Mr. Miten Mody as minimum remuneration."

"RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central government to Schedule V of the Companies Act, 2013, the Board of Directors be and is hereby authorized to vary the prescribed ceiling limits and the agreements between the Company and Mr. Miten Mody, Executive Director of the Company be suitably amended to give effect to such modification, relaxation or variation without any further, reference to the member of the Company in the General meeting."

Appointment of Independent Director

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

“Resolved that pursuant to section 149,152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] read with schedule IV to the Companies Act, 2013, Shri. Dharmesh Choksi (DIN 02170122), a non – executive director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company , to hold office for a term of 5 years from 30th September, 2014 to 29th September, 2019.”

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

“Resolved that pursuant to section 149,152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] read with schedule IV to the Companies Act, 2013, Shri. Manoj Kumar Chauhan, a non – executive director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of 5 years from 30th September, 2014 to 29th September, 2019.”

8. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification (s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification (s) thereto or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Article of Association of the Company.

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

9. Borrowing Powers:

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

“RESOLVED that pursuant to Section 180(1)(c) of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors (which power the Board may exercise by delegation to a duly constituted Committee thereof) to borrow money from time to time that together with the monies already borrowed (apart from temporary loans obtained from the company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital and free reserves provided however that the total amount so borrowed and remaining outstanding at any one time shall not exceed Rs. 100

crores (Rupees One Hundred Crores only) in the aggregate.”

10. Mortgage of Assets

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

“RESOLVED that pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which term shall be deemed to include a duly constituted committee thereof) to create such charges, mortgages, hypothecations in additions to the existing charges, mortgages and hypothecations created by the Company, on such moveable and immovable properties, both present and future and in such manner as the Board may deem fit, together with power to take over the management and concern of the company in certain events, in favour of Banks/Agencies/ Trustees for Debentures/ Bonds to secure borrowings from time to time provided that the aggregate of borrowings so secured shall not exceed Rs. 100 Crores (Rupees One Hundred Crores Only) outstanding at anytime exclusive of interest, additional interest, compound interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and all other monies payable by the company in respect of such borrowings.

RESOLVED FURTHER that for the purpose of giving effect to the above Resolution, the board be and is hereby authorized and empowered to finalize, settle and execute requisite agreements, documents, deeds, indemnities, guarantees, declarations or other legal undertakings and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/ charges as aforesaid.”

For and on behalf of the Board

SUMISH S. MODY

MANAGING DIRECTOR

REGISTERED OFFICE

D-21/1 M.I.D.C.

Tarapur, Via Boisar,

Dist. Thane

Dated: 11th August, 2014

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
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 23rd September, 2014 to 30th September, 2014 (Both days inclusive).
4. The dividend for the year ended 31st March, 2014 as recommended by the Board, will be paid to those members whose names appear on the Company's Register of Members on 23rd September, 2014. 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

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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. Sharepro Services (India) Private Limited, 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off. Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400072 or at 912, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai – 400021.
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:
 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 27th 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 shirdipankaj123@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 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).
 5. The E-voting period commences on 24th September, 2014 and ends on 26th September, 2014. During this period, the shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 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 22nd August, 2014.
 7. M/s. Pankaj & Associates 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 atleast 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 alongwith 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.

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The brief background of the Directors proposed for appointment are given below:

1.	Name of the Director	Mr. Dharmesh Choksi	Mr. Miten Sudhir Mody	Mr. Manoj Kumar Chauhan
2.	Date of Birth	18.08.1975	14.12.1974	02.05.1968
3.	Date of Appointment	21.04.2008	11.08.2014	23.01.2006
4.	Experience in specific Areas	He has experience In Jewellery business in administration and organization.	He has experience in designing and production activity of managing a chemical industry.	He has been looking after plant maintenance.
5.	Qualifications	B. Com, Graduate	Bachelors of Science in Chemical Engineering (U.S.A) Graduate Diploma in Engineering Management (Australia)	S.S.C
6.	Directorships in other Companies	NIL	Director in Shlokee Builders And Developers Private Limited	NIL
7.	Membership / Chairmanship Of Committees	3	NIL	3/ Nil

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

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

Item No. 4 to 5

The Board of Directors of the Company at its meeting held on 11th August, 2014, appointed Mr. Miten Sudhir Mody, as an Additional Director pursuant to Section 161 of the Companies Act, 2013 (erstwhile Section 260 of the Companies Act, 1956), designated as Executive Director and holds office upto the date of ensuing Annual General Meeting.

The Company has received Notice under Section 160 of the Companies Act, 2013(erstwhile Section 257 of the Companies Act, 1956) from a member of Company alongwith the requisite deposit signifying his intention to propose Shri. Miten Sudhir Mody as a Director of the Company.

Since Shri.Miten Sudhir Mody, having very good experience of the designing, production and mangaging of chemical industry activity, your Board of Directors deemed it fit & proper to appoint him on the board of the company and to oversee the operations as Executive Director, subject to the approval of shareholders for a period of 5 years commencing from 30th September, 2014 to 29th September, 2019 on the terms and conditions specified below:

Period Of Appointment: 5 years from 30th September, 2014 to 29th September, 2019.

Salary

Rs. 50,000/- – per month in the scale of 50,000-1,00,000 with authority to the Board of Directors of the Company to grant such increments with the said scale as it may determine from time to time.

Perquisites:

- Medical Reimbursement: Expenses incurred for self and family.
- Leave Travel Concession: For self and family, once in a year in accordance with the rules of Company.
- He shall be covered under the Personal Accident Insurance Policy as per the rules of the Company.

- d. Contribution to Provident Fund / Superannuation Fund / Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent that these either singly or put together are not taxable under the Income Tax Act.
- e. Gratuity payable shall be calculated as per the provisions of the "Payment of Gratuity Act, 1972.
- f. He shall be entitled to Encashment of Leave at the end of tenure in accordance with the rules of the Company.
- g. Provisions for use of Company's car and telephone and mobile at Residence (not to be considered as perquisites).
- h. The company shall pay fee of clubs as per rules of the Company, subject to maximum of two clubs. The perquisites wherever applicable, shall be valued as per the Income Tax Rules, 1962.

Where in any financial year, during the tenure of the term of Mr. Miten Sudhir Mody Executive Director of the Company, if the company incurs a loss or its profits are inadequate, it shall pay to Mr. Miten Sudhir Mody, remunerations and perquisites within limits specified in Part II of schedule V of the said Act, or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

Other Terms:

- a. Reimbursement of expenses: Reimbursement of travelling, entertainment and other expenses incurred by him during the course of the business of the Company as per the rules of the Company.
- b. He shall not be paid any sitting fees for attending Board / Committee meetings.
- c. He shall not become interested or otherwise be connected directly or through his wife and/or dependent children in any selling agency of the Company without prior approval of the Central Government.
- d. The appointment may be terminated by the Company or by Mr. Miten Sudhir Mody by giving not less than three months prior notice in writing.
- e. In the event of death during the term of his office, the Company shall pay to Mr. Miten Sudhir Mody's legal heirs his full salary and other emoluments for that month and three months thereafter.

The directors are of the opinion that Mr. Miten Sudhir Mody's knowledge and experience will be of immense value to the Company. The Directors therefore recommends the resolution for approval of Members.

Mr. Miten Sudhir Mody has a degree of Bachelors of Science in Chemical Engineering (U.S.A) and he is a Graduate Diploma in Engineering Management (Australia). He is having rich experience in the field of designing, production and managing of Chemical Industry. This appointment at the remuneration detailed above is subject to the approval of shareholders.

A copy of the draft agreement referred to in the resolution will be available at the Registered Office of the Company and is open for inspection by the members between 10.00 a.m. to 1 p.m. on working days except Saturdays.

Except Shri. Sumish S. Mody, Smt. Asha Mody and Shri. Miten Mody (being an appointee), none of the directors are interested.

Item No. 6 to 7

As per the provision of Section 149 of the Companies Act, 2013 ("the Act") which has come into force with effect from 1st April, 2014, the Independent Directors shall hold office for a term upto five consecutive years on the Board of a company and are not liable to retire by rotation.

Shri. Dharmesh D. Choksi and Shri. Manoj Kumar Chauhan meet the criteria of Independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Shri. Dharmesh D. Choksi and Shri. Manoj Kumar Chauhan as an Independent Directors was placed before the Nomination & Remuneration Committee, which recommended

their appointment as under:

1. Shri. Dharmesh D. Choksi as an Independent Director for five years from 30th September, 2014 to 29th September, 2019
2. Shri. Manoj Kumar Chauhan as an Independent Director for five years from 30th September, 2014 to 29th September, 2019.

In the opinion of the Board, Shri. Dharmesh D. Choksi and Shri. Manoj Kumar Chauhan fulfils the conditions specified in the Act and the Rules made there under for appointment as Independent Director and they are independent of the management.

In Compliance with the provision of Section 149 read with schedule IV of the Act, the appointment of Shri. Dharmesh D. Choksi and Shri. Manoj Kumar Chauhan as an Independent Directors are now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

The Director recommends the resolutions set out in Item Nos. 6 to 7 of accompanying notice.

Except Shri. Dharmesh D. Choksi and Shri. Manoj Kumar Chauhan, none of the Directors are concerned or interested in the above mentioned Resolution.

Item No. 8

The existing Articles of Association of the Company are based on the Companies Act, 1956 and several regulations in the existing Articles of Association contain references to specific sections of the Companies Act, 1956 and some regulations in the existing Articles of Association are no longer in conformity with the Act.

The Act is now largely in force. On 12th September, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on 26th March, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter-alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act, several regulations of the existing Articles of Association of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles.

The new Articles of Association to be substituted in place of the existing Articles of Association are based on Table 'F' of the Act which sets out the model Articles of Association for a Company limited by shares. Shareholder's attention is invited to certain salient provisions in the new draft Article of Association of the Company viz:

- (a) Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- (b) the nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares;
- (c) new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- (d) new provisions relating to appointment of chief executive officer and chief financial officer, in addition to manager and company secretary;
- (e) existing articles have been streamlined and aligned with the Act;